

Monitored Party XXXXXXXXXXXXXXXXXXXXXXXXXXXX XXXXXXXXXXXXXXXXXXXXXXXXXXXX.	amfori ID 156-001843-000	Address XXXXXXXXXXXXXXXXXXXXXXXXXXXX XXXXXXXXXXXXXXXXXXXXXXXXXXXX XXXXXXXXXX
Monitoring Activity amfori Social Audit - Manufacturing	Monitoring Type Full Monitoring	Monitoring Partner ELEVATE
Monitoring Start Date 20/09/2023	Closing Meeting Finished Date 22/09/2023	Submission Date 25/09/2023
Expiration Date 25/09/2024	Announcement Type Fully Announced	
Site XXXXXXXXXXXXXXXXXXXX	Site amfori ID 156-001843-002	

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OVERALL RATING



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	B	
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

Audit information:

1. Audit Day (excluding reporting time): Sep 20~22, 2023
2. Audit schedule details: This full audit was arranged 1 auditor for 2.5 onsite days.
3. Lead & Member Auditor name and APSCA number: Raymond Tang/CSCA21701931. Audit Company: ELEVATE
4. Monitoring partner name (Site): Jingjiang Dimarco Packaging & Gifts Co., Ltd.

Summary of the auditee:

JXXXXXXXXXXXXXXXXXwas established on Nov 19, 2009 and located at XXXXXXXXXXXXXXXXXXXXXXXX XXXX XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX. The business license No. of the auditee was: 91321282697936342N.

Summary of production process:

The auditee was specialized in manufacturing bags. The main production process: RM-Cutting-Sewing-Inspection-Packing-FG.

Summary of building structure:

There were 3 main buildings within the audited site, total areas occupied by the auditee were around 20000m2, building details as below:

One 1-storey warehouse building.

One 4-storey building was used dormitory, canteen and kitchen.

One 3-storey (partial 4-storey) building was used as office, workshop and warehouse.

All site buildings were rented from XXXXXXXXXXXXXXXXXXXXThe auditee provided rental agreement and landlord's business license for review during audit.

Summary for numbers of workers:

There were total 186 employees in the auditee during audit, including 54 male employees and 132 female employees. No child labor was identified during audit, the youngest worker onsite was 18 years old. There were 152 production workers and 34 non-production staff, all workers were hired by the auditee directly.

Summary of working hours:

The auditee used electronic attendance machine to record workers' attendance time, the normal working time arranged for workers were 8 hours per day and 5 days per week, all employees worked in one shift: 7:30-11:30/13:00-17:00 with 1.5 hours for lunch from 11:30 to 13:00. The auditee provided attendance records from Aug 1, 2022 to the audit day, all workers had one day rest in seven days.

Summary of compensation:

All workers were paid by hourly rate, the auditee paid wages to workers on 30th of following month by cash, payroll records from Aug. 2022 to Jul. 2023 were provided for review, the minimum wage paid by the auditee was RMB12 per hour which was higher than local legal minimum wage RMB2070 per month ($RMB2070/21.75/8=11.90$ per hour), all workers' basic wages, OT wages and other benefits were paid in line with legal requirement. 129 out of 142 eligible employees (not included 44 retirees) were provided with five kinds of social insurance according to the insurance payment records of Aug. 2023, 100 employees were covered by commercial insurance which valid from Jun 10, 2023 to Jun 9, 2024.

Living wage calculation:

This audit used Anker Methodology to collect local living wage data.

Summary of Health and Safety:

The auditee had established health & safety committee and conducted risk assessment periodically, relevant policy and procedures were provided for review. Training courses regarding to fire safety, electricity safety, etc. were provided for workers through induction training and regular training. Fire drills were organized twice per year which covered all workers. Adequate firefighting facilities were equipped onsite and maintained in good condition. No severe injury case happened

before.

Summary of Workers' union:

No trade union or CBA was available, 4 worker representatives were freely elected by workers on Jan 6, 2023.

Summary of the performance areas needed improvements:

XXXXXXXXXXXXX/Manager and Ms. XXXX/Worker representative attended the opening and closing meeting. The auditee management showed cooperative attitude during audit. All findings were communicated to the auditee management and fully accepted by the auditee, they promised that they would carry out improvements continuously. The performance areas needed improvements were PA1, PA2, PA5, PA6 and PA7.

Precautions taken about #COVID-19 in the auditee: No COVID-19 was affected for the auditee.

SITE DETAILS

Site
XXXXXXXXXXXXXXXXXXXXXXXXX
XXXXXXXXXXXX

Site amfori ID
156-001843-002

GICS Classification

Sector	Industry Group	Industry
Consumer Discretionary	Consumer Durables & Apparel	Textiles, Apparel & Luxury Goods
Sub Industry		
Apparel, Accessories & Luxury Goods		

amfori Process Classifications

N.A.

GS1 Classifications

N.A.

NACE Classification

N.A.

Water Stress Situation

N.A.

