



**Daiso annual activities report (“Report”) regarding Fighting
Against Forced Labor and Child Labor in Supply Chains Act, SC
2023, C 9 (“Act”)**

**Joint Annual Report for Daiso Industries Co. Ltd and Daiso
Canada Co. Ltd.**

May 30, 2024



Daiso Group Structure, Activities and Supply Chains

Daiso Industries Co., Ltd. (hereinafter referred to as “Daiso Japan”) owns or operates over 6,000 retail stores across multiple countries. Daiso Japan has established a quality control division as the parent company of its affiliates including Daiso Canada Co., Ltd., (hereinafter referred to as “Daiso Canada”) to judge and evaluate the compliance of Daiso-branded products sold in Daiso retail stores in Canada with quality standards and legal standards as set forth in this Report.

Daiso Canada cooperates with the Daiso Japan Quality Control Division to check the quality and legal standards of products planned for sale at Daiso Canada stores, and imports and sells products that only comply with the legal and quality standards in Canada.

In this report, Daiso Japan and Daiso Canada are collectively referred to as the Daiso Group. Since Daiso Canada was established in March 2021, the quality control division within Daiso USA LLC, a subsidiary of Daiso Japan, has been responsible for ensuring the compliance of goods imported to Canada. In 2024, Daiso Canada and Daiso Japan began working directly together to ensure compliance of goods imported to Canada with continued support from Daiso USA during a transition period.

Daiso Japan’s primary business is the direct operation of Daiso stores under its own brand by its own company and affiliates, the sale of products to customers by e-commerce, and the wholesale business of products to agents who operate Daiso stores. Daiso Japan sells products handled in the above business through procurement, inspection, import and export to its subsidiaries, including Daiso Canada.

In addition to the above products, Daiso Canada, may independently procure products with corporations based in Canada under the approval of Daiso Japan. Such products are called “locally purchased products.”

Daiso Japan cooperates with outsourcers who require expertise in the procurement, import, export, and sale of products sold at Daiso stores in each country operated by the company and group companies, and ensures transparency in the composition of products, confirms safety under the laws and regulations of each country, and conducts other necessary inspections and confirmations in the supply chain.

Daiso Canada imports products from Daiso Japan. When exporting to Canada, Daiso Japan inspects the quality of products and compliance with legal standards.

Daiso Group Policies and due diligence processes in relation to Forced Labor and Child Labor.

Daiso Japan conducts audits of suppliers involved in the procurement, sales, and wholesale business supply chain to determine whether there are any risks with those suppliers using Forced Labor or Child Labor in accord with applicable laws. Any risks identified results in those suppliers not being used by Daiso Japan.



Products that pose a risk of violating Forced Labor or Child Labor laws shall not be imported by Daiso Group into Canada. Examples of these products that pose such a risk include cotton and solar cells manufactured, produced or assembled in any way in China.

In addition, Daiso Japan and Daiso Canada have established systems to regularly review Canadian laws and regulations to ensure continued compliance.

Daiso Japan also ensures a Workplace Conditions Assessment, in accord with its Forced Labor Due Diligence standards, is completed for its suppliers. An example of the Workplace Conditions Assessment and its Forced Labor Due Diligence standards are attached to this Report as Exhibit A.

Parts of the Daiso Group business and supply chains carry a risk of Forced Labor or Child Labor being used and the steps the Entity has taken to assess and manage that risk.

Daiso Group recognizes the risk of violating Forced Labor and Child Labor in the procurement of goods in the scope of its business activities. In addition, it conducts business activities in accordance with the labor laws and regulations of each country.

Measures taken by Daiso Group to remediate any Forced Labor or Child Labor.

N/A.

Training provided by Daiso Group to its employees on Forced Labor and Child Labor.

Daiso Group provides compliance education for Forced Labor and Child Labor. In 2023, the following online classroom training was provided to employees of the Daiso Group, to ensure compliance with applicable laws.

- 1) Fair Trading Environment
- 2) Prohibition of Fraudulent Activities
- 3) Forced Labor Training

In addition, with regard to each supplier that poses a risk of forced labor and child labor due to the products produced or manufactured, Daiso Japan conducts investigations as described above and below to further the reduction of the potential for Forced Labor and Slave Labor. The survey items include the breakdown of employees employed by each supplier (Confirmation of management, number of foreign and migrant workers, number of employees below a certain age group, recruitment type and collection of recruitment fees), and if a condition contrary to a policy described in this Report is found, Daiso Japan will immediately cease conducting business with the supplier.



Daiso Group assesses its effectiveness in ensuring Forced Labor and Child Labor are not used in its business and supply chains.

Daiso Japan periodically ensures supplier's factories are audited to compliance with applicable laws. Daiso Japan also conducts annual surveys and evaluations through outsourced contractors to suppliers which further removes risks of Forced Labor and Child Labor within the Daiso Group's supply chain. As of the date of this Report, no violations of Forced Labor or Child Labor laws have been identified with Daiso Japan suppliers.

In accordance with the requirements of the Act, Daiso Japan and Daiso Canada declare this Report to be accurate and complete in all material respects, for the reporting year listed above. By signing below, it is acknowledged that the signatories have the authority to bind the respective companies.

Daiso Japan (Daiso Industries Co. Ltd)

DocuSigned by:


Name Suzuki Taku

Title Director

Date 5/30/2024

Daiso Canada (Daiso Canada Co. Ltd).

DocuSigned by:
Kubo Hiroshi

Name Kubo Hiroshi

Title President

Date 5/30/2024



DAISO INDUSTRIES CO., LTD.

1-4-14 SAIJO-YOSHIYUKIHIGASHI, HIGASHIHIROSHIMA-CITY, 739-8501 JAPAN
PHONE: +81-82-420-0100 FAX: +81-82-420-0102



Exhibit A



Workplace Conditions Assessment Report

Measured Results —Improved Performance



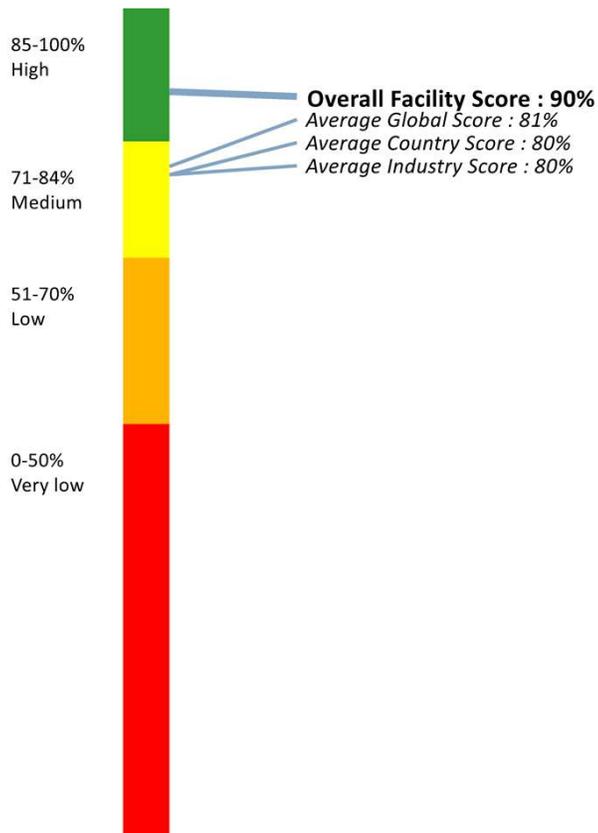
GENERAL INFORMATION

Overall Facility Score: 90%

Reg No:	F_IAR_172247	Country:	China
Audit Date:	21-Jul-2022	Assessment Stage:	Initial
Last Audit:	NA	Schedule Type:	Announced
Mandays:	1	Audit Firm:	Intertek

WORKPLACE PERFORMANCE INDEX AND SUMMARY

Participating facilities: 17355



Assessment area	Score results	Number of non-compliances by rating				
		Zero Tolerance	Major	Moderate	Minor	No Score
Overall	90%	-	-	3	5	-
Labor	100%	-	-	-	-	-
Wages & Hours	73%	-	-	2	-	-
Health & Safety	92%	-	-	1	1	-
Management Systems	86%	-	-	-	4	-
Environment	100%	-	-	-	-	-

