

Monitored Party Dongguan City Tianhua Photoelectric Technology Co., Ltd.	amfori ID 156-029924-000	Address No.3, 2nd Road, Jinqianling Industrial Zone, Jitigang Village, Huangjiang Town, 523757 Dongguan, Guangdong Sheng, China
Monitoring Activity amfori Social Audit - Manufacturing	Monitoring Type Follow-up Monitoring	Monitoring Partner TUV Rheinland
Monitoring Start Date 03/11/2023	Closing Meeting Finished Date 03/11/2023	Submission Date 07/11/2023
Expiration Date 14/11/2024	Announcement Type Fully Announced	
Site Dongguan City TianHua Photoelectric Technology Co., Ltd.	Site amfori ID 156-029924-002	

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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	A	
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

Lead Auditor: Andrew Wong; APSCA membership number: CSCA 21701826

Monitoring partner: TUV Rheinland

Audit schedule details: The audit was planned for 1 auditor x 1 day

Announcement type: Fully-Announced

Monitoring type: Follow up audit (covered PA1, 2, 5, 6, 7, 12 and 13) other PAs were not rated, the rating and evidence for these PAs were same as previous audit.

Business partner information: location:

广东省东莞市黄江镇鸡啼岗村金钱岭工业区二路3号

No.3, 2nd Road, Jinqianling Industrial Zone, Jitigang Village, Huangjiang Town, Dongguan, China

The auditee was established on 23 June 2009. The main products manufactured by the auditee are Decoration Lamps.

The main production processes are listed as follow: Assembly, Soldering, Cosmetic QC, functional QC and packing. No process was subcontracted to other company.

Audited location information: The auditee was located within independent physical boundary.

The factory occupied one 4-storey production building (total 2700 square meters). The factory also occupied one 3-storey dormitory building (total 1100 square meters). 1/F of the dormitory building is for office.

Production building usage:

1/F is for R&D department

2/F is for warehouse for material and final product

3/F is for Assembly line

4/F is for warehouse of packing material

This audit only covered the auditee own area.

Transportation and canteen were not provided to workers. Free dormitory was provided to workers.

Operating shifts and hours: Normal working hour was 8 hours per day and 5 days per week (from Monday to Friday).

Working on Saturday was treated as overtime and Sunday was guaranteed as rest. Attendance records from 1 Oct. 2022 to audit day were reviewed. One shift (08:00-12:00, 13:30-17:30) was arranged for all production workers. Overtime on working days were 2 hours from 18:30 to 20:30 if needed. No apparent peak season or low season existed.

Time recording system: Fingerprint and face detection attendance machine was used to record the time in/out.

Salary payment details: Local legal minimum wage was CNY1900 per month equivalent to CNY10.92 / hour (1900/21.75/8) since 1 Dec. 2021. The whole month was counted as a wage calculation cycle, and the wage was paid by cash on or before 30th day of next month. Payroll records from Oct. 2022 to Sept. 2023 were reviewed. All workers' wages were calculated by hourly rate of CNY10.92 / hour which is equal to legal minimum wage. Overtime on normal working days, rest days and statutory holidays was paid at 150%, 200% and 300% of normal wage.

Worker number information: Total 50 employees including 34 male employees and 16 female employees were working in the factory. There were 15 non-production employees (11 male and 4 female) and 35 production employees (23 male and 12 female). 5 (3 male and 2 female) employees were local permanent employees and 45 (31 male and 14 female) employees were migrant permanent employees from other provinces of China. All employees were hired by the factory directly.

Good practices: Free dormitory was provided to all workers.

Worker organization details: There was no labor union in the factory. Workers freely elected 2 worker representatives on 1 Mar. 2023. The management held meetings with worker representatives quarterly.

Circumstances: Management are very cooperative during the whole process of audit and there was no special circumstance during the audit.

Summary of findings: The performance areas needed improvement were:

PA1 Monitoring of the Management system to reduce monthly overtime hours and increase social insurance participation rate were not effective. Management system in controlling production planning and cost control were not effective.

PA2 No channel for reporting from local communities.

PA6 Monthly OT hour exceed 36 hours.

PA7 OHS body check was not covered pre-job and post service workers.

Living wage calculation:

#Living Wage:

a. No anker wage available for the producer location, so we used the data provided by auditing company;

b. The calculation methodology refers to anker living wage structure;

c. The data comes from the local bureau of statistics for the current year.

