

Monitored Party Ningbo Znpon Electrical Appliance Co., Ltd	amfori ID 156-007720-000	Address No.1018 Tianyuan Avenue, Zhouxiang Town, Cixi, Ningbo, Zhejiang Sheng, China
Monitoring Activity amfori Social Audit - Manufacturing	Monitoring Type Follow-up Monitoring	Monitoring Partner SGS
Monitoring Start Date 23/04/2024	Closing Meeting Finished Date 23/04/2024	Submission Date 28/04/2024
Expiration Date 24/04/2025	Announcement Type Semi Announced	
Site Ningbo Znpon Electrical Appliance Co., Ltd	Site amfori ID 156-007720-001	

This is an extract of the online Monitoring Result, generated on 29/04/2024, 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	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]

Name of lead auditor: Cathy Lou; APSCA membership number (CSCA 21701774)

Name of team auditor: 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 follow up audit (semi announced) was conducted on Apr. 23, 2024.

[Business partner information]:

Ningbo Znpon Electrical Appliance Co., Ltd 宁波正邦电器有限公司 was located at No.1018 Tianyuan Avenue, Zhouxiang Town, Cixi, Ningbo, Zhejiang, China 浙江省宁波市慈溪市周巷镇天元大道1018号, which was the same with the address on the business license. The factory was private enterprise. The factory was founded on Sep. 29, 2006, and the Business license registration number was 913302817930189129, which was valid from Sep. 29, 2006 to long term. The factory specialized in Industrial plug and socket, Extension Lead, Extension socket, Cable Reel, with the main process mixing, crushing, injection, assembling and packing.

[Audited location information]

The factory rented one 3-storey production building covered 8,324 square meters in the boundary. The lease agreement was valid from Nov. 1, 2020 to Oct. 30, 2025.

The building was used as follows:

1st floor was used as finished product warehouse, mixing, crushing and injection workshop and raw materials warehouse.

2nd floor was used as assembling, packing workshop, warehouse and finished product warehouse.

3rd floor was used as office area, raw materials warehouse and semi-finished product warehouse.

[Operating shifts and hours]

The factory provided the attendance records from Apr. 1, 2023 to Apr. 23, 2024. The factory used IC card attendance recorder to record the working hour. All employees operated with one shift: 8:00-12:00, 13:00-17:00, 18:00-20:00 if overtime at night. All employees regular worked from Monday to Friday, 8 hours per day, 40 hours per week. The workers often worked 0-2 hours overtime per day on weekdays when busy and 8 hours overtime on Saturday. All employees could have rest on every Sunday. The maximum daily, weekly, monthly overtime were 2 hours, 12 hours and 50 hours from sampled workers.

[Salary payment details]

Based on the payrolls from Apr. 2023 to Mar. 2024 provided by the factory for review, it was noted all workers were paid by hourly rate with minimum guaranteed wage RMB 16.67 per hour. Based on attendance records and payroll records, the OT premium was paid by 150% and 200% of regular rate for overtime working on weekdays and Saturdays separately. Paid annual leaves, holiday wages and etc. were provided to all workers. The workers' wage was paid by cash on 15th of following month.

[Worker number information]

- Total worker number (production and management workers): 46 (production: 35 and management workers: 11)
- Production worker number (male and female number details should be given): 35 (male: 17 and female: 18)
- Vulnerable worker number (male and female number details should be given): Domestic migrant workers: 35 (male: 17, female: 18)

No young worker, child labor, disabled worker, breastfeeding worker and pregnant worker were employed in the factory.

- Any other special group workers: No interns, apprentices, contractor workers etc. were employed in the factory.

[Good practices] Nil

[Worker organization details] No trade union was established in the factory, and 2 worker representatives were freely elected by workers on Jun. 1, 2023.

[Circumstances] There was no special circumstance during the audit.

[The special circumstances can be classified as followed] The factory management was co-operative during the audit time and demonstrated a willingness to gradually improve all issues found during the audit. By checking on the app of Qichacha (a software for checking factory's business license), no negative information was found about the audited factory. No special control requirement about COVID-19 in China.

[Summary of findings]

PA 1: 1.1 amfori BSCI Code management was not perfect; 1.4 working hours' management system was not perfect.