The Performance Index Bar is used to measure and benchmark the facility's score against the other population of audit results in the database using a common scoring algorithm

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A. FACILITY PROFILE

A1. FACILITY INFORMATION

Facility Name:	[REDACTED]	Facility Legal Status:	Private
Facility Legal Name:	[REDACTED]	Year facility began operations:	2019
Audit Location:	[REDACTED]	Located in special economic zone:	No
City:	[REDACTED]	Person responsible for overall social compliance issues:	[REDACTED]
Country:	[REDACTED]	Valid certificate for social compliance certification program:	Not Applicable
Contact Name:	[REDACTED]	Vendor Name:	No information was provided
Contact Title:	Manager		
Industry:	Hardlines		
Service Providers:	Others		
Security systems in place:	The facility was located in one fenced area and all buildings were made up of reinforced concrete structure, which could prevent unauthorized physical access. And the facility gate was manned and controlled by security guards, and the facility kept a computer system for visitor to record the visitor's names, ID card information, dates, times etc. And the CCTV monitor system was also installed in the facility.		
Building Description:	The facility occupied two flat buildings as office, production workshop and warehouse. No dormitory, kitchen or canteen was available for employees. The building was constructed by metal and concrete. The total building area was 2200 square meters and the landing area was 2200 square meters.		
Special building type:	No special building type		

A2. PRODUCTION INFORMATION

Products manufactured / Services provided:	Household wire rack, Towel rack.	Time record system(s) used:	Others: Finger Print
Production process/ Service elements:	Straightening, Cutting, Punching, Butt-welding, Plastic covering, Inspection and Packing.	Chemicals or hazardous materials on-site:	Yes General chemical such as lubricating oil was used by this facility.
Production capacity a week:	40000 pcs	Current production/Services for client:	Household wire rack.
Total number of machines:	64 sets		
Main machine types:	Butt-welding machine, Punching machine, etc		
Shifts and Operating hours:	1 shift All employees' standard working hours in the facility were 8 hours per day and 40 hours per week. All employees worked in one shift from 08:00 to 17:30 with 1.5 hours lunch		

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break from 12:00 to 13:30.

A3. EMPLOYEE INFORMATION

Employee nationalities/provinces :

There were 30 employees working in the audited facility at present. 11 employees (36.7%) were local workers from Guangdong, 19 employees (63.3%) were domestic migrant workers from Yunnan, Guangxi and Guizhou. No foreign migrant workers.

Languages spoken in the facility :

Chinese

Management and employees speak same language :

Yes

Union/Worker committee :

Not Applicable

Hires through employment agent :

No

Recruitment and hiring process :

The facility hired employees through internal introduction, internet and advertisement notice. The facility hired all employees directly, and no agency employee was used in the facility. 19 migrant employees were from Yunnan, Guangxi and Guizhou provinces of China. No foreign migrant employee was in the facility. So, there was no transport provided by the facility and no recruiting cost was required for employees.

Range	Female	Male	Homeworkers	Juveniles
50 or less	17	13	0	0

	Permanent	Temporary	Agency	Total
Local	11	0	0	11
Migrant	19	0	0	19
Foreign	0	0	0	0
Total	30	0	0	30

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A4. SUBCONTRACTOR INFORMATION

No subcontractor information given



A6. AUDIT PROCESS

Auditor Information

Auditors APSCA ID : **Primary: Mario Zhong**
ID#: 21701186

Auditors APSCA ID : **Secondary: NA**
ID#: NA

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Audit pay period provided for review

Records	From	To
12	01-Jun-2021	31-May-2022
12	01-Jun-2021	20-Jul-2022

Special Comments: **N/A**

Employee interview sampling

Individual	3
Group	None
Total interviewed	3

Payroll and attendance records sampling

Period	From	To	Peak Season	Records Reviewed
Current Period	01-May-2022	31-May-2022	No	3
Period 2	01-Dec-2021	31-Dec-2021	No	3
Period 3	01-Jul-2021	31-Jul-2021	No	3
Total				9

Other records reviewed

Personnel records	Production records
Non-Production records	Employment contracts
Legal Permits	Social insurance documentation
Employee leave register	Health examination records
Machine maintenance records	Security log book
Others	

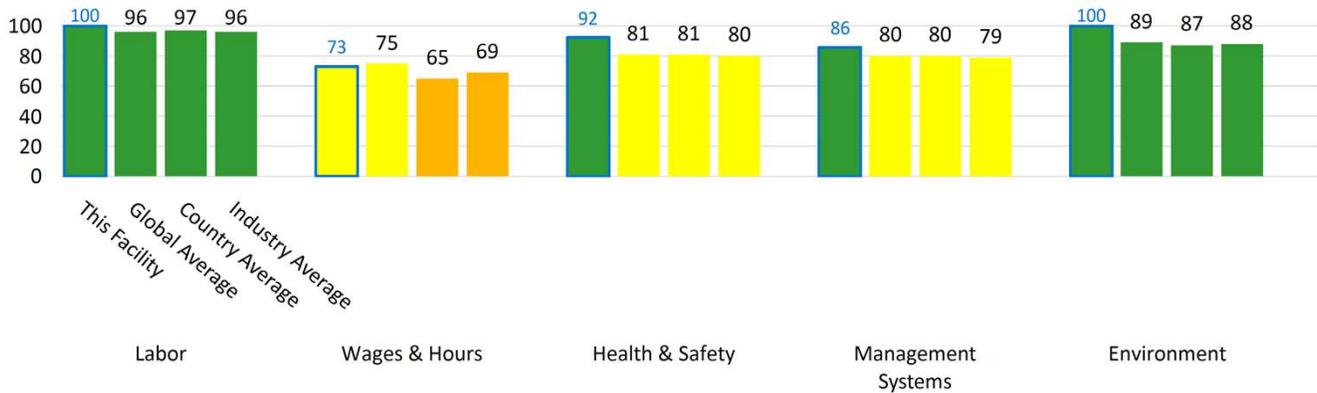
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B. KEY PERFORMANCE METRICS

B1. COMPARISON BENCHMARK

Current performance — Global average, China average, Hardlines average



The Comparison Benchmark shows at a glance how this facility is performing in each category in comparison to all other facilities in the database globally, by country and/or industry using the same scoring algorithm.

B2. PERFORMANCE TREND ANALYSIS

Section Name	Current (21-Jul-2022)	Last (NA)	First (NA)	Change (Current-Last)	Change (Current-First)
Labor	100	NA	NA	NA	NA
Wages & Hours	73	NA	NA	NA	NA
Health & Safety	92	NA	NA	NA	NA
Management Systems	86	NA	NA	NA	NA
Environment	100	NA	NA	NA	NA
Overall Score	90	NA	NA	NA	NA

