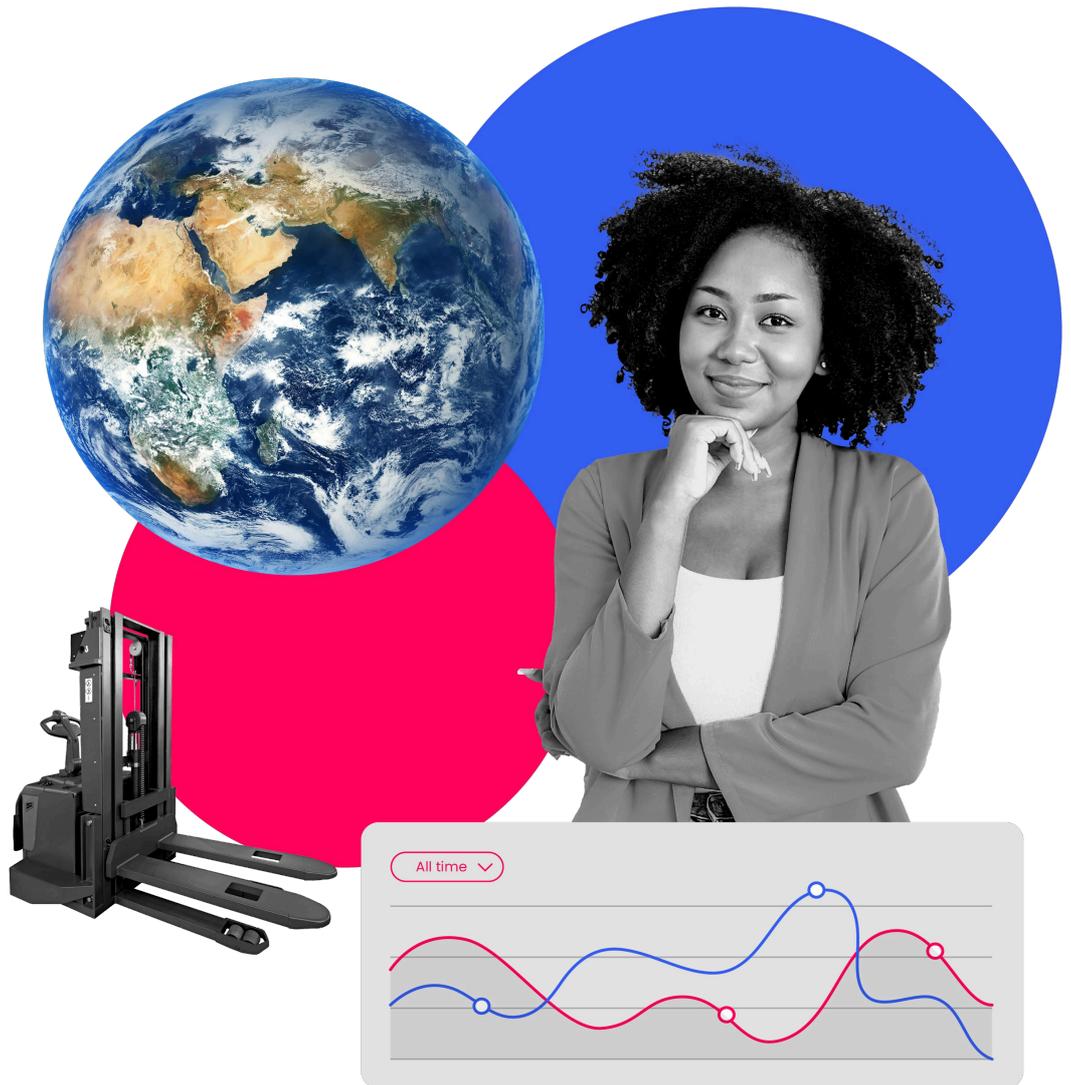


Sedex Members Ethical Trade Audit Report

Version 7



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](#)

[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	ZS202467235	Site name	XIAMEN AIBORT CLOTHING CO LTD
Business name	Xiamen Aibort Clothing Co Ltd	Site address	The Northeast, 3rd Floor, No.2, Industrial Factory Building, No.7, Jinying Road, Jimei District, Xiamen 厦门市集美区锦英路7号#2工业厂房第三层东北侧 福建厦门 CN 361022

Audit details

Sedex company reference	ZC173615840	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	2025-10-24	Audit conducted by	Claudia Li
Audit pillars	Labour Standards Health and safety		
Time in and out	Day 1		
	In	08:00	
	Out	16:05	

[← Contents](#)

[Findings →](#)

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

Audit attendance

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

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 Oct 20 to Nov 17, 2025.

Lead auditor

Claudia Li

APSCA Number

21701140

Additional auditor

Date of declaration

2025-10-24

[← 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	Mr. Wang Wei Li
Title	General Manager
Date of declaration	2025-10-24

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
3. Working conditions are safe and hygienic	3.M Ensure all machinery is installed, mainta...	Local law	NC ZAF601142606
	3.R Provide clean and secure toilets, wash ar...	Local law	NC ZAF601142607
6. Working hours are not excessive	6.F Ensure that where overtime is used, it is...	Local law	NC ZAF601142605

Management systems

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

Not addressed

Fundamental improvements required

Some improvements recommended

Robust management systems

[← Summary of findings](#)

[Site details →](#)

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

 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	ZC173615840	
Sedex site reference	ZS202467235	
Company name	Xiamen Aibort Clothing Co Ltd	
Business ownership type	GOODS	
Site name	XIAMEN AIBORT CLOTHING CO LTD	
Site name in local language	厦门市艾柏特服装有限公司	
GPS location	GPS address	The Northeast, 3rd Floor, No.2, Industrial Factory Building, No.7, Jinying Road, Jimei District, Xiamen
	Coordinates	E: 118.005618, N:24.591163
Is the worksite in a remote location, far from habitation?	No	
Site contact	Contact name	Mr. Wang Wei Li
	Job title	General Manager
	Phone number	0592 5921298
	Email	565201673@qq.com
Applicable business and other legally required business license numbers and documents	Business license : 91350211664709696Y, Valid from July 27, 2007 to long term	

[← Management systems](#)

[Worker analysis →](#)

Site activities

Site function	Factory Processing/Manufacturer Finished Product Supplier	
Site activities	Primary	Manufacture of wearing apparel (clothing), except fur apparel
	Secondary	
	Other	
Product type	Sportswear and team-wear	
Process overview	The main products manufactured in the factory were Sportswear and team-wear. The main production process was listed as below: cutting, printing, pressing, lasering cutting, sewing, inspection and packing. The main equipment used: laser cutting machine, printing machine.	
What level of mechanization best describes the work at this site?	Fair mechanisation / manual Labour	

Site scope

Is the audited site a physically continuous area?	No
	Factory rented the 3rd floor and 5th floor of one 5-storey production building. No canteen and dormitory were provided.

[← Site details](#)

[Worker analysis →](#)

Site scope

Building 1	Last construction works on site	2007
	If building is shared, provide details	Factory rented the 3rd floor and 5th floor of one 5-storey production building.
	Number of floors	5
	Description of floor activities	1F:Yuhualin Precision Machinery Co., Ltd 2F:Kabele Children's Products Co., Ltd 3F:Audited factor (workshop/warehouse) 4F:Still under construction 5F:Audited factory (office), 1/3 area were rented by Xun'er Composite Materials Co., Ltd

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? No
The facility did not assess for negative impacts on the human rights, lands, resources, territories, livelihoods or food security of indigenous peoples or the local community.

Has there been a Human Rights Impact Assessment (HRIA) conducted within the last three years at this site? No
The facility did not conduct HRIA.

[← Site details](#)

[Worker analysis →](#)

Worker analysis

Gender disaggregated data available Men and women

Worker totals

	Men	Women	Other	Total
Number of workers	26 (42.6%)	35 (57.4%)	- -	61 (100%)

Workers by type

	Men	Women	Other	Total
Permanent workers (employees)	26 (42.6%)	35 (57.4%)	- -	61 (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	18 (46.2%)	21 (53.8%)	- -	39 (63.9%)
International migrant workers	0 -	0 -	- -	0 (0%)
Total migrant workers	18 (46.2%)	21 (53.8%)	- -	39 (63.9%)

* % of total workforce

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

Total 39 workers, they were from different province. (e.g. Jiangxi, Hubei, Chongqing and etc.)

