Monitoring result for XXXXXXXXXXXXXXXX on site XXXXXXXXXXXXXXXXXX

amfori
Trade with purpose

Monitoring

Monitored Party	: XXXXXXXXXXXXXXXXXXX
amfori ID	: 156-042582-000
Site	: XXXXXXXXXXXXXXXXXXXXXX
Site amfori ID	: 156-042582-001
Address	: XXXXXXXXXXXXXXXXX : XXXXXXXXXXXXXXXXXXX :XXXXXXXXXXX : XXXX
Monitoring Activity	: amfori Social Audit - Manufacturing
Monitoring Type	: Full Monitoring
Monitoring Partner	: TUV Rheinland
Monitoring Start Date	: 08/02/2023
Closing Meeting Finished Date	: 08/02/2023
Submission Date	: 17/02/2023
Expiration Date	: 17/02/2024

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Overall rating

A	B	C	D	E	None

Section rating

PA1: Social Management System	C
PA 2: Workers Involvement and Protection	A
PA 3: The Rights of Freedom of Association and Collective Bargaining	A
PA 4: No Discrimination	A
PA 5: Fair Remuneration	A
PA 6: Decent Working Hours	D
PA 7: Occupational Health and Safety	A

PA 8: No Child Labour	A
PA 9: Special Protection for Young Workers	A
PA 10: No Precarious Employment	A
PA 11: No Bonded Labour	A
PA 12: Protection of the Environment	A
PA 13: Ethical Business Behaviour	A

General description

Announcement type: fully announced
Monitoring date: February 8, 2023
The auditee XXXXXXXXXXXXXXXXXXXXXwas established in 2021, and located at XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX XXXXXXXXXXXXXXXXXXXXX. Within the factory boundary, there were two 3-storey production buildings and one 5-storey dormitory building (with the 1st floor used as canteen and kitchen). All the buildings were rent and used by the auditee. The total used construction areas of the auditee were about 3600 square meters. The main products manufactured by the facility were Computer Peripheral Products (USB Flash Disk). The main production activities were SMT, pad printing, spray painting, testing, assembly, QC and packing. No subcontracted process.

Workers were all recruited by the facility directly, and there was no temporary worker or seasonal workers. As per the management interview, there was no obvious peak or low seasons in the past year. Payroll registers from January to December 2022 and related time records were reviewed. Auditor was allowed by the management to access the factory area and take photos. During the audit, the factory representatives and sampled workers were cooperative. The factory management demonstrated a willingness to gradually improve all issues found during the audit. Finally, one senior management and the worker representative signed the findings report.

Remark 1: The facility did not use contractor, labor agency and did not have government waiver or collective bargain agreement, which made the corresponding document not applicable.

Remark 2: Auditor: Denise Wen, CSCA, registration number 21702579; Auditing company: TUV Rheinland, APSCA Number: 11600007.

Remark 3: #Living wage: 1, No anker wage is available for the producer's location, so we use the data provided by auditing company. 2. The calculation methodology refers to anker living wage structure. 3. The data comes from the local bureau of statistics for the current year.

Remark 4: the business license address was xxxxxxxxxxxxxxxxxxxxxxxxxxxxx Management explained Building 3 actually meant the whole areas within this boundary and had covered all buildings on this location. As per onsite observation, there was no specific building number assigned for each building by the government and all the buildings within the boundary were used by the auditee only.

Site Details

Site : XXXXXXXXXXXXXXXXX

Site amfori ID 156-042582-001

GICS Classification

Sector : Consumer Discretionary

Industry Group : Consumer Durables & Apparel

Industry : Household Durables

Sub Industry : Consumer Electronics

amfori Process Classifications

N.A.

GS1 Classifications

N.A.

NACE Classification

Manufacture of consumer electronics

Water Stress Situation

N.A.

