Sedex Members Ethical Trade Audit Report

Version 7

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

Contents

Audit content

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

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

2-pillar audits include:

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

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

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

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

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

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Findings →

Audit details

Site details

Sedex site reference	ZS407933377	**Site name**	NANLIU
Business name	NAN LIU ENTERPRISE CO. LTD	**Site address**	No. 699, Silin Rd., Yanchao Dist., Kaohsiung City 82446, Taiwan (R.O.C.) Kaohsiung TW 82446

Audit details

Sedex company reference	ZC406991407	**Auditor company name**	SGS Taiwan
Audit company address	No. 136-1,Wu Kung Rd., New Taipei Industrial Park, Wu Ku Dist., New Taipei City, 24803 Taiwan, New Taipei City, TW, 24803		
Date of audit	2026-06-30	**Audit conducted by**	Jerry Chiu
Audit pillars	Labour Standards | Health and safety | Environment 4-Pillar | Business ethics		

Time in and out	Day 1		Day 2	
	In	08:50	In	08:55
	Out	17:10	Out	17:00

Audit type	Periodic
Was the audit announced?	Semi announced

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Findings →

Was the Sedex SAQ available for review?	Yes
Who signed and agreed CAPR?	Piaget Hsieh / Assistant 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	No	No
B: Present at the audit?	Yes	No	No
C: Present at the closing meeting?	Yes	No	No
Reason for absence at the opening meeting	There is no worker committee or union in the facility. Moreover, local law did not require the trade union as a must.		
Reason for absence during the audit	There is no worker committee or union in the facility. Moreover, local law did not require the trade union as a must.		
Reason for absence at the closing meeting	There is no worker committee or union in the facility. Moreover, local law did not require the trade union as a must.		

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)	NA		
Lead auditor	Jerry Chiu	**APSCA Number**	21704588
Additional auditor	Gary Chao	**APSCA Number**	21702699
Date of declaration	2026-07-01		

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Findings →

Site representation

Declaration	I acknowledge that details from this report can change during the review process and that I will be given the opportunity to dispute the content once the review has been published.
Full name	Piaget Hsieh
Title	Assistant Manager
Date of declaration	2026-07-01

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Findings →

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
1.A. Responsible recruitment and entitlement to work	1.A.I Verify that workers who are found to pa...	Base code	NC ZAF601520341
3. Working conditions are safe and hygienic	3.L Implement effective processes to manage f...	Local law	NC ZAF601493670
	3.L Implement effective processes to manage f...	Base code	NC ZAF601520340
6. Working hours are not excessive	6.D Ensure that working hours do not exceed 6...	Base code	NC ZAF601493672
	6.F Ensure that where overtime is used, it is...	Local law	NC ZAF601493671

Management systems

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

✗ Not addressed

⚠ Fundamental improvements required

ⓘ Some improvements recommended

✓ Robust management systems

← Summary of findings

Site details →

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

✗ Not addressed

⚠ Fundamental improvements required

ⓘ Some improvements recommended

✓ Robust management systems

Site details

Company and site details

Sedex company reference	ZC406991407	
Sedex site reference	ZS407933377	
Company name	NAN LIU ENTERPRISE CO. LTD	
Business ownership type	GOODS	
Site name	NANLIU	
Site name in local language	南六企業	
GPS location	**GPS address**	No. 699, Silin Rd., Yanchao Dist., Kaohsiung City, Taiwan
	Coordinates	Latitude: 22.782723 N; Longitude: 120.344934 E
Is the worksite in a remote location, far from habitation?	No	
Site contact	**Contact name**	Eric Wu
	Job title	Specialist
	Phone number	+886-7-6116616
	Email	lobaneric@nanliugroup.com
Applicable business and other legally required business license numbers and documents	Business license: 75989858 (issue on July. 14, 2025; Valid date: permanent); Factory registration certification: 64008269; issue on July 14, 2022; Valid date: N/A (permanent)	

← Management systems

Worker analysis →

Site activities

Site function	Factory Processing/Manufacturer Finished Product Supplier	
Site activities	**Primary**	Manufacture of made-up textile articles, except apparel
	Secondary	
	Other	
Product type	Manufacture of non-woven products.	
Process overview	The main production processes as follow: Raw material, Mix Fiber, Carding, Water jet, Dryer, Winder, Slitting, Packaging / Packing and Shipping. The main production equipment were including: Fiber opener machine: 6 Sets, Mix fiber machine: 6 Sets, Carding machine: 6 Sets, Water jet machine: 2 Sets, Oven: 2 Sets, Winder machine: 1 sets.	
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?	11648m²

← Site details

Worker analysis →

Site scope

Building 1	**Last construction works on site**	2018
	If building is shared, provide details	The building is not shared.
	Number of floors	3
	Description of floor activities	The 3-story building is used as office and conference room only.
Building 2	**Last construction works on site**	2022
	If building is shared, provide details	The building is not shared.
	Number of floors	4
	Description of floor activities	The 4-story building is used as production, Inspection and packing
Building 3	**Last construction works on site**	2018
	If building is shared, provide details	The building is not shared.
	Number of floors	1
	Description of floor activities	The ground building is used for the main non-woven production process.
Building 4	**Last construction works on site**	2018
	If building is shared, provide details	The building is not shared.
	Number of floors	1
	Description of floor activities	The ground building is used as main non-woven production process, mask and warehouse.

Site scope

Building 5	**Last construction works on site**	2018
	If building is shared, provide details	The building is not shared.
	Number of floors	1
	Description of floor activities	The ground building is used as main non-woven production processes.
Building 6	**Last construction works on site**	2024
	If building is shared, provide details	The building is not shared.
	Number of floors	1
	Description of floor activities	The ground building is used as warehouse only.
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

← Site details

Worker analysis →

Worker accommodation and transport

Does the site organise worker transport to the worksite?	Not applicable Not required by law. No transportation is provided by the facility. Employees go to the factory by their own transportation.

Work patterns

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

Is there any night shift work at the site?	Yes For two shift workers (machine operators): Day: 08:00 – 16:00 / Night: 20:00 – 04:00; 0.5 hour for meal & rest after continuously working for four hours.
What night shift audit activities were conducted?	Individual worker interview(s) Group worker interview(s)
What percentage of the workforce, including temporary and agency workers, work during the night shift?	14%
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 sampled workers includes each shift time, different country and gender in interviews and sampling records.

← Site details

Worker analysis →

Site assessments

Does this site hold any certifications that address labour standards, human rights, corruption or environmental impact?	ISO 45001 (OHS), ISO 14001 (Environmental management), Other management system certification The facility is also certificate with ISO 9001ISO 13485 and FSC management system.
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 site did not formally 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 auditee has not been any Human Rights Impact Assessment (HRIA) conducted in past three years at this site.

← Site details
Worker analysis →

Worker analysis

Gender disaggregated data available	Men and women

Worker totals

	Men		Women		Other		Total	
Number of workers	133	*(64.3%)*	74	*(35.7%)*	-	-	207	*(100%)*

Workers by type

	Men		Women		Other		Total	
Permanent workers (employees)	133	*(64.3%)*	74	*(35.7%)*	-	-	207	*(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	0	-	0	-	-	-	0	(0%)
International migrant workers	33	(70.2%)	14	(29.8%)	-	-	47	(22.7%)
Total migrant workers	33	(70.2%)	14	(29.8%)	-	-	47	(22.7%)

* % of total workforce

Where workers have migrated internally, list the most common internal states workers have moved from No worker migrated internally

Workers by age

	Men		Women		Other		Total	
18 - 24 years old	2	(66.7%)	1	(33.3%)	-	-	3	(1.4%)
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?	Yes
Please list the nationalities of all workers, with the three most common nationalities listed first	Indonesian Thai Vietnamese

Most common nationalities as approximate % of workforce

	Men	Women	Other	Total
Indonesian	0%	14%	-	14%
Thai	30%	0%	-	30%
Vietnamese	3%	0%	-	3%

