Monitoring result for Taizhou Honglvlan Houseware Co., Ltd on site Taizhou Honglvlan Houseware Co., Ltd

amfori
Trade with purpose

Monitoring

Monitored Party	: Taizhou Honglvlan Houseware Co., Ltd
amfori ID	: 156-018873-000
Site	: Taizhou Honglvlan Houseware Co., Ltd
Site amfori ID	: 156-018873-001
Address	: Zhanqian Village, Beicheng Street, Huangyan District
	: 318020, Taizhou
	: Zhejiang Sheng
	: China
Monitoring Activity	: amfori Social Audit - Manufacturing
Monitoring Type	: Follow-up Monitoring
Submission Date	: 22/07/2022
Expiration Date	: 24/07/2023

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Overall rating

A	B	C	D	E	None

Section rating

PA1: Social Management System	D
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	C
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	B
PA 13: Ethical Business Behaviour	A

General description

Summary of the facility:
Taizhou Honglvlan Houseware Co., Ltd is located at located at Zhanqian Village, Beicheng Street, Huangyan District, Zhejiang Province, China. The factory address is the same with BSCI platform and BL and actual production site. Factory started their operation in 2010. The factory's local name is “台州市红绿蓝家居用品有限公司”(91331003562394697Q)”.

Summary for numbers of workers:
Based on the audit booking, there are total 48 employees in the factory, including 15 male employees and 33 female employees currently working in the factory. No children or young workers worked in the factory, and the youngest employee was 35 years old, born in February 1987 and was hired in December 2020. There were 35 production employees (including workers from warehouse, mixing, crushing, injection, assembling and packing sections) and 13 non-production employees (including management, office worker and service workers). There were 19 migrant employees in total. Factory hired all workers directly.

Summary of factory building structure:
They only rented a block 3-floor building as production, warehouse and office from Taizhou City Huangyan District Beicheng street Village committee of Zhanqian village, and related lease contract was provided for review, about 2550 m2 used by factory in total. Through document review, onsite observation, employees’ interview and management interview, no process was outsourced to those factories. No dormitory, kitchen or canteen was provided for employees’ use.

Summary of production process:
The main production processes are listed as follows: mixing, crushing, injection, assembling and packing sections. The main production machines or equipment are: injection machines and mixing machines etc. The main products manufactured by the factory are plastic products.

Summary of working hours:
Attendance records from June 2021 to audit day and payroll records from June 2021 to May 2022 were reviewed in this audit. Through reviewing the production records and interview with the management, the injection workers work in 2 shifts and the regular working hours are from 7:30 to 15:30 or from 15:30 to 23:30. The rest workers work in one shift and the regular working hours are from 7:30 to 17:00 with lunch break from 11:30 to 13:00. Normal working days are from Monday to Friday. Overtime is arranged for 2 hours on weekdays and for 8 hours on Saturdays when necessary. Fingerprinting attendance system was used for time record.

Summary of compensation:
The factory workers were paid by hourly rate, the calculated hourly rate was from RMB 15.52 to RMB 18.39, which were above the local legal minimum payment requirement (RMB 1800 per month equivalent to RMB 10.34 per hour before August 1, 2021 and updated to RMB 2070 per month equivalent to RMB 11.90 per hour since August 1, 2021); 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 in cash at the 20th of each following month with detail pay slips. Auditor had reviewed the social insurance records for recent 3 months, a total of 34 employees (excluded 14 retired employees and no new hired employee) were eligible to receive five types of social insurances in June 2022 according to the law. However, through review of social insurance enrollment list, only 14 employees (41.2%of total eligible employees) had participated in occupational injury insurance, medical insurance, child-bearing insurance, pension insurance and unemployment insurance. The factory did not provide commercial injury insurance to workers and no waiver was obtained.

Summary of Health and Safety:
Through documents review, factory tour, management and workers interview, Mr. Zhang Hengbiao/ General 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 training including fire drills & evacuation exercises in production area were provided to all workers each year, related training 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 MSDS. Auditor also tested some fire equipment randomly during the audit and no problem was found.

Summary of Workers’ union:
There was no Trade Union or worker committee available in the factory, but there were 2 worker representatives elected by workers.

Summary of workers of interviews:
10 workers were interviewed, including 3 males and 7 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, PA 5, PA6, PA7, PA12.

Remark: 1. Audit Day (excluding reporting time): July 15, 2022
2. Auditor name and APSCA number, Audit Company: Water Chen/CSCA 21703953/ 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 collective bargaining agreements used by the main auditee, which makes the collective bargaining agreements not applicable.
6. There are no government waivers obtained by the main auditee, which makes the government waivers not applicable.
7. #COVID-19: The production was not affected by the COVID-19 in last 12 months. The auditee provided masks for all employees for free.

Site Details

Site : **Taizhou Honglvlan Houseware Co., Ltd**

Site amfori ID : **156-018873-001**

GICS Classification

Sector : **Consumer Discretionary**

Industry Group : **Consumer Durables & Apparel**

Industry : **Household Durables**

Sub Industry : **Housewares & Specialties**

amfori Process Classifications

N.A.

