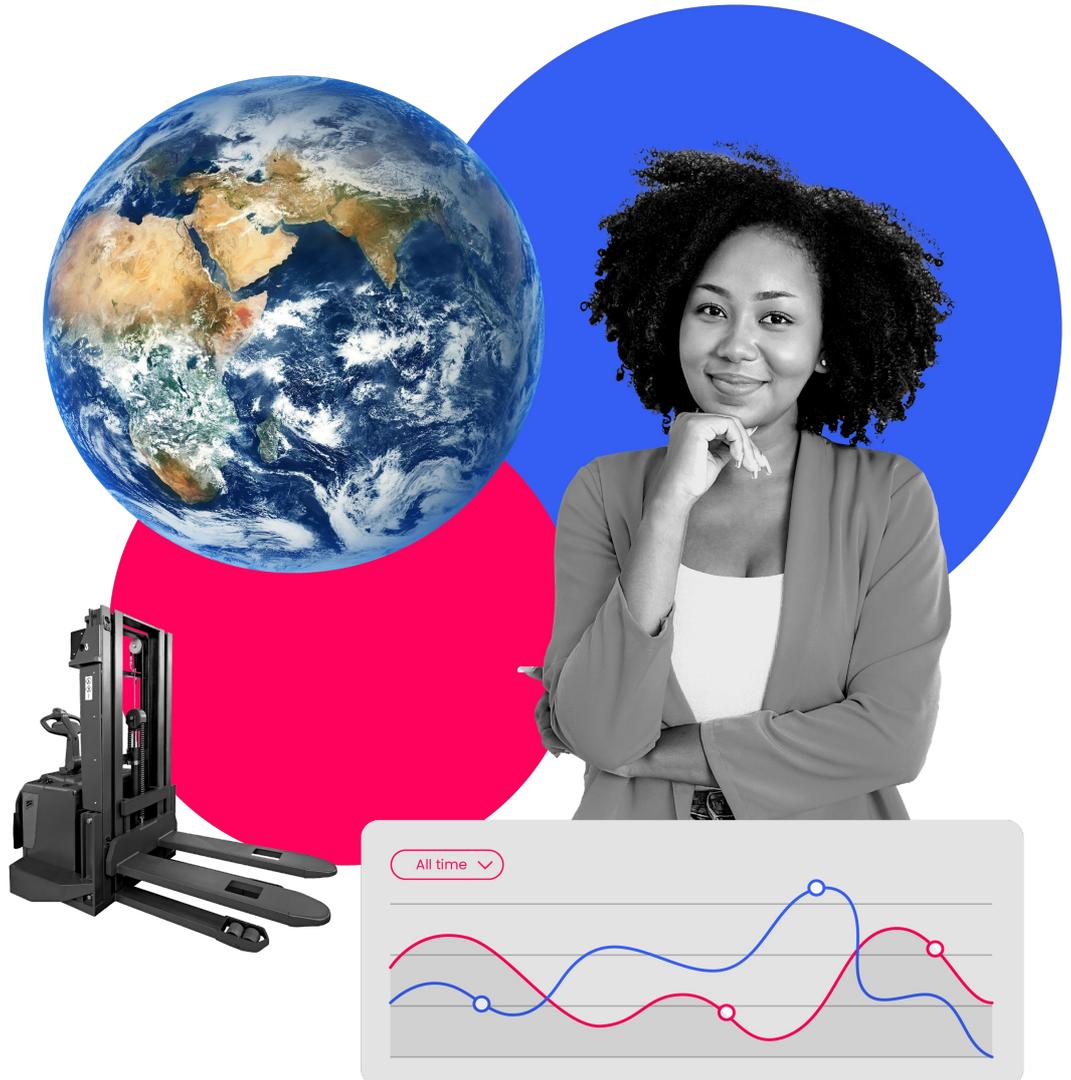


Sedex Members Ethical Trade Audit Report

Version 7



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Audit content

(1) A SMETA audit was conducted which included some or all of Labour Standards, Health & 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 following Code Areas:

Included in a 2-Pillar audit:

1. Labour Standards Code Areas:
 - 0: Enabling accurate Assessment
 - 1: Employment is Freely Chosen
 - 1.A: Responsible Recruitment & 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
2. Health & Safety Code Area:
 - 3: Working Conditions are Safe and Hygienic
3. Environment Code Area:
 - 10.A: Environment 2-Pillar

Included in a 4-Pillar audit:

1. Labour Standards Code Areas
 - As 2-pillar
2. Health & Safety Code Area
 - As 2-pillar
3. Environment Code Area:
 - 10.A: Environment 2-Pillar
 - 10.B: Environment 4-Pillar
4. Business Ethics Code Area:
 - 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 and site details

Audit details

Sedex company reference	ZC5000050246	Auditor company name	LRQA
Date of audit	2024-12-30	Audit conducted by	Sedex member
Audit pillars	Labour Standards Health and safety Environment 4-Pillar Business ethics		

Site details

Sedex site reference	ZS1000059266	Site name	JiangYin DongXin Garment label Co Ltd
Business name	JiangYin DongXin Garment label Co Ltd	Site address	214400 No.104,Xiao Zhuang Wei,Xili Village,Changjing Town,JiangYin City,Jiangsu,China, Jiangyin, CN
Site phone	13921221037	Site email	jydx1317@163.com

Audit parameters

Time in and out	Day 1	
	In	09:00
	Out	17:00
Audit type	Full initial	
Was the audit announced?	Semi announced	
Was the Sedex SAQ available for review?	Yes	
Who signed and agreed CAPR?	Ms. Jiang Minhong / Admin Manager	
Any conflicting information SAQ/Pre-Audit Info	No	
Is further information available?	No	

Audit attendance

	Senior management	Worker representative	Union representative
A: Present at the opening meeting?	Yes	Yes	No
B: Present at the audit?	Yes	Yes	No
C: Present at the closing meeting?	Yes	Yes	No
Reason for absence at the opening meeting	There was no labour union established in the factory.		
Reason for absence during the audit	There was no labour union established in the factory.		
Reason for absence at the closing meeting	There was no labour union 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.		
	<ol style="list-style-type: none"> 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. 		
	<p>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.</p>		
Any exceptions to the SMETA Methodology must be recorded here (e.g. different sample size)	Window from December 26, 2024 to January 23, 2025		
Lead auditor	Linda Xu	APSCA Number	21701264
Additional auditor	Raymond Tang	APSCA Number	21701931
Date of declaration	2024-12-30		

Site representation

Declaration	I acknowledge that details from this report can change during the review process and that I will be given the opportunity to dispute the content once the review has been published.
Full name	Ms. Jiang Minhong
Title	Admin Manager
Date of declaration	2024-12-30

Summary of findings

Code area	Workplace requirement	Local law	Finding
5. Legal wages are paid	5.B Ensure that workers receive the insurance...	§1	NC ZAF600761170
6. Working hours are not excessive	6.F Ensure that where overtime is used, it is...	§2	NC ZAF600761171
3. Working conditions are safe and hygienic	3.A Ensure a safe working environment. Put in...	§3	NC ZAF600761172