PA 2: Nil

PA 5: 5.5 Insufficient social insurance.

PA 6: 6.2 Workers' monthly overtime hours exceeded legal requirement.

PA 7: 7.1 HS management system was not perfect; 7.11 No anti-falling device.

PA 12: Nil

PA3, PA4, PA8, PA9, PA10, PA11, PA 13: Not covered in this follow up audit.

[Living wage calculation]

#LivingWage: The living wage data is provided by the Auditing company because there is no data on GLWC website in the city where the factory is located.

The living costs estimated by auditing company involves developing a model diet for workers using the method developed in Anker Methodology. This involved: (i) calculating required number of calories per person for the reference size family; (ii) Identifying least expensive acceptable food items in accordance with workers' dietary habits and relative food prices using surveys of markets where workers shop; and (iii) using data on nutritional content of foods to develop a preliminary model diet, and then adjusting the preliminary model diet to meet the recommended dietary structure for Chinese people in Development Outline of Food and Nutrition in China as well as WHO recommendations. Second, the housing cost is estimated by evaluating the cost of various rental units, utility costs, other housing costs, and routine repairs/maintenance costs which are basic for a family. And auditing company also considered the living conditions of housing near the factory according to Anker Methodology. Third, auditing company estimates non-food-non-housing(NFNH) cost for a living wage (i.e. all other costs besides food and housing) based on the ratio of NFNH to food costs expenditures according to secondary statistical data and the cost of our model diet. Fourth, auditing company estimates the number of full-time equivalent workers per family providing support in order to estimate a net living wage for workers based on information from government websites and published papers. Finally, payroll taxes and deductions are taken into consideration to estimate the gross living wage for workers.

Reference:

1) China Statistical Yearbook 2022: <http://www.stats.gov.cn/sj/ndsj/2022/indexch.htm>

2) Interpretation of the Social Insurance Law of the People's Republic of China (11): http://www.mohrss.gov.cn/fgs/syshuibaoxianfa/201208/t20120806_28572.html

3) Housing provident fund management regulations: <https://flk.npc.gov.cn/detail2.html?ZmY4MDgwODE2ZjNjYmIzYzAxNmY0MGZjN2I2ODBmZjI>

4) National city rent reference: <https://m.toutiao.com/is/iR5uwMmp/>

[Personal Information protection law]

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 :

There is no agency or contractor used by the auditee, which makes the Contractor license/permit and agency labour contract not applicable.

Neither Government waiver nor Documented valid authorization to make exemptions on working hours is needed for the factory, so they were also not applicable.

Collective bargaining agreement is not required by employees, and therefore Collective bargaining agreement is not showed.

SITE DETAILS

Site
**Ningbo Znpon Electrical
Appliance Co., Ltd**

Site amfori ID
156-007720-001

GICS Classification

Sector	Industry Group	Industry
Consumer Discretionary	Consumer Durables & Apparel	Household Durables

Sub Industry
Household Appliances

amfori Process Classifications

N.A.

GS1 Classifications

N.A.

NACE Classification

Manufacture of domestic appliances

Water Stress Situation

N.A.

METRICS

Key Metrics

Total workforce	46	Workers
Legal minimum wage in local currency	2,260	Monthly
Lowest wage paid for regular work at the site	2,900	Monthly
Calculated living wage in local currency	3,887	Monthly
Total sample	5	Workers

Other Metrics

Male workers	22	Workers
Female workers	24	Workers
Permanent workers - Male	22	Workers
Permanent workers - Female	24	Workers
Temporary workers - Male	0	Workers
Temporary workers - Female	0	Workers
Seasonal workers - Male	0	Workers
Seasonal workers - Female	0	Workers
Management - Male	4	Workers
Management - Female	2	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	17	Workers
Domestic migrant workers - Female	18	Workers
Foreign migrant workers - Male	0	Workers
Foreign migrant workers - Female	0	Workers
Workers hired directly - Male	22	Workers
Workers hired directly - Female	24	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	2 Workers

FINDINGS



PA1: Social Management System

Site: Ningbo Znpon Electrical Appliance Co., Ltd | Site amfori ID: 156-007720-001