Workers by age

	Men	Women	Other	Total
18 - 24 years old	0 (0%)	1 (100%)	- -	1 (1.6%)
15 - 17 years old	0 -	0 -	- -	0 (0%)
Under 15 years old	0 -	0 -	- -	0 (0%)

* % of total workforce

[← Worker analysis](#)

[Worker interviews →](#)

Is the worker analysis data relevant for peak season and current to the audit? No

Describe how this may vary during peak periods N/A. Peak season was not obvious.

Please list the nationalities of all workers, with the three most common nationalities listed first Chinese

Most common nationalities as approximate % of workforce

	Men	Women	Other	Total
Chinese	43%	57%	-	100%

Workers by remuneration type

	Men	Women	Other	Total
Workers paid per unit (piece rate)	0 -	0 -	- -	0 (0%)
Workers paid based on a mix of 'piece work' and hourly rate	0 -	0 -	- -	0 (0%)
Workers paid hourly / daily rate	26 (42.6%)	35 (57.4%)	- -	61 (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	26 (42.6%)	35 (57.4%)	- -	61 (100%)
Other	0 -	0 -	- -	0 (0%)

* % of total workforce

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

People in managerial, supervisory and administrative roles

	Men	Women	Other	Total
Employees in management positions	1 (100%)	0 (0%)	- -	1
Supervisors or team leaders	1 (33.3%)	2 (66.7%)	- -	3
Administrative staff	4 (40%)	6 (60%)	- -	10

[← Worker analysis](#)

[Worker interviews →](#)

Worker interview summary

Gender disaggregated data available Men and women

Which methods of worker engagement were used? Individual interviews
Group interviews

Digital worker survey participants

	Men	Women	Other	Total
Number of workers	-	-	-	-

Were any of the audit findings attributable to the survey?

Was the interview sample representative of all types of nationality and employment types of workers? Yes

Was the interview sample representative of the gender composition of the workforce? Yes

Number and size of group interviews 10 sampled workers were selected for worker interview: 5 individual workers + 1 group of 5 workers.

Did workers understand the purpose of the audit? Yes

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

Was there any indication that workers had been 'coached' in how they should respond to questions?

No

What was the general attitude of the workers towards their workplace?

Favorable

Attitude of workers

In which areas did workers raise significant concerns or complaints?

Other (provide details)

All workers interviewed had a positive attitude to the management and the site.

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

Equal opportunities
 Job security
 Training and development
 Work atmosphere (e.g. treatment by supervisors)
 Work environment – comfort (e.g. temperature, noise or dust levels)

Additional comments

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

Attitude of workers' committee/union representatives

The worker representative was interviewed during the audit. He stated that he was elected by employees. And the facility management held the meeting with them for collecting employees' comment every 3 months. During daily work, he collected the comment from all employees. He provided the positive information on the facility to auditor during audit.

Attitude of workers

Attitude of managers

The facility management was positive towards auditor, they provided relevant documents to auditor for review, showed auditor the production process during facility tour, and provided auditor an independent room for workers interview. At the closing meeting, auditor provided the facility representative a general overview, and explained all findings to them. Meantime, auditor made the corrective suggestions corresponding to findings to the facility representatives, facility representative signed the CAPR.

Workers interviewed by type

	Total
Permanent workers	10
Temporary or fixed-term employees	0
Agency or subcontracted workers	0
Seasonal workers	0
Other workers	0
Total number of workers interviewed	10

Workers interviewed by group/individual

	Men	Women	Other	Total
Workers interviewed in groups	1	4	-	5
Workers interviewed individually	3	2	-	5

Migrant workers interviewed

	Men	Women	Other	Total
Domestic migrant workers interviewed	1	2	-	3
International migrant workers interviewed	0	0	-	0
Total migrant workers interviewed	1	2	-	3

Measuring workplace impact

Gender disaggregated data available Men and women

Annual worker turnover (%)*

	Men	Women	Other	Total
Last full quarter (90 days)	1.0%	1.0%	-	2.0%
Last full calendar year (2024)	2.0%	2.0%	-	4.0%
Previous full calendar year (2023)	2.0%	3.0%	-	5.0%

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

Rate of absenteeism (%)*

	Men	Women	Other	Total
Last full quarter (90 days)	0.0%	1.0%	-	1.0%
Last full calendar year (2024)	2.0%	4.0%	-	6.0%
Previous full calendar year (2023)	3.0%	2.0%	-	5.0%

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

Are accidents recorded? Yes

The accident records were provided to review. No accident happened in the past year.

[← Worker interviews](#)

[Code area 0 →](#)

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

	Men	Women	Other	Total
Last full quarter (90 days)	0.0%	0.0%	-	0.0%
Last full calendar year (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%
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Percentage of workers that work on average more than 60 total hours in a given week

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

0. Enabling accurate assessment

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
			No findings
Systems and evidence examined to validate this code section	<p>Current systems:</p> <ol style="list-style-type: none"> 1.The factory management was cooperative and opening in the audit, all requested documents, interviewees and the facility itself are accessible, the auditor is provided with genuine and authentic records. 2. The factory did not offer bribes or threaten the auditor, nor in any way induce the auditor to be dishonest. 3. The factory provided an accurate site description and Sedex site profile declared prior to or during the audit. 4.The factory maintained a written human rights policy statement that was approved at the most senior level, communicated to all personnel, and trained to relevant personnel. 5. The facility has ensured accurate records are shown and audit has been conducted with full transparency and integrity. <p>Evidence examined</p> <ol style="list-style-type: none"> 1.Sedex SAQ 2.Code of Conduct 3. Appointment records 4. Complaint records. 5. ETI management manual 		

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

Management systems

Explanation for management systems grades

1.The site has established a comprehensive, formal, and written policy that explicitly prohibits all forms of modern slavery, including forced labor, human trafficking, and debt bondage. This policy is strictly aligned with applicable legal regulations and international standards, such as the ILO Core Conventions and the ETI Base Code. Clear and actionable procedures are in place to identify, assess, and prevent forced labor risks throughout the entire recruitment process. Defined policies are also implemented to robustly guarantee workers' rights to freely resign from their employment and their freedom of movement.

2.A dedicated manager is tasked with the implementation, oversight, and continuous improvement of all forced labor prevention measures at the site. Sufficient resources, including personnel, budget, and necessary tools, are allocated to support effective recruitment practices, thorough risk assessments, and robust compliance monitoring. Workers are provided with accessible, safe, and confidential grievance mechanisms to report any concerns related to forced labor without fear of retaliation. Additionally, there are designated staff members who have received specific training in proactively identifying forced labor risks, appropriately handling related incidents, and effectively responding to any violations.

3.The site conducts regular and comprehensive training sessions for HR personnel, managers, and all workers to enhance their awareness of forced labor risks and fundamental workers' rights. During these sessions, workers are clearly informed about their specific terms of employment and explicitly advised of their unequivocal right to freely leave their employment. All training materials are provided in languages understood by the workforce and are carefully tailored to accommodate different literacy levels. To improve practical understanding, the training curriculum incorporates real-life case studies and examples to help participants better identify potential forced labor situations.