Local law issues

- §1 In accordance with the People's Republic of China Occupational Disease Prevention Law article 35, the employ unit should provide occupational disease health check for laborers with exposure to occupational disease harm. The employ unit should provide health check to these laborers at the time of employment, position take-up period and at time of off position; the laborers should be informed with health check result without deceit. The occupational disease health check fee should be paid by employer.
Workers who are found to have health damage after occupational health inspections shall be transferred from their original jobs and properly arranged; workers who have not undergone post-job occupational health inspections, their contract shall not be dismissed or terminated.
- §2 In accordance with Social Insurance Act of the People's Republic of China, article 2, the state establishes basic pension insurance, basic medical insurance, occupational injury insurance, unemployment insurance, maternity insurance to form the social security system, to protect citizens' right to receive material assistance from the state and society in accordance with the law from old age, illness, work injury, unemployment, childbirth, etc.
Article 4. Employers and employees within the territory of the People's Republic of China should pay social insurance premiums in accordance with the law.
- §3 In accordance with the Labor Law of the People's Republic of China article 41, the employer may extend working hours due to the requirements of its production or business after consultation with the trade union and laborers, but the extended working hour for a day shall generally not exceed one hour; if such extension is called for due to special reasons, the extended hours shall not exceed three hours a day under the condition that the health of laborers is guaranteed. However, the total extension in a month shall not exceed thirty-six hours.

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

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

 Not addressed

 Fundamental improvements required

 Some improvements recommended

 Robust management systems

Site details

Company and site details

Sedex company reference	ZC5000050246	
Sedex site reference	ZS1000059266	
Company name	JiangYin DongXin Garment label Co Ltd	
Business ownership type	GOODS	
Site name	JiangYin DongXin Garment label Co Ltd	
Site name in local language		
GPS location	GPS address	No.104, Xiao Zhuang Wei, Xili Village, Changjing Town, JiangYin City, Jiangsu, China
	Coordinates	Latitude: N31°90'00" Longitude: E120°28'33"
Is the worksite in a remote location, far from habitation?	No	
Site contact	Contact name	Ms. Jiang Minhong
	Job title	Admin Manager
	Phone number	86-13921221037
	Email	jydx1317@163.com
Applicable business and other legally required business license numbers and documents	Business license number: 913202811422851367. Valid date: August 27, 2000 to August 26, 2035.	

Site activities

Site function	Factory Processing/Manufacturer
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Site activities

Site activities	Primary	Manufacture of other articles of paper and paperboard
	Secondary	
	Other	
Product type	Garment label	
Process overview	<p>The factory specialized in manufacturing of garment label. The main production processes included: cutting, printing, die-cutting, inspection and packing.</p> <p>There were 2 production lines in the factory and the main equipment included: cutting machines and printing machines and die-cutting machines. Etc.</p>	
What level of mechanization best describes the work at this site?	Fair mechanisation / manual Labour	

Site scope

Is the audited site a physically continuous area?	Yes	
What is the area of audited site to its boundary?	3620m ²	
Building 1	Last construction works on site	2006
	If building is shared, provide details	Nil
	Number of floors	2
	Description of floor activities	1/F: Die-cutting section and warehouse 2/F: Printing section and warehouse
Building 2	Last construction works on site	2006
	If building is shared, provide details	Nil
	Number of floors	2
	Description of floor activities	1/F: Printing section, inspection and packing section 2/F: Office

Site scope

Building 3	Last construction works on site	2006
	If building is shared, provide details	Nil
	Number of floors	2
	Description of floor activities	1/F: Warehouse 2/F: Warehouse

Is there any difference between the site scope of the audit and the Sedex site profile? No

Does the scope of the audit subdivide any building or is limited to particular processes, products or businesses within the physical site? No

Is any activity conducted onsite not included within the scope of the audit? No

Worker accommodation and transport

Are there any site-provided worker accommodation buildings? No

Does the site organise worker transport to the worksite? Not provided
No transport is provided for workers.

Work patterns

Approximate workers on site per month (% of peak)	January	75-90%	February	50-75%
	March	90-95%	April	90-95%
	May	90-95%	June	90-95%
	July	90-95%	August	90-95%
	September	90-95%	October	90-95%
	November	90-95%	December	90-95%

Work patterns

Is there any night or back shift work at the site?	Yes 1 shift: 7:30-11:00; 12:00-16:30; 17:00-19:00 if overtime needed.
What percentage of the workforce, including temporary and agency workers, work during the night/ back shift?	100%
Was the audit conducted across all shift times, and did it include a representative sample of workers from each shift time in interviews and sampling?	Yes The audit conducted across all shift times and include a representative sample of workers from each shift time in interviews and sampling.

Site assessments

Does this site hold any certifications that address labour standards, human rights, corruption or environmental impact?	No
Has the site assessed for negative impacts on the human rights, lands, resources, territories, livelihoods or food security of indigenous peoples or the local community?	Yes The factory has conducted those negative impacts assessment each year in their internal audit.
Has there been a Human Rights Impact Assessment (HRIA) conducted within the last three years at this site?	Yes The factory had established and implemented Human Rights Impact Assessment system and conducted the HRIA once per year in their internal audit.

Worker analysis

Gender disaggregated data available

Men and women

Worker totals

	Men	Women	Other	Total
Number of workers	16 (55.2%)	13 (44.8%)	- -	29 (100%)

Workers by type

	Men	Women	Other	Total
Permanent workers (employees)	0 (0%)	0 (0%)	- -	0 (0%)
Temporary or fixed term employees	16 (55.2%)	13 (44.8%)	- -	29 (100%)
Agency or subcontracted workers	0 (0%)	0 (0%)	- -	0 (0%)
Seasonal workers	0 (0%)	0 (0%)	- -	0 (0%)
Self-employed workers	0 (0%)	0 (0%)	- -	0 (0%)
Informal workers including home workers	0 (0%)	0 (0%)	- -	0 (0%)
Apprentices, trainees or interns	0 (0%)	0 (0%)	- -	0 (0%)

* % of total workforce

Migrant workers

	Men	Women	Other	Total
Domestic migrant workers	0 (0%)	0 (0%)	- -	0 (0%)
International migrant workers	0 (0%)	0 (0%)	- -	0 (0%)
Total migrant workers	0 (0%)	0 (0%)	- -	0 (0%)

* % of total workforce

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

The ethnic background of all management and production workers was mainland Chinese, no workers were migrated from other provinces. All workers were recruited directly by the factory.

Workers by age

	Men	Women	Other	Total
18 - 24 years old	1 (3.4%)	0 (0%)	- -	1 (3.4%)
15 - 17 years old	0 (0%)	0 (0%)	- -	0 (0%)
Under 15 years old	0 (0%)	0 (0%)	- -	0 (0%)

* % of total workforce

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

Describe how this may vary during peak periods There was no obvious peak or non-peak month in the factory.