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	
<p>1.1 Follow up audit on Apr. 23, 2024: Open.</p> <p>The main auditee partially respected this principle, because based on document review and management interview, it was noted the factory had established procedures and management manuals related to social responsibility management system, but some requirements and policies were not well understood and implemented. For example, it was found that gap existed between implementation and policy on Fair Remuneration, Decent Working Hours, Occupational Health and Safety, etc.</p> <p>It violated the requirement of question 1.1 in amfori BSCI system manual.</p>	<p>1.1 2024年4月23日跟进审核：未关闭。</p> <p>被审核方部分遵循该准则，原因是根据文件审核及管理层的访谈，工厂已经建立了社会责任管理体系相关的程序文件和管理手册，但部分要求没有理解执行到位，例如审核中发现在公平报酬、体面工作时间、职业健康安全等方面的实施与政策存在差距。违反了amfori BSCI管理手册中问题1.1的要求。</p>

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	
<p>1.4 Follow up audit on Apr. 23, 2024: Open.</p> <p>The main auditee partially respects this principle because based on management interview, it was noted the factory had calculated the costs of production and delivery times, and workers' working hour was also considered when scheduling confirmed by designated person. But no relevant records were kept. And the workers' OT hour was not controlled well. Based on the attendance records from Apr. 1, 2023 to Apr. 23, 2024 for review, it was noted the max. monthly OT hour was 50 hours.</p> <p>It violated the requirement of question 1.4 in amfori BSCI system manual.</p>	<p>1.4 2024年4月23日跟进审核：未关闭。</p> <p>被审核方部分遵循该准则。原因是根据管理层访谈，工厂有计算生产产能和订单周期，排单的时候也考虑到工人的工作时间。但是未保留相关记录。工人的加班时间未得到很好的管控。根据2023年4月1日至2024年4月23日的考勤记录显示，工人的最大月加班时间为50小时。</p> <p>违反了amfori BSCI管理手册中问题1.4的要求。</p>



PA 2: Workers Involvement and Protection

Site: Ningbo Znpon Electrical Appliance Co., Ltd | Site amfori ID: 156-007720-001

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

2.5 Follow up audit on Apr. 23, 2024: Closed.
Based onsite observation, it was found the factory had installed the suggestion box at one private place which located at the gate of workshop at 2nd floor. And based on document review, it was noted the factory had evaluated the effective of the grievance channels timely.

2.5 2024年4月23日跟进审核：关闭。
根据现场观察，工厂已将意见箱设置在二楼车间门口隐蔽处。且根据文件审核，工厂已定期评估申诉渠道的有效性。

PA 5: Fair Remuneration

Site: Ningbo Znpou Electrical Appliance Co., Ltd | Site amfori ID: 156-007720-001

Question: 5.5 Is there satisfactory evidence that the auditee provides workers with the social benefits that are legally granted?

ENGLISH

LOCAL LANGUAGE

Finding

5.5 Follow up audit on Apr. 23, 2024: Open.
The main auditee does not respect this principle because the factory did not provide social insurance to all employees. Based on the social insurance payment of Mar. 2024 and current roster, it was noted there were total 46 employees, including 3 retired employee and no new worker within one month, and confirmed with management interview, the factory provided the retirement, maternity, unemployment, medical and injury insurance for 14 employees. In addition, the factory provided the commercial injury insurance for other 32 employees, which was valid to May 26, 2024. Based on workers interview, they were not willing to purchase the social insurance. It violated Labor Law of the People's Republic of China (2018 Amendment) Article 72, Article 73.

5.5 2024年4月23日跟进审核：未关闭。
被审核方未遵循该准则，原因是工厂未提供社保给所有员工。根据2024年3月的社保缴纳凭证及当月花名册，工厂共有46名员工，3名退休员工和无一个月内新进工人，根据管理层访谈确认，工厂为14名员工缴纳了养老，生育，失业，医疗和工伤保险。另外，工厂为其余32名员工提供了商业工伤保险，有效期至2024年5月26日。根据员工访谈，他们表示不愿意购买社保。违反了中华人民共和国劳动法（2018修正）第七十二条，第七十三条。

PA 6: Decent Working Hours

Site: Ningbo Znpou Electrical Appliance Co., Ltd | Site amfori ID: 156-007720-001