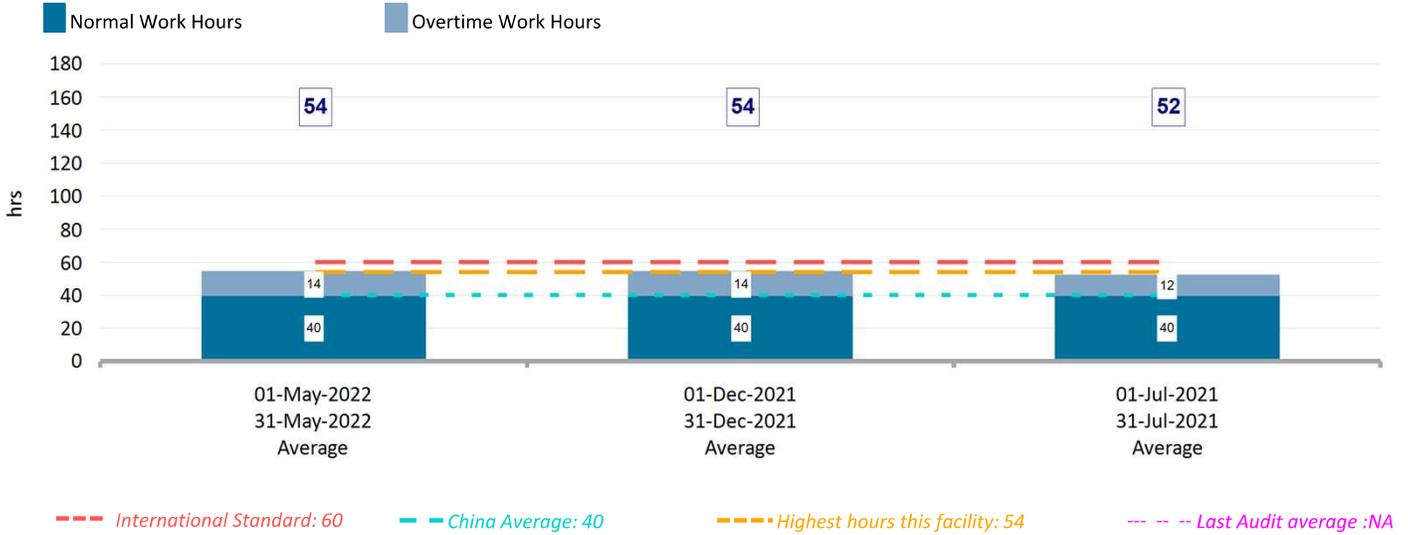
▲ Advancers ■ Constant ▼ Decliner

Showcase of the percentage of improvement (or decline) in performance over time for this facility. The current audit result is compared against the last audit completed at this same facility which is subsequently compared to the very first audit done at the facility.

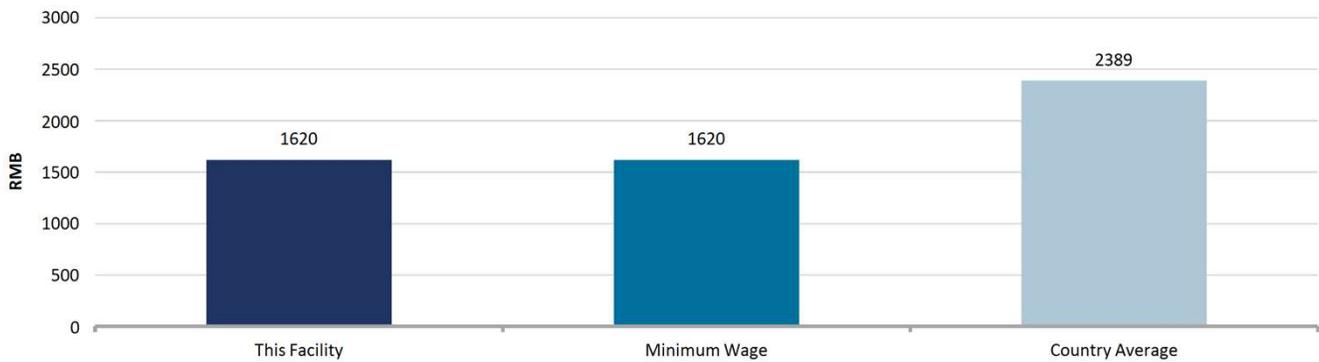


B3. WORKING HOURS AND WAGES

Average total hours worked Weekly



Average wages paid in local currency (RMB)



Provincial and country averages are based on average wages paid since past two years.

Special wage circumstances: The local minimum wages were set at RMB 1410 per month equivalent to RMB 8.1 per month (1410/21.75/8) from July 1, 2018 to November 30, 2021, and adjusted to RMB 1620 per month equivalent to RMB 9.31 per month (1620/21.75/8) since December 1, 2021.

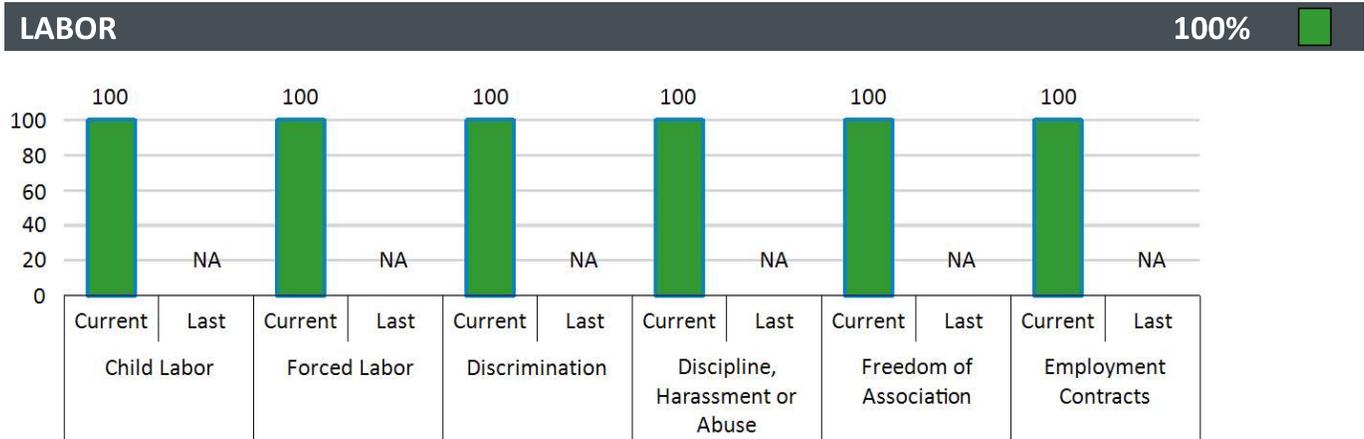
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C. PERFORMANCE DETAILS

Current (21-Jul-2022) Last (NA)

C1. LABOR



Labor Summary: 1. Relevant policy on child labor, force labor, discrimination, discipline, harassment, freedom of association etc. were established, no child labor/ juvenile employee /force labor/harassment/discrimination was noted. No foreign employees or agency employees were employed in the facility. The facility hired all employees directly. 2. The employees could express grievance freely. The facility has a written policy of freedom of association and right to collective bargaining. The policy states that the workers are free to form or join trade union or workers’ organization and enjoy the right to collective bargaining, and nobody will be treated differently if they are members of the trade union or workers’ organization, etc. 3. No zero-tolerance or major non-compliances findings was found during labor section.

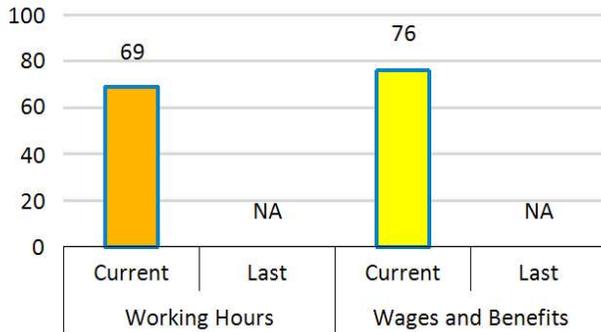
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C2. WAGES & HOURS

WAGES & HOURS

73%



Wages and Hours Summary: During this audit, Auditor cross checked the production records such as daily production records, material inspection records, production inspection records material delivery records from June 1, 2021 to July 20, 2022 with the attendance records, leave application forms and payroll records, after crosschecking, no inconsistency was found. The local minimum wages were set at RMB 1410 per month equivalent to RMB 8.1 per month (1410/21.75/8) from July 1, 2018 to November 30, 2021, and adjusted to RMB 1620 per month equivalent to RMB 9.31 per month (1620/21.75/8) since December 1, 2021. The employees were paid on hourly rated basis. The minimum wage paid to the employees was RMB 9.31 per hour, which was equal to the local minimum wage standard. 150% and 200% of normal rate wage was paid to the employees for overtime on the weekdays and rest days respectively. There was no overtime on statutory holidays. As per the provided social insurance document of June 2022, 4 out of 30 employees had participated in endowment insurance, unemployment insurance and employment injury insurance, basic medical insurance and maternity insurance. Annual leave, maternity leave and sick leave were provided to the employees. The facility paid wages to the employees on or before the end of each month by cash. All employees' standard working hours in the facility were 8 hours per day and 40 hours per week. All employees worked in one shift from 08:00 to 17:30 with 1.5 hours lunch break from 12:00 to 13:30. Finger print attendance system was used for time keeping when they go in and out the workshop. Base on the provided attendance records, auditor found that the monthly overtime hours of 3 randomly selected employees were 46 hours in May 2022; 3 randomly selected employees' monthly overtime hours were 52 hours in December 2021; 3 randomly selected employees' monthly overtime hours were 50 hours in July 2021. And the employees could enjoy one day rest per week.