Workers on parental leave - Male	0	Workers
Workers on parental leave - Female	0	Workers
Sample - Male	4	Workers
Sample - Female	11	Workers

FINDINGS



PA1: Social Management System

Site: XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX | Site amfori ID: 156-001843-002

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
Finding	
1.1 The main auditee partially respects this principle. The auditee had established social responsibility management system, but the auditee did not effectively carry out its social responsibility management system, some issues were identified in areas of social insurance, working hours, health & safety, etc. The auditee should conduct effective self-assessment to identify and improve these issues. (In accordance with amfori BSCI Code)	被审核方部分遵循该准则。被审核方建立了社会责任管理体系，但是被审核方未能有效执行其社会责任管理体系，导致被审核方在社保，工作时间，健康安全等方面存在问题，被审核方应进行有效自我评估来发现并改善这些问题。(根据amfori BSCI行为准则)

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
Finding	
1.4 The main auditee partially respects this principle. The auditee conducted cost accounting and capacity planning, but the auditee did not control overtime per legal requirement, monthly overtime of workers had exceeded legal requirement. (In accordance with amfori BSCI Code)	被审核方部分遵循该准则。被审核方进行了成本核算和产能规划，但是被审核方没有按照法规要求来管控加班时间，员工的月加班时间超出法规要求。(根据amfori BSCI行为准则)



PA 2: Workers Involvement and Protection

Site: XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX | Site amfori ID: 156-001843-002

Question: 2.4 Is there satisfactory evidence that the auditee builds sufficient competence among managers, workers and workers representatives to successfully embed responsible practices in the business operation?

ENGLISH	LOCAL LANGUAGE
Finding	
2.4 The main auditee partially respects this principle. The auditee arranged training course	被审核方部分遵循该准则。被审核方给员工提供了amfori BSCI行为准则相关内容的培训，在车间张贴

Finding	
article 2 & 4)	

PA 6: Decent Working Hours

Site: XXXXXXXXXXXXXXXXXXXXXXXXXX | Site amfori ID: 156-001843-002

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
Finding	
6.2 The main auditee does not respect this principle. It was noted that the monthly overtime hours of 15 out of 15 randomly selected workers exceeded 36 hours in Jul. 2023 (current month) with the highest of 74 hours, 14 out of 15 randomly selected workers exceeded 36 hours in Mar. 2023 (random month) with the highest of 68 hours, 14 out of 15 randomly selected workers exceeded 36 hours in Dec. 2022 (random month) with the highest of 76 hours. (In accordance with PRC Labor Law article 41)	被审核方未遵循该准则。在随机抽取的15名员工中, 15名员工的月加班时间在2023年7月(当前月)超过36小时最高达到74小时; 在2023年3月(随机月), 随机抽取的15名员工中有14名员工月加班时间超过36小时, 最高达到68小时; 在2022年12月(随机月), 随机抽取的15名员工中有14名员工月加班时间超过36小时, 最高达到76小时。(根据《中华人民共和国劳动法》第41条)

PA 7: Occupational Health and Safety

Site: XXXXXXXXXXXXXXXXXXXXXXXXXX | Site amfori ID: 156-001843-002

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

ENGLISH	LOCAL LANGUAGE
Finding	
7.1 The main auditee partially respects this principle. The auditee did not regular update relevant health & safety regulations which related to its production activities, did not follow amfori BSCI's requirements for health and safety fully. (In accordance with amfori BSCI Code of Conduct)	被审核方部分遵循该准则。被审核方未定期更新与其生产经营活动相关的健康安全法律法规, 也未完全执行amfori BSCI对健康安全的要求。(根据 amfori BSCI 行为准则)

Question: 7.11 Is there satisfactory evidence that the auditee confirms that the equipment and buildings used for production are stable and safe?

ENGLISH	LOCAL LANGUAGE
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Finding	
<p>7.11 The main auditee does not respect this principle. A. The auditee added 3rd floor (about 1600 square meters) to one 2-storey (partial 4-storey) production building as workshop in 2020, the auditee failed to provide Construction Safety Approval of this building after the addition. (In accordance with PRC Construction Law article 61) B. The auditee failed to provide Fire Safety Approval of this building after the addition. Additionally, the auditee changed the usage of one 4-storey production building (about 2,400 square meters) as canteen and dormitory in 2015, but the auditee did not re-apply fire inspection again. (In accordance with PRC Fire Prevention Law article 13)</p>	<p>被审核方未遵循该准则。A. 被审核方于2020年在1栋2层局部4层建筑上加建了第3层（约1600平方米）用作车间，被审核方未能提供加建后建筑的竣工验收报告。（根据《中华人民共和国建筑法》第61条）B. 被审核方未能提供加建后建筑的消防验收报告，且被审核方将1栋4层生产建筑（约2400平方米）于2015年变更为餐厅和宿舍，未重新进行消防验收。（根据《中华人民共和国消防法》第十三条）</p>

Question: 7.13 Is there satisfactory evidence that the auditee makes sure a competent person periodically checks the electrical installations and equipment?	
ENGLISH	LOCAL LANGUAGE
Finding	
<p>7.13 The main auditee partially respects this principle. The auditee did not post warning sign for 3 power switches in the packing workshop on the 1F of one 3-storey (partial 4-storey) production building. (In accordance with Warning Sign in the Guidelines for Safety Signs and Usage GB 2894-2008, article 4.2.3, warning sign, form 2, 2-7)</p>	<p>被审核方部分遵循该准则。被审核方1栋3层局部4层生产建筑的1楼包装车间3处电开关未张贴用电安全警示标识。（根据《安全标志及使用导则（GB 2894-2008）》警示标志4.2.3, 表2, 2-7）</p>

Question: 7.21 Is there satisfactory evidence that the auditee provides workers with access to an appropriate, clean area for storing food, eating and/or cooking?	
ENGLISH	LOCAL LANGUAGE
Finding	
<p>7.21 The main auditee partially respects this principle. The auditee provided food business license and health certificates of kitchen staff for review, but the auditee did not carry out food sample retention according to law. (In accordance with Food safety operation specification in Catering Services, Article 7.9.1~7.9.4)</p>	<p>被审核方部分遵循该准则。被审核方提供食品经营许可证和厨工的健康证供查看，但是被审核方未按法规要求对其食品进行留样。（根据《餐饮服务食品安全操作规范》7.9.1~7.9.4）</p>