

SMETA Corrective Action Plan Report (CAPR)

Version 7



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Audit content

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

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

2-pillar audits include:

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

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

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

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

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

Audit details

Site details

Sedex site reference	ZS421128218	Site name	YONGKANG YIDELI INDUSTRY AND TRADE CO LTD
Business name	YONGKANG YIDELI INDUSTRY AND TRADE CO LTD	Site address	No. 3 Huancun South Road, Xiaxichi Village, Gushan Town, Yongkang City, Jinhua City, Zhejiang Province 浙江省金华市永康市古山镇下溪池村环村南路3号 JINHUA CN 321307

Audit details

Sedex company reference	ZC421069493	Auditor company name	LRQA
Audit company address	16th Floor, Cambridge House, Taikoo Place, 979 King's Road Quarry Bay, Hong Kong SAR, HK, HK		
Date of audit	2026-01-08	Audit conducted by	Tim Wan
Audit pillars	Labour Standards Health and safety Environment 4-Pillar Business ethics		
Time in and out	Day 1		
	In	09:30	
	Out	16:00	

Audit type	Follow up
Was the audit announced?	Semi announced
Was the Sedex SAQ available for review?	No
Who signed and agreed CAPR?	Mr. Hu Qiyun / Site Director
Any conflicting information SAQ/Pre-Audit Info	No
Is further information available?	No

Audit attendance

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

SMETA declaration

Auditor team

SMETA declaration

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

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)

Semi announced was from December 22, 2025 to January 22, 2026

Lead auditor

Tim Wan

APSCA Number

21702974

Additional auditor

Date of declaration

2026-01-08

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Site representation

Declaration	I acknowledge that details from this report can change during the review process and that I will be given the opportunity to dispute the content once the review has been published.
Full name	Mr. Hu Qiyun
Title	Site Director
Date of declaration	2026-01-08

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
3. Working conditions are safe and hygienic	3.H Where identified as necessary to reduce r...	Local law	NC ZAF601259260
5. Legal wages are paid	5.B Ensure that workers receive the insurance...	Local law	NC ZAF601259259
6. Working hours are not excessive	6.F Ensure that where overtime is used, it is...	Local law	NC ZAF601259258

Findings: non-compliances

ZAF601259260

Non-compliance

Due 2025-08-07

Code area

3 Working conditions are safe and hygienic

Status

Closed (2026-01-08)*

Workplace requirement

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

Time given to resolve

30 days

Issue title

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

Verification method

Desktop audit

Area of non-compliance/non-conformance

Local law

Description

Follow up audit on January 8,2026: Corrected. Based onsite observation, the factory had provided the personal protective equipment such as rubber gloves and facemasks to its workers. All workers in painting section on the 5/F of one block of 5-storey (partial 6-storey) production building used them properly.

在此次审核中，审核员发现工厂有给员工提供劳保用品如橡胶手套，口罩等，工厂一栋5层(局部6层)的生产楼5楼的喷漆车间所有工人正确佩戴劳保用品。

Description (carried over)

It was noted that the factory had provided the personal protective equipment such as rubber gloves and facemasks to its workers. However, all 2 workers in painting section on the 5/F of one block of 5-storey (partial 6-storey) production building did not use them properly.

在此次审核中，审核员发现工厂有给员工提供劳保用品如橡胶手套，口罩等，但是工厂一栋5层(局部6层)的生产楼5楼的喷漆车间所有2名工人没有正确佩戴。

Corrective and preventative actions

N/A

Corrective and preventative actions (carried over)

It is recommended that factory should provide appropriate PPE to workers in the painting section. Furthermore, the factory shall provide regular PPE training to workers, conduct regular PPE safety inspection at workplace, and develop and implement a Personal Protective Equipment (PPE) program to protect employees from workplace hazards that may cause bodily injury.

[← Findings](#)

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Local law reference

In accordance with Law of the People's Republic of China on Work Safety article 45. Production and business entities must provide employees with labor protection products that comply with national standards or industry standards and supervise and educate employees to wear and use them in accordance with the rules of use. Article 47, the production and business unit shall arrange funds for the provision of labor protection equipment and safety production training.

