

Monitored Party <b>Gao'an xinchaodian Packaging Co., Ltd</b>	amfori ID <b>156-015156-000</b>	Address <b>Huibu Huixiang Industrial Park, Gao'an City, 330800 Yichun, Jiangxi Sheng, China</b>
Monitoring Activity <b>amfori Social Audit - Manufacturing</b>	Monitoring Type <b>Full Monitoring</b>	Monitoring Partner <b>SGS</b>
Monitoring Start Date <b>06/07/2023</b>	Closing Meeting Finished Date <b>13/07/2023</b>	Submission Date <b>13/07/2023</b>
Expiration Date <b>13/07/2024</b>	Announcement Type <b>Fully Announced</b>	
Site <b>Gao'an xinchaodian Packaging Co., Ltd</b>	Site amfori ID <b>156-015156-001</b>	

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## OVERALL RATING



## SECTION RATING

PA1: Social Management System	<b>C</b>	
PA 2: Workers Involvement and Protection	<b>B</b>	
PA 3: The Rights of Freedom of Association and Collective Bargaining	<b>A</b>	
PA 4: No Discrimination	<b>A</b>	
PA 5: Fair Remuneration	<b>B</b>	
PA 6: Decent Working Hours	<b>D</b>	

PA 7: Occupational Health and Safety	<b>A</b>	
PA 8: No Child Labour	<b>A</b>	
PA 9: Special Protection for Young Workers	<b>A</b>	
PA 10: No Precarious Employment	<b>A</b>	
PA 11: No Bonded Labour	<b>A</b>	
PA 12: Protection of the Environment	<b>A</b>	
PA 13: Ethical Business Behaviour	<b>A</b>	

## GENERAL DESCRIPTION

Name of lead auditor: Atom Wu; APSCA membership number (CSCA 21702054)

Name of team auditor: Nil

Name of observers, translators, trainees, advisors/consultants: 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 Jul 6, 2023.

Business partner information: Gao'an xinchaodian Packaging Co., Ltd is located at Huibu Huixiang Industrial Park, Gao'an City, Yichun, Jiangxi, China. This factory is a limited liability company, it was established on Nov 26, 2020, valid to long-term; the business license No. was 91360983MA39RJQ48U. The main products in the facility were Bags. Around 1000000 pieces per year. The main production processes included Raw material- Cutting-Sewing-Inspecting-Packing-Finished goods.

Audited location information: There were five 3-storey production buildings, one 3-storey office building and one 3-storey dormitory building in the industrial park. The factory rented three quarters areas of 1/F and 2/F of production building(B3) from Gaoan Huibu Government as workshop, warehouse and office. During the audit, the factory provided lease contract for review. Based on onsite observation, 3/F of B3 building was idle. Other buildings were used by other facilities in the industrial park. So, the audit was only covered the area used by the audited factory. Detail information list as below:

Building 1, Used by factory A, total 6048 Square meters, 2016 Squar meters per floor.

Building 2, Used by factory B, total 6048 Square meters, 2016 Squar meters per floor.

Building 3, 2016 Squar meters per floor.

1/F: Raw materials, cutting, finished goods area (around 1516 Squar meters), injection workshop used by factory E. 500 Square meters.

2/F: Sewing, inspecting, packing, finished goods area, office.

3/F: Idle

Building 4, Used by factory C, total 6048 Square meters, 2016 Squar meters per floor.

Building 5, Used by factory E, total 6048 Square meters, 2016 Squar meters per floor.

Dormitory and office building, construction area was unknow.

All above facilities had independent business license, no mixing worker was found during the audit day, this audit only cover the main auditee.

