

Monitored Party xxxxxxxxxxxxxxxxxxxxxxxx	amfori ID xxxxxxxxxxxx	Address xxxxxxxxxxxxxxxxxxxxxxxx
		<b>China</b>
Monitoring Activity <b>amfori Social Audit - Manufacturing</b>	Monitoring Type <b>Full Monitoring</b>	Monitoring Partner <b>SGS</b>
Monitoring Start Date <b>07/08/2024</b>	Closing Meeting Finished Date <b>07/08/2024</b>	Submission Date <b>14/08/2024</b>
Expiration Date <b>14/08/2025</b>	Announcement Type <b>Semi Announced</b>	
Site xxxxxxxxxxxxxxxx	Site amfori ID xxxxxxxxxxxx	

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## OVERALL RATING



## SECTION RATING

PA1: Social Management System	<b>C</b>	
PA 2: Workers Involvement and Protection	<b>B</b>	
PA 3: The Rights of Freedom of Association and Collective Bargaining	<b>A</b>	
PA 4: No Discrimination, Violence or Harassment	<b>A</b>	
PA 5: Fair Remuneration	<b>B</b>	
PA 6: Decent Working Hours	<b>D</b>	

PA 7: Occupational Health and Safety	<b>A</b>	
PA 8: No Child Labour	<b>A</b>	
PA 9: Special Protection for Young Workers	<b>A</b>	
PA 10: No Precarious Employment	<b>A</b>	
PA 11: No Bonded, Forced Labour or Human Trafficking	<b>A</b>	
PA 12: Protection of the Environment	<b>A</b>	
PA 13: Ethical Business Behaviour	<b>A</b>	

## GENERAL DESCRIPTION

### [Audit Information]

Name of lead auditor: Mason Shao; APSCA membership number (CSCA 21701749)

Name of team auditor (if applicable): Nil

Name of observers, translators, trainees, advisors/consultants (if applicable): Nil

Monitoring partner name: SGS (Monitoring firm APSCA #: 11600006)

Audit schedule details: The audit is planned for 1 auditor x 1 day. The full audit (Semi announced) was conducted on Aug. 7, 2024.

### [Business partner information]

xxxxxxxxxxxxxxxxxxxxx is located at xxxxxxxxxxxxxxxxxxxx The type of the factory was Limited Liability Company. It was founded on Mar. 1, 2023 and its operating period was long term. The No. of business license is xxxxxxxxxxxxxxxx. The audited factory specialized in stainless steel mug. The main production process flow was cutting, metal working, welding, cleaning, vacuumizing, polishing, powder coating, paint spraying, screen printing, packing. Its annual production volume was 3000000 pcs.

### [Audited location information]

The factory rented one block 5-storey production building (about 7551 square meters) from landlord as warehouse, workshop and office area. The 1F was used as metal working, welding, cleaning and vacuumizing workshop, 2F was used as warehouse and polishing workshop, 3F was used as office area and warehouse, 4F was used as warehouse and packing workshop, 5F was used as warehouse, powder coating and paint spraying workshop. Based on onsite tour, there was a clear division between the audited factory and landlord, no share building found. The factory provided the lease contract and business licenses for review. Thus, the scope of this audit only covered the one block 5-storey production building (about 7551 square meters) rented by audited factory.

### [Operating shifts and hours]

The factory established policy on working hours on Apr. 27, 2023. There was one shift arranged for all workers. During the audit, the factory provided workers' attendance records from Aug. 1, 2023 to Aug. 7, 2024 for review. According to the policy and implementation records, workers worked 8 hours per day (7:30-11:30; 13:30-17:30), 5 days per week. The attendance system was on computer and the factory used face recognition attendance machine to record the working hours included OT hours. Workers had right to choose working overtime or not. Workers were ensured at least one day off per seven days. Workers could take a rest during the work time when they felt tired. 5 sampled workers' monthly overtime hours exceeded 36 hours, the 1st sampled month (Jul. 2024-Currently month), the standard hours was 184 hours, the max monthly overtime hours were 50 hours, the max daily overtime hours were 2 hours, the max weekly working hours were 52 hours (including 40 standard hours and 12 weekly OT); the 2nd sampled month (Mar. 2024-Random month), the standard hours was 168 hours, the max monthly overtime hours were 58 hours, the max daily overtime hours were 2 hours, the max weekly working hours were 52 hours (including 40 standard hours and 12 weekly OT); the 3rd sampled month (Dec. 2023-Random month), the standard hours was 168 hours, the max monthly overtime hours were 48 hours, the max daily overtime hours were 2 hours, the max weekly working hours were 52 hours (including 40 standard hours and 12 weekly OT).