Workers by remuneration type

	Men	Women	Other	Total
Workers paid per unit (piece rate)	- *-*	- *-*	- *-*	0 *(0%)*
Workers paid based on a mix of 'piece work' and hourly rate	- *-*	- *-*	- *-*	0 *(0%)*
Workers paid hourly / daily rate	- *-*	- *-*	- *-*	0 *(0%)*
Salaried workers	133 *(64.3%)*	74 *(35.7%)*	- *-*	207 *(100%)*

* % 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	133	*(64.3%)*	74	*(35.7%)*	-	-	207	*(100%)*
Other	0	-	0	-	-	-	0	*(0%)*

* % of total workforce

If other payment cycle entered, please provide details	None

People in managerial, supervisorial and administrative roles

	Men		Women		Other		Total
Employees in management positions	26	*(68.4%)*	12	*(31.6%)*	-	-	38
Supervisors or team leaders	18	*(85.7%)*	3	*(14.3%)*	-	-	21
Administrative staff	3	*(13%)*	20	*(87%)*	-	-	23

← 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	20 workers (4 groups 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

← Worker analysis

Measuring workplace impact →

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) Workers did not raise complaint during audit.
What did the workers like the most about working at this site?	Facilities (e.g. rest area, recreation, canteen) Hours worked, rest days or breaks Overtime Work atmosphere (e.g. treatment by supervisors)
Additional comments	All interviewed workers were cooperative and had a good relationship with management in general.
Attitude of workers' committee/union representatives	There is no workers committee/union in the facility.
Attitude of managers	The facility management showed a positive attitude to this audit during the whole process. All necessary documents were provided timely, locked areas encountered during the audit were unlocked timely and a private room was arranged for employees' interview. At the end of the audit, all the findings were accepted by the facility management. No negative information was raised by managers.

Workers interviewed by type

	Total
Permanent workers	26

← Worker analysis

Measuring workplace impact →

Workers interviewed by type

Temporary or fixed-term employees	0
Agency or subcontracted workers	0
Seasonal workers	0
Other workers	0
Total number of workers interviewed	26

Workers interviewed by group/individual

	Men	Women	Other	Total
Workers interviewed in groups	11	9	-	20
Workers interviewed individually	2	4	-	6

← Worker analysis
Measuring workplace impact →

Migrant workers interviewed

	Men	Women	Other	Total
Domestic migrant workers interviewed	0	0	-	0
International migrant workers interviewed	6	5	-	11
Total migrant workers interviewed	6	5	-	11

Measuring workplace impact

Gender disaggregated data available	Men and women

Annual worker turnover (%)*

	Men	Women	Other	Total
Last full quarter (90 days)	3.38%	0.48%	-	3.86%
Last full calendar year (2025)	0.0%	0.0%	-	0.0%
Previous full calendar year (2024)	0.0%	0.0%	-	0.0%

* 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)	8.06%	0.0%	-	8.06%
Last full calendar year (2025)	0.0%	0.0%	-	0.0%
Previous full calendar year (2024)	0.0%	0.0%	-	0.0%

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).

← Worker interviews

Code area 0 →

Are accidents recorded?	Yes The accidents were clearly identified, and the log was registered on government website. Relevant corrective and preventive measures are followed up and the record were kept in file. No accident happened in past 3 years.

← Worker interviews

Code area 0 →

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

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

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

Lost day work cases (per 100 workers)*

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

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

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

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

← Measuring workplace impact

Code area 0 →

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

Previous full calendar year (2024)	0.0%	0.0%	-	0.0%

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

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

0. Enabling accurate assessment

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
No findings			

Systems and evidence examined to validate this code section

1. Facility appointed a senior management responsible for compliance with the Code.
2. Facility implemented and maintained systems for delivering compliance to this Code such as set up management system, provided training to workers, posted relevant information on bulletin board, etc.
3. Based on document review: ETI Code and client's specific expectation were communicated to their suppliers. The signature records of agreement were well kept.
4. The facility established the related management procedure on social accountability.
5. Based on interviewed management, social responsibility procedure and ETI base code reviewed, facility will not use any forced or involuntary labour, whether prison, bonded, indentured or otherwise.
6. Based on ETI base code, social responsibility procedure and document reviewed, the ETI base code and human rights policy are shown on bulletin board.
7. Audit window:2026/6/10~2026/7/9

The audited facility allows the auditor to conduct and complete the audit without obstruction of access to all requested documents, interviewees, and the facility itself (including outbuildings and accommodation), and provides the auditor with genuine and authentic records, with no bribes or threats to the auditor. During the audit, the facility provided an accurate site description and Sedex site profile was declared.
The facility maintains a written human rights policy statement that is approved at the most senior level, communicated to all personnel, and provided to relevant personnel for training.

Evidence examined:
1. Social Responsibility procedure of the facility
2. ETI base code
3. Management interview
4. Employee interview
5. Human right policy statement
6. Work Rules

← Measuring workplace impact

Code area 1 →

0. Enabling accurate assessment

Data points

Has the site received an official notice, fine, prosecution, or withhold release order (WRO) for non-compliance with legislation, regulation, consent, or permits within the last three years, relating to Health and Safety, labour rights or the environment?	No
Did any workers selected by the auditor decline to be interviewed?	No
Were any external stakeholders such as consultants, customer representatives, industry experts etc. present during the audit?	No

← Code area 0

Code area 1 →

1. Employment is freely chosen

Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	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	Policies and procedures; The site has a detailed Employment is freely chosen policy which includes commitment to all the SMETA requirements, as well as key responsibilities and procedures by which it will be implemented. Resources: The Top management of the site is ultimately responsible for enforcing working hours compliance at the site and this is well defined. In general, the role(s) responsible understand their role and responsibilities and the role requires the necessary skills to implement them. Training: All new employees receive training on the job rules, which includes the freely chosen employment. Any adjustments or updates to the job rules are discussed at the labor-management meeting every three months. Monitoring: The site has established written procedures, and no non-conformities related to "Employment is freely chosen" were identified during the audit. The facility effectively ensures compliance through its internal monitoring procedures.

← Code area 0

Code area 1.A →

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
	No findings		

Systems and evidence examined to validate this code section	1. The facility had a policy which prohibits forced labour in place. 2. Based on interview with the management / workers and documents review, effective employment policy & procedure were established. 3. All workers were able to resign freely by notifying the management 10~30 days in advance. 4. All workers were not requested to leave any deposit or document to factory such as training fee, fee for tools, fee for uniforms, or original documents such as ID papers. Only copies of ID must be kept in the personnel files and the original given back to the workers. 5. No forced, bonded, involuntary labour and prison labour was used in accordance with on-site observation and worker interview. 6. All workers were free to leave at the end of their shift. 7. All workers were permitted time-off with doctor's certificate or note when sick or maternity. 8. Through the Working rules review, stated that all workers could quit his/her job with legal notice without any penalty. 9. Through management interview, they stated that all employees joined/worked in the facility voluntarily and no any force in the facility. 10. All selected employees confirmed that they worked at the facility voluntarily and no enforcement to work overtime. 11. Based on all interviewed, employees stated that their ID card and national health card just show to employer for registrations of labour and health insurance. The facility just keeps copied ID card and copied national health card; original ID card and copied national health card are kept by themselves. Evidence examined: 1. Personnel files, contract 2. Resignation records of the past 3 months 3. Factory rules 4. Management and employee interview 5. Working Rules

← Code area 0 Code area 1.A →

1. Employment is freely chosen

Data points

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

← Code area 1

Code area 1.A →

1.A. Responsible recruitment and entitlement to work

Management systems

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

← Code area 1

Code area 2 →

Management systems

Explanation for management systems grades	Policy and Procedures: The factory has formulated written policies and procedures regarding recruitment. The policies make reference to the <Labor law> and <Labor Contract Law>, which outlined the key requirements for employment terms, background check. Those procedures include provision for all kinds of workers. It regularly undertakes reviews and updates of these policies by management. Resources: Based on the established recruitment procedure, the HR Manager, has been appointed to oversee and implement the recruitment procedure. The responsibility was defined. The HR manager collected the needs of all departments and developed an annual recruitment plan. Training & Communication: The factory had developed an annual training plan, trained employees according to the plan and the training records were provided for review, the training covers all requirements of <Labor law> and <Labor Contract Law>. Monitoring: The factory assesses the effectiveness of recruitment procedures via regular monitoring. Based on monitoring of key performance indicators, all workers signed the labor contract, the contract content meet the <Labor Law>, however, the facility lacks of minitor, resulting new foreign migrant workers paying recruitment fees and other costs in their home country.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
1.A. Responsible recruitment and entitlement to work	1.A.I Verify that workers who are found to pa...	Base code	NC ZAF601520341