Metrics

Key Metrics

Total workforce	**49** Workers
Legal minimum wage in local currency	**1900** Monthly
Lowest wage paid for regular work at the site	**1914** Monthly
Calculated living wage in local currency	**2293** Monthly
Total sample	**10** Workers

Other Metrics

Male workers	**24** Workers
Female workers	**25** Workers
Permanent workers - Male	**24** Workers
Permanent workers - Female	**25** Workers
Temporary workers - Male	**0** Workers
Temporary workers - Female	**0** Workers
Seasonal workers - Male	**0** Workers
Seasonal workers - Female	**0** Workers
Management - Male	**3** Workers
Management - Female	**2** Workers
Apprentices - Male	**0** Workers
Apprentices - Female	**0** Workers
Workers on probation - Male	**0** Workers
Workers on probation - Female	**0** Workers
Workers with night shift - Male	**3** Workers
Workers with night shift - Female	**0** Workers
Workers with disabilities - Male	**0** Workers
Workers with disabilities - Female	**0** Workers
Domestic migrant workers - Male	**19** Workers
Domestic migrant workers - Female	**17** Workers
Foreign migrant workers - Male	**0** Workers
Foreign migrant workers - Female	**0** Workers
Workers hired directly - Male	**24** Workers
Workers hired directly - Female	**25** Workers
Workers hired indirectly - Male	**0** Workers
Workers hired indirectly - Female	**0** Workers
Unionised workers - Male	**0** Workers
Unionised workers - Female	**0** Workers
Workers under CBA - Male	**0** Workers
Workers under CBA - Female	**0** Workers
Pregnant workers	**0** Workers
Workers on parental leave - Male	**0** Workers
Workers on parental leave - Female	**0** Workers
Sample - Male	**6** Workers
Sample - Female	**4** Workers

Findings

PA1: Social Management System

There were a series of CSR management procedures established according to amfori BSCI COC and local laws in the factory and managements clearly understood the requirements. But in their management performance, there were still some gaps, for example, no effective control on monthly overtime. Management interview showed that it was hard for them to fully compliance with requirements on these aspects for some reasons, such as cost pressure etc., but they would improve gradually in further.

工厂根据amfori BSCI行为守则和法律制定了企业社会责任管理程序，管理层对这些要求都有清晰的认识，但是在他们的管理表现中，依旧存在一些不足，例如，没有有效地控制月加班。管理层访谈显示，目前由于一些原因，例如成本压力，对他们来说很难在这方面完全地去符合要求，但他们会在以后逐步完善。

The factory did not take into account the legal requirement that workers work no more than 36 hours of overtime a month when planning production schedules, resulting in workers' monthly overtime exceeding the legal limit of 36 hours in most months of the past year. Management representatives claimed that some overtime was needed to meet deadlines, and workers also needed some overtime to earn more money.

工厂在制定生产安排计划时，没有将工人月加班不能超过36小时的法律要求考虑在内，导致在过去一年的大部分月份，工人的月加班超过法律限制到36小时。管理代表声称需要一些加班满足交期，工人也需要一些加班赚取更多的钱。

PA 2: Workers Involvement and Protection

According to documents and employee interviews, the factory provided amfori BSCI training to the entire staff, but about 50% of the interviewed employees were not aware of the specific contents and requirements of amfori BSCI, such as concept and requirements of decent working hours.

根据文件记录和员工访谈，工厂给全厂员工提供了amfori bsci 的培训，但约50%受访员工不清楚amfori bsci 的具体内容和要求，如体面工作时间的概念和要求。

PA 6: Decent Working Hours

As per the reviewed time records from January 1, 2022 to February 8, 2023, there was no peak or low season. 10 sampled employees' time records were selected in April, September and December 2022 respectively. And it was noted that all the 10 sampled employees' monthly overtime hours had exceeded 36 hours in all these months, and the maximum had reached 90 hours, 82 hours and 94 hours respectively. According to management interviews, the current number of employees was difficult to fully meet the requirement of not exceeding 36 hours per month, and at the same time, they had to consider the labor cost and the willingness of employees to increase their income through overtime. As per workers statement, overtime work was voluntary. They were willing to conduct overtime and could obtain sufficient overtime wages. Remark: the maximum monthly overtime hours of sampled employees in January and February (till 8th) 2023 were 52 and 22 hours respectively. Reference Law: PRC Labour law, Article 41.

