

Monitored Party TAIZHOU HUANGYAN PRETTY ARTS AND CRAFTS FACTORY	amfori ID 156-007270-000	Address No.107, Fengguang Road, Chengjiang, 318020 Taizhou, Zhejiang Sheng, China
Monitoring Activity amfori Social Audit - Manufacturing	Monitoring Type Full Monitoring	Monitoring Partner SGS
Monitoring Start Date 25/06/2023	Closing Meeting Finished Date 30/06/2023	Submission Date 30/06/2023
Expiration Date 30/06/2024	Announcement Type Fully Announced	
Site TAIZHOU HUANGYAN PRETTY ARTS AND CRAFTS FACTORY	Site amfori ID 156-007270-001	

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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

Name of lead auditor: Jason Chen; APSCA membership number (CSCA 21701776)

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 (fully announced) was conducted on 25 June, 2023.

Business partner information: TAIZHOU HUANGYAN PRETTY ARTS AND CRAFTS FACTORY (台州市黄岩布莱迪工艺品厂) was a private factory, and it was established on 13 Dec, 2011, located at No.107, Fengguang Road, Chengjiang, 318020 Taizhou, Zhejiang, China. Business license number: 91331003587770273L, valid from 13 Dec, 2011 to long-term. The used area was rented by the auditee. The factory was specialized in manufacture felt bag, wooden crafts product. The main manufacturing process was raw material, sewing and packaging. The cutting process would be sub-contracted to another factory if necessary. The capacity was around 300,000 pcs per year.

Audited location information: The factory used parts 2F of one 3-storey building (No.3) as office, workshop and warehouse located at No.107, Fengguang Road, Chengjiang, 318020 Taizhou, Zhejiang, China. The factory used area was around 591 square meters. There was no canteen, kitchen and dormitory in the auditee.

Production building (3#): The 2F was used as workshop, warehouse and sewing, packaging. The used area was rented from Taizhou Huangyan Yekang Jixie Co., Ltd, the lease agreement and independent business was provided for review, the whole 1F, 3F and rest parts 2F of this 3-storey building and other two buildings in the same compound were used by other factories, they did not share workers and equipments.

Operating shifts and hours and Time recording system: The factory established working hour control policy. Factory used IC card scan system to record workers working time. Only one shift was carried out in the factory. The normal working hours was 8 hours per day (7:30-11:30, 12:30-16:30), 5 days per week for production workers. And if needed, workers had 3 OT working hours on weekdays (from 18:00-21:00). They usually had 8 OT working hours on Saturdays and rested on each Sunday. Time records of 5 sampled workers from 1 June, 2022 to audit day were reviewed randomly, it was noted that the maximum overtime work were 3 hours per day, 64 hours per month including 24 hours overtime on weekdays and 40 hours overtime on rest days, and the maximum weekly working time were 54 hours, at least one day off in every seven days was guaranteed. 150%, 200% of normal rate would be compensated for overtime on normal working days and weekends respectively, no overtime arranged on holidays.

Salary payment details: The factory established salary and benefit policy according to amfori BSCI Code and local law. The local minimum standard set at RMB2070 per month (RMB11.90/Hour) since 1 Aug, 2021. Payroll records from June, 2022 to May, 2023 were provided for review by the factory. According to the payroll records, management interview and workers interview, the salary and benefits of the factory was as follows: 1) The payment cycle was natural month. Wage was paid on 8th of the following month by cash. 2) The payroll was paid by monthly salaried wage, made up of basic wage at least RMB2400/Month (RMB13.79/hour) and OT compensation. The wages paid to workers were more than the living standard. 3) No deduction was used for disciplinary measure from the total wage. 4) The paid annual leave was provided for workers according to legal standard.

Worker number information:

There were 11 employees including 4 non-production staffs and 7 production workers (2 males and 5 females). There was no domestic migrant worker, all from local province. There were no underage workers, child workers, disabled workers, breastfeeding employees, pregnant women, interns, apprentices, contractor workers etc.

Good practices: Nil

Worker organization details: No union established in the factory, one worker committee was established, there was one worker representative.

Circumstances: Nil

The special circumstances can be classified as followed: The auditor checked the IPE and CREDITCHINA, found that there were no special abnormalities.

Summary of findings:

PA1: 1.1 amfori BSCI management system still need improvement, 1.4 Unreasonable capacity planning.

PA2: 2.4 Some interviewed workers did not know the amfori BSCI Code clearly.

PA5: 5.5 Inadequate social insurance.

PA6: 6.2 Monthly overtime exceeded legal requirement.

PA7: 7.1 There were raw materials stored closed to the wall. 7.2 Work-related injury insurance were not covered all

employees.