4.The site proactively conducts regular internal audits and systematic risk assessments to actively identify and evaluate any potential indicators of forced labor. Meticulous and accurate records are maintained covering all aspects of recruitment, employment contracts, wage payments, and the handling of worker grievances. As part of the assessment process, confidential worker interviews and anonymous surveys are routinely conducted to gather firsthand feedback and objectively assess actual working conditions and potential vulnerabilities. Monitoring is conducted, but not regularly or comprehensively.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
			No findings
Systems and evidence examined to validate this code section	<p>Current Systems:</p> <ol style="list-style-type: none"> 1.The site had policy which prohibited force labour and prison labour was available for review. 2.The hiring procedures stated that the ID cards should be presented upon hiring but only the copies of identification card will be kept in the personal files. The original one would be returned to workers. As per the interview, most of them get the hiring information from posters or internet. No deposit was collected by the facility. 3.The facility policy also stated that it was free for them resigned from the site with one month’s prior written applications. The statutory holidays, benefits, wages, working hours were also included in the facility regulations. 4.The procedures also stated that the employees were free to have water break and rest during the work. They can refuse to conduct overtime work by notification in advance. All above were also confirmed in management and interview. <p>Evidence examined:</p> <ol style="list-style-type: none"> 1.Hiring procedures from Rules and Regulations of the facility. 2.HR employment system. 3.Employee manual. 4.Payrolls. 5.Personal data files (to check for if original documentation was held by facility). 6.Resignation documents of resigned employee. 7.Management and workers’ interview. 		

1. Employment is freely chosen

Data points

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

Does the site utilise any workers who are prisoners? No

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

1.A. Responsible recruitment and entitlement to work

Management systems

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

Management systems

Explanation for management systems grades

1.The site has established a formalized, written policy that clearly defines ethical recruitment standards and confirms the imperative of legal entitlement to work for every individual. This policy is supported by robust, documented procedures that mandate the verification of the right to work for all workers. Furthermore, the site upholds a strict zero-tolerance stance towards any recruitment fees being charged to workers and against the use of misleading or fraudulent job advertisements, ensuring that all recruitment practices are transparent and ethical.

2.A designated manager with appropriate authority is explicitly responsible for overseeing all recruitment activities and ensuring full compliance with legal work entitlement requirements. To guarantee the effectiveness of these processes, the site allocates adequate resources, including dedicated personnel, a defined budget, and appropriate tools (e.g., document verification software), for thorough screening of worker documents, identity verification, and regular random sampling checks. This structured approach ensures consistent application of the rules across the workforce.

3.The site implements regular, mandatory training programs for all HR personnel, hiring managers to ensure their understanding and adherence to laws and company standards regarding ethical recruitment and legal work entitlement. Prior to employment, all workers are provided with clear, comprehensible information—in their native language—regarding their key terms of employment, including working conditions, wages, and their rights. Maintained training records serve as evidence that relevant staff have successfully completed the training and demonstrate a clear understanding of their responsibilities within the recruitment process.

4.To ensure ongoing compliance, the site conducts regular internal audits and compliance checks that comprehensively cover all employees. The findings from these audits, along with insights gathered from worker interviews and document reviews, are systematically used to review and enhance recruitment practices. In cases where issues are identified, such as the presence of workers without legal work status, the site takes immediate corrective action. These actions are guided by clear, time-bound remediation plans designed to address the root cause and prevent recurrence.The site monitors recruitment practices, but checks are not systematic or not well-documented.

Summary of findings

[← Code area 1](#)

[Code area 2 →](#)

Code area	Workplace requirement	Area of NC	Finding
			No findings
Systems and evidence examined to validate this code section	<p>Current Systems:</p> <ol style="list-style-type: none"> 1. Per document review, facility management representation and employee interview, all employees in the facility were Chinese. 2. All employees had the proper legal rights to work in this region. 3. All employees were recruited directly by the facility and no agency was involved in facility's recruitment processes. It was verified that there was no recruitment fees or related costs are incurred or charged to workers. 4. No agency staff or foreign employees were used by the facility. <p>Evidence examined:</p> <ol style="list-style-type: none"> 1. Hiring procedure. 2. Employees handbook. 3. Personal files and contracts. 4. Interview with management and workers. 		

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
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[← Code area 1.A](#)

[Code area 2 →](#)

Percentage of workers that are migrant 64%

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 Total 39 workers, they were from different province. (e.g. Jiangxi, Hubei, Chongqing and etc.)

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

Through worker interview, it was noted that no recruitment fees or costs are needed to pay by workers. All recruitment fees or costs were paid by facility.

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

Management systems

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

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

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

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

Management systems

Explanation for management systems grades

1.The site has formally established and communicated a written policy that unequivocally recognizes and respects workers' rights to freedom of association and collective bargaining, in full alignment with relevant International Labour Organization (ILO) Conventions and national legal requirements. This policy explicitly guarantees that all workers are informed of their rights to join, form, or refrain from joining trade unions or worker-elected committees in a non-coercive environment, free from fear of retaliation, intimidation, or harassment. Clear and transparent procedures are documented and implemented to ensure that worker representatives are freely elected by their peers through a democratic process and can carry out their representative functions without any interference, discrimination, or undue influence from management.

2.Management has designated specific personnel with clear authority and accountability for overseeing compliance with freedom of association. To facilitate effective representation, duly elected worker representatives are granted adequate time off from their normal duties and provided with appropriate, private space to meet with workers and conduct their activities. Dedicated resources are allocated to support structured and regular communication channels between management, worker representatives. Furthermore, worker representatives receive specific training on their rights, responsibilities, and relevant laws to equip them to effectively represent the workforce.

3.All workers receive regular, accessible training conducted in appropriate languages on their rights concerning freedom of association, collective bargaining, and the process for electing worker representatives. Concurrently, mandatory training is provided to all levels of management, HR personnel, and supervisors on their obligations to respect these rights, focusing on practical guidance for constructive engagement with worker representatives and unions, and strictly prohibiting any form of retaliation or discrimination. The site maintains effective, two-way communication with worker representatives through scheduled, structured meetings with documented minutes, ensuring that concerns are raised and addressed promptly. Training participation records are maintained for verification.

4.The site's adherence to its commitments on freedom of association and collective bargaining is subject to regular internal reviews and risk assessments. Grievance mechanisms are in place and promoted, allowing workers to report concerns regarding interference with these rights confidentially and without fear of reprisal. Management periodically reviews the effectiveness of communication and engagement with worker representatives, using feedback from these sessions to continuously improve policies and practices. Any instances of non-conformance are

Management systems

investigated promptly, and corrective actions are implemented to address root causes.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
			No findings

Systems and evidence examined to validate this code section

Current Systems:

1. The facility management always respected workers' choice and the freedom of association and never interfered with workers to join the trade union or any other kind of workers committee.
2. There was no union but a worker representative in the facility.
3. There were 2 worker representatives who were democratically elected by the production workers. The worker representative normally would have a meeting on a trimonthly basis to summarize the concerns and complaints from production workers.
4. All interviewed workers stated that they could report their concerns to the worker representative or directly to the supervisor or upper management.
5. In addition, workers could also respond their concerns through suggestion boxes. And all complaints or suggestions would be tackled within a short time.
6. Per worker representatives' interview, he said that he could collect workers' opinions through holding meetings without interference.

Evidence examined:

1. The policy on freedom of association and right to collective bargaining.
2. The social accountability manual included worker committee selection program and the responsibility of the worker representative.
3. Interview with workers.
4. Interview with management.

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	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

Management systems

Explanation for management systems grades

1.The site has established a formalized, written Occupational Health and Safety (OHS) Management System, which explicitly commits to providing and maintaining a safe and hygienic working environment. This comprehensive policy framework incorporates clear procedures for accident prevention, emergency preparedness, the correct use of Personal Protective Equipment (PPE), and regular risk assessments. Documented procedures are in place for the systematic identification, prevention, and mitigation of workplace hazards. All applicable legal and regulatory safety requirements are fully integrated into the company's policies. Specific, detailed protocols govern the handling of hazardous substances, fire safety management, first-aid provision, and emergency evacuations, ensuring a structured approach to risk control.

2.A qualified and duly authorized Health & Safety manager is appointed, vested with sufficient independence, authority, and resources to effectively implement the OHS system. Essential safety equipment, including well-stocked first-aid kits, appropriate PPE, certified firefighting apparatus, and clearly marked, unobstructed emergency exits, are provided, regularly maintained, and their inspection records kept. Proactive risk assessments are conducted at planned intervals, and preventive or protective measures are implemented based on the findings. Furthermore, each shift has sufficiently trained first-aid personnel and safety officers on duty. An adequate budget and necessary resources are consistently allocated for ongoing safety improvements and hazard control.