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

Most common nationalities as approximate % of workforce

	Men	Women	Other	Total
Chinese	55%	45%	-	100%

Workers by remuneration type

	Men	Women	Other	Total
Workers paid per unit (piece rate)	0 (0%)	0 (0%)	- -	0 (0%)
Workers paid based on a mix of 'piece work' and hourly rate	0 (0%)	0 (0%)	- -	0 (0%)
Workers paid hourly / daily rate	16 (55.2%)	13 (44.8%)	- -	29 (100%)
Salaried workers	0 (0%)	0 (0%)	- -	0 (0%)

* % of total workforce

Workers by payment cycle

	Men	Women	Other	Total
Paid daily	0 (0%)	0 (0%)	- -	0 (0%)
Paid weekly	0 (0%)	0 (0%)	- -	0 (0%)
Paid monthly	16 (55.2%)	13 (44.8%)	- -	29 (100%)
Other	0 (0%)	0 (0%)	- -	0 (0%)

* % of total workforce

If other payment cycle entered, please provide details Nil

People in managerial, supervisory and administrative roles

	Men	Women	Other	Total
Employees in management positions	2 (6.9%)	2 (6.9%)	- -	4
Supervisors or team leaders	3 (10.3%)	4 (13.8%)	- -	7
Administrative staff	3 (10.3%)	4 (13.8%)	- -	7

Worker interview summary

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

Digital worker survey participants

	Men	Women	Other	Total
Number of workers	-	-	-	-

Were any of the audit findings attributable to the survey?

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

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

Number and size of group interviews 1 group of 5 workers

Did workers understand the purpose of the audit? Yes

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

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) Nil
What did the workers like the most about working at this site?	Job security Freedom of movement
Additional comments	Monthly wage could be paid on time and workers could easily leave even during working day.
Attitude of workers' committee/union representatives	The workers representative attended the whole assessment process. They were open to assessor. They stated that they were elected by workers. Workers could raise suggestion or complaint through workers representative meeting. They would participate in grievance solution.
Attitude of managers	Factory management were cooperative with LRQA staff and provided full access to the whole facility. Management provided required documents and records in time, accompanied assessors with factory tour and helped select workers for interviews. Management staff attended the closing meeting, confirmed all the findings and signed on the CAPR without any argument.

Workers interviewed by type

	Total
Permanent workers	0
Temporary or fixed-term employees	10
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 by group/individual

Workers interviewed in groups	2	3	-	5
Workers interviewed individually	2	3	-	5

Migrant workers interviewed

	Men	Women	Other	Total
Domestic migrant workers interviewed	0	0	-	0
International migrant workers interviewed	0	0	-	0
Total migrant workers interviewed	0	0	-	0

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 (2023)	1.0%	1.0%	-	2.0%
Previous full calendar year (2022)	1.0%	1.0%	-	2.0%

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

Rate of absenteeism (%)*

	Men	Women	Other	Total
Last full quarter (90 days)	1.0%	1.0%	-	2.0%
Last full calendar year (2023)	1.0%	1.0%	-	2.0%
Previous full calendar year (2022)	1.0%	1.0%	-	2.0%

* Number of days lost through job absence in the year, calculated as (the number of employees on 1st day of the year + number employees on the last day of the year) / 2)* number available workdays in the year*100

Are accidents recorded? Yes
 No accident occurred in the factory during last year.

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

	Men	Women	Other	Total
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Annual number of work related accidents and injuries (per 100 workers)*

Last full quarter (90 days)	0.0%	0.0%	-	0.0%
Last full calendar year (2023)	0.0%	0.0%	-	0.0%
Previous full calendar year (2022)	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 (2023)	0.0%	0.0%	-	0.0%
Previous full calendar year (2022)	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 standard hours in a given week

	Men	Women	Other	Total
Last full quarter (90 days)	0.0%	0.0%	-	0.0%
Last full calendar year (2023)	0.0%	0.0%	-	0.0%
Previous full calendar year (2022)	0.0%	0.0%	-	0.0%

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

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

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

Last full calendar year (2023)	0.0%	0.0%	-	0.0%
Previous full calendar year (2022)	0.0%	0.0%	-	0.0%

0. Enabling accurate assessment

Summary of findings

Code area	Workplace requirement	Local law	Finding
No findings			
Systems and evidence examined to validate this code section	<p>Current systems: The factory has established written policy and procedures to meet the Code, human rights and labour standards required by local law and customers. Ms. Jiang Minhong/ Admin Manager was responsible for compliance with the Code, human rights and labour standards to all appropriate parties, including its own suppliers, and the implementation, communication to all employees through trainings, handbooks and postings at the facility.</p> <p>Details: 1. Business license 2. Employee Handbook 3. Factory Manual contains details of Code and labour standards required by local law and customers. 4. The written policy including human rights. 5. Appointment book of person responsible for implementing standards concerning Human rights 6. Factory rules 7. Social compliance management handbook 8. Training records of the Code, social compliance, human rights 9. Employee interview, employees could raise the human rights issues by suggestion box confidentially or call the hotline to the management who was responsible for implementing standards concerning Human rights directly.</p>		

0. Enabling accurate assessment

Data points

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

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

Were sufficient documents for non-employee (e.g. agency or other subcontracted) workers available for review? No

1. Employment is freely chosen

Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Robust Management Systems
Monitor the effectiveness of procedures to meet policy and workplace requirements	Robust Management Systems
Explanation for management systems grades	<p>The factory had established policy and procedure "Forced labor management procedure" in place.</p> <p>Ms. Jiang Minhong/ Admin Manager was assigned to responsible for ensuring employment is freely chosen in the factory. She is familiar with labor laws, regulation and other requirements on forced labor issues.</p> <p>Internal audits were conducted for labor management system and corrective actions were implemented to ensure continuous improvement. Based on the internal audit report and management review report, no compliance regarding forced labor issue was raised in the past 2 years.</p> <p>The policy and procedures were communicated to workers through trainings, posters etc. Training exam was taken to ensure communication was effective.</p>

Summary of findings

Code area	Workplace requirement	Local law	Finding
			No findings

Systems and evidence examined to validate this code section

Current systems: Ms. Jiang Minhong/ Admin Manager was familiar with local law regarding prison labour, deposit, and wages deductions etc. Workers are not required to stay at the factory if they do not want to, and overtime is voluntary as well. No deposits or any original ID are required to be detained during employment. Resignation is free and wages are paid to resigned workers on time after reasonable notice (usually 30 days in advance).

- 1.The factory had established the effective employment policies & program. Employees could be freely resignation after communication with management in advance 30 days notification.
- 2.The employees obtained their job by friend's recommendation or by the factory recruitment.
- 3.Workers did not require lodging deposits or their Identity papers to the factory at the beginning of employment.
- 4.The terms and conditions of employment in the handbook state that the workers are free to leave the workplace outside of their working hours.
- 5.No forced, bonded or involuntary prison labour was identified during the audit.