Operating shifts and hours: The factory established a policy of working hour system. According to the policy and implementation records, workers worked 8 hours per day, and 5 days per week. Workers worked from 8:00 to 12:00; from 13:00 to 17:00. Workers had 0 to 2 OT hours on weekdays (18:00 to 20:00) and worked 0 to 8 OT hours on Saturdays. OT wages were paid at 150% and 200% respectively on weekdays and rest days, which was in line with local law. Meanwhile, workers had right to choose working overtime or not. The factory ensured workers had at least one day off per week. Furthermore, workers had at least 8 hours rest on every day, workers could move freely and have a rest in workshops. All these processes and implementation were cross checked by interview and document review. The factory used finger printing recorder system to record workers working time. The factory provided workers' attendance records from Jun 1, 2022 to the audit date for review, sampled workers' maximum monthly OT working hours up to 66 hours and weekly working hours up to 54 hours.

Salary payment details: The factory established wages and benefit paying system, which included paid statutory holidays, sick leave, annual leave, marriage leave and maternity leave etc. Based on the wages from Jun 2022 to May 2023 provided by the factory, workers were paid at least RMB 2400/month, which was more than the legal requirement (RMB 1610/Month). All workers were paid by hourly rate, and wages were paid at the end of following month by cash. The overtime wages of weekdays, weekends and statutory holidays were paid with 150%, 200% and 300% of regular hourly rate per local law requirement. No illegal deduction was identified according to wages records of workers. All these process and evidence were cross checked by document review, worker interview and management interview.

Worker number information: Total employees' number: 48 (production, management and office staffs). Production worker number: 45, including 3 males and 42 females. Employees from other provinces: 6, including 3 males and 3 females. No

young worker, child labor, disabled workers, lactating worker, pregnant worker. No interns, apprentices, contractor workers etc.

Good practices: Nil.

Worker organization details: There is no trade union in the factory, but 1 worker representatives are freely elected in the factory.

Circumstances: Nil.

The special circumstances can be classified as followed: Through the view of IPE, enterprise check no special abnormal situation.

Summary of findings:

Have the following NCs in PA1:

1.1 There were deficiencies in the implementation of BSCI management system.

1.4 The implementation of time management system was not perfect.

PA2 has the following NC:

2.2 The factory did not invite employee representatives to participate in the goal setting.

2.5: The factory didn't collect and keep the communication record with stakeholders.

PA3: Nil

PA4: Nil.

PA5 has the following NC:

5.4 The lowest wage paid for regular working time in the sampled workers was lower than the calculated basic living wage level.

5.5 Insufficient workers purchased social insurance.

Have the following NC in PA6:

6.2: OT working hours exceeded legal requirement.

Have the following NCs in PA7:

7.1 NCs were found in PA 7.

7.17 Sewing machines missed protective devices.

7.22 No toilet paper.

PA8: Nil;

PA9: Nil;

PA10: Nil;

PA11: Nil;

PA12: Nil;

PA13: Nil.

LivingWage: 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.

1) <http://www.stats.gov.cn/sj/ndsj/2021/indexch.htm>

2) <http://tjj.nc.gov.cn/zbft/front/tjjjnew/2021/mobile/index.html#p=1>

Precautions taken about #COVID-19 in the facility: There was no specific control requirements for COVID-19 in China currently.

The Personal Information Protection Law of the People's Republic of China was promulgated on August 20, 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 are no contractors used by the auditee, which makes the contractor license/permit not applicable.

2). There are no agencies used by the auditee, which makes the agency labour contract not applicable.

3). There are no Comprehensive Working Hours System Waiver and Social Insurance Waiver used by the auditee, which

makes the government waivers not applicable.

4). There are no union and no collective bargaining agreements used by the auditee, which makes the collective bargaining agreements not applicable.

## SITE DETAILS

Site  
**Gao'an xinchaodian Packaging Co., Ltd**

Site amfori ID  
**156-015156-001**

### GICS Classification

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Sector <b>Consumer Discretionary</b>	Industry Group <b>Consumer Durables &amp; Apparel</b>	Industry <b>Textiles, Apparel &amp; Luxury Goods</b>
Sub Industry <b>Apparel, Accessories &amp; Luxury Goods</b>		

### amfori Process Classifications

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N.A.

### NACE Classification

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N.A.

### GS1 Classifications

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N.A.

### Water Stress Situation

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N.A.