GS1 Classifications

N.A.

NACE Classification

N.A.

Water Stress Situation

N.A.

Metrics

Key Metrics

Total workforce	**48** Workers
Legal minimum wage in local currency	**2070** Monthly
Lowest wage paid for regular work at the site	**2700** Monthly
Calculated living wage in local currency	**2275** Monthly
Total sample	**10** Workers

Other Metrics

Male workers	**15** Workers
Female workers	**33** Workers
Permanent workers - Male	**15** Workers
Permanent workers - Female	**33** 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	**2** Workers
Apprentices - Male	**0** Workers
Apprentices - Female	**0** Workers
Workers on probation - Male	**4** Workers
Workers on probation - Female	**4** 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	**10** Workers
Domestic migrant workers - Female	**9** Workers
Foreign migrant workers - Male	**0** Workers
Foreign migrant workers - Female	**0** Workers
Workers hired directly - Male	**15** Workers
Workers hired directly - Female	**33** 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	**3** Workers
Sample - Female	**7** Workers

Findings

PA1: Social Management System

Previous Finding: The main auditee partially respects this principle because the factory obtained the amfori BSCI Code of Conduct, established the amfori BSCI Code of Conduct based social compliance management system, the factory conducted the social compliance management system internal audit on Jan. 22, 2021, but some findings were still identified during audit. Current status: Not corrected: The social management system was proved to be not that effective since some non-compliance issues were detected regarding Fair Remuneration, Decent Working Hours, Occupational Health and Safety and Protection of the Environment. Details please refer to Performance Areas 5, 6, 7 and 12.

上次发现：被审核方部分遵循该准则，原因是工厂获得了amfori BSCI行为准则，建立了基于amfori BSCI行为准则的社会责任管理体系，在2021年1月22日进行了社会责任管理体系内审，但是在审核过程中还是有问题发现。 当前状态：没有改善。 工厂的社会责任管理体系尚待完善，因为在此次审核中，发现了公平工资、体面的工作时间、职业健康和安全、保护环境方面的问题。具体请参见区域5, 6, 7, 12。

Previous Finding: The main auditee partially respects this principle because the production capability and delivery times management procedure was established. And the working time of the workers were managed. But the monthly overtime of the workers still exceeded the legal requirement. Current status: Not corrected: Although the factory established procedure on workforce planning, it was not running effectively as the workers‘ monthly overtime exceeded legal requirement.This violated the Amfori BSCI Code of Conduct.

上次发现：被审核方部分遵循该准则，原因是生产产能和订单周期管理程序已经得到建立。工人的工作时间也得到了管理。但是工人的月加班时间仍然超出了法规的要求。 当前状态：没有改善。工厂虽有建立生产能力规划管理程序，但是由于发现工人月加班超出法规要求而未有效执行。(这个违反了Amfori BSCI 行为准则)

PA 5: Fair Remuneration

Previous Finding: The main auditee does not respect this principle because the factory only provided to 14 workers with the retirement, illness, unemployment, maternity and injury insurances. (From workers interview, the rest workers did not want to pay for the social insurances. There was no proof that the workers were provided with new-pattern rural insurance and commercial accident insurance. The factory had totally 49 workers, 18 workers reached the retiring age.) Current status: Not corrected: The recently 3 months social insurance payment was provided by the factory, and according to the records in June 2022, only 14 out of 48 employees (except 14 retired employees, no temporary, no dispatched, no new hired employee in the factory) had participated in retirement, maternity, injury, medical and unemployment insurances. Based on workers and management interviewed that other employees were unwilling to participate in the insurance because they were unwilling pay the part of personal of social insurance. No any social insurance waiver was obtained by factory. The factory did not bought the any commercial accident insurance for the rest workers. (In accordance with Social Insurance Act of the People's Republic of China, article 2)

上次发现：被审核方未遵循该原则，原因是工厂只给14名工人提供了养老，医疗，失业，生育和工伤保险。（根据工人访谈，剩余工人不愿意缴纳社保。没有证据证明工人有新农保和商业意外险。工厂共49名工人，18名工人达到了退休年龄。） 当前状态：没有改善。根据工厂提供的最近3个月的社会保险收据，和2022年6月的缴费记录，48名员工中只有14名（除14名退休员工外，工厂内没有临时、派遣、新雇用员工）参加了退休、生育、伤害、医疗和失业保险。根据接受采访的工人和管理层，其他员工不愿意参加保险，因为他们不愿意支付部分个人社会保险。工厂未获得任何社会保险豁免。工厂没有为其余工人购买任何商业意外保险。（根据《中华人民共和国社会保险法》第2条）

PA 6: Decent Working Hours

Previous Finding: The main auditee does not respect this principle because according to the attendance records provided (from Jul. 01, 2020 to the audit day), the maximum monthly overtime of all the sampled workers exceeded 36 hours, maximum monthly overtime were 56 hours happened in Aug., 2020 (including 16 hours overtime on working days and 40 hours overtime on Saturdays.) (The maximum daily overtime were 2 hours, the maximum weekly working time were 52 hours.) Current status: Not corrected: The monthly overtime exceeded legal requirement (in May, January 2022 and October 2021). The monthly overtime for 8 out of 10 randomly selected employees were 54 hours in May 2022 (recent month); and were 44 hours in January 2022 (random month); and were 54 hours in October 2021 (random month). This violated the PRC Labor Law article 41.