← Code area 1

Code area 2 →

Systems and evidence examined to validate this code section	Based on facility site tour observations, document review, and interviews, the facility is compliant with the outlined workplace requirements regarding responsible recruitment and entitlement to work. It conducts thorough reviews of original identification to ensure all workers have the legal right to work. Records are maintained to demonstrate compliance, and recruitment processes are transparent, reflecting accurate working and living conditions communicated during recruitment. No children and young workers are employed at this site. The site hires its employees by themselves directly, and no broker or agent is used. The recruitment fee is reported during the audit; the auditor has raised a finding in this section. Evidence examined: 1. Hiring and termination records 2. Personnel files 3. Payroll records 4. Attendance records

Findings: non-compliances

ZAF601520341

Non-compliance

Code area

1.A Responsible recruitment and entitlement to work

Workplace requirement

1.A.I Verify that workers who are found to pay recruitment fees or related costs (legal or otherwise, as defined by the ILO and including travel and visa costs), are fully reimbursed in a timely manner.

Issue title

830 - CAR: Recruitment fees and/or costs have been paid, not contrary to law, there is a plan to fully reimburse workers, but the site has not done so fully at the time of audit

Description

Based on the document review and foreign migrant workers interviews, it was noted that the facility management does not impose any recruitment fees on migrant workers, and the facility is responsible for the recruitment fee in Taiwan. However, 7 out of 47 foreign migrant workers have paid the recruitment fee to their home country's human resource agency (approximately NTD 44,989 for the Indonesian agency and NTD 33,240 for Thai. They pay the recruitment fee by themselves without debt. those recruitment fees meet the legal requirements, however, it violates the ETI code of no recruitment fee.
根據文件審查和對外籍勞工的訪談，發現該機構管理方並未向勞工收取任何招聘費用，且該機構負責在台灣支付招聘費用。然而，47名外籍勞工中有7人向其本國人力資源機構支付了招聘費用（印尼機構約44,989新台幣，泰國機構約33,240新台幣）。他們自行支付了招聘費用，並無債務。這些招聘費用符合法律規定，但違反了ETI（就業、培訓和就業）不收取招聘費用的規定。

Intended corrective and preventative actions, based on root cause analysis

It’s recommended that the facility should follow the ETI code to ensure no recruitment fee for foreign workers.
建議工廠遵守 ETI 規範，確保外籍勞工無需繳納招聘費

Evidence

Status

Open*

Time given to resolve

Verification method

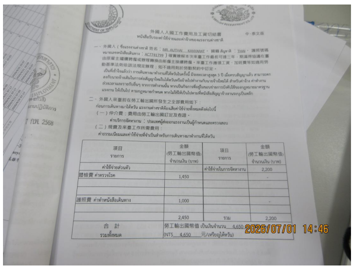
Collaborative action required

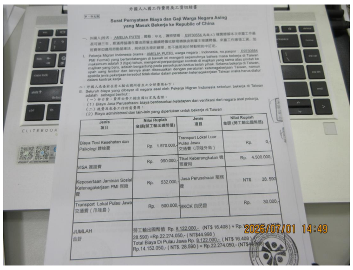
Area of non-compliance/non-conformance

Base code

← Code area 1.A

Code area 2 →





Recruitment fees-2.JPG Recruitment fees-1.JPG

* PDF generated at 02:45 (UTC) on 17 Jul 2026. View this finding on the Sedex platform for live updates and closure details.

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 Workers are recruited by a labour provider or recruitment agent and selected and hired by us Local workers are recruited, selected and hired directly by the facility.
Provide business names for all labour providers and programmes used	Foreign migrant workers are recruited by a labour provider and selected and hired by the facility.
How do the labour providers recruit and hire workers?	Other (please explain) The local labor providers collaborate with labor agencies in the sending countries to recruit foreign migrant workers.
Where labour providers were used to recruit, what was the highest number of tiers identified in a workers recruitment journey?	2
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

← Code area 1.A

Code area 2 →

Migrant workers

Do any workers migrate across international borders to work at this site?	Yes
List the sending countries	Thailand, Indonesia and Vietnam
Percentage of workers that are migrant	23%
Do any workers migrate from other states, provinces or regions within the country to work at this site?	No

Recruitment fees

Have any workers who started at this site in the last 12 months (new workers) paid any recruitment fees or associated costs, such as visas or travel, which have not been fully repaid?	Yes - new workers paid recruitment costs and these have been partly repaid by the site
Select 1 to 3 sending countries/regions of new workers. Record fees and costs in the following tables.	Thailand Indonesia

New workers totals

	Thailand	Indonesia
Number of workers	6	1

← Code area 1.A

Code area 2 →

Recruitment fees

	Thailand	Indonesia
Payments made in exchange for work	-	-
Recruitment services which are not optional	-	-
Other or uncategorised	✓	✓

Related costs

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

← Code area 1.A

Code area 2 →

Illegitimate costs

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

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

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

Highest total costs incurred

	Thailand	Indonesia
Currency	TWD	TWD
Highest total costs incurred	33240.0	44989.0

← Code area 1.A

Code area 2 →

Additional comments	7 out of 47 foreign migrant workers have paid the recruitment fee to their home country's human resource agency (approximately NTD 44,989 for the Indonesian agency and NTD 33,240 for Thai. They pay the recruitment fee by themselves without debt. those recruitment fees meet the legal requirements, however, it violates the ETI code of no recruitment fee.

← Code area 1.A

Code area 2 →

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

Management systems

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

← Code area 1.A

Code area 3 →

Management systems

Explanation for management systems grades	Policy and Procedures: The position of the company is clearly stated in the freedom of association and right to collective bargaining procedure which meets all Workplace Requirements in this code area. The Procedure outlined the mechanisms for free election, responsibilities of worker representatives, collective bargaining, internal communication. Resources: Based on the established procedure, the non-management worker has been appointed to oversee and implement the Labor-Management meeting. This individual has sufficient capability to ensure that the worker committee’s function is carried out. Top management does not interfere with the Labor-Management meeting but listens to the suggestions raised during the meeting. Training & Communication: The freedom of association and right to collective bargaining procedure is communicated to worker representatives annually. The training covers responsibility, relationship handling, the training plan was well implemented, and general awareness of it amongst worker representatives interviewed. Monitoring: Responsibilities for monitoring implementation of the free election, meetings are defined in the Procedure. The effectiveness of procedure was regularly monitored, the free election records, meeting records and workers’ activities were well implemented. The function of worker committee is generally effective.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
	No findings		

← Code area 1.A

Code area 3 →

Systems and evidence examined to validate this code section	1. Based on the document review, the facility holds labour-management conference on three months basis according to local law requirements. The last conference was held on April 24, 2026. 2. Through Management interview, they expressed that the facility respects the legal rights of workers for freedom of association. The management communicates to workers of their rights related to freedom of association when they are hired. 3. Through management and employee interviews, there is no union or employee committee in the facility. 4. There is no union established within the factory, but the employer stated that they would not oppose employees joining relevant industrial unions and that the employer also recognizes industrial unions. Top management provides a venue for meetings where labor and management can convene under comfortable conditions. These meetings are held once every three months. and there are comment boxes in the facility. Evidence examined: 1. Social compliance system program and procedure 2. Complaint feedback from grievance system (mailbox or hotline) 3. Meeting minutes 4. Employee interview and management interview 5. Working Rule and employment contracts 6. Personnel files 7. Labour-management conference records