## METRICS

### Key Metrics

Total workforce	48	Workers
Legal minimum wage in local currency	1,610	Monthly
Lowest wage paid for regular work at the site	2,400	Monthly
Calculated living wage in local currency	2,914.03	Monthly
Total sample	5	Workers

### Other Metrics

Male workers	5	Workers
Female workers	43	Workers
Permanent workers - Male	5	Workers
Permanent workers - Female	53	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	3	Workers
Domestic migrant workers - Female	3	Workers
Foreign migrant workers - Male	0	Workers
Foreign migrant workers - Female	0	Workers
Workers hired directly - Male	5	Workers
Workers hired directly - Female	43	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	<b>0 Workers</b>
Workers on parental leave - Female	<b>0 Workers</b>
Sample - Male	<b>1 Workers</b>
Sample - Female	<b>4 Workers</b>

## FINDINGS

### PA1: Social Management System

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ENGLISH	LOCAL LANGUAGE
<b>Finding(s)</b>	
<p>1.1 The main auditee partially respected this principle because the factory had established management system according to amfori BSCI requirement, and the management knew related requirement of amfori BSCI, but due to factory didn't effectively implement it, lead to issue appeared in H&amp;S, working hours and social insurance section, etc.</p> <p>It violated the requirement of question 1.1 in amfori BSCI system manual.</p>	<p>主要被审核方（生产商）部分遵守原则，原因是工厂有按照amfori BSCI要求建立相关体系，且管理者代表知道amfori BSCI相关要求，但由于未有效执行，导致在健康安全，工时社保等方面出现问题。违反了amfori BSCI管理手册中问题1.1的要求。</p>
<p>1.4 The main auditee partially respected this principle because the factory had implemented capacity planning, but due to the working hour management system implementation level was not completed, lead to workers' overtime hours exceeded legal requirement.</p> <p>It violated the requirement of question 1.4 in amfori BSCI system manual.</p>	<p>主要被审核方（生产商）部分遵守原则，原因是工厂执行了产能规划，但是由于工时管理系统执行层面不完善，导致加班超过法规要求。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
<b>Finding(s)</b>	
<p>2.2 The main auditee partially respected this principle because the factory defined a long-term goal to protect employees but did not invite employee representatives to participate in the goal setting.</p> <p>It violated the requirement of question 2.2 in amfori BSCI system manual.</p>	<p>被审核方部分遵守该原则。因为工厂定义了保护员工的长期目标，但是没有邀请员工代表参与该目标制定。</p> <p>违反了amfori BSCI管理手册中问题2.2的要求。</p>
<p>2.5 The main auditee partially respected this principle because opening policy was established in the factory for internal workers and outside stakeholders, which defined the corresponding departments and their responsibilities. But the factory didn't collect and keep the communication record with stakeholders.</p>	<p>被审核方部分遵守该原则是因工厂建立了对内对外的沟通程序，并规定了对应的利益相关方的各部门及其职责，但工厂未收集并保留与利益相关方之间的信息沟通记录。</p> <p>违反了amfori BSCI管理手册中问题2.5的要求。</p>

### Finding(s)

It violated the requirement of question 2.5 in amfori BSCI system manual.

## PA 5: Fair Remuneration

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### ENGLISH

### LOCAL LANGUAGE

#### Finding(s)

5.4 The main auditee partially respected this principle because the factory knows about the basic living wage, but does not calculate the local basic living wage through Anker's methodology; therefore, the auditor used SGS's calculated basic living wage CNY 2914.03 which was calculated by the auditor through Anker's methodology. The lowest wage paid for regular working time in the sampled workers was CNY 2869 in Jan 2023, which was lower than the calculated basic living wage level.

It violated the requirement of question 5.4 in amfori BSCI system manual.