Details:

The facility's policy to ensure employment is freely chosen was reviewed. The policy includes the following clause: the facility does not require deposit or withhold employees' ID cards; the facility does not limit the employees' freedom; there is no forced, bonded, or involuntary prison labour; and employees are free to leave their employer after reasonable notice.

Labour contracts with notice periods.

Training of forced, bonded or involuntary prison labour for all employees at the time employee, and re-fresh training was conducted once per year for all employees.

As per workers interview, it was noted that they are free to leave their working stations once their shifts end; all overtime workings were voluntary; and they are not required to pay any 'deposits' or leave their ID cards.

- 1.Employees' manual, Factory rules
- 2.Personnel files records
- 3.Resignation records
- 4.Management and worker interview.

1. Employment is freely chosen

Data points

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

Does the site utilise any workers who are prisoners?	No
--	----

Does the site use the labour of persons required to work under any government scheme?	No
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1.A. Responsible recruitment and entitlement to work

Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Robust Management Systems
Monitor the effectiveness of procedures to meet policy and workplace requirements	Robust Management Systems
Explanation for management systems grades	<p>The factory had established policy and procedure "Recruitment management procedure" in place.</p> <p>Ms. Jiang Minhong/ Admin Manager was assigned to responsible for ensuring responsible recruitment and entitlement to work is complied with legal requirements in the factory. She is familiar with labor laws, regulation and other requirements on recruitment issues.</p> <p>Internal audits were conducted for labor management system and corrective actions were implemented to ensure continuous improvement. Based on the internal audit report and management review report, all workers were hired directly by the factory, no compliance regarding recruitment issue was raised in the past 2 years.</p> <p>The policy and procedures were communicated to workers through trainings, posters etc. Training exam was taken to ensure communication was effective.</p>

Summary of findings

Code area	Workplace requirement	Local law	Finding
			No findings

Systems and evidence examined to validate this code section

Current systems:

The factory had established the effective employment policies & program to meet the Code and labour standards required by local law and customers. Ms. Jiang Minhong/ Admin Manager was responsible for compliance with the Code implementation and the Code was communicated to all employees through trainings, handbooks and postings at the facility.

Details:

1. Employees' manual, Factory rules
 2. Personnel files records
 3. Training records
 4. Labor contracts
 5. Management and worker interview
-

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 (including 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
Percentage of workers that are migrant	0%
Do any workers migrate from other states, provinces or regions within the country to work at this site?	No

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

There was no such cost during employment as per interview.

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
Explanation for management systems grades	<p>The factory had established policy and procedure "Freedom of association management procedure" in place.</p> <p>Ms. Jiang Minhong/ Admin Manager was assigned to responsible for ensuring freedom of association and right to collective bargaining are respected in the factory. She is familiar with labor laws, regulation and other requirements on freedom and association issues.</p> <p>Internal audits were conducted for labor management system and corrective actions were implemented to ensure continuous improvement. Based on the internal audit report and management review report, no risk regarding freedom and association happened in the past 2 years.</p> <p>The policy and procedures were communicated to workers through trainings, posters etc. Training exam was taken to ensure communication was effective.</p>

Summary of findings

Code area	Workplace requirement	Local law	Finding
			No findings

Systems and evidence examined to validate this code section

Current systems:

The factory has written policy on freedom of association, which states that workers are free to form any union or any form of other workers organization in the facility. Currently, no labor union was established in the factory. There was no collective bargain agreement signed in the factory. A worker committee was available, 2 worker representatives were selected by workers. All employees have the right to join worker committee. Workers' representatives are not discriminated against and have access to carry out their representative functions in the workplace. The workers could raise any issue or express their concerns through suggestion box. There was a relevant written policy / procedure documented in place. The meeting between factory management and worker committee was conducted quarterly.

Details:

- 1.The policy on freedom of association
 - 2.Worker representative elected records
 - 3.Interview with workers committee members
 - 4.Management and worker interview
-

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

Data points

Are trade unions allowed by law in the national context? No

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? Yes

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

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	Robust Management Systems
Monitor the effectiveness of procedures to meet policy and workplace requirements	Some Improvements Recommended
Explanation for management systems grades	<p>The factory had established policy and procedure “Environment, Health and Safety management procedure” in place. Based on the procedure, the factory should be complied with all legal requirements on health and safety issues. Ms. Jiang Minhong/ Admin Manager was assigned to responsible for ensuring working conditions are safe and hygienic in the factory. She is familiar with labor laws, regulation and other requirements on health and safety issues. Internal audits were conducted for labor management system and corrective actions were implemented to ensure continuous improvement. Based on the internal audit report and management review report, minor issues happed occasionally, the factory was working on enhancing the supervision and regular inspection to reduce the health and safety risks. The policy and procedures were communicated to workers through trainings, posters etc. Training exam was taken to ensure communication was effective. However, some workers were still reported they did not know some of health and safety risks, the factory should enhance the training method or frequency to ensure more effective of communication.</p>

Summary of findings

Code area	Workplace requirement	Local law	Finding
3. Working conditions are safe and hygienic	3.A Ensure a safe working environment. Put in...	§1	NC ZAF600761172

Systems and evidence examined to validate this code section

Current systems:

The facility generally provided an adequate work environment and maintains a comfortable temperature throughout. The electrical system was in a good condition. The factory posted the evacuation plans at work floors, which indicates escape routes. Exit signs were installed. The facility has provided enough fire extinguishers in all working sections. A functional fire alarm system can be found in the facility. The facility's policy and procedures were communicated through the notice board in the local language. Drinking water was provided and installed in workshops. Sufficient and proper supplies/items were stocked in all of the first aid kits.

Details:

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

Findings: non-compliances

ZAF600761172

Non-compliance

Due 2025-02-05

Code area

3 Working conditions are safe and hygienic

Status

Open*

Workplace requirement

3.A Ensure a safe working environment. Put in place adequate controls to prevent accidents and injury (including long-term injury) to health arising out of, associated with, or occurring in the course of work.

Time given to resolve

30 days

Issue title

317 - No medical examinations or regular occupational health checks, including disease checks, of workers in hazardous situations (e.g. exposed to noise or dust) or working with hazardous substances (e.g. chemicals and pesticides)

Verification method

Desktop audit

Area of non-compliance/non-conformance

Local law

Base code

Description

It was noted that the factory did not provide pre-job and off-job occupational disease health check to its workers at printing position (contact to Benzene, toluene, xylene).
 在此次审核过程中，审核员发现工厂未给从事印刷作业的员工（接触苯，甲苯，二甲苯）提供岗前和离岗职业病健康检查。

Corrective and preventative actions

It is recommended that the factory should provide proper Health & Safety training to workers, conduct regular Health & Safety inspection, provide occupational health check to workers exposing to occupational disease harm.

Local law reference

In accordance with the People's Republic of China Occupational Disease Prevention Law article 35, the employ unit should provide occupational disease health check for laborers with exposure to occupational disease harm. The employ unit should provide health check to these laborers at the time of employment, position take-up period and at time of off position; the laborers should be informed with health check result without deceit. The occupational disease health check fee should be paid by employer.