← Code area 1.A

Code area 3 →

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

Data points

Are trade unions allowed by law in the national context?	Yes
Are there any registered trade unions in the workplace?	No
Are they active?	
Does the employer recognise the trade union?	Not Applicable
Are there alternative worker representative bodies in place?	Yes, other (provide details) Labor-management meeting
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)?	No worker representative bodies
Are the worker representatives freely elected by the workforce as a whole?	Not Applicable
Does union/worker committee membership reflect the gender composition of the workforce?	Not Applicable
Does the membership reflect the nationality composition of the workforce?	Not Applicable

← Code area 2 Code area 3 →

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

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

← Code area 2
Code area 4 →

Management systems

Explanation for management systems grades	Policy and Procedures: The factory has established the Health and Safety policy and procedures, the top management supported at the highest level that includes the commitment to improve performance on working conditions and workers' health care. The safety target was set by management, the performance review was performed annually. Resources: Based on the established H&S procedure, the General Manager, leading the Health and Safety Committee, has been appointed to oversee and implement the Health and Safety Policy, this individual has sufficient authority and ability to ensure that procedures are carried out. He arranged an H&S meeting once per quarter with the presence of the Health and Safety Committee and supervisors of each department to address H&S concerns and provide updates. Training & Communication: The annual training plan was established and implemented. The EHS Policy and procedure is communicated to workers annually. The EHS training covers building safety, fire safety, electrical safety, machine safety, working at height, (hazardous / non-hazardous) chemical safety handle & disposal and PPE usage. The special equipment operators obtained the certificate from external training. The new workers were provided 3 hours safety training as per safety law. Monitoring: Based on written procedure, internal audits, monitoring of key performance indicators (especially for the high-risk positions related to hazardous chemicals), and accident analysis are carried out annually. The safety monitoring was generally acceptable. However, the light source of emergency exit signage was observered malfunctioned in the production area, it resulting in one NC in the Working conditions are safe and hygienic section.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
3. Working conditions are safe and hygienic	3.L Implement effective processes to manage f...	Local law	NC ZAF601493670
	3.L Implement effective processes to manage f...	Base code	NC ZAF601520340

← Code area 2

Code area 4 →

← Code area 2

Code area 4 →

Systems and evidence examined to validate this code section	Based on facility site tour observation, document review and interviews, the site aligns with the outlined health and safety requirements, ensuring a safe working environment for all employees. Adequate controls are in place to prevent accidents and long-term health issues, with regular risk assessments conducted and reviewed at least annually. A qualified health and safety manager oversees the implementation of effective systems, supported by an active health and safety committee that includes worker representatives. All new workers receive health and safety training before exposure to any risks, with ongoing training provided as needed. The site maintains sufficient first-aid supplies and adequately trained personnel are available on all shifts. Personal protective equipment (PPE) is provided at no cost to workers and is mandatory where required. Accidents are logged and investigated, with measures taken to prevent recurrences. Workers have the right to cease work if they encounter imminent danger, without fear of retaliation. The premises are inspected to maintain safety certifications, and fire safety measures, including accessible evacuation routes and regular drills, are enforced. The site ensures appropriate standards in the storage and management of hazardous substances, and compliance with electrical safety protocols. Emergency preparedness plans are in place, including annual evacuation drills, ensuring a robust approach to health and safety. 1. There were at least two fire exits at each floor and these were clearly marked. 2. The maps of factory evacuation route were publicly posted at each layer on site. 3. All first aid kits filled with adequate medicines and equipment were placed at working areas. 4. There were 13 trained first aiders were available on site and covered all shifts. 5. The fire safety inspection had been conducted by fire-prevention technician on December 4, 2025, and the reports were submitted to the local fire department as record. 6. The factory conducted a fire drill which covered the use of fire extinguishing system and evacuation drill, twice per year (The latest fire drill was performed on December 14, 2025, and June 18, 2026) 7. The elevator was kept in good repair condition. Checked by staff once a month and records were available. 8. The pest control was conducted by internal responsible staff once per 3 months. Plan and records were available and kept in file. 9. The lighting was sufficient, and the ventilation was adequate. 10. All machines were fitted with emergency stop button. Proper protective devices were installed at relevant machines. 11. The injury/ accident records were well kept. Root cause analysis investigation was conducted, and corrective and preventive action was followed on report. 12. Toilets were adequate and separated by sex. 13. Sanitary potable water facilities were set at site and the water quality test report

was available. (The latest test report was issued on Jan 29, 2026)
14. The factory provided free personal PPE equipment (e.g. earplugs, mask and gloves, etc.) to operators.
15. Smoking was restricted at specific area in the factory and the signs of « No Smoking» were posted in the public area in the buildings.
16. A qualified person is in place, who took responsibility of health and safety issues.
17. The health examination was conducted once per years. The latest health examination is done on July 24, 2025.
18. There were sufficient trained forklift operators were available on site.
19. The public safety certificate for the building refuge facility and equipment safety inspection was available. (Date: October 23, 2025)
20. The annual working environment monitoring report was conducted on May 15, 2026, for noise and organic solvents issues.

Evidence examined:
- Health and safety policies
- Health and safety manuals
- Health and safety training records
- Fire equipment maintenance records
- Fire drill and evacuation drill records
- Evacuation maps
- Training records/photos on the use of fire extinguishers/hydrants
- Regular health examination records
- Pest control plans and records
- Injury/accident records
- Electrical wires/appliances inspection records
- Chemical list and MSDS for each chemical

← Code area 2

Code area 4 →

Findings: non-compliances

ZAF601493670

Non-compliance

Due 2025-05-20

Code area

3 Working conditions are safe and hygienic

Workplace requirement

3.L Implement effective processes to manage fire safety including, but not limited to, accessible evacuation routes, a fire detection system, fire fighting/suppression equipment, training and regular drills covering all shifts and warning systems.

Issue title

188 - Fire extinguishers incorrectly installed, e.g. placed at an inappropriate height/on floor

Description

All fire extinguishers should not be placed on the floor.

Description (carried over)

Based on the facility tour observation, it was noted that one set of fire extinguisher was placed directly on the floor at second floor of packing area of Biotech Building. 生技廠二樓包裝區前，發現有一具滅火器直接放置於地面上。

Intended corrective and preventative actions, based on root cause analysis

All fire extinguishers should not be placed on the floor.

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

Please ensure that all fire extinguishers shall be mounted or placed in a box correctly.

Local law reference

The Standard for Installation of Fire Safety Equipment: Volume 3, Chapter 1, Article 31, Clause 5. For those Fire Extinguishers hanged on the wall or placed in a fire extinguisher box, the distance between the top of the fire extinguisher to the ground floor should be less than 1 m for the fire extinguisher heavier than 18 kg and 1.5 m for the fire extinguisher lighter than 18 kg.

Evidence

Status

Closed (2026-07-01)*

Time given to resolve

60 days

Verification method

Desktop audit

Area of non-compliance/non-conformance

Local law

← Code area 3

Code area 4 →

Extinguisher.jpg

* PDF generated at 02:45 (UTC) on 17 Jul 2026. View this finding on the Sedex platform for live updates and closure details.

ZAF601520340

Non-compliance

Due 2026-08-16

Code area

3 Working conditions are safe and hygienic

Workplace requirement

3.L Implement effective processes to manage fire safety including, but not limited to, accessible evacuation routes, a fire detection system, fire fighting/suppression equipment, training and regular drills covering all shifts and warning systems.

Issue title

209 - Not all emergency exits are properly marked and lighted

Description

Based on the facility tour, the light sources for two emergency exit signs on the 1st floor of the production area were found to be malfunctioning.
工廠一樓生產區有兩個緊急出口指示燈故障。

Intended corrective and preventative actions, based on root cause analysis

It is recommended that the facility repair the exit indicator in the production area.