Evidence

[PPE used.JPG](#)

* PDF generated at 14:05 (UTC) on 13 Jan 2026. [View this finding on the Sedex platform](#) for live updates and closure details.

ZAF601259259

Non-compliance

Due 2024-09-16

Code area

5 Legal wages are paid

Status

Closed (2026-01-08)*

Workplace requirement

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

Time given to resolve

60 days

Issue title

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

Verification method

Follow up audit

Description

Follow up audit on January 8, 2026: Corrected. It was noted that a total of 43 employees (not including 5 retiree) were eligible to receive five types of social insurances in December 2025 according to the law. Through review of social insurance enrollment list, all eligible employees were enrolled in pension insurance, unemployment insurance, medical insurance, occupational injury insurance and child-bearing insurance. Remark: The factory has provided the commercial incident injury insurance to 14 employees, valid from May 10, 2025 to May 9, 2026. 在此次审核中，审核员通过查看工厂2025年12月的社保参保记录发现，工厂有43名员工（未包括退休员工3人）符合参保条件，工厂为所有员工提供了养老保险，失业保险，医疗保险，工伤保险和生育保险。备注：工厂为14名员工购买了商业意外险，商业意外险的有效期限自2025年5月10日至2026年5月9日。

Area of non-compliance/non-conformance

Local law

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Description (carried over)

Periodic Audit on July 4, 2025: Auditors noted that the factory's social insurance was insufficient participated. There were 45 employees (including 03 retirees) in the factory recently. As per social insurance receipt of June 2025, 06(14.3%) out of 42 eligible employees were enrolled in pension insurance, unemployment insurance, basic medical insurance and maternity insurance, 15(35.7%) out of 42 eligible employees were enrolled in occupational injury insurance. Remarks: the factory purchased commercial injury insurance for 14 and 23 employees with valid date to May 09, 2026 and May 05, 2026 respectively.

审核员发现工厂的社会保险覆盖不足。工厂现有45名员工（含03名退休员工）。根据工厂提供的2025年06月社会保险缴费单显示工厂的42名应参保员工中仅为06名（14.3%）员工提供了养老保险，失业保险，基本医疗保险和生育保险，15名（35.7%）员工提供了工伤保险。备注：工厂分别为14名和23名员工购买了商业意外险，有效期分别至2026年05月09日和2026年05月05日。

Corrective and preventative actions

N/A

Corrective and preventative actions (carried over)

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

建议工厂确保所有的员工都参加上述提到的5种社会保险计划，从而根据法律的规定让员工享受相关法定福利。如果员工存在不愿意参加社会保险的情形，工厂应向员工提供相关培训以让其了解参加社会保险的重要性。

Local law reference

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

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

根据《中华人民共和国社会保险法》第二条，国家建立基本养老保险、基本医疗保险、工伤保险、失业保险、生育保险等社会保险制度，保障公民在年老、疾病、工伤、失业、生育等情况下依法从国家和社会获得物质帮助的权利。第四条，中华人民共和国境内的用人单位和个人依法缴纳社会保险费。

Evidence

[All eligible employees were enrolled in social insurance.jpg](#)

[← Findings](#)

[Management systems →](#)

* PDF generated at 14:05 (UTC) on 13 Jan 2026. [View this finding on the Sedex platform](#) for live updates and closure details.

ZAF601259258

Non-compliance

Due 2024-09-16

Code area

6 Working hours are not excessive

Status

Closed (2026-01-08)*

Workplace requirement

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

Time given to resolve

60 days

Issue title

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

Verification method

Follow up audit

Description

Follow up audit on January 8,2026: Corrected: the factory provided attendance records from August 2025 to January 2026, the monthly overtime hours didn't exceed 36 hours, It was noted that the monthly overtime hours of 10 out of 10 randomly selected workers didn't exceed 36 hours in November 2025 with the highest of 34 hours; 10 out of 10 didn't exceed 36 hours in October 2025 with the highest of 34 hours; 10 out of 10 didn't exceed 36 hours in September 2025 with the highest of 34 hours.
在此次审核中，审核员发现在随机抽取的10名工人中有10名工人的月加班时间在2025年11月不超过36小时，最高达到34小时；在2025年10月，随机抽取的10名工人中有10名工人月加班时间不超过36小时，最高达到34小时；在2025年9月，随机抽取的10名工人中有10名工人月加班时间不超过36小时，最高达到34小时。