### [Salary payment details]

The factory set up wages and benefit paying system on Apr. 27, 2023, which included paid statutory holidays, sick leave, annual leave, marriage leave and maternity leave etc. The factory issued wages on the 5th day of the following month and all payment was fully paid by cash. Based on the wages from Aug. 2023 to Jul. 2024 provided by the factory, the minimum wage paid by the factory was RMB4000 per month, which met legal requirement. Workers' overtime compensation were fully paid by the factory. Workers were paid 150% of normal rate for overtime work on weekdays and 200% of normal rate for overtime work on Saturdays. Besides, the factory provided holiday wages and annual leave to employees. Workers did not work overtime on Sundays and statutory holidays.

### [Worker number information]

- Total worker number: 48 (non-production workers: 14, production workers: 34).

- Production worker number: 34 (male: 16, female: 18).
- Vulnerable worker number: Domestic migrant workers: 41 (male: 23, female: 18). No young worker, child labor, disabled workers, lactating employees or pregnant women.
- Any other special group workers (interns, apprentices, contractor workers etc.): No trainee, apprentice, subcontract staff.

[Good practices]

Nil

[Worker organization details]

The factory did not have union, but one worker representative was elected by workers freely in factory.

[Circumstances]

The management showed a cooperative attitude during the audit. They agreed auditor conducted whole audit including workplace observation and confidential workers interviews without any influence. There was no special circumstance during the audit.

[The special circumstances can be classified as followed]

The auditor did not find any special abnormal situation by viewing of IPE and Credit China website. There was no specific control requirement for COVID-19 in China.

[Summary of findings]

PA1: Amfori BSCI management system and working hours' management system was not perfect.

PA2: The factory did not define effective long-term goals to protect workers.

PA5: Social insurance did not cover all workers.

PA6: Workers' monthly overtime hours exceeded 36 hours.

PA7: HS management system was not perfect, e.g.: the factory's partial goods in warehouse were directly leaned against the wall, 30% chemicals in chemicals warehouse missed secondary containment, 40% polishing machines missed pulley guards.

PA3, PA4, PA8, PA9, PA10, PA11, PA12, PA13: Nil.

[Living wage calculation]

#LivingWge: The living wage data is provided by the auditing company and please refer to the PA5 summary to find the details of calculation method of living wage.

[Personal Information protection law]

The Personal Information Protection Law of the People's Republic of China was promulgated on August 20, 2021, the producer ensured that relevant personal data and information provided to SGS auditor(s) has been obtained the individual's consent during the audit.

[Attachments]

There is no canteen used by the auditee, which makes the canteen not applicable.

There is no dormitory used by the auditee, which makes the dormitory not applicable.

There is no Consolidated Working Hours System Approval obtained by the auditee, which makes documented valid authorisation to make exemptions not applicable.

The audit is not SPA, which makes self-declaration of producer not applicable.

## SITE DETAILS

Site  
XXXXXXXXXXXXXXXXXXXX

Site amfori ID  
XXXXXXXXXXXXXXXXXXXX

### GICS Classification

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Sector	Industry Group	Industry
<b>Consumer Discretionary</b>	<b>Consumer Durables &amp; Apparel</b>	<b>Household Durables</b>
Sub Industry		
<b>Housewares &amp; Specialties</b>		

### amfori Process Classifications

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N.A.

### GS1 Classifications

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N.A.

### NACE Classification

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N.A.

### Water Stress Situation

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N.A.

# METRICS

## Key Metrics

Total workforce	48	Workers
Legal minimum wage in local currency	2,010	Monthly
Lowest wage paid for regular work at the site	4,000	Monthly
Calculated living wage in local currency	3,887	Monthly
Total sample	5	Workers

