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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

Summary of the facility:
XXXXXXXXXXXXXXXXXXXXXXXXXd has two sites, one old site is located at XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX; one new site is located at XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX (factory used the new site since September 2022). The factory address is the same with BSCI platform and actual production sites. On the business license, the address was XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX Factory started their operation in 2010 and never moved. The factory's local name is XXXXXXXXXXXXXXXXXXXX". Remarks: The two sites were about three kilometers apart and both were in use. The business license only showed one main address was acceptable for factory had two sites.

Summary for numbers of workers:
Based on the audit booking, there are total 977 employees in the factory, including 472 male employees and 505 female employees currently working in the factory. No children or young workers worked in the factory, and the youngest employee was 18 years old, born on July 29, 2004 and was hired on July 31, 2022. There were 784 production employees (including workers from metal working, injection molding, vacuumizing, paint spraying, printing, assembling, inspection and packing sections and warehouse, sample making room) and 193 non-production employees (including management and office workers). There were 825 migrant employees (including non-production employees and production employees) in the factory. Factory hired all employees directly.

Summary of factory building structure:
At the old site (site 1), the factory occupied of 1 block of 6-storey complex building, 2 blocks of 4-storey production buildings and rented 1 block of 4-storey production building from another factory named Wuyi Jiantuo Hardware Tools Factory. These buildings used as office area, dormitories, canteen area, workshops and warehouses. The total area was around 40490.58m2. At the new site (site 2), the factory occupied of 1 block of 10-storey dormitory building with one basement, 1 block of 4-storey with partial 5-storey production building and 1 block of 4-storey production building as office area, dormitories, workshops and warehouses. The total area was around 80399.25m2. The audit factory had provided the lease contract, the copy of Business Registration for auditor review. No shared workers or production between the audited factory and the landlord.

Summary of production process:
The main production processes are listed as follows: metal working, injection molding, vacuumizing, paint spraying, printing, assembling, inspection and packing. The main production machines or equipment are: cutting machines, welding machines, polishing machines, vacuumizing machines and paint spraying machines etc. The main products manufactured by the factory are vacuum cups etc.

Summary of working hours:
Attendance records from October 2021 to audit day and payroll records from October 2021 to September 2022 were reviewed in this audit. Through reviewing the production records and interview with the management, injection moulding workers worked in 2 shifts: the 1st shift was from 7:30-19:30, 2nd shift was from 19:30-7:30 of next day with 2 hours rest per shift; other workers worked in 1 shift: 7:30-11:30, 13:00-17:00, overtime from 18:00-21:00 normally and on Saturday for 8 hours based on production schedule. The maximum weekly hours were 58 hours per week. They always rested on Sunday and public holidays; IC card attendance system was used for time record.

Summary of compensation:
Wages for workers were calculated by hourly rate, the calculated hourly wages were from RMB 13.22 to RMB 22.99, which were above the local legal minimum payment requirement RMB 1840 per month equivalent to RMB 10.57 per hour (1840/21.75/8); for overtime wages, 150% and 200% of basic wages were paid to employees for their overtime hours on workdays and rest days respectively, 300% of normal wage for the overtime working on public holidays (if applicable). Workers were paid through bank transfer at the end of each following month with detail pay slips. Auditor had reviewed the social insurance records for recent 3 months, a total of 950 employees (excluded 27 retired employees) were eligible to receive five types of social insurances in September 2022 according to the law. However, through review of social insurance enrolment list, all employees (100% of total eligible employees) had participated in occupational injury insurance, but only 381 employees (40.1% of total eligible employees) were enrolled in medical insurance, child-bearing insurance, pension insurance and unemployment insurance. Remarks: Some workers wanted to save money and did not want to pay too much for social insurance. The factory bought commercial injury insurance for 179 employees, but no waiver was obtained by the factory.