Workers who are found to have health damage after occupational health inspections shall be transferred from their original jobs and properly arranged; workers who have not undergone post-job occupational health inspections, their contract shall not be dismissed or terminated.

* PDF generated at 08:59 (UTC) on 06 Jan 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
Do workers operate high risk or heavy machinery or vehicles as part of their jobs?	No
Do workers handle or have access to hazardous substances (e.g. chemicals or pesticides)?	No
Who organises accommodation for workers?	Other (please explain) No accommodation was provided by the facility. Workers come from their residence only.
Who organises worker transportation between accommodation and worksite?	Not applicable
Who organises worker transportation while at work?	Not applicable
Do all structural additions (e.g. added floors) have a valid permit/inspection report as per local law?	Yes The factory has obtained valid structural permit and inspection report for their buildings as per local law.
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
Does the site have a structural engineer evaluation?	Yes

4. Child labour shall not be used

Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Robust Management Systems
Monitor the effectiveness of procedures to meet policy and workplace requirements	Robust Management Systems
Explanation for management systems grades	<p>The factory had established policy and procedure “Child labor and juvenile worker protection procedure” in place. Based on the procedure, no child labor and juvenile labor can be used by the factory.</p> <p>Ms. Jiang Minhong/ Admin Manager was assigned to responsible for ensuring child labor is not used in the factory. She is familiar with labor laws, regulation and other requirements on child labor.</p> <p>Internal audits were conducted for labor management system and corrective actions were implemented to ensure continuous improvement. Based on the internal audit report and management review report, no child labor and juvenile labor was used by the factory.</p> <p>The policy and procedures were communicated to workers through trainings, posters etc. Training exam was taken to ensure communication was effective.</p>

Summary of findings

Code area	Workplace requirement	Local law	Finding
			No findings

Systems and evidence examined to validate this code section

Current systems:

The factory would verify all workers' original ID cards at the time of recruitment and keep the photocopies of ID cards in the personnel files. All employees' personal files were provided for review. Each employee file includes a bio-data sheet, a recent photo and the age documentation, which is in the form of photocopied national identification card. The card lists the employee's name, household address and the date of birth. Hiring procedure and related protection policy of young workers were also kept in place. No child labour or juvenile workers was working at the factory currently.

Details:

1. Personal file
 2. Roster of employees
 3. Management and employee interview
-

4. Child labour shall not be used

Data points

Percentage of workers that are age 24 or younger	3%
Enter the legal age of employment	16
Enter the age of the youngest worker identified	20
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%
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

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	Some Improvements Recommended
Explanation for management systems grades	<p>The factory had established policy and procedure “Wages and benefit management procedure” in place. Based on the procedure, wages and benefits should be complied with legal requirements.</p> <p>Ms. Jiang Minhong/ Admin Manager was assigned to responsible for ensuring legal wages are paid in the factory. She is familiar with labor laws, regulation and other requirements on wage and benefits.</p> <p>Internal audits were conducted for labor management system and corrective actions were implemented to ensure continuous improvement. Based on the internal audit report and management review report, the issue of insufficient participants of social insurances was identified, however, some workers especially for the employees closing to retirement age, they did not want to join in social insurance scheme, the factory had tried to persuade them step by step.</p> <p>The policy and procedures were communicated to workers through trainings, posters etc. Training exam was taken to ensure communication was effective. However, some workers did not want to enroll in social insurance scheme because they will retire soon, it is no use for them if not enrolled in sufficient year for social insurance.</p>

Summary of findings

Code area	Workplace requirement	Local law	Finding
5. Legal wages are paid	5.B Ensure that workers receive the insurance...	§1	NC ZAF600761170

Systems and evidence examined to validate this code section

Current systems:

Written wage & benefits policy (involved relevant local law regarding Minimum Wages, Overtime wage and social insurance policy, paid annual leave, sick leave etc.) in place stated in the social compliance management manual which had clearly been communicated to all workers via labour contracts, factory rules (covered disciplinary measures policy / deductions from wages) posting and training etc.

During this audit, the factory provided 12 months' payrolls (from December 2023 to November 2024) for review. A sampling of these provided records for the months of November 2024 (most recent month), July 2024 (random month) and March 2024 (random month) were reviewed. As per factory management and provided payrolls, wages for all workers were calculated on hourly-rated basis and paid in cash on or before 28th of each month. Based on provided payrolls and time attendance records, both workers' basic wages and overtime wages met legal requirements, the hourly wage was paid from RMB 14.95 to RMB 18.97 with the average of being RMB 15.81, which was higher than the local legal minimum wage standard of RMB 2490 per month as equivalent to RMB 14.31 per hour since January 1st, 2024 and RMB 2280 per month as equivalent to RMB 13.1 per hour before January 1st, 2024. Overtime wage was paid at 150%, 200% and 300% of normal rate for overtime hours on normal working days, rest days and public holidays respectively, and total paid wages ranged from RMB 4471 to RMB 5541 per month with the average of RMB 4947. The gap between reported wages and legal requirements was nil and the percentage of workers being paid below the minimum wage was nil. For social insurance, a total of 33 employees (excluding 14 retired employees) were eligible to receive five types of social insurances in November 2024 according to the law. However, through review of social insurance enrollment list and payroll records, only 28 employees were enrolled in pension insurance, medical insurance, occupational injury insurance, unemployment insurance and child-bearing insurance. Remark: the factory provided commercial accident insurance for other employees which valid for March 9, 2024 to March 8, 2025.

A wage slip detailing: basic wages, hourly wage rate, normal working hours, overtime working hours, holiday working hours, normal working hours wage, overtime working hours wage, statutory holidays allowance, paid leave, allowance (working position, full attendance allowance), total monthly wages, deduction (utility bills, social insurance and tax) and net wage was provided to each worker.

Details:

1. Employee handbook
2. Wages and benefits policy
3. Annual leave records
4. Resigned workers payroll records
5. Payroll and attendance records
6. Social insurance and payment receipts

Findings: non-compliances

ZAF600761170

Non-compliance

Due 2025-03-07

Code area

5 Legal wages are paid

Status

Open*

Workplace requirement

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

Time given to resolve

60 days

Issue title

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

Verification method

Follow up audit

Description

It was noted that a total of 33 employees (excluding 14 retired employees) were eligible to receive five types of social insurances in November 2024 according to the law. However, through review of social insurance enrollment list and payroll records, only 28 employees were enrolled in pension insurance, medical insurance, occupational injury insurance, unemployment insurance and child-bearing insurance. Remark: the factory provided commercial accident insurance for other employees which valid for March 9, 2024 to March 8, 2025.

