Monitoring summary report for [redacted]

MONITORING ID: [redacted]

amfori
Trade with purpose

Monitored Party
[redacted]

amfori ID
[redacted]

Address
[redacted]

Monitoring Activity
amfori Social Audit - Manufacturing

Monitoring Type
Full Monitoring

Monitoring Partner
ELEVATE

Monitoring Start Date
29/04/2024

Closing Meeting Finished Date
29/04/2024

Submission Date
06/05/2024

Expiration Date
06/05/2025

Announcement Type
Fully Announced

Site
[redacted]

Site amfori ID
[redacted]

This is an extract of the online Monitoring Result, generated on 08/05/2024, and is only valid as an acknowledgement of the result. To see all the details, review the full monitoring result, which is available on the amfori Sustainability Platform - The English version is the legally binding one.

amfori does not assume any liability with regard to the compliance of this extract, or any versions of this extract, with the Regulation (EU) 2016/679 (General Data Protection Regulation).

All rights reserved. No part of this publication may be reproduced, translated, stored in a retrieval system, or transmitted, in any form or by any means electronic, mechanical, photocopying, recording or otherwise, be lent, re-sold, hired out or otherwise circulated without the amfori consent.© amfori, 2021

OVERALL RATING



SECTION RATING

PA1: Social Management System	**C**
PA 2: Workers Involvement and Protection	**B**
PA 3: The Rights of Freedom of Association and Collective Bargaining	**A**
PA 4: No Discrimination, Violence or Harassment	**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, Forced Labour or Human Trafficking	**A**	
PA 12: Protection of the Environment	**A**	
PA 13: Ethical Business Behaviour	**A**	

GENERAL DESCRIPTION

Audit information:
1. Audit Day (excluding reporting time): April 29, 2024
2. Audit schedule details: The audit is planned for 1 auditor for 1 onsite day.
3. Lead Auditor name and APSCA number: [redacted], Audit Company: ELEVATE
4. Monitoring partner name (Site): [redacted]

Factory Background:
[redacted] is located at [redacted] The factory address is the same with BSCI platform, business license and actual production site. Factory started their operation in 2011. The factory's local name is "[redacted]".

Numbers of Workers:
Based on the audit booking, there are total 25 employees in the factory, including 7 male employees and 18 female employees currently working in the factory. No children or young workers worked in the factory, and the youngest employee was 22 years old. There were 20 production employees (including injection molding, plug-in, assembly, inspection and packing sections, warehouse etc.) and 5 non-production employees (including management person, office worker and services etc.).

Factory Building:
In view of the factory, the building area of facilities is around 1400 square meters. The site use 1 block of 4-storey production building. No canteen, kitchen or dormitory provided in the factory.

Production Process:
The main production processes are listed as follows: injection molding, plug-in, assembly, inspection and packing.

Working Hours:
Attendance records from April 2023 to audit day and payroll records from April 2023 to March 2024 were reviewed in this audit. By cross check those records, production records and interview with the management, workers and worker representative, the regular working time was 8 hours per day and 5 days per week; employee worked in one shift which from 8:00 -12:00, 13:30-17:30, and had overtime work from 18:30 to 21:30 and on Saturday for 8 hours at most. They always rested on rest days and public holidays; Face recognition attendance system was used for time record.

Compensation:
All employees' wages were calculated by hourly rate, the lowest basic wage was RMB 13.56 per hour, which was no less than the local legal minimum payment requirement RMB 2360 per month and RMB 13.56 per hour since January 1, 2022; for overtime wages, 150% and 200% of basic wages were paid to employees for their overtime hours on workdays and rest days respectively, no overtime was arranged on public holidays. Employees are paid via cash and paid on around 7th of the following month. According to document review, management interview, workers' interview and social insurance enrollment list of April 2024, the main auditee had provided pension insurance, medical insurance, unemployment insurance, child-bearing insurance and injury insurance for all of the employees.

Living wage calculation:
This audit was used Anker Methodology to collect factory's living wage data.

Health and Safety:
Concerning the fire safety management, based on documents checked, site observation and interviews, the auditee has established health and safety committee and conducted risk assessment; the relevant policy and procedures were available for review; the training included fire drill & evacuation exercise was provided to workers regularly; emergency exits fulfills the legal requirements and are marked legibly for easy evacuation during emergencies, and they were kept open during the audit; evacuation plans were posted inside plant and emergency lights were installed at all of the designated places of the production floor and staircase; enough firefighting equipment such as fire extinguishers, hydrants

and alarms were installed in place, maintained by regular checks and kept in good condition, which were also confirmed by onsite check and test randomly during the audit.