## Other Metrics

Male workers	26	Workers
Female workers	22	Workers
Non-binary workers	0	Workers
Permanent workers - Male	26	Workers
Permanent workers - Female	22	Workers
Permanent workers - Non-binary	0	Workers
Temporary workers - Male	0	Workers
Temporary workers - Female	0	Workers
Temporary workers - Non-binary	0	Workers
Seasonal workers - Male	0	Workers
Seasonal workers - Female	0	Workers
Seasonal workers - Non-binary	0	Workers
Management - Male	8	Workers
Management - Female	1	Workers
Management - Non-binary	0	Workers
Apprentices - Male	0	Workers
Apprentices - Female	0	Workers
Apprentices - Non-binary	0	Workers
Workers on probation - Male	0	Workers
Workers on probation - Female	0	Workers
Workers on probation - Non-binary	0	Workers
Workers with night shift - Male	0	Workers
Workers with night shift - Female	0	Workers
Workers with night shift - Non-binary	0	Workers
Workers with disabilities - Male	0	Workers
Workers with disabilities - Female	0	Workers
Workers with disabilities - Non-binary	0	Workers
Domestic migrant workers - Male	23	Workers
Domestic migrant workers - Female	18	Workers
Domestic migrant workers - Non-binary	0	Workers
Foreign migrant workers - Male	0	Workers

Foreign migrant workers - Female	0	Workers
Foreign migrant workers - Non-binary	0	Workers
Workers hired directly - Male	26	Workers
Workers hired directly - Female	22	Workers
Workers hired directly - Non-binary	0	Workers
Workers hired indirectly - Male	0	Workers
Workers hired indirectly - Female	0	Workers
Workers hired indirectly - Non-binary	0	Workers
Unionised workers - Male	0	Workers
Unionised workers - Female	0	Workers
Unionised workers - Non-binary	0	Workers
Workers under CBA - Male	0	Workers
Workers under CBA - Female	0	Workers
Workers under CBA - Non-binary	0	Workers
Pregnant workers	0	Workers
Workers on parental leave - Male	0	Workers
Workers on parental leave - Female	0	Workers
Workers on parental leave - Non-binary	0	Workers
Sample - Male	4	Workers
Sample - Female	1	Workers
Sample - Non-binary	0	Workers

# FINDINGS



## PA1: Social Management System

Site: xxxxxxxxxxxxxxxxxxxxxx | Site amfori ID: xxxxxxxxxxxxxxxxxxxxxx

**Question:** 1.1 Is there satisfactory evidence that the auditee has set up an effective management system to implement the amfori BSCI Code of Conduct?

ENGLISH	LOCAL LANGUAGE
<b>Finding</b>	
<p>1.1 The main auditee partially respected this principle because the factory established the procedures on social responsibility and amfori BSCI management system, Fu Jiawei / Admin manager was appointed as amfori BSCI management representative by factory, but based on documents review, onsite check, interview with workers and managements, some issues appeared in Workers Involvement and Protection, Fair Remuneration, Decent Working Hours, Occupational Health and Safety. The facility management declared that they did not understand the related requirement. It violated the requirement of question 1.1 in amfori BSCI system manual.</p>	<p>主要被审核方（生产商）部分遵循该原则，因为工厂建立了社会责任管理程序和amfori BSCI管理系统，符佳伟 / 行政经理被工厂指定为amfori BSCI管理层代表，但根据文件审核，现场审核，员工及管理层访谈确认，工厂在员工参与和保护，公平报酬，体面劳动时间，职业健康与安全方面，出现问题。工厂管理层解释其对相关要求不了解。违反了amfori BSCI管理手册中问题1.1的要求。</p>

**Question:** 1.4 Is there satisfactory evidence that the auditee's workforce capacity is properly organised to meet the expectations of the delivery order and/or contracts?

ENGLISH	LOCAL LANGUAGE
<b>Finding</b>	
<p>1.4 The main auditee partially respected this principle because based on management interview, onsite check and documents review, the factory knew how to calculate production capacity and order cycle, but the calculation of production capacity was not reasonable to cause workers' monthly overtime working hours exceeded legal requirement. The facility management declared that their understanding about the requirements for capacity planning calculations was inadequate. It violated the requirement of question 1.4 in amfori BSCI system manual.</p>	<p>主要被审核方（生产商）部分遵循该原则，因为基于管理层访谈、现场查看以及文件审核确认，工厂了解如何计算生产产能和订单周期，但产能分析不合理，导致员工的月加班工时超过法规要求。工厂管理层解释他们对产能规划计算的要求了解不充分。违反了amfori BSCI管理手册中问题1.4的要求。</p>



## PA 2: Workers Involvement and Protection

Site: xxxxxxxxxxxxxxxxxxxxxx | Site amfori ID: xxxxxxxxxxxxxxxxxxxxxx



**Question:** 2.2 Is there satisfactory evidence that the auditee defines long-term goals for protecting workers in line with the aspirations of the amfori BSCI Code of Conduct?