Living wage calculation: 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.

Precautions taken about #COVID-19 in the facility: Nil

If there is a personal data protection law/requirement in the country that audit takes place, auditors should put a remark related to attached documents.

The Personal Information Protection Law of the People's Republic of China was promulgated on 20 Aug, 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: 1. There was no Consolidated Working Hours System Approval obtained by the auditee, which makes documented valid authorization to make exemptions not applicable. 2. The title of Fire license register and building safety register was the original landlord name. 3. The EIA report was not necessary. 4. There was no chemicals used by the auditee and no hazardous positions in the auditee.

SITE DETAILS

Site	Site amfori ID
TAIZHOU HUANGYAN PRETTY ARTS AND CRAFTS FACTORY	156-007270-001

GICS Classification

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

amfori Process Classifications

N.A.

GS1 Classifications

N.A.

NACE Classification

N.A.

Water Stress Situation

N.A.

METRICS

Key Metrics

Total workforce	11	Workers
Legal minimum wage in local currency	2,070	Monthly
Lowest wage paid for regular work at the site	2,400	Monthly
Calculated living wage in local currency	3,114.24	Monthly
Total sample	5	Workers

Other Metrics

Male workers	4	Workers
Female workers	7	Workers
Permanent workers - Male	4	Workers
Permanent workers - Female	7	Workers
Temporary workers - Male	0	Workers
Temporary workers - Female	0	Workers
Seasonal workers - Male	0	Workers
Seasonal workers - Female	0	Workers
Management - Male	2	Workers
Management - Female	1	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	0	Workers
Workers with night shift - Female	0	Workers
Workers with disabilities - Male	0	Workers
Workers with disabilities - Female	0	Workers
Domestic migrant workers - Male	0	Workers
Domestic migrant workers - Female	0	Workers
Foreign migrant workers - Male	0	Workers
Foreign migrant workers - Female	0	Workers
Workers hired directly - Male	4	Workers
Workers hired directly - Female	7	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	1 Workers
Sample - Female	4 Workers

FINDINGS

PA1: Social Management System

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ENGLISH	LOCAL LANGUAGE
Finding(s)	
<p>1.1 Finding: The auditee partially respects this principle. Based on management interviews, worker interviews and document records review, it was noted that the factory established completed amfori BSCI management system including plan-do-check-action cycle, but findings had been identified due to inadequate implementation of management system, such as PA5 for fair remuneration and PA6 for decent working hours area, etc. The factory management declared that, workers were willing to work overtime because they can earn more money, some employees were unwilling to pay social security themselves. It violated the requirement of question 1.1 in amfori BSCI system manual.</p>	<p>被审核方（生产商）部分遵循该准则。根据管理层访谈，员工访谈和文件查看，得知工厂已建立完整的amfori BSCI管理系统，其中也包括计划-执行-检查-改善循环，但由于工厂执行管理体系不充分而仍存在问题，如PA5公平报酬和PA6体面工作时间等。工厂管理层解释，工人愿意加班因为可以赚更多的钱，部分员工自己不愿意缴纳社保。违反了amfori BSCI管理手册中问题1.1的要求。</p>
<p>1.4 Finding: The auditee partially respects this principle. Based on management interview, documents review, it was noted that the factory was familiar with their production capacity and they had calculated the costs of production and delivery times, while auditor still found monthly overtime working hours in sampled months exceeded legal limit. The factory management declared that, sometimes insufficient workers were in the workshop, so the workers were arranged to overtime work for the orders, they could not ensure workers' overtime hours in accordance with the law requirements. It violated the requirement of question 1.4 in amfori BSCI system manual.</p>	<p>被审核方（生产商）部分遵循该准则。根据管理层访谈，文件审核得知被审核方对其单位生产能力有较好的了解，且计算了生产成本和交货时间，但是在抽样月份仍然发现存在月加班超过法律限定的情况。工厂管理层解释，有时候车间人手不够，因此工人被安排加班去完成订单，他们无法确保工人的加班时间符合法规要求。违反了amfori BSCI管理手册中问题1.4的要求。</p>

PA 2: Workers Involvement and Protection

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ENGLISH	LOCAL LANGUAGE
Finding(s)	
<p>2.4 Finding: The auditee partially respects this principle. Based on management interview, documents review, worker interview, it was noted that the factory had provided training of amfori</p>	<p>被审核方（生产商）部分遵循该准则。根据管理层访谈，文件审核以及员工访谈得知，工厂在2022.09.13号对所有员工进行amfori BSCI Code内容的培训，现场张贴了amfori BSCI行为准则，但3</p>