根据2022年1月1日至2023年2月8日的考勤，工厂没有明显淡旺季。2022年4月，9月和12月分别抽了10名员工，发现这些月份10名抽样员工的月加班工时都超过36小时，最大分别为90小时、82小时和94小时。根据管理访谈，目前的员工人数很难完全满足不超每月36小时的要求，同时他们要考虑仍人工成本和员工希望通过加班提升收入的意愿。通过工人访谈发现工人加班是自愿的，他们愿意加班，且有足额的加班费。备注：抽样员工2023年1月和2月（至8日）最大月加班分别为52和22小时。参考法律《中华人民共和国劳动法》第四十一条。

PA 7: Occupational Health and Safety

The auditee did not provide pre-service, in-service and post service occupational health check to employees who were in contact with occupational hazards (such as pad printing workers and painting workers who were exposed to chemical hazardous factor). Management explained that they used environmentally friendly materials, no staff reported discomfort, so they ignored this, but they would try to improve in the future. Reference law and regulation: Law of the People's Republic of China on Prevention and Control of Occupational Diseases, Article 35

工厂没有给与职业病危害因素接触的员工（例如与化学危害因素接触的移印和喷油员工）提供岗前、在岗和离岗前的职业病健康体检。管理解释他们使用的是环保材料，没有员工汇报不舒服，因此忽略了，但以后会尽力改善。参考法律法规：中华人民共和国职业病防治法 第35条

About 20% of the chemicals used in painting workshops lacked chemical safety labels, mainly were paint and thinner. Reference law and regulation: Regulation on chemical safe handling in workplace, article 12

在喷漆车间使用的化学品约20%缺少化学品安全标签，主要为油漆和天那水。参考法律法规：《工作场所安全使用化学品规定》第十二条

The factory had used one 3-floor production building and one 5-floor dormitory building while the fire spacing between these two buildings was insufficient, which was only about 0.5 meter. The management explained that the buildings were rented and were built a long time ago. The factory also provided the fire prevention acceptance report and fire prevention file return receipt of these two buildings for review. On-site observation showed that there were sufficient safety exits and adequate fire

PA 7: Occupational Health and Safety

protection facilities had been installed, such as fire hydrants and fire alarm bells. Reference law: Code for Design of Building Fire Protection and Prevention (GB 50016-2014), Article 3.4.1.

工厂使用了一栋3层的生产楼和一栋5层宿舍，但这两栋建筑之间防火间距不足，约为0.5米。管理解释房子是租赁的，也是很久之前建成的。工厂也提供了这两栋楼的消防验收或者消防备案回执查看。现场观察，厂房有充足的安全出口，已经安装了充足的消防设施，例如消防栓和消防警铃。参考法规：《建筑设计防火规范》（GB 50016-2014）第3.4.1条。

PA 12: Protection of the Environment

The factory had provided the EIA report and the approval for review, but the report did not cover the pad printing, spray painting and PVC forming processes. Meanwhile, the factory had installed the waste gas treatment facility, but the acceptance report had not been obtained. Reference law and regulation: Law of the People's Republic of China on the Environmental Impact Assessment Article 16 and Article 22 and Management Regulations for Environmental Protection of Construction Projects, Article 17

工厂提供了环评报告和批复查看，但没有环评报告没有覆盖移印、喷漆和PVC成型的工序。同时，工厂已经安装了废气处理设施，但尚未获得验收报告。参考法律法规：中华人民共和国环境评价法，第16和22条及《建设项目环境保护管理条例》第17条