在此次审核过程中，审核员发现在33名（除去14名退休返聘员工）符合参保条件的员工中，只有28名参加了养老保险，医疗保险，工伤保险、失业保险和生育保险。备注：工厂给其余员工购买了商业意外险，有效期从2024年3月9日至2025年3月8日。

Area of non-compliance/non-conformance

Local law
Base code

Corrective and preventative actions

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

Local law reference

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

Article 4. Employers and employees within the territory of the People's Republic of China should pay social insurance premiums in accordance with the law.

Evidence



[NC-Inadequate social insurance.JPG](#)



* PDF generated at 08:59 (UTC) on 06 Jan 2025. [View this finding on the Sedex platform](#) for live updates and closure details.

5. Legal wages are paid

Data points

What is the basic wage paid to workers?	Wages are based on job skills and experience
Does the site use digital payment methods (i.e. money paid directly into a bank account) to pay workers?	Does not use digital payments (give details) The factory paid the wages in cash.
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
Actual required working hours	Required hours per day	8.0
	Required hours per week	40.0
	Required hours per month	Non applicable
Maximum legal overtime hours	Max hours per day	3.0
	Max hours per week	Non applicable
	Max hours per month	36.0

Actual overtime hours	Max hours per day	2.0
	Max hours per week	18.0
	Max hours per month	76.0
Minimum legal wage	Min per hour	14.31
	Min per day	114.48
	Min per week	Non applicable
	Min per month	2490.0
Actual minimum wage	Actual per hour	14.95
	Actual per day	119.6
	Actual per week	Non applicable
	Actual per month	2600.0
Minimum legal overtime wage	Min per hour	21.47
	Min per day	Non applicable
	Min per week	Non applicable
	Min per month	Non applicable
Actual minimum overtime wage	Actual per hour	22.43
	Actual per day	Non applicable
	Actual per week	Non applicable
	Actual per month	Non applicable

Wage analysis

Number of workers' records checked	30
Provide the date and details of the records	10 samples from November 2024 (most current month) 10 samples from July 2024 (random month) 10 samples from March 2024 (random month)
Are there different legal minimum/ legally recognised CBAs wage grades?	Yes RMB 13.1 per hour before January 1st, 2024 and RMB 14.31 per hour since January 1st, 2024.

For the lowest paid workers, are wages paid for standard/contracted hours (excluding overtime) below or above the legal minimum/ legally recognised CBAs?

Above legal minimum

Indicate the breakdown of workforce per earnings

Based on the payroll records and attendance records provided by the factory, workers' minimum wages were paid above the local legal requirement, which was RMB 13.1 per hour before January 1st, 2024 and RMB 14.31 per hour since January 1st, 2024.

Are there any bonus schemes used?

Yes

Full attendance and working efficiency bonus

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	Local law	Finding
			No findings
Systems and evidence examined to validate this code section	<p>Current systems: Wages and benefits paid for a standard working week meet, at a minimum, national legal standards; no industry benchmark standards and living wage requirement in local. Then no need to review workers' total pay including benefits and compare it with a credible 'living wage' to calculate a 'living wage gap', and understand what proportion of the workforce has a gap.</p> <p>Details: 1. Payroll records 2. Attendance records 3. Local legal minimum wage documents 4. Wages and benefits policy 5. Labor contracts for all employees 6. Pay slips of all interviewed workers 7. Workers and management interview</p>		

6. Working hours are not excessive

Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Some Improvements Recommended
Monitor the effectiveness of procedures to meet policy and workplace requirements	Some Improvements Recommended
Explanation for management systems grades	<p>The factory had established policy and procedure "Working hours management procedure" in place. Based on the procedure, all working hours should be complied with legal requirement.</p> <p>Ms. Jiang Minhong/ Admin Manager was assigned to responsible for ensuring working hours are not excessive in the factory. She is familiar with labor laws, regulation and other requirements on overtime working hours.</p> <p>Internal audits were conducted for labor management system and corrective actions were implemented to ensure continuous improvement. Based on the internal audit report and management review report, the factory could not control working hours to comply with legal requirement as most workers wanted to work overtime to earn more money, and rush shipment turnaround made the factory hard to established the production plan to balance the shipment period and no excessive working hours to workers.</p> <p>The policy and procedures were communicated to workers through trainings, posters etc. Training exam was taken to ensure communication was effective. However, workers wanted to work overtime to earn more money, the overtime was voluntary.</p>

Summary of findings

Code area	Workplace requirement	Local law	Finding
6. Working hours are not excessive	6.F Ensure that where overtime is used, it is...	§1	NC ZAF600761171

Systems and evidence examined to validate this code section

Current systems:

There's a written policy concerning working hours and overtime hours, as well as a system for monitoring working hours and overtime hours. The factory keeps a finger scan attendance system to ensure the attendance system to be accurate. Policy and Procedures for special terms for young workers and pregnant women are also in place.

During this audit, the factory provided 13 months' time attendance records (from December 2023 to December 2024) for review. A sampling of these provided records for the months of November 2024 (most recent month), July 2024 (random month) and March 2024 (random month) were reviewed. Based on provided time attendance records, workers' working hours were 8-10 hours a day, 54-58 hours a week, with the average being 56 hours per week. The most continuous working days without rest were 6 while the average continuous working days without rest were 6.

Details:

- Employee handbook
- Wages and benefits policy
- Annual leave records
- Resigned workers time records
- Payroll and attendance records
- Production records

Findings: non-compliances

ZAF600761171

Non-compliance

Due 2025-03-07

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

It was noted that the monthly overtime hours of 10 out of 10 randomly selected workers (from all production sections) exceeded 36 hours in November 2024 with the highest of 76 hours; 10 out of 10 (from all production sections) exceeded 36 hours in July 2024 with the highest of 70 hours; 10 out of 10 (from all production sections) exceeded 36 hours in March 2024 with the highest of 74 hours.

在此次审核中, 审核员发现在随机抽取的10名工人中, 有10名工人(来自所有生产车间)的月加班时间在2024年11月超过36小时, 最高达到76小时; 在2024年7月, 随机抽取的10名工人中有10名工人(来自所有生产车间)月加班时间超过36小时, 最高达到70小时; 在2024年3月, 随机抽取的10名工人中有10名工人(来自所有生产车间)月加班时间超过36小时, 最高达到74小时。

Area of non-compliance/non-conformance

Local law
Base code

Corrective and preventative actions

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

Local law reference

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

Evidence

[NC-Monthly OT exceed 36.png](#)



* PDF generated at 08:59 (UTC) on 06 Jan 2025. [View this finding on the Sedex platform](#) for live updates and closure details.