Sub Section: Working Hours

Status	Findings	% Global freq of compliance
Moderate	<p>O0626: Total overtime hours exceeds allowable limits under applicable law or agreement.</p> <p>Past occurrences at this facility: NA</p> <p>Auditor's comment Overtime hours exceeding legal requirement. Through the attendance records review, auditor found that the monthly overtime hours of 3 out of 3 randomly selected employees were 46 hours in May 2022 (current month); 3 out of 3</p>	44%

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**WORKPLACE
CONDITIONS
ASSESSMENT**

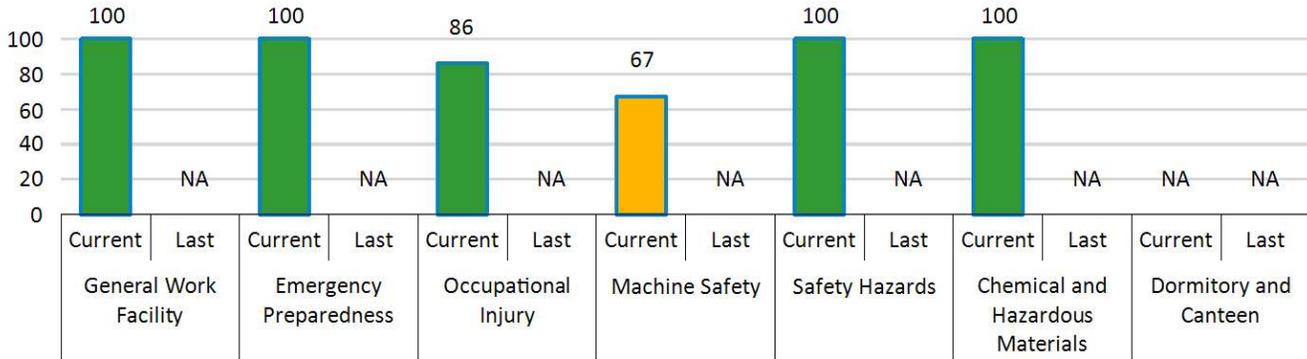
Status	Findings	% Global freq of compliance
	<p>randomly selected employees' monthly overtime hours were 52 hours in December 2021 (Random month); 3 out of 3 randomly selected employees' monthly overtime hours were 50 hours in July 2021 (Random month).</p> <p>Legal Regulation People's Republic of China Labor Law Article 41, The employing unit may extend working hours due to the requirements of its production or business after consultation with the trade union and laborers, but the extended working hour for a day shall generally not exceed one hour; if such extension is called for due to special reasons, the extended hours shall not exceed three hours a day under the condition that the health of laborers is guaranteed. However, the total extension in month shall not exceed 36 hours.</p>	

Sub Section: Wages and Benefits

Status	Findings	% Global freq of compliance
● Moderate	<p>O0717: The facility does not provide social security, pensions, healthcare and/or other insurance to employees as per legal requirement.</p> <p>Past occurrences at this facility: NA</p> <p>Auditor's comment Insufficient social insurance participated. Through a review of the social security receipt of June 2022, auditor found that there were 4 out of 30 employees had participated in employment injury insurance, basic endowment insurance, unemployment insurance, maternity insurance and basic medical insurance.</p> <p>Legal Regulation Social Insurance Law of the People's Republic of China Article 10, Employees shall participate in the basic endowment insurance, and the basic endowment insurance premiums shall be jointly paid by employers and employees. Article 23, Employees shall participate in the basic medical insurance for employees, and the basic medical insurance premiums shall be jointly paid by employers and employees in accordance with the relevant provisions of the state. Article 33, Employees shall participate in employment injury insurance, and the employment injury insurance premiums shall be paid by their employers rather than the employees. Article 44, Employees shall participate in unemployment insurance, and the unemployment insurance premiums shall be jointly paid by employers and employees in accordance with the relevant provisions of the state. Article 53, Employees shall participate in maternity insurance, and the maternity insurance premiums shall be paid by employers rather than employees in accordance with the relevant provisions of the state.</p>	59%



C3. HEALTH & SAFETY



Health & Safety Summary: 1. Written Health and Safety Policy and Health and Safety Manual were established and implemented. Potable water was freely available on each production workshop. Ventilation, temperature and lighting were adequate for each area. 2. Fire Safety: The facility provided sufficient fire safety equipment throughout the facility: such as extinguishers, fire hydrants and fire alarms. All were well equipped and checked monthly. Evacuation maps were also posted in each production area with emergency plan, position of firefighting equipment and "you are here" information. Emergency routes were clearly marked on the floors which could lead employees to emergency exit. All exit doors were installed with safety exit signs and emergency lights. At least two emergency exits were on each floor in the facility. The facility conducted fire drills and fire fighting training twice every year with latest one conducted on April 8, 2022. 3. Electrical safety: The warning signs were posted on the electrical panels. 4. Chemical Safety: Safety facilities for chemicals were compliant with legal requirement. The facility provided proper PPE to workers. 5. Medical services: There were adequate first aid kits with sufficient supplies on each floor. There were total 2 first aiders in the facility. Through review injury records, no injury occurred in past 12 months. 6. Machine Safety: Production machines were maintained and inspected regularly. 7. Facility had a program to provide EHS training to all employees including fire safety. The assigned person was responsible for the facility health and safety regular checking, regular meeting minutes of proceedings were provided for review.

Sub Section: Occupational Injury

Status	Findings	% Global freq of compliance
● Minor	<p>O0357: The facility has not implemented an mechanism/program to identify, evaluate and control employee exposure to physically demanding work, such as manual handling, heavy lifting, highly repetitive tasks, and other physically demanding jobs to prevent work-related injuries.</p> <p>Past occurrences at this facility: NA</p> <p><i>Auditor's comment</i> The facility has not implemented an mechanism/program to identify, evaluate and control employee exposure to physically demanding work.</p>	78%

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Sub Section: Machine Safety

Status	Findings	% Global freq of compliance
<p>● Moderate</p>	<p>O0397: The facility does not monitor the employees to ensure personal protective equipment (PPE) required to control machine safety hazards is correctly used.</p> <p>Past occurrences at this facility: NA</p> <p>Auditor's comment Employees did not properly wear PPE (Personal Protective Equipment). During facility tour, auditor found that there were 2 employee working in punching workshop. But 1 out of 2 employees did not wear the earplug properly, which was provided by the facility.</p> <p>Legal Regulation Law of the PRC on Work Safety Article 45, Production and business entities shall provide their employees with work protection gears that are up to national standards or industrial specifications, and they shall give instruction to their employees and see to it that they wear or use these gears in accordance with the rules for their use.</p>	<p>91%</p>

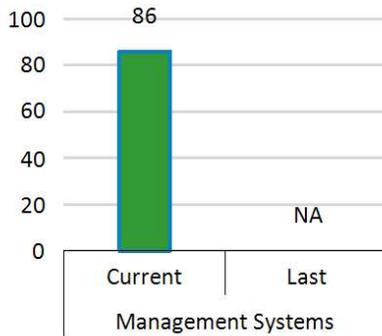
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C4. MANAGEMENT SYSTEMS

MANAGEMENT SYSTEMS

86%



Management System Summary: 1. The facility had established one written social compliance procedures. The facility did not use child labor in the facility and no case of forced labor, harassment /abuse, discrimination was noted. Employees were not refrained to join the association. 2. The top management staff had a well understanding on the issues of social compliance and as per the management interview, the facility was audited many times in the past years by the third audit firms or its clients themselves. All employees were paid legally as per the legal requirement and employees participated in overtime work on a voluntary basis. 3. The facility paid more attention to the importance of health and safety working condition. 4. Facility abided by all current province and state regulations with respect to COVID-19 prevention. Social Distancing is enforced, masks are required, employee/visitor temperature is taken upon entrance to the facility. Verification of employee/visitor current physical condition is conducted.