被审核工厂部分遵守该原则，工厂对基本生活工资有所了解，但并没有根据Anker方法计算当地基本生活工资的数据。因此，审计员使用了SGS根据Anker方法计算出的生活需求工资2914.03元。抽样人员在2023年1月所获得的总工资最低为2869元，低于计算好的生活需求工资水平。违反了amfori BSCI管理手册中问题5.4的要求。

5.5 The main auditee did not respect this principle because there're total 48 workers with 7 retired and 0 new worker, so the factory should provide social insurance to 41 workers, confirmed by the social insurance records of Jun 2023 provided by the factory, factory only provided social insurance to 3 workers. The factory provided commercial insurance for all workers, valid from Jun 8, 2023 to Jun 7, 2024.

Remark: Remark: Partial workers were not willing to participate in social insurance, the factory said that the workers had participated in the agricultural insurance but did not provide evidence.

It violated Labor Law of the People's Republic of China (2018 Amendment) Article 72 & 73.

主要被审核方（生产商）未遵循该准则。原因是工厂总共有48名工人，其中包含7名退休员工和0名新员工，所以工厂应该给41名员工购买社会保险，通过查看工厂提供的2023年6月的社保记录确认，工厂仅给3名员工提供社会保险。工厂给所有员工购买了商业保险，有效期从2023年6月8日至2024年6月7日。

备注：部分工人没有意愿参加社会保险，工厂表示工人有参加农保但是没有提供证据。

违反了中华人民共和国劳动法（2018修正）第七十二条和第七十三条。

## PA 6: Decent Working Hours

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### ENGLISH

### LOCAL LANGUAGE

Finding(s)	
<p>6.2 The main auditee did not respect this principle because workers' monthly overtime hours exceeded legal requirement. During the audit, the factory provided workers' attendance records from Jun 1, 2022 to the audit date, it was noted that all sampled workers' monthly overtime hours exceeded 36 hours except for Jan 2023, the Max. up to 66 hours in Jul 2022, the OT working hours on weekdays were 26 hours and weekends were 40 hours. The maximum weekly working hours were 54 H.</p> <p>It violated Labor Law of the People's Republic of China (2018 Amendment), Article 41</p>	<p>主要被审核方（生产商）未遵守该原则，原因是员工的月加班时间超过法规要求。审核期间，工厂提供了工人从2022年6月1日至审核当天的考勤记录，根据抽样发现所有生产工人除2023年1月外的月加班超过36小时，最大在2022年7月达到66个小时，工作日加班为26小时，周末加班为40小时。最大周工时为54小时。</p> <p>违反了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 The main auditee partially respected the principle because the law of health and safety were collected, and regulation check and training were conducted, but the health and safety management representative was not familiar with the legal and BSCI requirement on health and safety, and lead to some issues were raised in health and safety section.</p> <p>It violated the requirement of question 7.1 in amfori BSCI system manual.</p>	<p>被审核方部分遵守该原则，因为被审核方有收集健康安全法律法规，并且定期提供检查及培训，但是健康安全管理者代表不了解法规和BSCI对健康安全的要求，导致健康安全方面出现问题。</p> <p>违反了amfori BSCI管理手册中问题7.1的要求。</p>
<p>7.17 The main auditee did not respect this principle, because based on onsite observation, all flat sewing machines in the factory were not installed with finger protectors, all computer sewing machines were not installed with needle guards, 2 high sewing machine was not installed with pulley guard.</p> <p>It violated General Rules of Design on Health and Safety of Production Facility (GB 5083-1999) 6.1.2</p>	<p>被审核方未遵循该准则，因为现场观察工厂所有的平车未安装护指器，所有电脑车未安装挡针板，2台高车未安装皮带轮保护罩。</p> <p>违反了生产设备安全卫生设计总则（GB 5083-1999）6.1.2</p>
<p>7.22 The main auditee partially respected this principle, because the audited factory provided clean and hygienic restrooms, but the restrooms were not prepared with toilet paper.</p> <p>It violated the requirement of question 7.22 in amfori BSCI system manual.</p>	<p>被审核方部分遵守该原则，因为被审核工厂提供了干净卫生的洗手间，但是洗手间内未配备纸巾。</p> <p>违反了amfori BSCI管理手册中问题7.22的要求。</p>