6. Working hours are not excessive

Data points

Is the sample size the same as in the wages section?	Yes
Normal day overtime premium as a percentage of standard wages	150%
If the site pays an overtime premium of less than 125% and this is allowed under local law, are there other considerations?	150%, 200% and 300% of normal rate for overtime hours on normal working days, rest days and public holidays respectively.
Excluding overtime, what are the regular working hours per week for workers at this site?	40.0
Including overtime, what is the average number of working hours per week for full-time workers at this site?	56.0
In the sample, what was the maximum number of hours worked in a single week, including overtime, for any worker at this site?	58.0
Maximum number of days worked without a day off in sample	6

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
Explanation for management systems grades	<p>The factory had established policy and procedure "Anti-discrimination management procedure" in place.</p> <p>Ms. Jiang Minhong/ Admin Manager was assigned to responsible for ensuring no discrimination is practiced in the factory. She is familiar with labor laws, regulation and other requirements on anti-discrimination.</p> <p>Internal audits were conducted for labor management system and corrective actions were implemented to ensure continuous improvement. Based on the internal audit report and management review report, no discrimination issue was identified in the past 2 years.</p> <p>The policy and procedures were communicated to workers through trainings, posters etc. Training exam was taken to ensure communication was effective.</p>

Summary of findings

Code area	Workplace requirement	Local law	Finding
			No findings

Systems and evidence examined to validate this code section

Current systems:

The factory has written policy on anti-discrimination as well as policy on compensation, promotion, and training etc.

New staff hiring policy and advertise indicates that no pregnancy or health check (HIV testing, HB check) was required.

Gender and ethnic balance between workers and middle management is proper.

There's grievance channel (suggestion box or anonymous phone line etc.) for workers to report any discrimination.

Details:

1.Factory policy, hiring procedure.

2.Employee handbook.

3.Payrolls, training records.

4.Contracts, termination records.

7. No discrimination is practiced

Data points

Percentage of women workers in skilled or technical roles (e.g. where specific qualifications are needed, such as engineer/laboratory analyst)?	80%
Representation of women in managerial roles (ratio of women workers to women managers)	15%
Representation of women in supervisory roles (ratio of women workers to women supervisors)	30%
Three most common nationalities in managerial and supervisory roles	All managements and supervisors were from 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	Robust Management Systems
Explanation for management systems grades	<p>The factory had established policy and procedure on employment management. In the procedure, no labor agent or contractor was allowed to hire workers. All workers were hired directly.</p> <p>Ms. Jiang Minhong/ Admin Manager was assigned to responsible for ensuring employment followed with legal requirements in the factory. She is familiar with labor laws, regulation and other requirements on hiring process, no labor agent or contractor was allowed to hire workers.</p> <p>Internal audits were conducted for labor management system and corrective actions were implemented to ensure continuous improvement. Based on the internal audit report and management review report, no labor agent or contractor was allowed to hire workers in the past 2 years.</p> <p>The policy and procedures were communicated to workers through trainings, posters etc. Training exam was taken to ensure communication was effective.</p>

Summary of findings

Code area	Workplace requirement	Local law	Finding
			No findings

Systems and evidence examined to validate this code section

Current systems:

Work performed was on the basis of recognized employment relationship established through national law and normal practice. The factory never used any home-workers or agency workers. No apprentice or temporary worker was working in the factory. The factory signs labour contracts with employees within 30 days since employment, and all workers can have their own a copy of the contract and pay slip. HR staff was aware of local law concerning above worker pattern.

Details:

- 1.Factory policy, employee handbook
 - 2.Labour contracts
 - 3.Hiring and termination records
 - 4.Personal files
 - 5.Management and worker's interview
-

8. Regular employment is provided

Data points

Percentage of workers that are permanently or temporarily employed	100.0%
--	--------

Percentage of workers that have been engaged via irregular, sub-contracted or non-employment models of labour, rather than permanent or temporary contracts of employment	0.0%
---	------

Percentage of workers employed as apprentices, trainees or interns	0.0%
--	------

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

Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Robust Management Systems
Monitor the effectiveness of procedures to meet policy and workplace requirements	Robust Management Systems
Explanation for management systems grades	<p>The factory had established policy on sub-contracting, homeworking, and external processing, as well as written policy and procedure in place to control external working.</p> <p>Ms. Jiang Minhong/ Admin Manager was assigned to responsible for ensuring no subcontracting and homeworkers were used in the factory. She is familiar with labor laws, regulation and other requirements on using of subcontractors and homeworkers, most of their clients were not allowed for using of subcontractors and homeworkers.</p> <p>Internal audits were conducted for labor management system and corrective actions were implemented to ensure continuous improvement. Based on the internal audit report and management review report, no subcontractor and homeworker was noted in the past 2 years.</p> <p>The policy and procedures were communicated to workers through trainings, posters etc. Training exam was taken to ensure communication was effective.</p>

Summary of findings

Code area	Workplace requirement	Local law	Finding
			No findings

Systems and evidence examined to validate this code section

Current systems:

The factory has customer policy on sub-contracting, homeworking, and external processing, as well as written policy and procedure in place to control external working.

The factory posted customers' Code of Conduct in the facility. Through site tour, documents review and management & workers interview, no external working was being used currently.

Details:

- 1.Factory policy,
 - 2.Quality records and management & workers interview
 - 3.Site tour (check production process)
-

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

Data points

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

Gender disaggregated data available

Number of homeworkers used

	Men	Women	Other	Total
Number of workers	-	-	-	-

What processes are carried out by homemaker?

Are full records of homeworkers available at the site?

Does the supplier buy products or services from suppliers that use homeworkers?

No

The factory didn't allow their suppliers to use homemaker as per the policy and no homemaker was noted as per the suppliers' assessment reports.

Sub-contracting

Are there any concerns about unrecorded work or undeclared sub-contracting on site, giving considerations to the workers' capacity?

No

There was no such concern as per onsite tour, document review and interview.

Are any sub-contractors used?

No

9. No harsh or inhumane treatment is allowed

Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Robust Management Systems
Monitor the effectiveness of procedures to meet policy and workplace requirements	Robust Management Systems
Explanation for management systems grades	<p>The facility had established a written Anti-harsh and inhumane treatment management procedure in place. Ms. Jiang Minhong/ Admin Manager was assigned to responsible for ensuring no harsh or inhumane treatment is allowed in the factory. She is familiar with labor laws, regulation and other requirements on inhumane treatment. Internal audits were conducted for labor management system and corrective actions were implemented to ensure continuous improvement. Based on the internal audit report and management review report, no harsh or inhumane treatment issue was noted in the past 2 years. The policy and procedures were communicated to workers through trainings, posters etc. Training exam was taken to ensure communication was effective.</p>

Summary of findings

Code area	Workplace requirement	Local law	Finding
			No findings

Systems and evidence examined to validate this code section

Current systems:

The factory has established an anti-harsh or inhumane treatment policy. The policy states that physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation shall be prohibited in this facility.

The disciplinary procedure only includes oral warning, written warning and education, which was confirmed through worker's interview.

The factory has established grievance mechanism with non-retaliation policy and allow workers to report issues anonymously. Related training records and grievance records / documented evidence were maintained in place.

Security practices were humane and comply with customers' expectation.