Worker Union/Organization Details:
There was no Trade Union available in the factory, but there was 1worker’s representative selected by workers.

Summary of Findings:
The factory management and worker’s representative showed a positive attitude to this audit during the whole 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 & PA13.

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

SITE DETAILS

Site [redacted]

Site amfori ID [redacted]

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	25	Workers
Legal minimum wage in local currency	2,360	Monthly
Lowest wage paid for regular work at the site	2,360	Monthly
Calculated living wage in local currency	3,080	Monthly
Total sample	5	Workers

Other Metrics

Male workers	7	Workers
Female workers	18	Workers
Non-binary workers	0	Workers
Permanent workers - Male	7	Workers
Permanent workers - Female	18	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	1	Workers
Management - Female	2	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	5	Workers
Domestic migrant workers - Female	14	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	**7**	**Workers**
Workers hired directly - Female	**18**	**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	**1**	**Workers**
Sample - Female	**4**	**Workers**
Sample - Non-binary	**0**	**Workers**

FINDINGS

PA1: Social Management System

Site: [redacted] | Site amfori ID: [redacted]

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	
Based on satisfactory evidence, the main auditee partially respected this principle because the main auditee had set some management procedure to implement the BSCI Code of Conduct, but not all policies were properly conducted. For example, some non-compliances were noted in PA2, PA5, PA6, PA7 & PA13. (In accordance with amfori BSCI Code of Conduct)	根据充分证据，在此次审核过程中，工厂部分遵守了此领域要求，工厂建立了确保BSCI行为准则有效实施的管理制度，但不是所有制度都能有效实施。比如工厂在PA2，PA5，PA6，PA7和PA13领域均有缺失。(根据amfori BSCI Code of Conduct)

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	
Based on satisfactory evidence, the main auditee partially respected this principle because the auditee had established workforce capacity procedure with assessment record was kept, however, finding on PA6.2 reflected workforce planning was not effective. (In accordance with amfori BSCI Code of Conduct)	根据充分证据，在此次审核过程中，工厂部分遵守了此项要求，工厂有建立了生产能力评估程序且保留评估记录，但是PA6.2的问题点反映出人力规划并不是有效的。(根据amfori BSCI Code of Conduct)

PA 2: Workers Involvement and Protection

Site: [redacted] | Site amfori ID: [redacted]

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	
Based on satisfactory evidence, the main auditee partially respected this principle because the auditee posted BSCI code in public and provided	根据充分证据，在此次审核过程中，工厂部分遵守了此领域要求，尽管被审核方有在公共地方张贴了BSCI行为准则且提供了BSCI行为准则的培训给全体

Finding	
the training about BSCI code for all employees, however, one worker's representative and some workers were not aware of BSCI code. (In accordance with amfori BSCI Code of Conduct)	员工，但是1名工人代表和一些工人并不了解BSCI的行为准则。(根据amfori BSCI Code of Conduct)

Question: 2.5 Is there satisfactory evidence that the auditee has established, or participates in, an effective operational-level grievance mechanism for individuals and communities?

ENGLISH	LOCAL LANGUAGE
Finding	
Based on satisfactory evidence, the main auditee partially respected this principle, because the auditee established grievance mechanism for internal workers and regularly opened suggestion box, but the auditee did not conduct the regular survey on the written procedure for the grievance mechanism to check its effectiveness and timeliness. (In accordance with amfori BSCI Code of Conduct)	根据充分证据，在此次审核过程中，工厂部分遵守了此项要求，被审核方已经建立了内部员工申诉机制并定期开启意见箱，但是没有定期对申诉机制程序进行定期评估以检查它的有效性和时效性。(根据amfori BSCI Code of Conduct)

PA 5: Fair Remuneration

Site: [redacted] | Site amfori ID: [redacted]

Question: 5.4 Is there satisfactory evidence that the auditee provides sufficient remuneration that allows workers to meet a decent standard of living?