Sub Section: Management Systems

Status	Findings	% Global freq of compliance
● Minor	<p>O0797: The facility's written social compliance policy is not made publicly available.</p> <p>Past occurrences at this facility: NA</p> <p>Auditor's comment The social compliance policy of the facility was not made publicly available. Through facility tour and management interview, auditor found that the social compliance policy was not made publicly available outside of the facility.</p>	90%
● Minor	<p>O0817: The facility has comprehensive working hour and wages management processes and procedures in a written manual that support adherence to social compliance requirements but they are not all being properly implemented.</p> <p>Past occurrences at this facility: NA</p> <p>Auditor's comment Findings about Working hours, Wages and Benefits were found during this audit, please refer to related section for details.</p>	37%

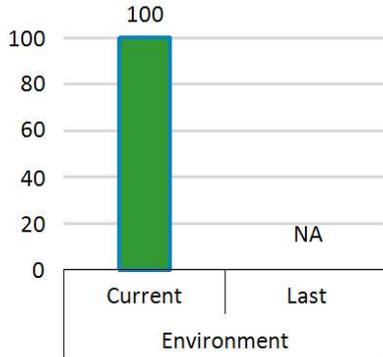
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Status	Findings	% Global freq of compliance
● Minor	<p>O0829: The facility has comprehensive employee safety processes and procedures in a written manual that support adherence to social compliance requirements but they are not all being properly implemented.</p> <p>Past occurrences at this facility: NA</p> <p>Auditor's comment Findings about employee safety procedures were found during this audit, please refer to related section for details.</p>	41%
● Minor	<p>O0888: The facility does not provide appropriate training for managers on how to implement its social compliance policies and procedures.</p> <p>Past occurrences at this facility: NA</p> <p>Auditor's comment No training records / certificate of safety production knowledge and management skill for the principal in charge and/or persons for the management of work safety in the facility. During document review, auditor found that the facility could not provide the training records / certificate of safety production knowledge and management skill of the principal in charge and persons for the management of work safety for review.</p> <p>Legal Regulation</p> <p>Law of the PRC on Work Safety Article 27, The principal in charge and persons for the management of work safety in production and business entities have to have the knowledge about work safety and the competence for the management, which are commensurate with the production and business activities of these entities. The principal in charge and persons for the management of work safety in production and business entities that produce, trade, store or Loading and unloading hazardous articles, and mines, metal smelting, building construction, and road transport shall only be appointed to the posts after they pass the examinations in their knowledge about work safety and their competence in the management conducted by the competent departments for work safety supervision and administration. No fees shall be charged for taking such examinations. Entities that produce, store or Loading and unloading hazardous articles, and mines, metal smelting shall have certified safety engineer to work on the management of work safety.</p>	75%



C5. ENVIRONMENT



Environment Summary: 1. The facility had established one written environment management procedures. And the facility obtained the Environmental Impact Assessment (EIA) approval/registration for the construction project. The facility had monitored the pollutant as per the law, and the monitoring result complied with the legal requirement. 2. The top management staff had a well understanding on the issues of environment protection and the environment protection awareness training was also provided to employees and related records were provided for review. [Redacted] was designed for the monitoring / implementation of the environment issues. No finding on environment issues was noted in this audit.

% Global Frequency of Compliance:	Represents the implementation percentage performance of all suppliers participating in the WCA Community globally for each issue
Identification numbers:	Represents the finding ID associated with each checklist question

RECOMMENDATION FOR IMPROVEMENT PLAN TIMELINE

- Minor: Take action within 0 ~ 6 months to make necessary improvements.
 - Moderate: Take action within 0 ~ 3 months to make necessary improvements.
- Major: Take action within 0 ~ 1 month to make necessary improvements.
 - Zero Tolerance: Take immediate action to make necessary improvements.

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D. STRENGTHS AND CHALLENGES

Facility Strengths: Facility performance ranks in the top percentile of the population and/or has implemented a best practice process	Rating	Global Freq. of Compliance%
The facility has comprehensive emergency preparedness processes and procedures in a written manual that support adherence to social compliance requirements and are being properly implemented.	Compliant	55%
The facility has comprehensive chemicals management processes and procedures in a written manual that support adherence to social compliance requirements and are being properly implemented.	Compliant	69%
The facility conducts and/or pays for regular occupational health examinations for employees when applicable.	Compliant	76%
The facility (including construction projects) have the building permits and/or fire safety permits as per the legal requirements.	Compliant	76%
The total weekly working hours (normal & overtime) are 60 or less than 60 hours.	Compliant	77%
Employment practice procedures (forced labor, freedom of association, employment contracts, discipline, harassment & abuse) are in place.	Compliant	77%
The facility has comprehensive processes and procedures in the area of general facility, dormitory (if any) and/ or canteen (if any) management (e.g. cleanliness, ventilation, noise, lighting, toilets) in written manual that support adherence to social compliance requirement.	Compliant	78%
Preventative measures are in place to prevent chemical leakage.	Compliant	80%
Employees are provided with at least one day off following six consecutive days worked.	Compliant	81%
The facility conducts periodic assessments (including internal audit) of its management system in order to identify improvement opportunities.	Compliant	81%

Challenges: Facility performance ranks in the bottom percentile of the population	Rating	Global Freq. of Compliance%
The facility does not monitor the employees to ensure personal protective equipment (PPE) required to control machine safety hazards is correctly used.	Moderate	91%
The facility's written social compliance policy is not made publicly available.	Minor	90%
The facility has not implemented an mechanism/program to identify, evaluate and control employee exposure to physically demanding work, such as manual handling, heavy lifting, highly repetitive tasks, and other physically demanding jobs to prevent work-related injuries.	Minor	78%
The facility does not provide appropriate training for managers on how to implement its social compliance policies and procedures.	Minor	75%
The facility does not provide social security, pensions, healthcare and/ or other insurance to employees as per legal requirement.	Moderate	59%
Total overtime hours exceeds allowable limits under applicable law or agreement.	Moderate	44%
The facility has comprehensive employee safety processes and procedures in a written manual that support adherence to social compliance requirements but they are not all being properly implemented.	Minor	41%
The facility has comprehensive working hour and wages management processes and procedures in a written manual that support adherence to social compliance requirements but they are not all being properly	Minor	37%

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implemented.		
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Best Practices:

The facility has written procedures in place to determine, manage and control overtime.	The facility has made progress in reducing or eliminating pollution, waste and conserving resources.
The facility has implemented energy saving measures or adopted new technologies that are aiming to save energy.	The facility has implemented a carbon emission reduction or carbon offset plan.
The facility implements an auditing program and audits all suppliers, subcontractors and labor providers.	The facility maintains metrics or key performance indicators for any labor or health & safety issues.

Workplace Conditions Assessment Report
Assessment Nr. A5014357



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Forced Labor Due Diligence



Documentation showing a due diligence system or process that may include the following:

- Engagement with suppliers and other stakeholders to assess and address forced labor risk;
- Mapping of the supply chain and assessment of forced labor risks along the supply chain from raw materials to production of the imported good;
- Written supplier code of conduct forbidding the use of forced labor and addressing the risk of use of Chinese government labor schemes;
- Training on forced labor risks for employees and agents who select and interact with suppliers;
- Monitoring of supplier compliance with the code of conduct;
- Remediation of any forced labor conditions identified or termination of the supplier relationship if remediation is not possible or is not timely completed;
- Independent verification of the implementation and effectiveness of the due diligence system; and
- Reporting performance and engagement publicly on its due diligence system.

Documentation tracing the supply chain from raw materials to the imported good.