3.All workers receive mandatory and regular health and safety training prior to job assignment and when hazards change. This training covers fire safety, proper PPE usage, first-aid basics, safe chemical handling, and site-specific emergency procedures. All health and safety information is communicated effectively and is readily accessible to all personnel in languages they understand. The H&S committee exists but is not fully functional.

4.The site conducts regular internal audits and systematic risk assessments to verify the ongoing effectiveness of the OHS management system. All safety incidents, near-misses, and occupational illnesses are documented in detailed reports and logs, which are systematically analyzed to identify root causes and implement preventive measures. Chemical and production device compliance and safety enforcement are weak, leading to occasional risks. A confidential and non-retaliatory grievance mechanism is in place and promoted, enabling workers to report any safety concerns without fear of reprisal.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
3. Working conditions are safe and hygienic	3.M Ensure all machinery is installed, mainta...	Local law	NC ZAF601142606
	3.R Provide clean and secure toilets, wash ar...	Local law	NC ZAF601142607

[← Code area 2](#)

[Code area 4 →](#)

Systems and evidence examined to validate this code section

Current Systems:

1. General Health and Safety management

- Health & Safety policy was established in the facility and the facility manager was familiar with it.
- Factory manager was appointed to be responsible for the facility's safety and health conditions.
- Purified water was provided free of charge to workers.
- Lavatory facilities were accessible and adequate in number, segregated for men and women.
- Ventilation, temperature and lighting were adequate for the production processes.
- Minutes of meetings showed that there were trimonthly meetings between the H&S committee (workers) and the H&S manager, and each point was acted on.

2. Fire Safety

- There were 2 exits from each work area and these were clearly marked.
- Firefighting equipment was adequate and checks were up-to-date.
- Evacuation diagrams were posted in all areas and understood by all workers interviewed.
- Fire drills were organized and recorded every 6 months for production unit. The last fire drill was conducted on September 30, 2025.
- Training has been given to all employees.

3. Electrical safety

- The electrical equipment was maintained in good condition such as sockets, plugs, switches and main fuse board.

4. Medical services

- There were adequate first aid kits in each production area and they were well stocked.
- There were 2 trained first aiders on site.

Evidence examined:

1. Health and safety policy.
2. Health and safety manual.
3. Health and safety committee minutes.
4. Training records and certificates.
5. Special equipment inspection report.
6. Fire equipment maintenance records.
7. Fire drill and evacuation records.
8. Building structure safety certificate.
9. Fire safety certificate.
10. First aider certificates.
11. Checks on fire equipment.
12. Accident reports.
13. Electrician certificate.

- 14. Interview with H&S manager and committee members.
 - 15. Interview with workers.
 - 16. Site tour.
-

Findings: non-compliances

ZAF601142606

Non-compliance

Due 2024-09-28

Code area

3 Working conditions are safe and hygienic

Status

Open*

Workplace requirement

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

Time given to resolve

30 days

Issue title

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

Verification method

Desktop audit

Description

During facility tour, it was noted that no needle guard was equipped to about 30% of sewing machines.

审核中发现企业的约30%的缝纫机都没有安装护针器。

Area of non-compliance/non-conformance

Local law

Description (carried over)

During facility tour, it was noted that no needle guard was equipped to about 30% of sewing machines.

审核中发现企业的约30%的缝纫机都没有安装护针器。

Corrective and preventative actions

It is recommended that needle guard should be equipped to all sewing machines to comply with the law.

建议企业需要在所有的缝纫机上安装护针器。

Corrective and preventative actions (carried over)

It is recommended that needle guard should be equipped to all sewing machines to comply with the law.

建议企业需要在所有的缝纫机上安装护针器

[← Code area 3](#)

[Code area 4 →](#)

Local law reference

In accordance with Law of the PRC on Work Safety article 29, The design, manufacture, installation, application, inspection, maintenance, repair of and safety facilities shall comply with the national or industrial standards. Manufacturing units shall maintain and inspect the safety facilities regularly to ensure they are in good working conditions. Maintenance and inspection records should be properly maintained and assigned to relevant staff.

依据《中华人民共和国安全生产法》第29条，安全设备的设计、制造、安装、使用、检测、维修、改造和报废，应当符合国家标准或者行业标准。生产经营单位必须对安全设备进行经常性维护、保养，并定期检测，保证正常运转。维护、保养、检测应当作好记录，并由有关人员签字。

Evidence



[No needle guard.jpg](#)



* PDF generated at 06:40 (UTC) on 31 Oct 2025. [View this finding on the Sedex platform](#) for live updates and closure details.

ZAF601142607

Non-compliance

Due 2024-10-28

Code area

3 Working conditions are safe and hygienic

Status

Open*

[← Code area 3](#)

[Code area 4 →](#)

Workplace requirement

3.R Provide clean and secure toilets, wash areas, and worker changing facilities, with adequate hygiene supplies separated by gender or with effective privacy. Ensure potable water is easily accessible by workers and, where appropriate, clean storage facilities for food and personal belongings.

Time given to resolve

60 days

Verification method

Desktop audit

Issue title

327 - Storage of goods not in line with legal requirements (e.g. too high)

Area of non-compliance/non-conformance

Local law

Description

During facility tour, it was noted that packing materials and finished products in the products storage area were put against the wall directly.通过现场走访，审核发现产品堆放区存放的部分原材料、包材和成品靠墙堆放。

Description (carried over)

During facility tour, it was noted that packing materials and finished products in the products storage area were put against the wall directly.通过现场走访，审核发现产品堆放区存放的部分原材料、包材和成品靠墙堆放。

Corrective and preventative actions

It is recommended that the facility should ensure all packing materials, accessories and finished products were properly stored in warehouse to leave proper distance from the wall and pillar. 建议企业存放的货物与墙和柱之间保持合适的距离。

Corrective and preventative actions (carried over)

It is recommended that the facility should ensure all packing materials, accessories and finished products were properly stored in warehouse to leave proper distance from the wall and pillar. 建议企业存放的货物与墙和柱之间保持合适的距离。

Local law reference

In accordance with Rules for Warehouse Fire Prevention Safety Management Article 18, the goods in warehouse should be classified for storage. The area occupied by any single stack should not be greater than 100 square meters. Space shall be at least 1 meter between stacks; Space shall be at least 0.5 meter between stacks and the wall; Space shall be at least 0.3 meter between stacks and beams or posts. The width of main passages shall be at least 2 meters.

依据《仓库防火安全管理规则》第十八条，库存物品应当分类、分垛储存，每垛占地面积不宜大于一百平方米，垛与垛间距不小于一米，垛与墙间距不小于零点五米，垛与梁、柱间距不小于零点三米，主要通道的宽度不小于二米。

Evidence

[← Code area 3](#)

[Code area 4 →](#)



[Products were put against the wall directly.jpg](#)



* PDF generated at 06:40 (UTC) on 31 Oct 2025. [View this finding on the Sedex platform](#) for live updates and closure details.

3. Working conditions are safe and hygienic

Data points

Is someone within the company responsible for health and safety?	Yes, 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 There were a few hazardous chemicals (i.e sewing machine oil, cleaning agents, and Naphtha) used for cleaning process, such as cleaning 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 structural additions without required permits inspections.
Does the visual appearance of the building give you any immediate concerns about the structural integrity of the building?	No
Are there any cracks observed in the walls, floors, ceilings or other areas of the facility, both internally or externally?	No

[← Code area 3](#)

[Code area 4 →](#)

Does the site have a structural engineer evaluation? Yes

[← Code area 3](#)

[Code area 4 →](#)

4. Child labour shall not be used

Management systems

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

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

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

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

Management systems

Explanation for management systems grades

1.The site has implemented a formal, written policy that explicitly prohibits the employment of child labor in any form, in strict accordance with national legal statutes, and SMETA requirements. This policy is supported by robust, documented hiring procedures that mandate rigorous age verification for all prospective workers prior to onboarding, utilizing reliable documentation such as government-issued identification. A clearly defined and compassionate remediation protocol is established to ensure the best interests of the child are prioritized in the unlikely event of a detected case. Furthermore, the employment of young workers (ages 15-17) is strictly regulated; they are assigned only to age-appropriate tasks that are non-hazardous and do not interfere with their compulsory education or harm their health and development.