Area of non-compliance/non-conformance

Local law

Description (carried over)

Periodic Audit on July 4, 2025: It was noted that the monthly overtime hours of 10 out of 10 randomly selected workers exceeded 36 hours in May 2025 with the highest of 48 hours; 10 out of 10 exceeded 36 hours in November 2024 with the highest of 68 hours; 10 out of 10 exceeded 36 hours in August 2024 with the highest of 66 hours.
在此次审核中，审核员发现在随机抽取的10名工人中有10名工人的月加班时间在2025年05月超过36小时，最高达到48小时；在2024年11月，随机抽取的10名工人中有10名工人月加班时间超过36小时，最高达到68小时；在2024年08月，随机抽取的10名工人中有10名工人月加班时间超过36小时，最高达到66小时。

Corrective and preventative actions

N/A

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Corrective and preventative actions (carried over)

It is recommended that the factory should arrange reasonable production plan, increase productivity using positive means (such as bonuses) and reduce the overtime hours to ensure it is within 3 hours per day and 36 hours per month. Employees should be educated on health/safety dangers of excessive overtime. 建议工厂合理安排生产计划，提高生产效率并采用积极的方式如奖金减少工人的加班时间在每天3小时，每月36小时以内。工厂应培训工人了解的超时加班对工人健康安全的影响。

Local law reference

In accordance with PRC Labor Law article 41, the employer may extend working hours due to the requirements of its production or business after consultation with the trade union and laborers, but the extended working hour for a day shall generally not exceed one hour; if such extension is called for due to special reasons, the extended hours shall not exceed three hours a day under the condition that the health of laborers is guaranteed. However, the total extension in a month shall not exceed thirty-six hours. 根据《中华人民共和国劳动法》第41条，用人单位由于生产经营需要，经与工会和劳动者协商后可以延长工作时间，一般每日不得超过一小时；因特殊原因需要延长工作时间的，在保障劳动者身体健康的条件下延长工作时间每日不得超过三小时，但是每月不得超过三十六小时。

Evidence

[Monthly overtime hours didn't exceed 36 hours.JPG](#)

* PDF generated at 14:05 (UTC) on 13 Jan 2026. [View this finding on the Sedex platform](#) for live updates and closure details.

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

[← Findings](#)

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



Not addressed



Fundamental improvements required



Some improvements recommended



Robust management systems

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Guidance

The Corrective Action Plan Report (CAPR) summarises the site audit findings and a corrective, and preventative action plan that both the auditor and the site manager believe is reasonable to ensure conformity with the ETI base code, local laws and additional audited requirements. After the initial audit, the form is used to re-record actions taken and to categorise the status of the non-compliances/ non-conformances.

Good practice examples should be pointed out at the closing meeting as well as discussing non-compliances/ non-conformances (NCs) and corrective actions, Collaborative Action Required (CAR) findings and the Management Systems Assessment (MSA).

Next steps:

1. The site shall request, via Sedex, that the audit body upload the audit report, NCs, CARs, MSA and good examples. If you have not already received instructions on how to do this then please visit the [Sedex members' e-learning platform](#).
2. Sites shall action its NCs and document its progress via Sedex.
3. Once the site has effectively progressed through its actions then it shall request that the audit body verify its actions. Please visit [Sedex members' e-learning platform](#) for information on how to do this.
4. The audit body shall verify corrective actions taken by the site by either a desktop review process via the Sedex platform or by follow-up audit.
5. Some NCs that cannot be closed off by desktop review may need to be closed off via a follow-up audit charged at normal fee rates. If this is the case, then the site will be notified after its submission of documentary evidence relating to that NC. Any follow-up audit must take place within twelve months of the previous initial/periodic audit and the information from the previous audit must be available for sign off of corrective action.
6. For changes to wages and hours to be correctly verified it will normally require a follow up site visit. Auditors will generally require to see a minimum of two months wages and hours records, showing new rates in order to confirm changes (note some clients may ask for a longer period, if in doubt please check with the client).
7. The site shall develop and share with Sedex an action plan to work on CAR findings, and take actions to work on these areas as identified.
8. The site should use the MSA gradings to help to improve internal systems, focusing where their systems are weakest and the risks of harm are highest. These actions should better prepare them for future audits and help sustain compliance.