Evidence Pertaining to Overall Supply Chain

- Detailed description of supply chain including imported merchandise and components thereof, including all stages of mining, production, or manufacture;
- The role(s) of the entities in the supply chain, including shippers and exporters: for example, CBP will need to determine whether a supplier is also a manufacturer;
- For entities in the supply chain, identify any relationships in accordance with 19 C.F.R. § 152.102(g);
- A list of suppliers associated with each step of the production process, including names and contact information (addresses, email addresses, and phone number);
- Affidavits from each company or entity involved in the production process.

Documentation tracing the supply chain from raw materials to the imported good.

Evidence Pertaining to Merchandise or Any Component Thereof

- Purchase orders
- Invoice for all suppliers and sub-suppliers
- Packing list
- Bill of materials
- Certificates of origin
- Payment records
- Seller's inventory records, including dock/warehouse receipts
- Shipping records, including manifests, bills of lading (e.g., airway/vessel/trucking)
- Buyer's inventory records, including dock/warehouse receipts
- Invoices and receipts for all suppliers and sub-suppliers
- Import/export records

Documentation tracing the supply chain from raw materials to the imported good.

Evidence Pertaining to Miner, Producer, or Manufacturer

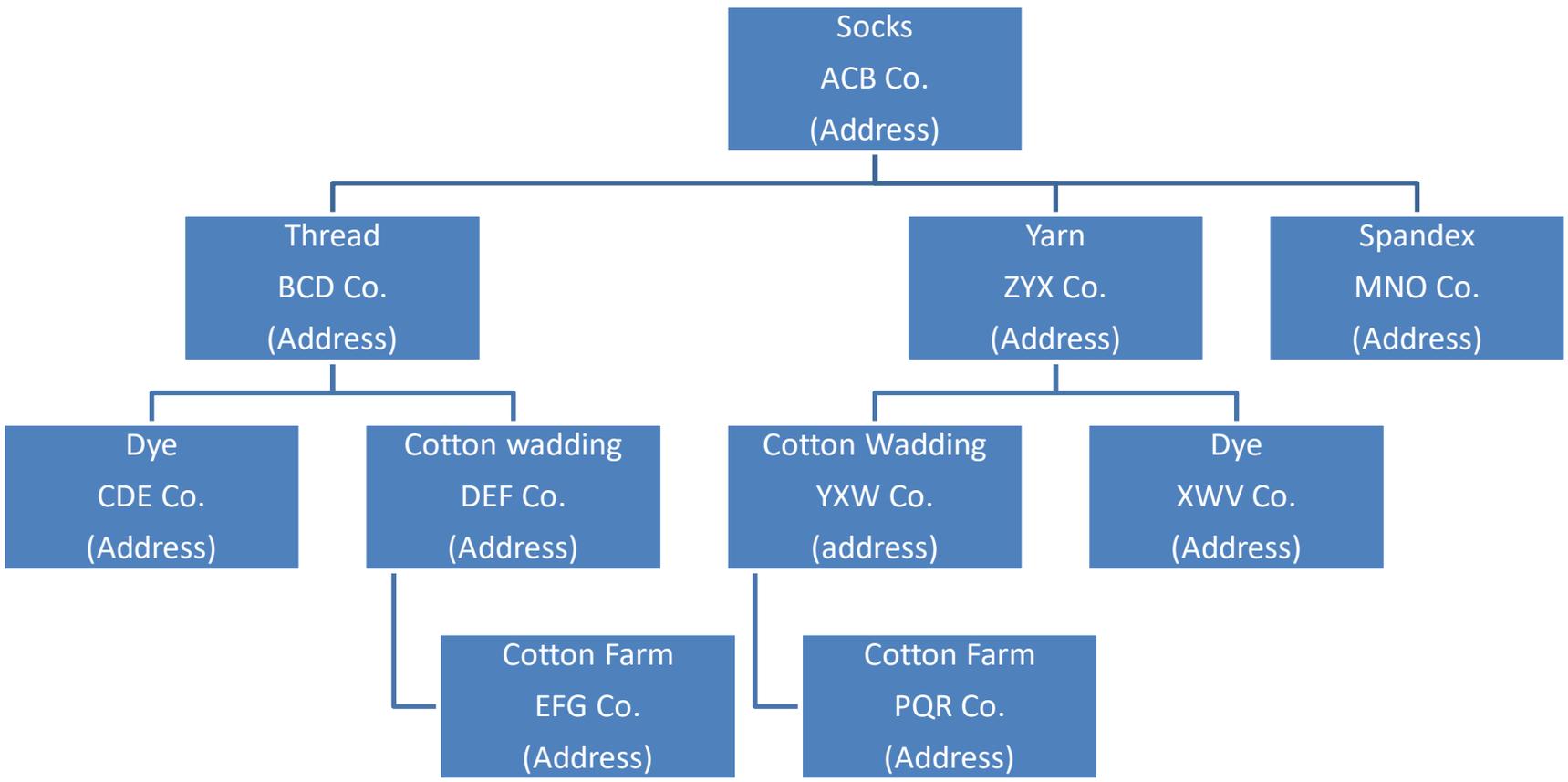
- Evidence listed above pertaining to merchandise or any component thereof for raw materials. See below for specific examples related to high-risk commodities, such as cotton, polysilicon, and tomatoes.
- Mining, production, or manufacturing records
 - Documents should allow CBP to trace raw materials to merchandise mined, produced, or manufactured
 - Production orders
 - Reports on factory production capacity for the merchandise
 - Reports on factory site visits by the importer, a downstream supplier sourcing from this factory, or a third party
 - Evidence that the volume of inputs of component materials matches the volume of output for the merchandise produced
- Any other evidence to demonstrate that a good was not mined, produced, or manufactured wholly or in part by forced labor

Documentation:

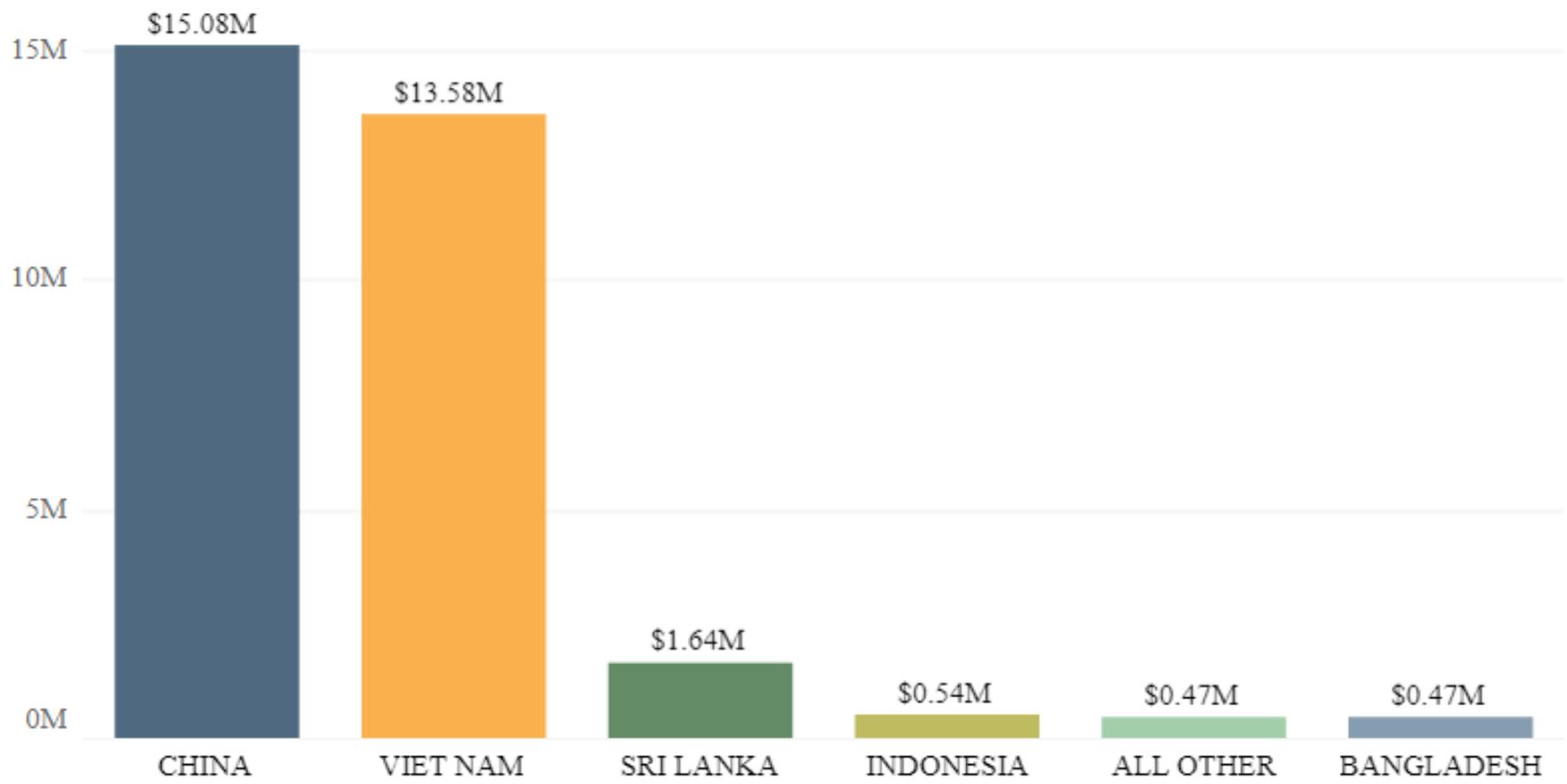
- An affidavit from the final manufacturer
- Affidavits from all suppliers in the chain
- A list of all suppliers
- Certificate of origin/harvest for cotton
- CSR audit report for the final manufacturer
- Detailed description of supply chain including imported merchandise and components thereof, including all stages of mining, production, or manufacture
- The role(s) of the entities in the supply chain, including shippers and exporters: for example, CBP will need to determine whether a supplier is also a manufacturer