2.A designated compliance officer is vested with the authority and responsibility for overseeing the age verification process and ensuring the effective implementation of the child labour prevention policy. The site maintains secure and confidential records of age verification documents for all workers. Adequate resources are allocated to uphold worker protection standards, which includes ensuring safe working conditions specifically assessed for young workers. When third-party labour providers are engaged, the site conducts rigorous pre-engagement due diligence and periodic audits to verify their compliance with these standards. The company commits to providing necessary financial and logistical support to facilitate the remediation and support of any identified child labour victim, including access to education.

3.Comprehensive and periodic training is mandatory for all HR staff and hiring managers, focusing on child labour laws, reliable age verification techniques, and the identification of fraudulent documents. Supervisors and workers receive specific training on the protection of young workers, including recognizing age-appropriate and non-hazardous job assignments. The site's child labour policy is effectively communicated to all employees and workers within the site's sphere of influence, including temporary and contract workers through multiple channels. In the event a child labour case is identified, a structured communication and remediation process is activated immediately, ensuring transparent handling and appropriate support.

4.The site conducts regular internal audits of hiring records and worker identification documents to prevent child labour. Proactive random age verification checks are performed on a routine basis to confirm ongoing compliance. As part of these audits, confidential worker interviews are conducted in a safe environment to corroborate documented ages and ensure no underage workers are present. Any detected instance of child labour triggers immediate corrective actions, which include the safe and ethical removal of the child from the workplace and the implementation of the

[← Code area 3](#)

[Code area 5 →](#)

Management systems

remediation protocol. The site also maintains a registry of young workers and actively monitors their work assignments and conditions to ensure strict adherence to legal and policy restrictions.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
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No findings

Systems and evidence examined to validate this code section

Current Systems:

- 1.The complete hiring procedure was established in the facility, which requires that the minors under 16 years old were not allowed to join the facility.
- 2.The facility would verify all employees' original ID cards at the time of recruitment and keep the photocopies of workers' ID cards in the personnel files. The system was effectively implemented.
- 3.The child labour remediation policy was established in the facility.
- 4.There was no student or apprentice at the facility.

Evidence examined:

1. The recruitment policy on child labour.
2. Recruitment procedure.
3. Latest employee list.
4. Personnel files of all workers.
5. Interview with management and workers.
6. Site tour.

4. Child labour shall not be used

Data points

Percentage of workers that are age 24 or younger	1%
Enter the legal age of employment	16
Enter the age of the youngest worker identified	24
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	Robust Management Systems

Management systems

Explanation for management systems grades

1.The site has implemented a formal, written remuneration policy that unequivocally guarantees all workers, are compensated at a rate no less than the statutory minimum wage, whichever is higher. This policy explicitly prohibits any illegal or unauthorized wage deductions, delayed payments, or demands for unpaid work. Documented procedures establish clear, predictable payment schedules to ensure the timely and full disbursement of wages. The policy comprehensively covers all elements of compensation, including but not limited to overtime calculations, bonus schemes, legally permissible deductions, and all mandatory and voluntary benefits. A systematic process is in place to continuously monitor and ensure adherence to all applicable wage-related legal and contractual requirements.

2.Designated payroll or HR personnel with appropriate authority are responsible for overseeing wage compliance. The company maintains detailed, accurate, and confidential payroll records for all workers, which clearly document gross wages, net payments, all deductions (with reasons), overtime hours and payments, bonuses, and benefits accruals. Adequate resources are allocated to ensure full compliance with statutory social insurance contributions and the provision of all worker benefits. A secure, accessible, and anonymous grievance mechanism is available for workers to report any wage-related concerns without fear of retaliation.

3.Prior to employment, all workers receive transparent, written information in a language they understand, detailing their key remuneration terms, including but not limited to basic wage, overtime rates, types and bases of any deductions, benefits entitlements, as well as the payment schedule and frequency. Any changes to wage policies or individual remuneration are communicated to affected workers clearly, proactively, and in a timely manner. Payroll, HR, and relevant management staff receive regular training on wage regulations, accurate calculation methods, and compliance requirements. All workers are informed about their rights to fair compensation, associated benefits, and the procedures for reporting wage issues through the grievance mechanism. Some workers are unaware of how their wages are calculated. Training on wage regulations exists but is not comprehensive.

4.The site conducts regular internal audits of payroll records and practices to verify strict compliance with legal minimum wages, correct overtime compensation, legality and accuracy of all deductions, and provision of stipulated benefits. As a proactive measure, random wage verification checks are conducted, which may include confidential interviews with workers to confirm that wages received align with payroll records and contractual promises. Compliance with social security, insurance, and other statutory contribution payments is rigorously verified. Any discrepancies or non-compliances identified through audits, verifications, or grievance reports are promptly

[← Code area 4](#)

[Code area 5.A →](#)

Management systems

investigated, and effective corrective actions are implemented to address root causes and prevent recurrence.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
			No findings

Systems and evidence examined to validate this code section

Current Systems:

1. All employees' wages were calculated by hourly rate basis by bank transfer on or before 30th of each month for previous month. The pay slip with proper information including workers name, department, wage level, regular working hours, regular work payment, overtime hours, overtime payment, gross wages, deductions, net wages, staff signature etc. was provided to each worker.
2. During this audit, the payroll records from October 2024 to September 2025 and attendance records from October 1, 2024 to the audit date were provided for review. As per review of 10 sampled employees' payrolls and attendance records from March 2025, April 2025 and September 2025 (current month), it was noted that all workers were paid at least RMB 13.02 per hour (RMB2,265 per month) which were met the legal minimum wage as RMB 2,265 per month (RMB 13.02 per hour) effective from April 1, 2025.
3. Additionally, all sampled workers were properly paid 150% and 200% of their normal wages for all workdays and weekend overtime hours respectively as legally required and no statutory holidays overtime hours were noted. All workers were paid when they were enjoying statutory holidays.
4. Paid annual leave benefit was also entitled to the employees who worked more than one year in the factory according to legal law.
5. During this audit, no unreasonable deduction was found.

Evidence examined:

1. Wages and benefits policy and procedure.
2. Local and national laws.
3. Local legal min wage documents.
4. Overtime premiums records.
5. Labour contracts for all workers.
6. Resignation records.
7. Production records.
8. Social security insurance payment receipts.
9. Worker interview and management interview.

5. Legal wages are paid

Data points

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

Worker remuneration

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

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

[← Code area 5](#)

[Code area 5.A →](#)

Actual required working hours	Required hours per day	8.0
	Required hours per week	40.0
	Required hours per month	168.0
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	20.0
	Max hours per month	92.0
Minimum legal wage	Min per hour	13.02
	Min per day	104.14
	Min per week	624.83
	Min per month	2265.0
Actual minimum wage	Actual per hour	13.02
	Actual per day	104.14
	Actual per week	624.83
	Actual per month	2265.0
Minimum legal overtime wage	Min per hour	19.53
	Min per day	Non applicable
	Min per week	Non applicable
	Min per month	Non applicable

[← Code area 5](#)

[Code area 5.A →](#)

Actual minimum overtime wage	Actual per hour	19.53
	Actual per day	Non applicable
	Actual per week	Non applicable
	Actual per month	Non applicable

Wage analysis

Number of workers' records checked	30
Provide the date and details of the records	10 sampled employees from March 2025(random month) 10 sampled employees from April 2025 (random month) 10 sampled employees from September 2025(current paid 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 meets minimum wage.
Are there any bonus schemes used?	No
Were accurate records shown at the first request?	Yes
Were any inconsistencies found?	No

5.A. Living wages are paid

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
			No findings
Systems and evidence examined to validate this code section	<p>Current Systems:</p> <ol style="list-style-type: none"> 1.The facility established wages and benefits policy and procedure. 2.The facility respects the right of personnel to a living wage and ensure that wages for a normal work week, not including overtime, always meet at least legal minimum standards. 3.The facility conducted living wage research once per year and caculated on Anker method which ensure workers received wage was enough for workers to support themselves and their families without working overtime. 4.Living wage gap analysis with key element (e.g. Food costs, Housing costs, Education cost, Transportation costs, clothing and personal care, Utilities and Recreational and social activites) had been completed. No gap was noted in living wage calculated by facility and current wage paid by facility. <p>Evidence examined:</p> <ol style="list-style-type: none"> 1. Wages and benefits policy and procedure. 2. Local and national laws. 3. Local legal min wage documents. 4.Worker interview and management interview. 		