Management Systems Assessment (MSA)

A management system is defined as a comprehensive framework comprising of processes, policies, procedures, and tools that are strategically designed and implemented within a business to plan, organise, execute, monitor, and continuously improve its activities. Management systems are the systems that underpin how a company runs its day-to-day operations, makes decisions, and helps avoid the recurrence of common problems.

Where management systems are weak a site is at higher risk of non-compliance over time, the SMETA MSA can help sites to proactively reduce the likelihood of risks occurring. Sites should take actions commensurate with their size and resources, focusing on where their systems are weakest and the likelihood of risks is highest, based on their sector, location and workforce profile.

The MSA Grades do not result in NCs, and will not be re-assessed in follow-up audits.

For more information on management systems please refer to the Management Systems workbooks.

Collaborative Action Required

The SMETA Workplace Requirements identify certain specific issues where a site may not meet the base code, but the usual mechanisms of NC verification and closure are not appropriate, for some or all of the following reasons;

- The audited party does not have the capacity/ responsibility to close the issue without support from other relevant stakeholders, such as commercial partners/buyers.
- Remediation of the issue requires an indeterminate and possibly extended timeframe, rather than a predetermined deadline as set within the Sedex platform.
- There is a risk of adverse consequences if closure of a particular issue is not approached with due consideration and time provided for adequate risk assessment.
- Evidencing effective remediation is complex and it is outside the capacity of existing SMETA methodology to validate through evidence provided during an onsite assessment alone.

These specific WRs have a Collaborative Action Required (CAR) finding raised against them.

Collaborative Action Required findings require a different way of working from other NCs for buyer and supplier members. The activities required to close these issues may involve actions from both buyers and suppliers, as well as additional stakeholders such as third-party labour providers, impacted workers, local NGOs, and trade unions.

Due to the complexity of the issues and the spectrum of potential stakeholders that may need to act, CARs may need long-term closure plans, potentially spanning multiple years. To facilitate a longer-term approach and to reduce the likelihood of undue pressure on suppliers to close issues that may be out of their control, Sedex does not prescribe a closure date nor a verification methodology for these findings. Sedex encourages all its members to work collaboratively and responsibly on these issue areas, sharing responsibilities and actions as appropriate.

When developing a methodology to prioritise action on these more complex areas, Sedex recommends following a due diligence process and prioritising activities based on the most salient risks.

For Suppliers

Where CARs are raised suppliers should create an action plan for how they are going to address these areas. Sedex also recommends suppliers reach out to their buying partners to understand their expectations on these issues and start a constructive dialogue. The action plans can be uploaded on to the Sedex platform, which will change the status of the CAR finding from “open” to “in progress”. Management and assessment of action plans is encouraged as an activity between linked buyer and supplier members.

For Buyers

Where CARs are raised buyer members should prioritise resolution of these issues based on a salient risk approach. Buyers should assess their own roles and responsibilities in the closure of these findings, especially considering any increased financial costs and how these may relate to the buyers own purchasing practices. Buyers should work with suppliers to ensure that closure plans are realistic, taking a long-term approach to improvement where it is necessary, and working with multi-stakeholder initiatives, NGOs, Trade Unions and other third parties to address these issues, which may be widespread. In the interests of enabling transparency, collaboration and long-term effective remediation, the application of commercial penalty against suppliers where these issues are identified and action plans are in place is not encouraged.

For Auditors

Auditors will assess whether the CARs are met through the SMETA audit process and raise the findings where relevant. Auditors will not assess the action plans shared or provide guidance on closure methodology, due to the limitations of assessing scope and responsibilities through a supplier site assessment alone. CAR findings will be superseded and closed in periodic audits. The auditor will assess the Workplace Requirements anew and raise a CAR in following audits until there is no longer a finding to raise.



For more information visit <https://www.sedex.com>