We recommend working with manufacturers outside of China and stop tracing the supply chain if it enters China. It is against the law in China for companies to divulge information when it is related to the Uyghur Forced Labor issue.

JAN 459000000001 Striped Sock - Supply Chain Map



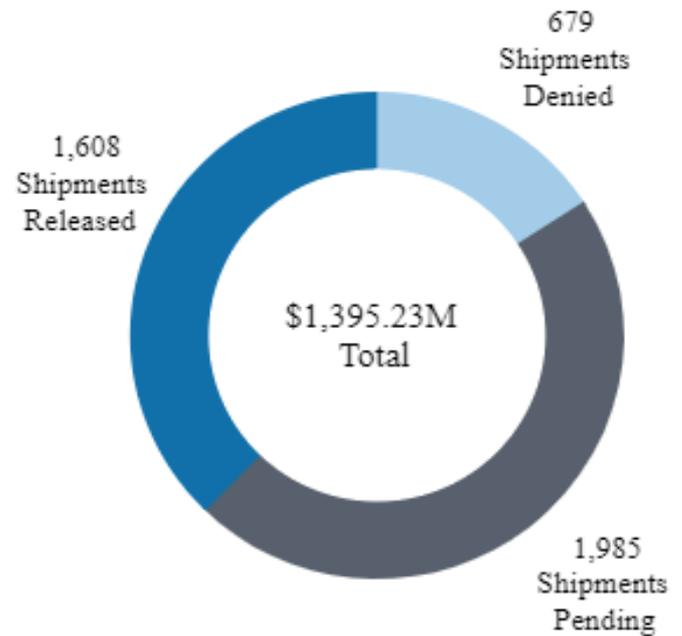
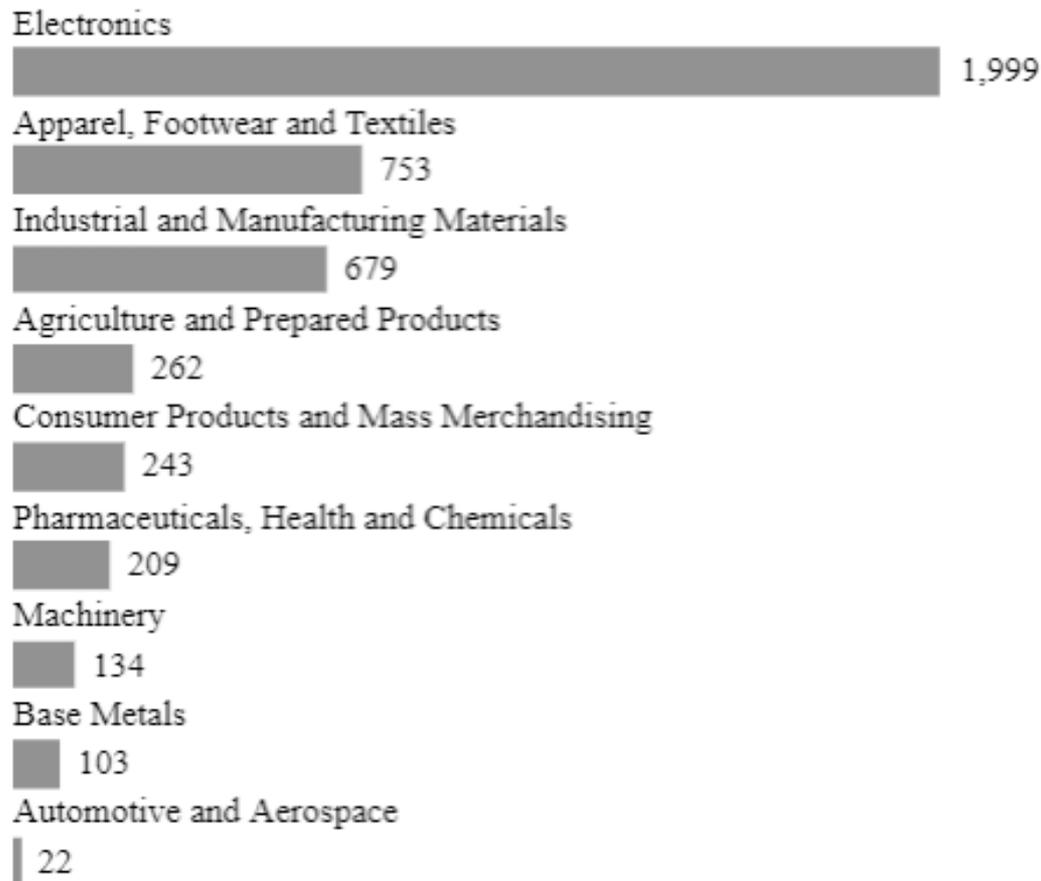
Shipment Value (USD) by Country of Origin