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	
<p>6.2 Follow up audit on Apr. 23, 2024: Open.</p> <p>The main auditee does not respect this principle because all sampled workers' monthly overtime exceeded 36 hours systematically. Based on attendance records from Apr. 1, 2023 to Apr. 23, 2024, it was noted the workers had 0~2 hours at night, the max. weekly working hours were 52 hours and the maximum monthly overtime hour was 50 hours (including 18 OT hours in weekdays and 32 OT hours in weekends), such as in Jul. 2023. The factory also did not conduct cause analysis or establish the improvement measure on excessive overtime.</p> <p>It violated Labor Law of the People's Republic of China (2018 Amendment), Article 41</p>	<p>6.2 2024年4月23日跟进审核：未关闭。</p> <p>被审核方未遵守该原则，原因是所有抽样工人的月加班时间系统地超出了36小时，根据2023年4月1日至2024年4月23日的考勤，工厂晚上会有0~2小时的加班，最大周工作时间通常为52小时。工人的最大月加班时间为50小时(包含18小时的平时加班及32小时的周末加班)，如2023年7月。工厂并未对工时超时进行原因分析及制订改善措施。</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

Site: Ningbo Znpon Electrical Appliance Co., Ltd | Site amfori ID: 156-007720-001

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

ENGLISH	LOCAL LANGUAGE
Finding	
<p>7.1 Follow up audit on Apr. 23, 2024: Open.</p> <p>The auditee partially respects this principle because based on document review and management interview, it was noted the factory had established complete management system on health and safety, included updating and awareness of related legal regulation, health and safety check, training etc. But the collected health and safety laws and regulations were incomplete, for example, the laws and regulations related to personal protective equipment worn at workplaces with occupational hazards were not included.</p> <p>It violated the requirement of question 7.1 in amfori BSCI system manual.</p>	<p>7.1 2024年4月23日跟进审核：未关闭。</p> <p>被审核方部分遵循该准则，原因是根据文件审核及管理层访谈，工厂已建立完整的健康安全管理体系，包括相关法规的更新与了解，健康安全检查，培训等，但是收集的健康安全的法律法规不完整，例如没有包括职业病危害场所佩戴的个人防护用品相关的法律法规。</p> <p>违反了amfori BSCI管理手册中问题7.1的要求。</p>

Question: 7.9 Is there satisfactory evidence that the auditee makes visible potential hazards to the workers and visitors through signs and warnings?

ENGLISH	LOCAL LANGUAGE
---------	----------------

Finding	
7.9 Follow up audit on Apr. 23, 2024: Closed. Based onsite observation, it was found the electrical box on the second floor of production building was posted with the warning sign of "be careful of electricity".	7.9 2024年4月23日跟进审核：关闭。 根据现场观察，工厂生产楼2楼有一个电箱已粘贴“有电危险”的警示语。

Question: 7.17 Is there satisfactory evidence that the auditee ensures adequate safeguards for any machine part, function, or process which may cause injury to workers?

ENGLISH	LOCAL LANGUAGE
Finding	
7.17 Follow up audit on Apr. 23, 2024: New finding. The main auditee partially respects this principle because based onsite observation, it was found no anti-falling device of one crane was installed in injection workshop. The factory management showed it had no special responsible person to handle and did not install timely. It violated General Rules of Design on Health and Safety of Production Facility (GB 5083-1999) 6.1.	7.17 2024年4月23日跟进审核：新问题。 被审核方部分遵循该准则，原因是根据现场观察，注塑车间有一台行车未安装防坠落钩。工厂管理层表示未有专人负责，未及时安装。 违反了生产设备安全卫生设计总则（GB 5083-1999）6.1.

PA 12: Protection of the Environment

Site: Ningbo Znpon Electrical Appliance Co., Ltd | Site amfori ID: 156-007720-001

Question: 12.3 Is there satisfactory evidence of the auditee's required environmental permits and licences?

ENGLISH	LOCAL LANGUAGE
Finding	
12.3 Follow up audit on Apr. 23, 2024: Closed. Based on document review, it was noted the factory obtained the environmental facility inspection acceptance approval on Apr. 19, 2023 and provided for review.	12.3 2024年4月23日跟进审核：关闭。 根据文件审核，工厂在2023年4月19日获取了环保设施竣工验收报告并提供供查看。