Summary of Health and Safety:
Through documents review, factory tour, management and workers interview, Mr. Wang Junle/Admin Manager was responsible for the health & safety of the factory. There was one worker safety committee in the factory. And they conducted risk assessment and internal assessment each year; the relevant policy and procedures were available for review; regular EHS trainings including fire drills & evacuation exercises in production area and dormitory area were provided to all workers related trainings were also provided to new hiring workers during on-board training; all emergency exits were marked with illuminated exit signs for easy evacuation during emergencies, and the exits were kept open during the audit; proper evacuation plans were posted on each floor and emergency lights were installed at all of the designated places of the production floor; enough firefighting equipment such as fire extinguishers, hydrants and fire alarms were installed in place, which were maintained by regular checks and kept in good condition. Chemicals were stored with labels and MSDS. Auditors also tested some fire

Monitoring result for XXXXXXXXXXXXXXXXXXXX

equipment randomly during the audit and no problem was found. The factory also provided free PPE and occupational health checks to related workers.

Summary of Workers' union:
There was one organized union established in the factory. And seven worker representatives had been elected by all workers in March 2022.

Summary of workers of interviews:
30 workers were interviewed, including 11 males and 19 females from different departments.

Summary of the performance areas needed improvements:
The factory management and workers and worker representative showed a positive attitude to this audit during the whole audit process. The audit was basically fulfilled according to the audit plan sent prior to the audit. At the end of the audit, all the findings were accepted by the auditee. The performance areas which needed improvement were as follows: PA1, PA2, PA5, PA6, PA7 and PA12.

Remark: 1. Audit Day (excluding reporting time): November 17-18, 2022
2. Auditors name and APSCA number, Audit Company: Jifeng Dong/CSCA 21701137/ ELEVATE; Happy Yang/CSCA 21704538/ ELEVATE
3. There are no agencies used by the main auditee, which makes the agency labor contract not applicable.
4. There are no contractor used by the main auditee, which makes the contractor license or permit not applicable.
5. There are no government waivers obtained by the main auditee, which makes the government waivers not applicable.
6. #COVID-19: No employee was affected by COVID-19. The auditee provided masks for all employees for free if they needed and conducted disinfection regularly.

Site Details

Site :XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX

Site amfori ID **156-014190-002**

GICS Classification

Sector : **Consumer Staples**

Industry Group : **Household & Personal Products**

Industry : **Household Products**

Sub Industry : **Household Products**

amfori Process Classifications

N.A.

GS1 Classifications

N.A.

NACE Classification

N.A.

Water Stress Situation

N.A.

Metrics

Key Metrics

Total workforce	**970** Workers
Legal minimum wage in local currency	**1840** Monthly
Lowest wage paid for regular work at the site	**2115** Monthly
Calculated living wage in local currency	**1950** Monthly
Total sample	**30** Workers

Other Metrics

Male workers	**469** Workers
Female workers	**501** Workers
Permanent workers - Male	**472** Workers
Permanent workers - Female	**505** Workers
Temporary workers - Male	**0** Workers
Temporary workers - Female	**0** Workers
Seasonal workers - Male	**0** Workers
Seasonal workers - Female	**0** Workers
Management - Male	**13** Workers
Management - Female	**6** 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	**37** Workers
Workers with night shift - Female	**23** Workers
Workers with disabilities - Male	**0** Workers
Workers with disabilities - Female	**0** Workers
Domestic migrant workers - Male	**397** Workers
Domestic migrant workers - Female	**428** Workers
Foreign migrant workers - Male	**0** Workers
Foreign migrant workers - Female	**0** Workers
Workers hired directly - Male	**472** Workers
Workers hired directly - Female	**505** Workers
Workers hired indirectly - Male	**0** Workers
Workers hired indirectly - Female	**0** Workers
Unionised workers - Male	**472** Workers
Unionised workers - Female	**505** 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	**11** Workers
Sample - Female	**19** Workers