Shipment Value (USD) by Country of Origin



Shipment Count by Industry and Exam Result



Shipment Count by Industry and Exam Result

Apparel, Footwear and Textiles



Industrial and Manufacturing Materials



Pharmaceuticals, Health and Chemicals



Electronics



Agriculture and Prepared Products



Consumer Products and Mass Merchandising



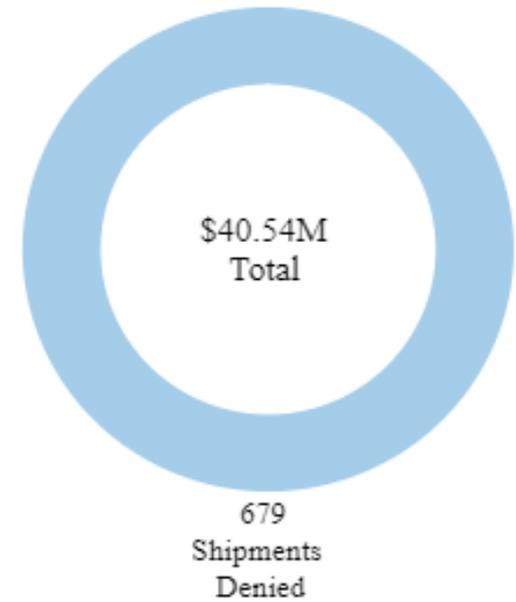
Machinery



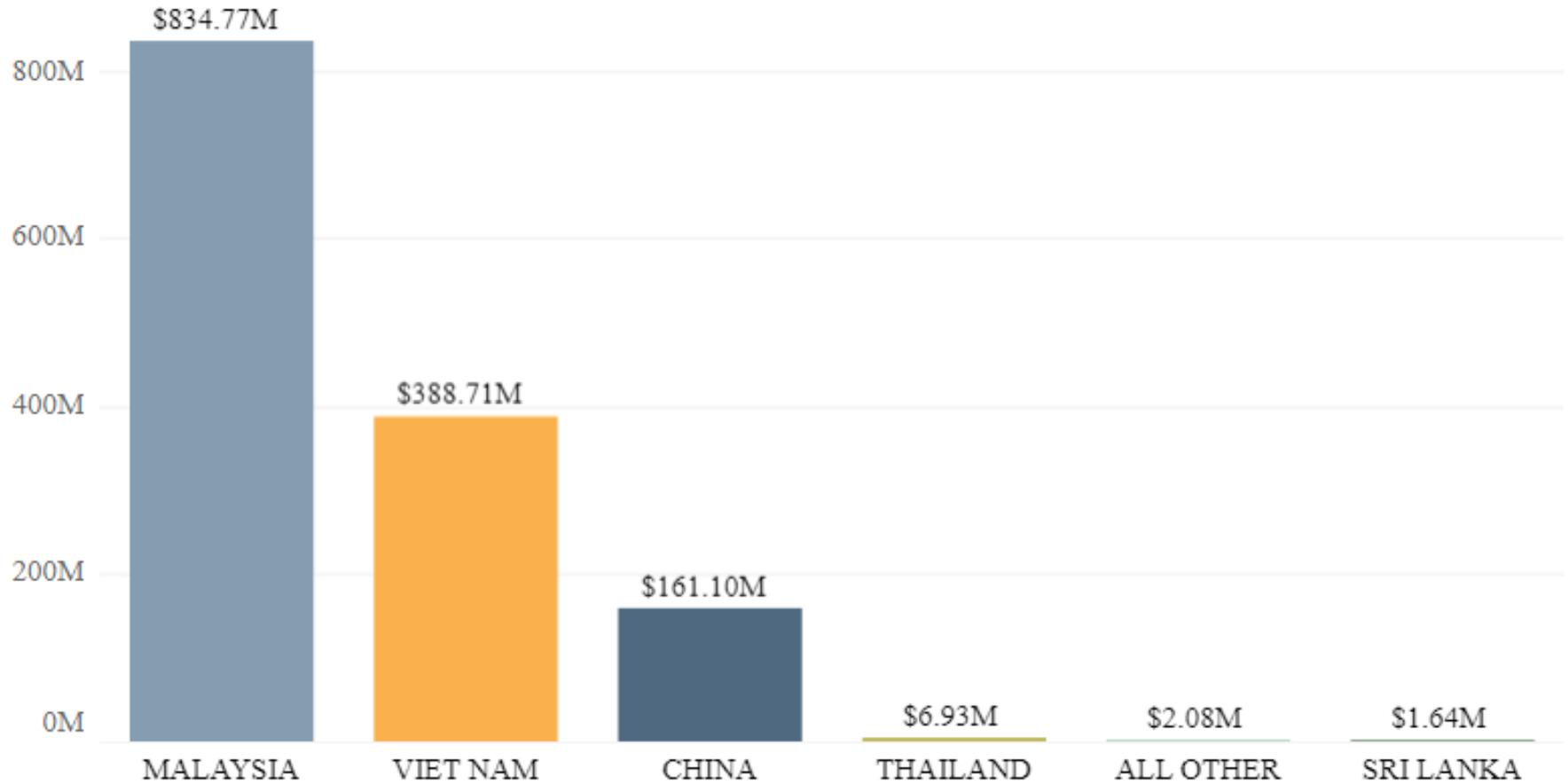
Base Metals



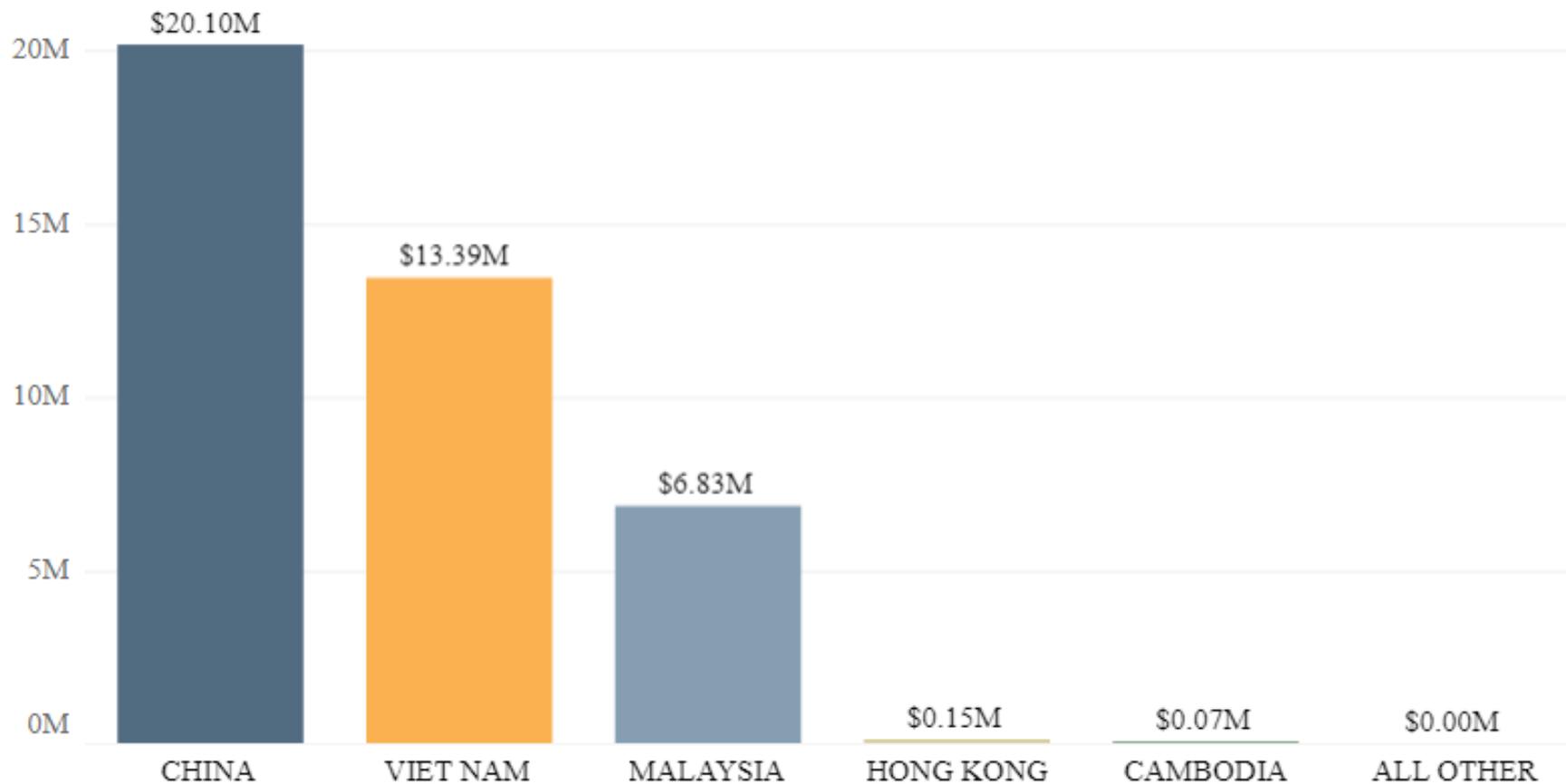
Automotive and Aerospace



Shipment Value (USD) by Country of Origin



Shipment Value (USD) by Country of Origin



Country of Harvest	Country of Manufacture	Risk Level
China	China	Highest
China	Not China	Very High
Not China	China	Medium
Not China	Not China	Low