Evidence

Status

Open*

Time given to resolve

30 days

Verification method

Desktop audit

Area of non-compliance/non-conformance

Base code

← Code area 3

Code area 4 →

[Exit signage malfuntion.jpg.jpg]

* PDF generated at 02:45 (UTC) on 17 Jul 2026. View this finding on the Sedex platform for live updates and closure details.

← Code area 3

Code area 4 →

3. Working conditions are safe and hygienic

Data points

Is someone within the company responsible for health and safety?	Yes, 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)?	No
Who organises accommodation for workers?	Workers independently arrange their own accommodation
Who organises worker transportation between accommodation and worksite?	Workers organise their own transport
Who organises worker transportation while at work?	Workers organise their own transport
Do all structural additions (e.g. added floors) have a valid permit/inspection report as per local law?	Yes The facility had obtained the 3rd party building structure inspection report and public safety certificate of local government for the building structure.
Does the visual appearance of the building give you any immediate concerns about the structural integrity of the building?	No
Are there any cracks observed in the walls, floors, ceilings or other areas of the facility, both internally or externally?	No

← Code area 3

Code area 4 →

Does the site have a structural engineer evaluation?	Yes

4. Child labour shall not be used

Management systems

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

← Code area 3

Code area 5 →

Management systems

Explanation for management systems grades	Policy and Procedures: The company is clearly stated Child Labour Prevention and Remediation Policy which meets all Workplace Requirements in this code area. The child labor identification mechanism was detailed outlined in hiring procedure. The mechanism was in place for preventing underage work and the placement of young workers in unsuitable positions. The Remediation Procedure outlines processes and responsibilities, including financial, for undertaking remediation. Resources: The HR manager is named within the Child Labour Prevention and Remediation Policy as ultimately responsible for ensuring its resourcing, approval and regular review. Specific departmental HR leads are allocated responsibility to implement the Hiring Procedure in named areas, which includes all areas of the business. Procedures are in place for interim responsibility in the case of position change or absence. Training & Communication: The annual training plan was established and implemented. The social responsibly policy is communicated to management and workers. Training on the Hiring Procedures is mandatory for all HR staff processing applications or onboarding. They have general awareness as per interview. However, the interviewed workers/management was not well understanding about the requirement as per refresh training was insufficient. Monitoring: Responsibilities for monitoring implementation of age verification are defined by the Hiring Procedure. The procedure requires that an audit of the records kept of this verification is conducted by the HR leads, and records are kept of monitoring activities.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
No findings			

← Code area 3

Code area 5 →

Systems and evidence examined to validate this code section	Based on facility site tour observation, document review and interviews, the site is compliant with the outline workplace requirements regarding child labor. No worker is under the age of 15, and original identification is reviewed to validate the ages of all employees. All workers in the facility were above 18 years old. A written policy outlines the remediation of child labor in line with ILO guidance, and measures are in place to ensure compliance with local laws regarding young workers. The site prioritizes the protection of minors in all practices. 1. As per the requirement procedure, original ID card was verified for age issue at the beginning of recruitment. 2. Copies of ID card were kept in personnel profile. 3. No evidence of child labour and young worker was identified during the audit. 4. The age of youngest worker was 20 years old. 5. The factory established effective employment policy and recruitment procedure. Evidence examined: - Personnel files of sampled workers - Employee name list - Employment policies and recruitment procedures - On site observation - Interviews with workers

4. Child labour shall not be used

Data points

Percentage of workers that are age 24 or younger	
Enter the legal age of employment	16
Enter the age of the youngest worker identified	
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	
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	Robust Management Systems
Monitor the effectiveness of procedures to meet policy and workplace requirements	Robust Management Systems
Explanation for management systems grades	Policies and procedures; The site has a detailed "Legal wages" policy and working rule which includes commitment to all the SMETA requirements and legal requirements, as well as key responsibilities and procedures by which it will be implemented. Resources: The Top management of the site is ultimately responsible for enforcing "Legal wages" compliance at the site and this is well defined. The wage paid monthly and on-time. Training and communication: The "Legal wages" policy has been effectively communicated, with the policy displayed on the bulletin board. Monitoring: The site has established written procedures, and no non-conformities related to ""Legal wages" were identified during the audit. The facility effectively ensures compliance through its internal monitoring procedures.

Summary of findings

← Code area 4 Code area 5.A →

Code area	Workplace requirement	Area of NC	Finding

No findings

Systems and evidence examined to validate this code section	According to the onsite observation, document review and interviews, the site is compliant with all wage and compensation requirements. All sampled workers receive at least the legal minimum wage or the higher rate. Workers are entitled to all legally mandated benefits, including insurance and leave entitlements. Any in-kind payments do not exceed legal limits, and no deductions are made for disciplinary reasons, ensuring that no worker's pay falls below the legal minimum wage. All workers are compensated for all time worked, including mandatory meetings and training, which occur during paid working hours. Clear written information regarding wages, benefits, and deductions is provided in a language understood by the workers before employment begins, with updates communicated throughout employment. The site maintains accurate records, ensuring that workers receive wage statements detailing their pay and deductions, thus adhering to all applicable laws and regulations regarding worker compensation. 1.The facility paid wages to all workers by bank transfer on the 5th day of the following month. 2.All employees were provided with a written and understandable pay slip of their pay each month. 3.Deduction items were fair, reasonable, and legal such as income tax and fees of National Health Insurance/ Labour Insurance. 4. The minimum wage of the facility is TWD 29,500 /month which is meet legal requirement. (TWD 29,500 / month. 5.Based on the 26 sampled payrolls reviewed and confirmed with workers interview and contracts review, the facility provided 134%, 167% and 267% of regular hourly pay rate respectively for OT hours on weekday and statutory holidays which met legal requirements. 6.The facility provided health insurance, labor insurance and retirement pension to all workers, and the records were available Evidence examined: - Worker interviews - Wages and benefits policies - Local legal minimum wage documents - Payroll records - Leave records - Payment receipts of National Health Insurance and Labor Insurance - Resignation records - Pay slips of all interviewed workers

← Code area 4

Code area 5.A →

5. Legal wages are paid

Data points

What is the basic wage paid to workers?	The legal minimum 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
Where the site has undertaken a Living Wage gap analysis against a credible Benchmark which Benchmark have they used?	Other (provide details) The management collected the living wage information through worker interviews and the website of the local authority, and compare with minimum wage, and the wage meets the minimum wage. According to Minimum Wage Act in Taiwan, When authority deliberating the minimum wage, annual changes of the Consumer price index shall be used to determine the adjustment range for the minimum wage. The preceding deliberation shall also consider the following information: 1.Annual changes of the Labor productivity index. 2.Annual changes of the average earnings of employees on payrolls. 3.Conditions of national economic development. 4.National income and per Capita income. 5.Gross domestic product and percentage distribution of gross domestic product at factor

Worker renumeration

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

← Code area 5 Code area 5.A →

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	176.0
Maximum legal overtime hours	**Max hours per day**	4.0
	Max hours per week	Non applicable
	Max hours per month	46.0
Actual overtime hours	**Max hours per day**	4.0
	Max hours per week	12.0
	Max hours per month	52.0
Minimum legal wage	**Min per hour**	Non applicable
	Min per day	Non applicable
	Min per week	Non applicable
	Min per month	29500.0

← Code area 5 Code area 5.A →

Actual minimum wage	**Actual per hour**	Non applicable
	Actual per day	Non applicable
	Actual per week	Non applicable
	Actual per month	29500.0
Minimum legal overtime wage	**Min per hour**	164.0
	Min per day	Non applicable
	Min per week	Non applicable
	Min per month	Non applicable
Actual minimum overtime wage	**Actual per hour**	164.0
	Actual per day	Non applicable
	Actual per week	Non applicable
	Actual per month	Non applicable

Wage analysis

Number of workers' records checked	78
Provide the date and details of the records	26 samples from May 2026. (Current month) 26 samples from April 2026. (peak month) 26 samples from December 2025 (random month)
Are there different legal minimum/ legally recognised CBAs wage grades?	No
For the lowest paid workers, are wages paid for standard/contracted hours (excluding overtime) below or above the legal minimum/ legally recognised CBAs?	Meets legal minimum