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Findings

PA1: Social Management System

Based on satisfactory evidence, the main auditee partially respected this principle because the main auditee had set up the management system to implement the amfori BSCI Code of Conduct. However, it was noted that the system had not been fully implemented, because some non-compliances were noted in PA1, PA2, PA5, PA6, PA7 and PA 12 during thie audit. (In accordance with amfori BSCI Code of Conduct)

根据充分证据，工厂部分遵循此项准则，在此次审核过程中，审核员发现工厂建立了一个管理系统来符合amfori BSCI 准则。但这次审核中发现这个系统还不能有效实施，因为工厂在PA1，PA2，PA5，PA6，PA7和PA 12领域都还存在缺失。(根据amfori BSCI 行为准则)

Based on satisfactory evidence, the main auditee partially respected this principle because the main auditee had set up one workforce capacity procedure and try to control the overtime hours within the legal requirement. However, it was noted that the factory did not limit the working hours well for all workers due to the production needed, such as some workers' monthly overtime time in some months had exceeded the legal requirement. (In accordance with amfori BSCI Code of Conduct)

根据充分证据，工厂部分遵循此项准则，在此次审核过程中，审核员发现工厂已经建立了生产能力评估程序，尝试控制工作时间在法律要求之内。但是因为生产需求工厂工时管控措施不到位，所以有工人部分月加班时间有超过法规要求的情况。(根据amfori BSCI 行为准则)

PA 2: Workers Involvement and Protection

Based on satisfactory evidence, the main auditee partially respected this principle because the factory had provided some trainings about amfori BSCI Code of Conduct for workers. However, through worker interviews, some of them did not know about the requirement of amfori BSCI Code of Conduct clearly. (In accordance with amfori BSCI Code of Conduct)

根据充分证据，工厂部分遵循此项准则，在此次审核过程中，审核员发现工厂工人提供了关于amfori BSCI行为准则的培训，但是通过员工访谈发现仍有部分员工不是很清楚amfori BSCI标准要求。(根据 amfori BSCI 行为准则)

Based on satisfactory evidence, the main auditee partially respects this principle because the auditee had set up one grievance policy to manage the complaint. The provided grievance records showed there was no any complaint reported by workers in last 12 months. However, the factory did not conduct the survey on the user satisfaction with its grievance process to identify the reasons. (In accordance with amfori BSCI Code of Conduct)

根据充分证据，工厂部分遵循此项准则，在此次审核过程中，审核员发现工厂建立了一个申诉程序来管理申诉。但是记录显示工厂过去12个月没有申诉, 但是被审核方进行对申述流程的满意度调查来识别这个原因。(根据 amfori BSCI 行为准则)

PA 5: Fair Remuneration

Based on satisfactory evidence, the main auditee did not respect this principle because it was noted that a total of 950 employees (excluded 27 retired employees) were eligible to receive five types of social insurances in September 2022 according to the law. However, through review of social insurance enrolment list, all employees (100% of total eligible employees) had participated in occupational injury insurance, but only 381 employees (40.1% of total eligible employees) were enrolled in medical insurance, child-bearing insurance, pension insurance and unemployment insurance. Remarks: Some workers wanted to save money and did not want to pay too much for social insurance. The factory bought commercial injury insurance for 179 employees, but no waiver was obtained by the factory. (In accordance with Social Insurance Act of the People's Republic of China, article 2)

根据充分证据，工厂部分遵循此项准则，审核员发现工厂没有按照法规要求为所有员工购买社会保险。根据工厂提供的社保缴费记录查看，在2022年9月共有950名员工符合参保资格（没有包括27名退休员工），所有员工（符合条件员工的100%）参加了工伤保险，但是只有381名员工（符合条件员工的40.1%）参加了医疗保险，生育保险，养老保险和失业保险。备注：部分工人想存更多的钱而不想花费在社保上。工厂给179员工提供了商业工伤保险，但是没有社保批文。（根据《中华人民共和国社会保险法》第二条）