Finding(s)	
BSCI Code to all employees on 13 Sep, 2022 and posted amfori BSCI Code onsite, but 3 interviewed workers did not know the amfori BSCI Code clearly. The factory management declared that, the training effectiveness evaluation to some workers were not enough. It violated the requirement of question 2.4 in amfori BSCI system manual.	名被访谈员工不太了解amfori BSCI Code的内容。工厂管理层声明，原因是部分员工的培训效果评估不足。违反了amfori BSCI管理手册中问题2.4的要求。

PA 5: Fair Remuneration

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ENGLISH	LOCAL LANGUAGE
Finding(s)	
5.5 Finding: The auditee does not respect this principle. Based on management interview, documents review, worker interview, it was noted that there were total 11 employees currently, 3 employees reached retired age, no new employee who joined the factory within one month. The factory provided social insurance including unemployment, retirement, medical, maternity insurance and work-related injury insurance to 4 employees. The factory management declared that due to costs and some employees' unwillingness to pay social security, they were unable to purchase insurance for all employees. It violated Labor Law of the People's Republic of China (2018 Amendment) Article 72 and 73.	被审核方（生产商）未遵守该原则。基于文件审核，管理者访谈以及员工访谈，得知目前有11名在职员工，3名达到退休年龄的员工，无入职未满一个月的员工。工厂给4名员工提供了失业，养老，医疗，生育保险和社保工伤险。工厂管理层解释，考虑到成本以及部分员工自己不愿意缴纳社保，未能全员购买保险。违反了中华人民共和国劳动法（2018修正）第七十二条，七十三条。

PA 6: Decent Working Hours

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ENGLISH	LOCAL LANGUAGE
Finding(s)	
6.2 Finding: The auditee does not respect this principle. The factory did not ensure the overtimes of workers in accordance with the legal requirement. Based on worker interview, attendance record from 1 June, 2022 to audit date review, 100% sampled workers worked in sewing and packaging workshop, the monthly overtime exceeded 36 hours for in July, 2022, Dec, 2022 and April, 2023, etc., the maximum monthly overtime	被审核方（生产商）未遵守该原则。工厂未确保员工的加班时间符合法规要求。根据员工访谈以及工厂提供的2022.6.1号到审核日考勤显示，缝制，包装车间100%抽样工人在2022年07月，2022年12月以及2023年04月等月份，月加班均大于36小时，员工最大月加班发生在2022年07月份，月加班64小时，其中工作日加班24小时，休息日加班40小时。工厂管理层解释，工人愿意加班因为可以赚更多的钱，有些时候也需要加班来完成订单。违反了中华

Finding(s)	
<p>were 64 hours including 24 hours overtime on weekdays and 40 hours overtime on rest days which occurred in July, 2022. The factory management declared that, workers were willing to work overtime because they can earn more money, and sometimes need overtime to finished the order. It violated Labor Law of the People's Republic of China (2018 Amendment), Article 41.</p>	<p>《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

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ENGLISH	LOCAL LANGUAGE
Finding(s)	
<p>7.1 Finding: The auditee partially respects this principle. Based on document review, management interview, onsite observation, etc., It was noted that the factory had established complete management system on health and safety, included the identify and awareness of related legal regulation, health and safety check, training, etc. But based onsite observation, it was noted that some raw materials were stored closed to the wall. The factory management declared that there were still findings issued due to management negligence. It violated the requirement of question 7.1 in amfori BSCI system manual and General Rules for Fire Safety Management of Storage Occupancies GA1131-2014, Article 6.8.</p>	<p>被审核方（生产商）部分遵循该准则。基于文件检查，管理者访谈，现场观察等，发现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，健康安全检查和培训等。但是基于现场观察，发现工厂存在部分原材料堆放靠墙的问题。工厂管理层解释由于管理疏忽，导致仍然有问题发生。违反了amfori BSCI管理手册中问题7.1的要求和《仓储场所消防安全管理通则》GA1131-2014第6.8条。</p>
<p>7.2 Finding: The auditee does not respect this principle. Based on document review, management interview and workers interview, It was found that the factory did not provide work-related injury insurance or commercial injury insurance for 7 out of 11 employees. The factory management declared that due to management negligence, they did not purchase work injury insurance for these four employees in a timely manner. It violated Labor Law of the People's Republic of China (2018 Amendment) Article 72 and 73.</p>	<p>被审核方（生产商）未遵守该原则。基于文件审核，管理者访谈和员工访谈，发现工厂未给11名员工中的7名员工购买社保工伤保险或者商业保险。工厂管理层解释因为管理疏忽，所以未给这7名员工及时购买工伤保险。违反了《中华人民共和国劳动法》（2018修正）第七十二条，七十三条。</p>