6. Working hours are not excessive

Management systems

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

Management systems

Explanation for management systems grades

1.The site has established a formal, written policy that clearly defines working hour limits in full compliance with local labor laws, and SMETA requirements. The policy stipulates that regular working hours shall not exceed 40 hours per week, and total working hours (including overtime) must not exceed 60 hours per week, except in genuinely exceptional circumstances as legally permitted. All workers are entitled to at least one rest day per seven-day period, or two rest days within a 14-day cycle where legally allowed. Overtime work must be voluntary, compensated at a statutory premium rate, and never used as a substitute for regular employment. The policy also includes specific provisions for rest breaks during and between shifts, as well as measures to mitigate risks associated with extreme working conditions, such as high-temperature environments.

2.Dedicated HR and payroll personnel are assigned with sufficient authority and resources to accurately track and manage working hours. An automated attendance and payroll system is implemented to record regular hours, overtime, breaks, and rest days, ensuring transparency and accuracy. Workers are provided with reliable timekeeping mechanisms, and managers are trained to enforce compliance with working hour policies. Some areas lack adequate oversight, leading to occasional violations of working hour limits.

3.All workers receive pre-employment and periodic training in their native language. But workers are not informed of their working hour rights. HR, payroll staff, and supervisors undergo mandatory training on legal requirements, overtime management, and rest period enforcement. Training materials emphasize real-case scenarios to enhance practical understanding.

4.Regular internal audits are conducted to review working hours, overtime records, and rest day compliance. Payroll data is cross-referenced with attendance logs to identify unrecorded overtime or excessive hours. Confidential worker interviews are held to verify the voluntary nature of overtime and assess workload pressure. Production records are audited to ensure alignment with actual working hours. Any non-compliance triggers immediate corrective actions. However, some excessive working hours are recorded, but no corrective actions are taken.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
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[← Code area 5.A](#)

[Code area 7 →](#)

6. Working hours are not excessive

6.F Ensure that where overtime is used, it is...

Local law

NC [ZAF601142605](#)

Systems and evidence examined to validate this code section

Current Systems:

1. Through worker interview, employees volunteered to work overtime.
2. The facility adopted facial recognition system to record working hours for all employees.
3. Normally employees worked for 5 days a week in 1 shift. (8:00-12:00, 13:30-17:30)
4. There was no obvious peak month in past year.
- 5.. During this audit, the payroll records from October 2024 to September 2025 and attendance records from October 1, 2024 to October 24, 2025 were provided for review. As per review of 10 sampled employees' payrolls and attendance records from March 2025, April 2025 and September 2025 (current month), it was noted that the maximum daily overtime hours, weekly total working hours and consecutive working days for all sample population employees were 2 hours per work day, 60 hours per week and 6 days respectively.

Evidence examined:

1. Working hours policy and process.
2. Local and national laws.
3. Workers contracts.
4. Attendance records.
5. Production and quality records to cross check hours.
6. Management interview and worker interview.

Findings: non-compliances

ZAF601142605

Non-compliance

Due 2024-10-28

Code area

6 Working hours are not excessive

Status

Open*

Workplace requirement

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

Time given to resolve

60 days

Issue title

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

Verification method

Follow up audit

Description

During document review, it was noted that sampled employees worked in excess of the statutory overtime hour limits. A review of attendance records for March 2025, April 2025 and September 2025 yielded the following:

- (1) 10 out of 10 sampled employees in excess of 36 overtime hours per month (i.e. maximum 92 hours) in March 2025.
- (2) 10 out of 10 sampled employees in excess of 36 overtime hours per month (i.e. maximum 82 hours) in April 2025.
- (3) 10 out of 10 sampled employees in excess of 36 overtime hours per month (i.e. maximum 84 hours) in September 2025.

审核发现，抽样的员工加班时间超过了法定标准，抽样2025年3月，2025年4月和2025年9月的考勤发现：

- (1) 10/10名抽样员工的2025年3月加班时间超过了每月法定的36小时标准，最高为92小时。
- (2) 10/10名抽样员工的2025年4月加班时间超过了每月法定的36小时标准，最高为82小时。
- (3) 10/10名抽样员工的2025年9月加班时间超过了每月法定的36小时标准，最高为84小时。

Area of non-compliance/non-conformance

Local law

[← Code area 6](#)

[Code area 7 →](#)

Description (carried over)

During document review, it was noted that sampled employees worked in excess of the statutory overtime hour limits. A review of attendance records for January 2024, April 2024 and July 2024 yielded the following:

- (1) 10 out of 10 sampled employees in excess of 36 overtime hours per month (i.e. maximum 84 hours) in January 2024.
- (2) 10 out of 10 sampled employees in excess of 36 overtime hours per month (i.e. maximum 82 hours) in April 2024.
- (3) 10 out of 10 sampled employees in excess of 36 overtime hours per month (i.e. maximum 86 hours) in July 2024.

审核发现，抽样的员工加班时间超过了法定标准，抽样2024年1月，2024年4月，2024年7月的考勤发现：

- (1) 10/10名抽样员工的2024年1月加班时间超过了每月法定的36小时标准，最高为84小时。
- (2) 10/10名抽样员工的2024年4月加班时间超过了每月法定的36小时标准，最高为82小时。
- (3) 10/10名抽样员工的2024年7月加班时间超过了每月法定的36小时标准，最高为86小时。

Corrective and preventative actions

It is recommended that factory management adopt practices and controls to ensure that employee overtime hours do not exceed the statutory limits.

建议工厂确保员工的加班时间符合法律要求。

Corrective and preventative actions (carried over)

It is recommended that factory management adopt practices and controls to ensure that employee overtime hours do not exceed the statutory limits.

建议工厂确保员工的加班时间符合法律要求。

Local law reference

In accordance with Article 41 of the Labor Law of the PRC, after consultation with the trade union and employees, the employer may extend working hours due to its production or business needs, but the extended working hours shall not generally exceed one hour a day; in special circumstances that require an extension of working hours, the extended working hours shall not exceed 3 hours a day and 36 hours a month on condition that the health of employees is guaranteed.

根据《中华人民共和国劳动法》第41条：用人单位由于生产经营需要，经与工会和劳动者协商后可以延长工作时间，一般每日不得超过一小时；因特殊原因需要延长工作时间的，在保障劳动者身体健康的条件下延长工作时间每日不得超过三小时，但是每月不得超过三十六小时。

Evidence

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	100%
If the site pays an overtime premium of less than 125% and this is allowed under local law, are there other considerations?	N/A
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?	60.0
In the sample, what was the maximum number of hours worked in a single week, including overtime, for any worker at this site?	60.0
Maximum number of days worked without a day off in sample	6

[← Code area 6](#)

[Code area 7 →](#)

7. No discrimination is practiced

Management systems

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

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

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

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

Management systems

Explanation for management systems grades

1.The site has established and disseminated a clear, comprehensive, and formally documented non-discrimination and equal opportunity policy. This policy explicitly prohibits any form of discrimination, harassment, or unfair treatment in all aspects of the employment lifecycle, including recruitment, hiring, wages, promotions, training, termination, and working conditions. It guarantees protection based on a wide range of characteristics, including but not limited to race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership, and political affiliation. All recruitment and HR practices are deliberately structured and regularly reviewed to eliminate bias and ensure genuine equal access to opportunities. A well-defined, confidential, and accessible process is in place for workers to report discrimination complaints, ensuring they are investigated promptly, impartially, and without fear of retaliation.