ENGLISH	LOCAL LANGUAGE
<b>Finding</b>	
<p>2.2 The main auditee did not respect this principle because as per document review and management and employee review, the factory did not define effective long-term goals to protect workers according to the amfori BSCI Code of Conduct. The facility management declared that they failed to fully understand the requirements of long-term goals.</p> <p>It violated the requirement of question 2.2 in amfori BSCI system manual.</p>	<p>主要被审核方（生产商）未遵循该准则，因为通过文件审核和管理层以及员工面谈了解到，工厂没有依据amfori BSCI的行为准则制定有效的长远的目标来保护员工。工厂管理层解释他们未能充分了解长期目标的要求。</p> <p>违反了amfori BSCI管理手册中问题2.2的要求。</p>

### PA 5: Fair Remuneration

Site: xxxxxxxxxxxxxxxx | Site amfori ID: xxxxxxxxxxxxxxxx

**Question:** 5.5 Is there satisfactory evidence that the auditee provides workers with the social benefits that are legally granted without negative impact on their pay, level of seniority, position, or promotion prospects?

ENGLISH	LOCAL LANGUAGE
<b>Finding</b>	
<p>5.5 The main auditee did not respect this principle because according to social insurance payment vouchers of May 2024 to Jul. 2024 provided by factory, it was noted that the factory provided retirement, illness, maternity, unemployment and injury insurance for 19, 19, 19, 19 and 29 workers, but the factory had total 48 workers. Besides, the factory provided commercial casualty insurance to all workers, whose valid date was from Mar. 27, 2024 to Mar. 26, 2025. The factory explained the reason for poor social insurance coverage rate was high turnover rate and the unwillingness of workers. Based on management interview and worker interview, they had already bought new-pattern rural social old-age insurance at home.</p> <p>It violated Labor Law of the People's Republic of China (2018 Amendment), Article 72 and 73.</p>	<p>主要被审核方（生产商）未遵循该准则，因为根据工厂提供的2024年5月至2024年7月的社保缴费凭证发现工厂提供了养老、医疗、生育、失业和工伤保险给19、19、19、19和29名员工，而工厂共有48名员工。此外，工厂给所有员工提供了商业意外险，其有效期限为2024年3月27日至2025年3月26日。工厂解释社保不足的原因是工人流动性大且工人不愿意购买社保。根据管理层访谈和员工访谈确认员工已在老家购买新农保。</p> <p>违反了中华人民共和国劳动法（2018修正），第七十二条和第七十三条。</p>

### PA 6: Decent Working Hours

Site: xxxxxxxxxxxxxxxx | Site amfori ID: xxxxxxxxxxxxxxxx

**Question:** 6.2 CRUCIAL: Is there satisfactory evidence that the auditee request of overtime is in line with the requirements of the amfori BSCI Code of Conduct?

ENGLISH	LOCAL LANGUAGE
<b>Finding</b>	
<p>6.2 The main auditee did not respect this principle because workers' monthly overtime hours exceeded legal requirement.</p> <p>During the audit, based on workers' attendance records from Aug. 1, 2023 to Aug. 7, 2024 provided by the factory, it was noted that 5 sampled workers' monthly overtime hours exceeded 36 hours, The 1st sampled month (Jul. 2024-Currently month), the standard hours was 184 hours, the max monthly overtime hours were 50 hours, the max daily overtime hours were 2 hours, the max weekly working hours were 52 hours (including 40 standard hours and 12 weekly OT);</p> <p>The 2nd sampled month (Mar. 2024-Random month), the standard hours was 168 hours, the max monthly overtime hours were 58 hours, the max daily overtime hours were 2 hours, the max weekly working hours were 52 hours (including 40 standard hours and 12 weekly OT);</p> <p>The 3rd sampled month (Dec. 2023-Random month), the standard hours was 168 hours, the max monthly overtime hours were 48 hours, the max daily overtime hours were 2 hours, the max weekly working hours were 52 hours (including 40 standard hours and 12 weekly OT).</p> <p>The facility management declared that the reason for overtime working was catch up the shipping date.</p> <p>It violated Labor Law of the People's Republic of China (2018 Amendment), Article 41.</p>	<p>主要被审核方（生产商）未遵循该原则，因为员工的月加班时间超过法规要求。</p> <p>审核期间，根据工厂提供了工人从2023年8月1日至2024年8月7日的考勤记录，发现5名抽样员工的月加班均超过36小时，</p> <p>第一个抽样月（2024年7月-当前月），标准工时184小时，最大月加班为50小时，最大日加班为2小时，最大周工作时间为52小时（包括标准工时40小时以及周加班时间12小时）；</p> <p>第二个抽样月（2024年3月-随机月），标准工时168小时，最大月加班为58小时，最大日加班为2小时，最大周工作时间为52小时（包括标准工时40小时以及周加班时间12小时）；</p> <p>第三个抽样月（2023年12月-随机月），标准工时168小时，最大月加班为48小时，最大日加班为2小时，最大周工作时间为52小时（包括标准工时40小时以及周加班时间12小时）。</p> <p>工厂管理层解释加班的原因是为了赶出货交期。违反了中华人民共和国劳动法（2018修正）第四十一条。</p>