Details:

1. Policy of prevention of harassment and abuse.
 2. Internal grievance procedure documentation.
 3. Training records
 4. Employee interview
-

9. No harsh or inhumane treatment is allowed

Data points

Is there a formal process for workers to report concerns, complaints, or problems ('grievance mechanism')?	<p>Yes, there is a formal grievance process</p> <p>The grievance process is available to all workers</p> <p>The grievance process is available to members of the local community</p>
What type of grievance mechanism(s) are available?	<p>Suggestion box had been installed in the workshop and workers could also choose to report any concern to manager if needed.</p>
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
Explanation for management systems grades	<p>The facility had established a written environmental management procedure in place. Ms. Jiang Minhong/ Admin Manager was assigned to responsible for ensure the factory complied with environmental requirements, she is familiar with environmental laws, regulation and other requirements. As this is a small factory, she was assigned for most of general affairs in the factory, there might be something missing existed, for example, request the EHS staff to update the environmental impact report while updated the factory size.</p> <p>The regular inspection for environmental factors including air emission, boundary noise and domestic wastewater were conducted annually and the result was within regulatory limits. Internal audits were conducted for environmental management system and corrective actions were implemented to ensure continuous improvement. The issue of updating the environmental permit was not identified and corrective actions not implemented.</p> <p>The policy and procedures were communicated to workers through trainings, posters etc. Training and communication on updating of environmental permits was insufficient while updated the factory size.</p>

Summary of findings

Code area	Workplace requirement	Local law	Finding
			No findings

Systems and evidence examined to validate this code section

Current systems:

The site has established Environmental policy concerning environment issue (including hazardous waste disposal handling procedures), and the responsible management staff was aware of local laws / regulations governing environment, keeps the law up to date.

The factory has got the environmental impact assessment documents examined and approved by authorized environmental protection department. No pollution observed in the factory.

The factory conducted a risk assessment on the environmental impact of the site, including implementation of controls to reduce identified risks.

The factory also established emergency reduction targets in place for environmental aspects e.g. water consumption and discharge, waste, energy and so on.

Details:

- 1.Environmental policy
 - 2.Pollutant Discharge Registration
 - 3.Risk assessment records
 - 4.Emergency reduction target
 - 5.Environmental impact report
 - 6.Environmental project completion acceptance report
 - 7.Hazardous waste disposal records
 - 8.Workers and Factory management interview
 - 9.Factory tour
-

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>Nil</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 factory has established reduction targets for water consumption and discharge, waste, energy and green-house gas emissions.</p>

10.B. Environment 4-Pillar

Summary of findings

Code area	Workplace requirement	Local law	Finding
No findings			
Systems and evidence examined to validate this code section	<p>Current systems: The site has written policy in place concerning environment issue (including hazardous waste disposal handling procedures), and the responsible management staffs are aware of local laws / regulations governing environment, keeps the law up to date. The factory had obtained the environmental impact assessment documents examined and approved by authorized environmental protection department. The annual monitoring reports for air emission, wastewater and boundary noise were provided for review, and the results are within the restriction per environmental law. Based on observation on site, wastes were classified and collected on site. Based on worker's interview, they were trained on environmental protection.</p> <p>Details: 1.Environmental policy 2.Risk assessment records 3.Emergency reduction target 4.Management and worker interview 5.Environmental impact report 6.Environmental project completion acceptance report 7.Pollutant discharge permit 8.Hazardous waste disposal records 9.Factory tour</p>		

10.B. Environment 4-Pillar

Data points

Has the site conducted a risk assessment on the environmental impact of the site, including implementation of controls to reduce identified risks?	Yes
What additional specific environmental policies does the site capture?	Sustainable material sourcing Circular economy and resource efficiency Responsible use and management of water
Is there a system for managing client's requirements and legislation in the destination countries regarding environmental and chemical issues?	Yes Factory had environment policy for managing client's requirements and legislation.
Does the site have reduction targets in place to manage climate related risks?	None
Does the site have reduction targets in place for environmental aspects (e.g. water consumption and discharge, waste, energy and green-house gas emissions: (Scope 1, 2 & 3))?	No
Has the site checked that any sub-contracting agencies or business partners operating on the premises have the appropriate permits and licences and are conducting business in line with environmental expectations of the facility?	Yes Factory had checked the suppliers' relevant environmental licenses and their environmental police before conducting business.

Usage/discharge analysis

	Last full calendar year (2023)	Previous full calendar year (2022)
Total electricity consumption from non-renewable sources (kWh)	141,296	162,358
Total electricity consumption from renewable sources (kWh)	0	0
Sources of renewable energy used	None	None
Types of renewable energy used	Data not available	Data not available

Total natural gas consumption (kWh)	0	0
Usage of other purchased fuels	0	0
Has the site completed any carbon footprint analysis?	No	No
Water sources	Municipal sewage system	Municipal sewage system
Does the site use mercury or mercury compounds?	No	No
Water volume used (m3)	1,650	1,709
Water discharged	Municipal sewage system	Municipal sewage system
Water volume discharged (m3)	1,536	1,582
Water volume recycled (m3)	114	127
Total waste produced (mt)	1.5	1.5
Total hazardous waste produced (mt)	0.2	0.2
Waste to recycling (mt)	0.3	0.3
Waste to landfill (mt)	1	1
Waste to other (mt)	0	0
Total product produced (mt)	30,000,000	280,000,000

10.C. Business ethics

Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Robust Management Systems
Monitor the effectiveness of procedures to meet policy and workplace requirements	Robust Management Systems
Explanation for management systems grades	<p>A policy and procedure concerning "Business Ethics Management" is in place. This policy was established and filed in the Compliance Management Procedures, it was updated last month and signed by Ms. Jiang Minhong/ Admin Manager. The general concept was posted on the bulletin board for employee awareness.</p> <p>Ms. Jiang Minhong/ Admin Manager is tasked with ensuring regular meetings with HR department staff and worker representatives to address concerns or provide updates. There has been annual formal communication and training on this topic to employees, apart from posting the policy on the noticeboard.</p> <p>Also, there is an established communication channel for workers to raise concerns or meet with their representatives to ensure adequate Business Ethics Management. Upon discussion with the Ms. Jiang Minhong/ Admin Manager, it was confirmed that there is monitoring system in place to gauge the effectiveness of the current communication system in ensuring employees are aware of their rights and reflecting their concerns for "Business Ethics Management".</p>

Summary of findings

Code area	Workplace requirement	Local law	Finding
			No findings

Systems and evidence examined to validate this code section

Current systems:

The company manager was the designated person responsible for implementing standards concerning Business Ethics, and that site practices were conducted without any corruption and/or bribery.

The company established a business ethics policy which was communicated to workers through posters and training.

The site had received and read the Business Ethics policy of the auditor/audit company. There was an internal grievance process, which was an anonymous email address.

Details:

- 1.The company business ethics policy including
 - 2.Bribery
 - 3.Corruption Training records Worker handbook
 - 4.Reports from Anonymous email account
 - 5.Worker and management interview
-

10.C. Business ethics

Data points

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



[LRQA-CN-SMTA-297194_Photo Form JiangYin DongXin Garment Label Co.,Ltd December 30, 2024.pdf](#)



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