2.Designated a compliance officer, who has received specialized training, is assigned with clear authority and responsibility for overseeing the implementation of and compliance with non-discrimination policies. The site allocates adequate resources, including dedicated staff, access to legal counsel, and secure reporting mechanisms (e.g., hotlines, anonymous reporting platforms), to effectively prevent, identify, and address discrimination cases. Recruitment processes incorporate structured interviews and standardized criteria to minimize unconscious bias in hiring decisions. Robust worker support mechanisms, such as confidential counseling services and, where appropriate, legal assistance, are available to individuals involved in discrimination-related complaints.

3.Mandatory, regular training programs on non-discrimination policies, harassment prevention, and the principles of fair treatment in hiring, promotion, and wage practices are conducted for all workers, managers, and HR personnel. These trainings ensure that workers are thoroughly informed of their rights and the specific procedures for reporting concerns. Specialized, gender-sensitive training is provided to foster awareness and understanding of gender-related discrimination and inclusion. Detailed training records are meticulously maintained to track participation rates, assess comprehension through evaluations, and measure the overall effectiveness of the training initiatives.

4.The site conducts regular internal audits and risk assessments to ensure that practices related to hiring, wage distribution, promotions, and overall working conditions remain free from discrimination. All discrimination complaints are logged, tracked, and periodically reviewed to identify systemic patterns or recurring issues, which inform targeted corrective and preventive actions. Workforce demographic data and promotion rates are analytically reviewed to detect potential disparities or

Management systems

inequalities across different groups. As part of the audit process, confidential interviews with workers are conducted to gather firsthand feedback on workplace culture and fairness, ensuring continuous improvement of the non-discrimination management system.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
			No findings

Systems and evidence examined to validate this code section

Current Systems:

1. As informed by interviewed employees, most employees spoke highly of the facility owner.
2. No employee was required to do the examination of the hepatitis B virus and HIV. Female workers in this factory were not required to take pregnant tests before or during their employment.
3. Anti-discrimination procedures for hiring, compensation, promotion and access to training were available during the audit, Gender divisions did not exist in the facility; both female and male employees were distributed in all types of work.
4. There was an internal grievance process. All sampled employees were aware of the grievance channels in case they encountered any discrimination cases.
5. There was no evidence of sexual harassment.
6. The factory's cultural development has instilled equitable values, incorporating ethical standards into the management system, with regular reviews of compensation, benefits, and performance management systems to ensure fairness in implementation.
7. The facility had a gender equity policy, which included recruitment, training, promotion and development, emphasizing gender equality. Factory assessed the barriers faced by different genders, and intersectional groups, and develop specific strategies to enable fair progression and access to opportunities. Facilities implement measures to assist employees in balancing work and family responsibilities, such as allowing female workers to leave work early to cook or take care of children, or flexible working hours, etc.
8. The factory had a gender equity approach, including:
 - a. Policies and procedures on gender equity.
 - b. A standalone gender equity action plan.
 - c. Policies or activities addressing gender-based barriers.
 - d. On-site gender equity initiatives.
 - e. Partnerships with independent third parties (e.g., NGOs).

Evidence examined:

1. Anti-discrimination policy and social accountability manual.
2. The hiring and termination procedure, leave application records and employee handbook.
3. Attendance records.
4. Training records.
5. Termination records.
6. Interview with management and workers.

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)? 7%

Representation of women in managerial roles (ratio of women workers to women managers) 0%

Representation of women in supervisory roles (ratio of women workers to women supervisors) 5%

Three most common nationalities in managerial and supervisory roles All managers and supervisors were Chinese.

8. Regular employment is provided

Management systems

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

Management systems

Explanation for management systems grades

1.The site maintains a formal policy ensuring that all workers, regardless of employment type, receive a written contract or legally binding agreement prior to commencement of work. This document clearly specifies all key terms and conditions of employment, including but not limited to wages, working hours, job description, notice periods, and entitlements to benefits. Contracts must be provided in a language readily understood by the worker, who must acknowledge receipt and retain a copy (physical or digital). Any modifications to the contract terms require mutual consent and must be formally documented in writing. The policy explicitly prohibits the misclassification of workers to circumvent legal obligations. Clear, lawful, and transparent procedures are established for all types of dismissals, terminations, and redundancies.

2.Designated legal compliance officers are vested with the responsibility and authority to ensure all employment contracts adhere to prevailing labor laws and contractual standards. Robust payroll systems are maintained to guarantee accurate compensation strictly in accordance with the signed contracts. Adequate resources, including access to legal counsel and mediation services, are allocated to fairly address grievances or disputes arising from contract interpretation, termination, or redundancy. The site ensures strict compliance with regulations governing regular employment, permitting the use of temporary or irregular labor only for legitimate, specific needs (e.g., seasonal peaks, special projects) and not as a means to replace permanent roles.

3.All workers are comprehensively informed during onboarding, and periodically thereafter, about their employment rights, with particular emphasis on understanding their contract terms, compensation structure, working hours, and job expectations. HR personnel and managers receive mandatory training on relevant employment legislation, the ethical importance of providing stable, legally compliant work, and the risks associated with worker misclassification. Any changes to employment terms or conditions are communicated to affected workers clearly, proactively, and in a timely manner. The availability and use of confidential grievance mechanisms for reporting concerns about employment status are actively promoted, fostering an environment where workers feel safe to raise issues.

4.Regular internal audits are conducted to verify the compliance of employment contracts, payroll records, and worker classifications with all legal requirements. The use of temporary, irregular, or subcontracted labor is actively monitored to ensure it remains justified and appropriate, with processes in place to transition eligible workers to permanent status. Confidential worker interviews and feedback surveys are utilized to assess perceptions of job security and the prevalence of regular

Management systems

employment. Any instances of non-compliance, particularly regarding misclassification or unlawful termination procedures, trigger immediate corrective actions, which are tracked to closure to prevent recurrence. Worker feedback is collected, but the process for addressing issues or making improvements is weak or slow.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
			No findings

Systems and evidence examined to validate this code section

Current Systems:

1. All workers were recruited by the factory directly and had properly signed contracts with the factory. Workers pay no recruitment fee at any stage of the recruitment process.
2. No labour agency was used to hiring workers.
3. No temporary worker or home worker was identified by auditor.
4. HR department took charge of the entire recruitment process. The relevant HR personnel had been trained and assessed on legal and ethical requirements and followed the recruitment management procedure.
5. Additionally, all of the workers confirmed all terms of employment contract and were properly provided with one copy of the labour contract for his or her reference.

Evidence examined:

1. Recruitment policy.
2. The hiring and termination practices.
3. Personal files and labour contracts.
4. Interview with management interview and workers.

8. Regular employment is provided

Data points

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

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

Management systems

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

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

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

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

Management systems

Explanation for management systems grades

1. The site has clear, written policies for managing subcontracting and homeworking that include:
 - Client approval for subcontracted and homeworked tasks.
 - Clear guidelines for the selection and engagement of subcontractors and homeworkers.
 - Written authorization from clients before outsourcing production to subcontractors and homeworkers.
 - Policies ensure no production is outsourced without the client's prior approval, as required by the client's guidelines.
 - Contracts or agreements are in place that outline the expectations for subcontractors and home workers.
2. There are systems in place to assess working conditions at subcontracted sites, including conducting regular due diligence checks. The site ensures that subcontractors comply with ethical standards such as 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, Workers are informed of their rights, and there are systems to ensure workers can report issues related to subcontracting and homeworking without fear of retaliation.
4. The factory monitors and demonstrates the effectiveness of its policies against unauthorized subcontracting and homeworke use through regular site inspections, production capacity analysis, and employee feedback. It also ensures the ongoing effectiveness of its management systems through periodic document reviews and staff training, comprehensively showcasing its capabilities in risk prevention and preparedness.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
			No findings

Systems and evidence examined to validate this code section

Current Systems:

1. A site tour showed that all production processes were presented in the facility.
2. No sub-contracting or home-working was used in the facility.
3. As per management interview and factory tour, there was no homeworker used in the facility.