PA 6: Decent Working Hours

Based on satisfactory evidence, the main auditee did not respect this principle because it was noted that the monthly overtime hours of 9 out of 10 randomly selected workers exceeded 36 hours in September 2022 with the highest of 87 hours; 10 out of 10 exceeded 36 hours in July 2022 with the highest of 103 hours; 9 out of 10 exceeded 36 hours in May 2022 with the highest of 95 hours. (In accordance with PRC Labor Law article 41)

根据充分证据，工厂没有遵循此项准则，在此次审核过程中，审核员发现抽样月份2022年9月，随机抽取的10名工人中有9名工人超过36小时，最高达到87小时；在2022年7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103小时; 在2022年5月，随机抽取的10名工人中有9名工人月加班时间超过36小时，最高达到95小时。（根据《中华人民共和国劳动法》第41条）

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PA 7: Occupational Health and Safety

Based on satisfactory evidence, the main auditee partially respected this principle because the auditee had set up one health and safety management system to manage the health and safety condition in the factory, including established one EHS workers and management committee, regular internal assessment, regular health and safety check, regular meetings and trainings and etc. But due to lack of awareness and imperfect management, there were some health and safety issues noted during the audit etc. (In accordance with amfori BSCI Code of Conduct)

根据充分证据，工厂部分遵循此项准则，在此次审核过程中，审核员发现工厂已有建立了健康安全管理体系，包括成立工人和管理层的健康安全委员会，定期的内审，定期健康安全检查、会议和培训等，但是由于意识不足和管理不完善，在审核过程中还是有一些健康安全问题发现。(根据 amfori BSCI 行为准则)

Based on satisfactory evidence, the main auditee partially respected this principle because the facility had conducted health and safety risk assessment. However, it was noted that the factory workers and worker representatives did not participate in the risk assessment. (In accordance with amfori BSCI Code of Conduct)

根据充分证据，工厂部分遵循此项准则，在此次审核过程中，审核员发现工厂进行了健康安全风险评估，但是工厂的工人和员工代表未参与其中。(根据 amfori BSCI 行为准则)。

Based on satisfactory evidence, the main auditee partially respected this principle because the factory had provided the personal protective equipment such as earplugs and facemasks to its workers. However, some workers did not use properly, such as about 10% workers in metal working workshop were not wearing earplugs. (In accordance with article 45 of Law of PRC on Work Safety article 45)

根据充分证据，工厂部分遵循此项准则。在此次审核过程中，审核员发现工厂给工人提供了个人劳动防护用品如耳塞、面罩，但部分员工没有正确佩戴，如金工车间约10%的员工没有佩戴耳塞。(根据《中华人民共和国安全生产法》第四十五条)

Based on satisfactory evidence, the main auditee partially respected this principle because factory did not have safety facilities such as anti-leakage facilities for 4 barrels paint being used in paint spraying workshop. (In accordance with Regulation for Safety of Dangerous Chemical article 20)

根据充分证据，工厂部分遵循此项准则。在此次审核过程中，审核员发现工厂在喷漆车间的4桶油漆没有设置相应的安全设施，如防渗漏设施。(根据《危险化学品安全管理条例》第二十条)

Based on satisfactory evidence, the main auditee partially respected this principle because about 20% polishing machines in polishing workshop were not equipped with pulley guards. (In accordance with Article 6.1.6 of Code of Design of Manufacturing Equipment Safety and Hygiene)

根据充分证据，工厂部分遵循此项准则。在此次审核过程中，审核员发现抛光车间约20%的抛光设备没有安装皮带轮保护装置。(根据《生产设备安全卫生设计总则》第6.1.6条)

PA 12: Protection of the Environment

Based on satisfactory evidence, the main auditee partially respected this principle because it was noted that the auditee had signed contract with one waste disposal company, but they did not the disposal records of general waste for review. (In accordance with amfori BSCI Code of Conduct)

根据充分证据，工厂部分遵循此项准则，在此次审核过程中，审核员发现工厂与一家废弃物处理公司签署了普通废物处理合同，但没有保存普通废物的处理记录。(根据 amfori BSCI 行为准则)

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