## PA 7: Occupational Health and Safety

Site: xxxxxxxxxxxx | Site amfori ID: xxxxxxxxxxxxxxxx

**Question:** 7.1 Is there satisfactory evidence that the auditee observes occupational health and safety regulations applicable for its activities?

ENGLISH	LOCAL LANGUAGE
<b>Finding</b>	
<p>7.1 The main auditee partially respected this principle because the factory had established complete management system on health and</p>	<p>主要被审核方（生产商）部分遵循该准则，因为工厂已建立完整的健康安全管理体系，包括相关法规的识别与了解，健康安全检查，培训等，但是由于</p>

Finding	
<p>safety, included the identification and awareness of related legal regulation, health and safety check, training, etc. But there were still some health and safety issues were identified during the audit day due to management negligence, e.g.: the factory's partial goods in warehouse were directly leaned against the wall. The facility management declared that they did not understand the related requirement.</p> <p>It violated the requirement of question 7.1 in amfori BSCI system manual and Regulations on Fire Prevention of Warehouse (1990) Article 18.</p>	<p>管理疏忽，审核当天还是发现了部分健康安全方面的问题点，如工厂仓库的部分货物挨墙存放。工厂管理层解释其对相关要求不了解。</p> <p>违反了amfori BSCI管理手册中问题7.1的要求和仓库防火安全管理规则（1990）第十八条。</p>

**Question: 7.7** Is there satisfactory evidence that the auditee implements engineering and administrative control measures to avoid or minimise the release of hazardous substances into the work environment, keeping the level of exposure below internationally established or recognised limits?

ENGLISH	LOCAL LANGUAGE
Finding	
<p>7.7 The main auditee partially respected this principle because the factory had established the program on chemicals management and appointed person in charge of the chemicals, the separated storage area was provided to store the chemicals, chemicals had safety labels, but based on onsite observation, 30% chemicals in chemicals warehouse missed secondary containment. The facility management declared that the training for workers by factory was inadequate.</p> <p>It violated Code of Design on Building Fire Protection and Prevention (GB 50016-2014, 2018 Amendment), Article 3.6.12.</p>	<p>主要被审核方（生产商）部分遵循该准则，因为工厂已经建立化学品管理程序并任命人员去管理化学品，专用区域被用于储存化学品，化学品有安全标签，但根据现场查看，现场审核发现化学品仓库30%化学品无二次容器。工厂管理层解释其对工人的培训不充分。</p> <p>违反了建筑设计防火规范（GB 50016-2014，2018修正）3.6.12。</p>

**Question: 7.17** Is there satisfactory evidence that the auditee ensures adequate safeguards for any machine part, function, or process which may cause injury to workers?

ENGLISH	LOCAL LANGUAGE
Finding	
<p>7.17 The main auditee partially respected this principle because the factory established the procedure on equipment management and appointed the person to maintain, but the management system needed improvement, 40% polishing machines missed pulley guards. The facility management declared that they did not</p>	<p>主要被审核方（生产商）部分遵循该准则，因为工厂建立了设备管理制度和任命人员去维护保养，但管理系统需要提升，40%抛光机器无皮带轮保护罩。</p> <p>工厂管理层解释其对相关要求不了解。</p> <p>违反了生产设备安全卫生设计总则（GB 5083-1999）6.1。</p>

**Finding**

understand the related requirement.  
It violated General Rules of Design on Health and Safety of Production Facility (GB 5083-1999) 6.1.