Evidence examined:

1. List of approval suppliers.
 2. Production records.
 3. Interview with management and workers.
-

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

Data points

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

Gender disaggregated data available

Number of homeworkers used

	Men	Women	Other	Total
Number of workers	-	-	-	-

What processes are carried out by homeworker?

Are full records of homeworkers available at the site?

Does the supplier buy products or services from suppliers that use homeworkers? No
Through supplier control documents and management interview, it was noted that their suppliers did not use homeworkers.

Sub-contracting

Are there any concerns about unrecorded work or undeclared sub-contracting on site, giving considerations to the workers' capacity? No
Through facility tour, worker and management interview, it was noted that the worker's capacity was enough for production, and no additional process needed for subcontractin

[← 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

Management systems

Explanation for management systems grades

1.The site has instituted a comprehensive, zero-tolerance policy that explicitly prohibits all forms of harsh, inhumane, or degrading treatment. This includes, but is not limited to, physical, psychological, and sexual harassment, as well as gender-based violence and any discriminatory practices. The policy provides clear definitions and examples of unacceptable behaviors, such as verbal abuse, bullying, intimidation, coercion, assault, or any act causing psychological or physical harm. It outlines a fair, confidential, and timely investigative process for addressing complaints and incidents, with disciplinary actions for violations that are proportionate to the severity of the misconduct. The policy is fully aligned with local laws and international human rights standards and includes robust assurances of non-retaliation against individuals who report concerns in good faith.

2.Management allocates sufficient resources, including designated personnel and budget, to ensure the effective implementation of the anti-harassment policy. Specially trained supervisors are assigned with clear authority to receive complaints, conduct impartial investigations, and provide support to affected parties. Multiple accessible and confidential grievance channels are established, ensuring all workers can report concerns without fear. The site maintains detailed and confidential records of all grievances raised, the investigation process, outcomes, and any corrective or disciplinary actions taken, to ensure accountability and traceability.

3.Mandatory, regular training programs are conducted for all workers, HR staff, and supervisors to reinforce the anti-harassment policy and promote a culture of respect. Training content covers the prevention of psychological, physical, and sexual harassment and abuse, with a specific focus on identifying inappropriate behaviors and intervention strategies. Workers are educated about their right to a safe work environment, the various reporting procedures available, and how to recognize signs of inhumane treatment. All training materials and communication are delivered in accessible formats, taking into account language barriers, literacy levels, and cultural contexts to ensure full comprehension across the workforce.

4.The site conducts regular internal audits and confidential worker interviews to proactively assess the workplace environment and verify the absence of harassment or inhumane treatment. All complaints related to harsh treatment are systematically logged, tracked, and reviewed by management to identify trends, root causes, and the effectiveness of the response process. Anonymous reporting options are available and actively promoted to ensure genuine confidentiality. Findings from audits and complaint reviews are used to implement immediate corrective actions, update policies, and provide targeted refresher training, fostering a cycle of continuous improvement in preventing workplace abuse.

[← 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	<p>Current Systems:</p> <ol style="list-style-type: none"> 1. According to the documentation, the facility management had established a disciplinary procedure for employees' misbehavior which included oral warning, written warning and finally termination and the site, had developed a training program for all employees on the procedure. Through worker interview confirmed that employees were aware of the disciplinary procedure. 2. As per management interview, document review and worker interview, there was a policy on Harsh Treatment. 3. There was an internal process for grievance, which was an anonymous suggestion box, where employees could report any grievances (harassment, bullying and discrimination). Any received complaint would be handled by management, without any reprisal for the employee in question. All sampled employees were aware this system. <p>Evidence examined:</p> <ol style="list-style-type: none"> 1.The relevant policy on prevention of harassment and abuse. 2.Internal grievance procedure documentation. 3.Disciplinary action records. 4.Grievance records. 5.Training records. 6.Interview with management and workers. 		

9. No harsh or inhumane treatment is allowed

Data points

Is there a formal process for workers to report concerns, complaints, or problems ('grievance mechanism')?	Yes, there is a formal grievance process
What type of grievance mechanism(s) are available?	There was an internal process for grievance, which was an anonymous email address and Suggestion box, where workers could report any grievances (harassment, bullying, discriminate).
Number of grievances raised in the last 12 months	0
Number of grievances resolved in the last 12 months	0

10.A. Environment 2-Pillar

Management systems

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

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

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

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

[← Code area 9](#)

Management systems

Explanation for management systems grades

1.The site has implemented a comprehensive Business Ethics and Anti-Corruption Policy that explicitly prohibits bribery, corruption, fraud, and all forms of unethical business conduct. This policy is fully aligned with international standards (e.g., ISO 37001) and relevant local legislation, including anti-bribery and anti-money laundering laws. It outlines clear procedures for risk assessment, due diligence on third parties, and reporting of ethical violations. The policy is actively communicated to all high-risk stakeholders, including suppliers, contractors, and agents, and integrates ethical requirements into contractual agreements. Furthermore, the site ensures strict compliance with fiscal and tax regulations, with periodic third-party financial audits conducted to validate transparency and accountability.

2.A designated Ethics Officer backed by sufficient authority and budget, implements and monitors the Business Ethics Policy. Their responsibilities include conducting impartial investigations, managing confidential reporting channels, and overseeing corrective actions. Secure and anonymous reporting mechanisms are supported through internal and external resources (e.g., legal counsel, whistleblower platforms). Targeted training programs, especially for high-risk functions like procurement and sales, embed ethical practices across operations.

3.Mandatory training on business ethics is provided to all employees, with enhanced modules for roles in high-risk areas (e.g., purchasing, sales, logistics). Training content covers real-world scenarios, such as identifying red flags in supplier interactions or handling conflicts of interest. The company's ethics policy, reporting channels (e.g., hotlines, email), and non-retaliation commitments are communicated through multiple accessible formats. All materials are tailored to address language and literacy diversity, ensuring full comprehension across all workforce levels.

4.Regular audits and risk assessments are conducted to monitor compliance with business ethics policies, focusing on high-risk activities such as gift-giving, entertainment, and third-party payments. All ethical complaints are logged, investigated confidentially, and tracked to closure, with systemic issues triggering preventive measures. The site encourages transparent reporting through anonymous channels and ensures timely follow-up on violations. Audit findings and incident trends are reviewed by senior management to drive continuous improvement in the ethics management system.

Summary of findings

[← Code area 9](#)

Code area	Workplace requirement	Area of NC	Finding
No findings			
Systems and evidence examined to validate this code section	<p>Current Systems:</p> <ol style="list-style-type: none"> 1.The facility provided fixed pollution discharge registration receipt record for review. 2. Factory manager was responsible for continuous improvements in the environmental issues. 3. The facility had established written policy on environmental protection. And risk assessment has been conducted for environment. 4. The facility learned about the environmental impact of the site and conducted training for all employees. 5. No fine/prosecution for non-compliance with environmental regulations was identified in past one year. 6. The facility had collected the related laws of environmental protection and they were updated regularly. <p>Evidence examined:</p> <ol style="list-style-type: none"> 1.Fixed pollution discharge registration receipt record. 2.Environment protection policy. 3.Laws of environmental protection. 4.Training records. 5.Worker and management interview. 		

[← Code area 9](#)

10.A. Environment 2–Pillar

Data points

<p>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)?</p>	<p>No</p>
<p>Does the site have any valid environmental or energy management certificates?</p>	<p>The factory has obtained a valid environmental permit.</p>
<p>Are there any other sustainability certifications present (e.g. Forest Stewardship Council (FSC), Marine Stewardship Council (MSC)?</p>	<p>No</p>
<p>Has the site implemented or made plans to implement any adaptive measures to protect workers from the impact of climate change?</p>	<p>Yes The facility made an emergency response plan for the impact of climate change, provided the training for employees regularly.</p>

[← Code area 10.A](#)

Attachments



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CO.,LTD_Periodic_October
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