← Code area 5

Code area 5.A →

Indicate the breakdown of workforce per earnings	42% of workforce earning meet minimum wage 58% of workforce earning above 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	Based on document review and workers interviews, the facility is in compliance with the living wage requirements. The site commits to review their payment to employees every year when the legal minimum wage is raised and to compare it against the statistics from the local government website. This commitment to fair compensation demonstrates the site's dedication to enhancing worker welfare and promoting equitable pay practices, ensuring that all employees are financially supported in alignment with recognized living standards. Evidence examined: - Worker interviews - Wages and benefits policies - Local legal minimum wage documents - Payroll records - Wage review records and living wages statistics

← Code area 5
Code area 6 →

6. Working hours are not excessive

Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Robust Management Systems
Monitor the effectiveness of procedures to meet policy and workplace requirements	Some Improvements Recommended
Explanation for management systems grades	Policies and procedures; The site has a detailed "Working hour" policy and working rule which includes commitment to all the SMETA requirements and legal requirements, as well as key responsibilities and procedures by which it will be implemented. Resources: The Top management of the site is ultimately responsible for enforcing "Working hour" compliance at the site and this is well defined, the management knows daily working hour limit and monthly overtime hour limit. Training and communication: The "Working hour" policy has been effectively communicated, with the policy displayed on the bulletin board. Monitoring: The site has established written working rules, and no non-conformities related to "Working hours" were identified during the audit. However, the facility has gaps in monitoring overtime hours, since monthly overtime exceeded the legal limit.

Summary of findings

← Code area 5.A

Code area 7 →

Code area	Workplace requirement	Area of NC	Finding
6. Working hours are not excessive	6.D Ensure that working hours do not exceed 6...	Base code	NC ZAF601493672
	6.F Ensure that where overtime is used, it is...	Local law	NC ZAF601493671

Systems and evidence examined to validate this code section	According to the onsite observation, document review, and interviews, the site is partially compliant with the outlined working hours and overtime requirements. 26 workers across 3 sampling months (December 2025, April and May 2026); 3 out of 26 in April 2026 exceeded the legal overtime limits. All legally mandated rest and meal breaks, including continuous rest hours between shifts, are provided, with at least 24 consecutive hours of rest every week. Standard working hours are capped at 40 hours per week, with overtime managed to address changes in demand or exceptional situations, never replacing regular employment. Overtime is voluntary and compensated at a premium rate of at least 134%-167% of regular pay, ensuring that workers can refuse without repercussions. Regular reviews of individual and collective working hours are undertaken to manage overtime effectively. The site adheres to all applicable laws, reinforcing its commitment to worker welfare and the promotion of a balanced and fair working environment for all employees. Evidence examined: - Employee interviews - Management interviews - Factory policies on working hours - Attendance records - Payrolls with recorded hours of all interviewees

← Code area 5.A

Code area 7 →

Findings: non-compliances

ZAF601493672

Non-compliance

Due 2025-05-20

Code area

6 Working hours are not excessive

Status

Closed (2026-07-01)*

Workplace requirement

6.D Ensure that working hours do not exceed 60 hours in a standard working week for any worker, except where all of the following are met: this is allowed by national law; - this is allowed by a collective agreement freely negotiated with a workers' organisation representing a significant portion of the workforce; - appropriate safeguards are taken to protect the workers' health and safety; and - the employer can demonstrate that exceptional circumstances apply such as unexpected production peaks, accidents or emergencies

Time given to resolve

60 days

Verification method

Follow up audit

Area of non-compliance/non-conformance

Base code

Issue title

473 - Total hours exceed 60 hours per week - ETI requirements are not met - systemic

Description

Based on attendance records reviewed, it was found that maximum weekly total weekly working hours exceeded ETI Based Code requirements. 10 of 26 workers had exceeded 60 total weekly working hours in August 2024; 10 of 26 workers had exceeded 60 total weekly working hours in December 2024 and 8 of 26 workers had exceeded 60 total weekly working hours in February 2025. The maximum total weekly working hours is 72 hours/week. 根據出勤記錄，發現 2024 年 8 月以及12 月和 2025 年 2 月份的週總工作時間，已超過ETI Based Code 要求，發現一週最長工作時間為 72 小時。

Description (carried over)

Based on attendance records reviewed, it was found that maximum weekly total weekly working hours exceeded ETI Based Code requirements. 10 of 26 workers had exceeded 60 total weekly working hours in August 2024; 10 of 26 workers had exceeded 60 total weekly working hours in December 2024 and 8 of 26 workers had exceeded 60 total weekly working hours in February 2025. The maximum total weekly working hours is 72 hours/week. 根據出勤記錄，發現 2024 年 8 月以及12 月和 2025 年 2 月份的週總工作時間，已超過ETI Based Code 要求，發現一週最長工作時間為 72 小時。

Intended corrective and preventative actions, based on root cause analysis

Please ensure weekly working hours meet requirement (60 hours/ week)

← Code area 6

Code area 7 →

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

Please ensure weekly working hours meet requirement (60 hours/ week)

* PDF generated at 02:45 (UTC) on 17 Jul 2026. View this finding on the Sedex platform for live updates and closure details.

ZAF601493671

Non-compliance

Due 2025-05-20

Code area

6 Working hours are not excessive

Workplace requirement

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

Issue title

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

Description

Overtime hour exceed legal limit.

Description (carried over)

Based on attendance records review, it was noted that 10 of 26 workers had exceeded 46 overtime hours a month (66~88 overtime hours) in December 2024(random month); 10 of 26 workers had exceeded 46 overtime hours a month (66~88 overtime hours) in August 2024(random month); 8 of 26 workers had exceeded 46 overtime hours a month (62~82 overtime hours) in February 2025 (Current month).工廠於2024年8月份、12月份以及2025年2月份，發現部分員工當月加班已超出法令46小時之規定。

Intended corrective and preventative actions, based on root cause analysis

Control overtime

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

Please limit monthly overtime hour within 46 overtime hours in compliance local law requirement.

Status

Open*

Time given to resolve

60 days

Verification method

Follow up audit

Area of non-compliance/non-conformance

Local law

← Code area 6

Code area 7 →

Local law reference

The Labor Standards Law: Chapter 4, Article 32 (Working Hours, Recess and Holidays), The extension of working hours referred to in the preceding paragraph, combined with the regular working hours shall not exceed twelve hours a day; the total number of overtime shall not exceed forty-six hours a month.

* PDF generated at 02:45 (UTC) on 17 Jul 2026. View this finding on the Sedex platform for live updates and closure details.

← Code area 6

Code area 7 →

6. Working hours are not excessive

Data points

Is the sample size the same as in the wages section?	Yes
Normal day overtime premium as a percentage of standard wages	134%
If the site pays an overtime premium of less than 125% and this is allowed under local law, are there other considerations?	N/A, facility pay overtime premium at least 134% of normal day.
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?	43.52
In the sample, what was the maximum number of hours worked in a single week, including overtime, for any worker at this site?	56.0
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
Explanation for management systems grades	Policies and procedures; The site has a detailed "anti-discrimination" policy and working rule which includes commitment to all the SMETA requirements and legal requirements, as well as key responsibilities and procedures by which it will be implemented. Resources: The Top management of the site is ultimately responsible for enforcing "anti-discrimination" compliance at the site and this is well defined, the management knows there shall be no discrimination in employee hiring or promotion based on gender, blood type, appearance, religion, or other such factors. Training and communication: The "anti-discrimination" policy has been effectively communicated, with the policy displayed on the bulletin board. Monitoring: The site has established written procedures, and no non-conformities related to "anti-discrimination" were identified during the audit. The facility effectively ensures compliance through its internal monitoring procedures.