ENGLISH	LOCAL LANGUAGE
Finding	
Based on satisfactory evidence, the main auditee did not respect this principle because the auditee did not investigate and calculate local living wage before the audit. (In accordance with amfori BSCI Code of Conduct)	根据充分证据，工厂没有符合此领域要求，工厂没有在审核前完成最低生活需求工资的调查和计算。(根据amfori BSCI Code of Conduct)

PA 6: Decent Working Hours

Site: [redacted] | Site amfori ID: [redacted]

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	
Based on satisfactory evidence, the main auditee didn't respect this principle because based on 5 sampled employees' attendance records (5 samples from the most recent month of March 2024, 5 samples from January 2024 and 5 samples from August 2023), the monthly overtime hours of 5 out of 5 exceeded 36 hours in March 2024 with the highest of 65 hours; the monthly overtime hours of 5 out of 5 exceeded 36 hours in January 2024 with the highest of 59 hours; 5 out of 5 exceeded 36 hours in August 2023 with the highest of 61 hours. (In accordance with PRC Labor Law article 41)	根据充分证据，在此次审核过程中，工厂没有遵守此项要求，根据2024年3月，2024年1月和2023年8月抽样的共5名员工的考勤记录，在2024年3月，随机抽取的5名工人中有5名工人月加班时间超过36小时，最高达到65小时；在2024年1月，随机抽取的5名工人中有5名工人月加班时间超过36小时，最高达到59小时；在2023年8月，随机抽取的5名工人中有5名工人月加班时间超过36小时，最高达到61小时。(根据中华人民共和国劳动法第41条)

PA 7: Occupational Health and Safety

Site: [redacted] | Site amfori ID: [redacted]

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

ENGLISH	LOCAL LANGUAGE
Finding	
Based on satisfactory evidence, the main auditee partially respected this principle because the factory had established management system on health and safety, included the identify and awareness of related legal regulation, health and safety check, training etc. However, some H&S issues were identified during the audit. (In accordance with amfori BSCI Code of Conduct)	根据充足证据，工厂部分达到此项要求是因为工厂已建立健康安全管理体系，包括相关法规的识别与了解，健康安全检查，培训等，但在审核过程中依旧存在着一些健康安全问题。(根据amfori BSCI Code of Conduct)

Question: 7.4 Is there satisfactory evidence of active cooperation between management and workers (and/or their representatives) when developing and implementing systems towards ensuring OHS?

ENGLISH	LOCAL LANGUAGE
Finding	
Based on satisfactory evidence, the main auditee partially respected this principle because workers did not have an active cooperation with management during the risk assessment, the development and implementation of the OHS systems. (In accordance with amfori BSCI Code of Conduct)	根据充分证据，在此次审核过程中，工厂部分符合该原则因为员工未积极参与到健康安全的风险评估以及建设健康安全体系中。(根据amfori BSCI Code of Conduct)

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	
Based on satisfactory evidence, the main auditee partially respected this principle because 1) no label was attached for chemical such as machine cleaner used and stored in the factory. (In accordance with Regulation For Chemical Usage Safety in Workplace, article 12 and article 14); 2) no Material Safety Data Sheet (MSDS) was provided for chemical (machine cleaner) used and stored in the factory. (In accordance with Regulation For Chemical Usage Safety in Work Place clause 27).	根据充分证据，在此次审核过程中，工厂部分达到此项要求是因为1）工厂存储和使用的化学品例如抹机水没有标签。（根据《工作场所安全使用化学品的规定》第十二条和第十四条）；2）工厂使用和存储的化学品（如抹机水）的地方没有张贴物质安全数据表(MSDS)。（根据《工作场所安全使用化学品的规定》第27条）。

PA 13: Ethical Business Behaviour

Site: [redacted] | Site amfori ID: [redacted]

Question: 13.4 Is there satisfactory evidence that the auditee collects uses and otherwise processes personal information with reasonable care and in accordance with privacy and information security laws and regulatory requirements?

ENGLISH	LOCAL LANGUAGE
Finding	
Based on satisfactory evidence, the main auditee partial respected this principle because the factory did not establish the personal information protection management procedures regarding the directly hired workers, business partners, customers and consumers etc. (In accordance with amfori BSCI Code of Conduct)	根据充足证据，工厂部分达到此项要求,工厂没有建立针对直接聘用的工人，商业伙伴，客户以及消费者等的信息保护管理程序。 (根据amfori BSCI Code of Conduct)