上次发现：被审核方未遵循该原则，原因是根据工厂提供的考勤记录（从2020年7月1日到审核当天），所有抽样工人的最大月加班超出了36小时的规定，最大月加班为56小时在2020年8月（其中工作日加班16小时，周六加班40小时）。（最大日加班是2小时，最大周工时是52小时。） 当前状态：没有改善。每月加班超过法定要求（2022年5月, 1月和2021年10月）。随机抽取的10名里面的8名员工中在2022年5月（最近月）每月加班54小时；在2022年1月（随机月）加班44小时；在2021年10月（随机月）加班54小时；这违反了《中华人民共和国劳动法》第四十一条。

PA 7: Occupational Health and Safety

Previous Finding: The main auditee partially respects this principle because there was health and safety findings identified during the audit. Current status: Not corrected: The main auditee partially respects this principle because there was health and safety findings identified during the audit.

PA 7: Occupational Health and Safety

上次发现：被审核方部分遵循该原则，原因是审核过程中有健康安全问题发现。 当前状态：没有改善。被审核方部分遵循该原则，原因是审核过程中依然有健康安全问题发现。

Previous Finding: The main auditee does not respect this principle because the factory only provided to 14 workers with the injury insurance. (There was no proof that the workers were provided with new-pattern rural insurance and commercial accident insurance. The factory had totally 49 workers, 18 workers reached the retiring age.) Current status: Not corrected: The factory still did not provide work-related injury insurance for the 48 of the 34 employees.

上次发现：被审核方未遵循该原则，原因是工厂只给14名工人提供了工伤保险。（没有证据证明工人有新农保和商业意外险。工厂共49名工人，18名工人达到了退休年龄。） 当前状态：没有改善。工厂依然没有提供意外伤害保险给到48个员工里面的34个。

Previous Finding: The main auditee partially respects this principle because the factory conducted the health and safety assessment, but the factory did not provide the occupational health examination to parts of the workers, e.g. the printing worker. Current status: Not corrected: The factory still did not provide occupational health examination for the employees affected by dust, noise and chemicals in silk printing workshop, injection workshop, mixing workshop and crushing workshop. This violated PRC Law of Prevention and Control of Occupational Diseases article 35.

上次发现：被审核方部分遵循该原则，原因是工厂进行了健康安全风险评价，但是工厂没有给部分工人提供职业病体检，如打印工人。 当前状态：没有改善。工厂依然没有为丝印车间、注塑车间、混合车间和粉碎车间受粉尘、噪音、化学品影响的员工提供职业病健康体检。这违反了《中华人民共和国职业病防治法》第三十五条。

Previous Finding: The main auditee does not respect this principle because the factory did not provide the building structure safety and fire safety report of the building used, the factory did not provide the annual inspection report of one lift. Current status: Not corrected: The factory has provided a qualified elevator annual inspection report, but the factory still did not provide the fire acceptance certificate and the building structure acceptance certificates for all building completed in 2010 (1 building with 3 floor, with a total area of 2550 square meters). This violated the PRC Fire Prevention Law article 11. 2. and the PRC Construction Law Article 61.

上次发现：被审核方未遵循该原则，原因是工厂没有提供使用的建筑的竣工验收报告和消防验收报告，工厂没有提供一部电梯的年检报告。 当前状态：没有改善。工厂已经提供了一份合格的电梯的年检报告，但是工厂依然未提供2010年完工的所有建筑（1栋3层共2550平米）的消防验收证明和建筑结构验收证书或报告。这违反了《中华人民共和国消防法》第十一条和中华人民共和国的规定建筑法第61条。

Previous Finding: The main auditee partially respects this principle because from onsite observation, 1 electric box was not locked. Current status: Corrected: Though site tour, all electrical boxes have been locked.

上次发现：被审核方部分遵循该原则，原因是现场审核发现，一个电箱没有上锁。 当前状态：已经改善。经过现场查看，所有电箱均已上锁。

PA 12: Protection of the Environment

Previous Finding: The main auditee does not respect this principle because the factory did not provide the EIA, EIA approval and the environment facility inspection report. Current status: Not corrected: The main auditee still did not respect this principle because the factory did not provide the EIA, EIA approval and the environment facility inspection report.

上次发现： 被审核方未遵循该原则，原因是工厂没有提供环评，环评批复和三同时验收报告。 当前状态：没有改善。被审核方依然未遵循该原则，原因是工厂没有提供环评，环评批复和三同时验收报告。