← Code area 6

Code area 8 →

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
No findings			

Systems and evidence examined to validate this code section	Based on site tour observation, document review and workers interview, the facility complies with the outlined non-discrimination requirements. It guarantees that no discrimination occurs based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership, or political affiliation. Comprehensive employment policies and processes are in place to prevent discrimination throughout all employment stages, including hiring, compensation, training, promotion, and termination. 1. Policy on discrimination was available. 2. Factory did not request pregnancy testing for hired female workers. 3. No discrimination in hiring, compensation, welfare, dismiss and retirement despite of race, nationality, religion, disability, gender, age, sexual orientation or political affiliation was found in this factory. 4. Employees were assigned jobs based on their working experiences and ability; same wage was paid for the same job. 5. No evidence of any form of discrimination was identified during the audit. 6. None of interviewed female workers complained any form of sexual discrimination. 7. Gender divisions did not exist in the factory; both female and male workers were distributed in all types of work. 8.There was an internal grievance process in this factory and all workers were aware of the grievance channels in case they encountered any discrimination cases. 9. No worker is unfairly excluded due to health issues, including pregnancy or HIV/AIDS. Evidence examined: - Documented policy on discrimination - The hiring and termination procedures - Payroll records - Termination records - Training records

← Code area 6

Code area 8 →

7. No discrimination is practiced

Data points

Percentage of women workers in skilled or technical roles (e.g. where specific qualifications are needed, such as engineer/laboratory analyst)?	12%
Representation of women in managerial roles (ratio of women workers to women managers)	16%
Representation of women in supervisory roles (ratio of women workers to women supervisors)	4%
Three most common nationalities in managerial and supervisory roles	Taiwan

← Code area 7

Code area 8 →

8. Regular employment is provided

Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Robust Management Systems
Monitor the effectiveness of procedures to meet policy and workplace requirements	Robust Management Systems
Explanation for management systems grades	Policies and procedures; The site has a detailed "Regular employment" policy and working rule which includes commitment to all the SMETA requirements and legal requirements, as well as key responsibilities and procedures by which it will be implemented. Resources: The Top management of the site is ultimately responsible for enforcing "Regular employment" compliance at the site and this is well defined. Training and communication: The "Regular employment" policy has been effectively communicated, with the policy displayed on the bulletin board, and human rights training. Monitoring: The site has established written procedures, and no non-conformities related to "Regular employment" were identified during the audit. The facility effectively ensures compliance through its internal monitoring procedures.

Summary of findings

← Code area 7

Code area 8.A →

Code area	Workplace requirement	Area of NC	Finding
No findings			

Systems and evidence examined to validate this code section	Based on facility site tour observation, document review and interviews, the facility complies with all requirements regarding employment conditions. Each worker is provided with a written contract that clearly outlines the terms and conditions of employment, presented in a language they can understand. The site meets all legal and contractual obligations related to dismissal, termination, and redundancy. An appropriate employment model is utilized, ensuring alignment with the nature of work conducted locally. The site does not engage in apprenticeships, temporary, irregular, or sub-contracted labor to evade duties regarding regular employment, and rigorously adheres to the legal conditions for these models. Furthermore, workers in nonstandard employment are not unfairly restricted from seeking permanent positions. The site demonstrates a genuine commitment to skill development. All practices adhere to applicable laws, reinforcing the site's dedication to ethical employment standards and the well-being of its workforce. 1. Continual employment was provided to all workers. 2. No negative evidence was identified for home working and apprenticeship use. 3. Health examination, benefits and bonus were provided to all employees. 4. Labour contract which was signed between employer and worker had been provided to permanent workers and copies were provided to workers. Evidence examined: - Hiring and termination records - Personnel files - Payroll records - Attendance records - Employment contracts

← Code area 7
Code area 8.A →

8. Regular employment is provided

Data points

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

← Code area 8

Code area 8.A →

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

Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Robust Management Systems
Monitor the effectiveness of procedures to meet policy and workplace requirements	Robust Management Systems
Explanation for management systems grades	Policies and procedures; The site has a detailed "Sub-contracting and homeworkers are used responsibly" policy and working rule which includes commitment to all the SMETA requirements and legal requirements, as well as key responsibilities and procedures by which it will be implemented. Resources: The Top management of the site is ultimately responsible for enforcing "Sub-contracting and homeworkers are used responsibly. Training and communication: The "Sub-contracting and homeworkers are used responsibly" policy has been effectively communicated. Monitoring: The site has established written procedures, and no non-conformities related to "Sub-contracting and homeworkers are used responsibly" were identified during the audit. The facility did not utilize subcontract and home workers.

Summary of findings

← Code area 8

Code area 9 →

Code area	Workplace requirement	Area of NC	Finding
	No findings		

Systems and evidence examined to validate this code section	Based on facility site tour observation, document review and interviews, the site complies with the requirements concerning homeworking and subcontracted work. The site does not sub-contract any of their production, and no home-working is utilized at this site. Evidence examined: - Site tour - Materials in and out records - Management interviews - Worker interviews

← Code area 8

Code area 9 →

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

Data points

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

Number of homeworkers used

	Men	Women	Other	Total
Number of workers	-	-	-	-

What processes are carried out by homeworker?	
Are full records of homeworkers available at the site?	
Does the supplier buy products or services from suppliers that use homeworkers?	No The supplier does not buy products or services from suppliers that use homeworkers.

Sub-contracting

Are there any concerns about unrecorded work or undeclared sub-contracting on site, giving considerations to the workers' capacity?	No No any concern about unrecorded work or undeclared sub-contracting was detected.

← Code area 8.A

Code area 9 →

Are any sub-contractors used?	No

[← Code area 8.A](#) [Code area 9 →](#)

9. No harsh or inhumane treatment is allowed

Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Robust Management Systems
Monitor the effectiveness of procedures to meet policy and workplace requirements	Robust Management Systems
Explanation for management systems grades	Policies and procedures; The site has a detailed "No harsh or inhumane treatment" policy and working rule which includes commitment to all the SMETA requirements and legal requirements, as well as key responsibilities and procedures by which it will be implemented. Resources: The Top management of the site is ultimately responsible for enforcing "No harsh or inhumane treatment" and provides a grievance system that allows employee use. Training and communication: The "No harsh or inhumane treatment" policy has been effectively communicated on the bulletin board. Monitoring: The site has established written procedures, and no non-conformities related to "No harsh or inhumane treatment" were identified during the audit. The facility has established a grievance system, allowing employees who experience harsh or inhumane treatment to file a complaint with management.

← 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	Based on facility site tour observation, document review and interviews, the facility is compliant with the outlined requirements to prevent harsh or inhumane treatment of workers. A comprehensive workplace policy prohibits all forms of inhumane treatment, including gender-based violence and harassment. This policy is communicated effectively to all employees. Fair disciplinary procedures have been established and communicated, ensuring appropriateness and transparency. Measures are in place to identify and mitigate risks associated with harsh treatment. Workers at all levels receive appropriate training to understand and prevent such risks, with systems to monitor the effectiveness of this training. Accessible information is provided to all workers, especially vulnerable groups, regarding their rights and responsibilities concerning these issues. The site does not conduct any bodily searches. A formal grievance mechanism is in place, allowing workers to report concerns without fear of retaliation. All practices align with applicable laws, demonstrating a strong commitment to worker safety and dignity. Evidence examined: - Relevant policies on prevention of harassment and abuse - Internal grievance procedure documentation - Training records

← Code area 8.A

Code area 10.A →

9. No harsh or inhumane treatment is allowed

Data points

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

← Code area 9

Code area 10.A →

10.A. Environment 2-Pillar

Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Robust Management Systems
Monitor the effectiveness of procedures to meet policy and workplace requirements	Robust Management Systems
Explanation for management systems grades	Policies and procedures; The site has a detailed "Environmental" policy and procedures which includes commitment to all the SMETA requirements and legal requirements, as well as key responsibilities and procedures by which it will be implemented and obtain an ISO 14001 certificate. Resources: The Top management of the site is ultimately responsible for enforcing "Environmental sustainability", the facility has selected a qualified waste removal company to remove the company's waste. Training and communication: The "Environmental" policy has been effectively communicated on the bulletin board, and environmental training is implemented once a year. Monitoring: The site has established written procedures, and no non-conformities related to "Environmental" were identified during the audit. the facility implemented an internal audit to monitor its obligation of Environmental protection.

← Code area 9 Code area 10.B →

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
	No findings		

Systems and evidence examined to validate this code section	1. Based on the facility tour observation, no evidence of environment issues noncompliance. Through chemical storage records review, no outlawed chemicals are used. 2. The facility is sorting wastes to paper, bottles/cans, plastic, metals and living wastes. Paper, bottles/cans, plastic and metals are recycled. 3. Based on the environmental policy review, the facility updated the changes in environmental regulations. 4. The latest training records are provided for review during audit. Evidence examined: - Management interviews - Business license - A list of applicable laws and regulations - Analysis and assessment records of natural resources used - SAQ completed by the management

← Code area 9

Code area 10.B →

10.A. Environment 2-Pillar

Data points

Has the site received an official notice, fine or prosecution for any non-compliances with environmental legislation, regulation, consent or permits (within the last three years)?	No
Does the site have any valid environmental or energy management certificates?	The facility is certificated with ISO 14001:2015 Management System.
Are there any other sustainability certifications present (e.g. Forest Stewardship Council (FSC), Marine Stewardship Council (MSC)?	Yes The facility is also certificated with FSC Management System. (Certificated No. SGSHK-COC-010280)
Has the site implemented or made plans to implement any adaptive measures to protect workers from the impact of climate change?	No

← Code area 10.A

Code area 10.B →

10.B. Environment 4-Pillar

Summary of findings

Code area	Workplace requirement	Area of NC	Finding

No findings

← Code area 10.A
Code area 10.C →

Systems and evidence examined to validate this code section	Based on facility site tour observation, document review and interviews, the site is compliant with the specified environmental requirements. It actively identifies and monitors potential negative environmental impacts from its operations and supply chain, implementing systems to prevent, mitigate, or remedy these impacts. High-level policies and processes demonstrate a commitment to improving environmental performance and managing stakeholder impacts. Resource-use targets are established, with strategic plans in place to achieve them. The site diligently records energy use, water consumption, solid waste and effluent discharge. Additionally, proactive measures are taken to monitor and mitigate impacts on biodiversity, showcasing a comprehensive approach to environmental stewardship. 1. The facility had approved manufacturing license/ certificates/ permits issued by relevant local authorities. 2. Wastewater discharge permit was available. (No.: 01369-00 from 2022-11-25 to 2027-11-24) 3. Waste management approval plan control No.: E2604838 on 2022/12/12. 4. The factory contracted with legal environmental & cleaning company to dispose manufacturing waste (Solid waste / general garbage). 5. Documented Environmental impact assessment management procedure is established and relevant assessment reports are well kept. (Such as air, water, noise, chemicals, wastes, etc.) The environmental risk assessment is regularly conducted once a year, and adequately controlled critical risk issues. 6. The facility contracts with legal environmental & cleaning company to dispose manufacturing waste (Solid waste/ domestic waste). 7. Environmental policy included issues about Environmental protection, Obeying environmental regulation, Energy saving, Waste deduction/recycling, Pollution prevention and Sustainable improvement. 8. Not any deficiency issued by government agencies in the past year. 9. The environmental policy / procedures are established and effectively implemented. 10. Facility has set up an Environment management system to handle the issue of environment and appointed a senior management to be responsible for co-ordinating the site's efforts to improve environmental performance. 11. The records of energy and water are available. 12. Energy management program is established and implemented. 13. Environmental compliance evaluation is regularly reviewed. 14. The environmental training plan, materials and records are available. Evidence examined: - Management interviews - Significant environmental aspects

← Code area 10.A

Code area 10.C →

- Environmental targets and tracking logs
- Analysis and assessment records of natural resources used

← Code area 10.A

Code area 10.C →

10.B. Environment 4-Pillar

Data points

Has the site conducted a risk assessment on the environmental impact of the site, including implementation of controls to reduce identified risks?	Yes
What additional specific environmental policies does the site capture?	Sustainable material sourcing Prioritising local suppliers Packaging optimization
Is there a system for managing client's requirements and legislation in the destination countries regarding environmental and chemical issues?	Yes The site collects applicable regulations and conducts compliance.
Does the site have reduction targets in place to manage climate related risks?	Yes, to reduce scope 1 greenhouse gases (GHGs) Yes, to reduce scope 2 greenhouse gases (GHGs)
Are any of these science-based targets?	No, and we do not intend to set one in the next two years
Does the site have reduction targets in place for environmental aspects (e.g. water consumption and discharge, waste, energy and green-house gas emissions: (Scope 1, 2 & 3))?	Yes Reduction targets in place for waste, water consumption, energy as per ISO 14001:2015 requirement.
Has the site checked that any sub-contracting agencies or business partners operating on the premises have the appropriate permits and licences and are conducting business in line with environmental expectations of the facility?	Not Applicable

Usage/discharge analysis

← Code area 10.B
Code area 10.C →

	Last full calendar year (2025)	Previous full calendar year (2024)
Total electricity consumption from non-renewable sources (kWh)	30,479,511	33,685,969
Total electricity consumption from renewable sources (kWh)	4,995,465	5,080,000
Sources of renewable energy used	Onsite generated	Onsite generated
Types of renewable energy used	Solar	Solar
Total natural gas consumption (kWh)	2,469,617	0
Usage of other purchased fuels	LNG	LNG
Has the site completed any carbon footprint analysis?	Yes **Scope 1:** 5691 (tCO_2e) **Scope 2:** 14447 (tCO_2e) **Scope 3:** 0 (tCO_2e)	Yes **Scope 1:** 5858 (tCO_2e) **Scope 2:** 17344 (tCO_2e) **Scope 3:** 0 (tCO_2e)
Water sources	Local water authority	Local water authority
Does the site use mercury or mercury compounds?	No	No
Water volume used (m3)	218,554	229,730
Water discharged	Surface water	Surface water
Water volume discharged (m3)	1,955	0.3
Water volume recycled (m3)	4,800	4,800

← Code area 10.B

Code area 10.C →

Total waste produced (mt)	275	285
Total hazardous waste produced (mt)	0	0
Waste to recycling (mt)	79	80
Waste to landfill (mt)	196	230
Waste to other (mt)	0	0
Total product produced (mt)	21,443	22,250

10.C. Business ethics

Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Some Improvements Recommended
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Robust Management Systems
Monitor the effectiveness of procedures to meet policy and workplace requirements	Robust Management Systems
Explanation for management systems grades	Policies and procedures; The site has a detailed "Business ethics" policy and working rule which includes commitment to all the SMETA requirements and legal requirements, as well as key responsibilities and procedures by which it will be implemented. However, No Management system is in place. Resources: The top management of the site is ultimately responsible for the implementation of the "Business Ethics" policy, the facility also provides a grievance system that allows employees to report any dishonest or corrupt behaviors. Training and communication: The "Business Ethics" policy has been effectively communicated on the bulletin board. Monitoring: The site has established written procedures, and no non-conformities related to "Business ethics" were identified during the audit.

Summary of findings

← Code area 10.B

Code area	Workplace requirement	Area of NC	Finding

No findings

Systems and evidence examined to validate this code section	1. The facility manager has designated a senior management who is responsible for implementing standards concerning Business Ethics 2. The practices in this factory were conducted without any corruption and/or bribery. 3. The facility established a business ethics policy which was communicated to all workers through posters and training. 4. A transparent system in place for confidentially reporting and dealing with, unethical business practices, without fear of reprisals towards the reporter. 5. Anti-bribery policy of the facility sated that no under-the -table money giving and inappropriate gift giving; the facility communicates the policy on orientation training and shown in the procedure. Evidence examined: - Factory tour - Worker interview - Management interview - Business ethics procedure

← Code area 10.B

10.C. Business ethics

Data points

Has the site received an official notice, fine or prosecution for any non-compliances with business ethics legislation, regulation, consent or permits (within the last three years)?	No
Provide any certified anti-bribery management systems for the site	The facility does not have any certified anti-bribery management system.

← Code area 10.C

Attachments

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