Attachment:

The Personal Information Protection Law of the People's Republic of China was effective as of 1 November 2021, the producer signed General Terms and Conditions of Business of TUV Rheinland in China before the audit and ensured that relevant personal data and information provided to TUV Rheinland auditor(s) had been obtained the individual's consent during the audit.

Remark:

a) No contractor was used by the auditee, which makes the contractor license/permit not applicable; b) No agency was used by the auditee, which makes the agency labour contract not applicable; c) No government waiver such as Comprehensive Working Hours System waiver or social insurance waiver was obtained by the auditee, which makes the government waiver not applicable; d) No collective bargain agreements existed in the factory, which makes the collective bargain agreements not applicable.

SITE DETAILS

Site

Dongguan City TianHua
Photoelectric Technology Co.,
Ltd.

Site amfori ID

156-029924-002

GICS Classification

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

amfori Process Classifications

N.A.

NACE Classification

N.A.

GS1 Classifications

Segment	Electrical Supplies
Family	Electrical Lighting
Product Class	Electric Lamps/Light Bulbs/ Lighting

Water Stress Situation

N.A.

METRICS

Key Metrics

Total workforce	50	Workers
Legal minimum wage in local currency	1,900	Monthly
Lowest wage paid for regular work at the site	1,900	Monthly
Calculated living wage in local currency	2,293.16	Monthly
Total sample	7	Workers

Other Metrics

Male workers	34	Workers
Female workers	16	Workers
Permanent workers - Male	34	Workers
Permanent workers - Female	16	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	31	Workers
Domestic migrant workers - Female	14	Workers
Foreign migrant workers - Male	0	Workers
Foreign migrant workers - Female	0	Workers
Workers hired directly - Male	34	Workers
Workers hired directly - Female	16	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	4	Workers
Sample - Female	3	Workers

FINDINGS



PA1: Social Management System

Site: Dongguan City TianHua Photoelectric Technology Co., Ltd. | Site amfori ID: 156-029924-002

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

The auditee partially respects the principle, according to management and worker representative interview, document review and on-site observation, the factory established the social compliance management manual and procedures based on amfori BSCI principle and local legal requirement. For example, the working hours control procedure, wages and benefit management procedure and occupational health and safety management procedure. However, the auditee did not respect and monitor the effectiveness of management system. For example, how to reduce monthly overtime hours, etc. Through management interview to know that the factory did review the amfori BSCI requirements regularly and identify the issues need to improve, and the factory did follow the requirement of amfori BSCI to establish effective correct action to improve the issues, however, still have insufficient area. Not fulfil amfori BSCI system manual requirement.

被审核方部分遵守该原则, 基于管理层和工人代表访谈及文件审查和现场观察, 工厂建立了基于amfori BSCI原则和当地法律法规的社会责任系统手册和程序文件。例如, 工作时间控制程序, 工资福利程序和职业健康与安全管理程序。然而, 被审核方未充分尊重和监控管理体系的有效性。例如: 如何减少月加班时间。通过访谈管理层得知, 工厂有定期的针对amfori BSCI要求进行检查, 以识别需改进的地方, 并按照amfori BSCI要求建立有效的纠正措施来改善问题, 但仍存在不足地方。违反了amfori BSCI系统手册中的要求。

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

The auditee partially respects the principle, according to management and worker representative interview, working hour record review and on-site observation, the auditee had established capacity planning procedure. In the production planning, auditee refer actual human resource and machine resource to calculate the costs of production and delivery times. Through management interview to know that the influence of other factors in actual production process, the monthly overtime hours of employees still

被审核方部分遵守该原则, 基于管理层和工人代表访谈及工时记录审查和现场观察, 被审核方已建立产能规划程序。在生产计划中, 被审核方有根据人力资源、设备资源情况计算实际生产成本和交付时间。通过访谈管理层得知, 由于实际生产的其他因素影响, 员工的全部抽样月份加班时间仍是有超过了36小时, 工厂有待评估产能规划的有效性并且制定整改措施来改善产能规划。违反了amfori BSCI系统手册中的要求。

Finding

exceeded 36 hours in all sampled months. The factory needed to assess the effectiveness of workforce capacity planning and establish the corrective action to improve the workforce capacity planning. Not fulfil amfori BSCI system manual requirement.

PA 2: Workers Involvement and Protection

Site: Dongguan City TianHua Photoelectric Technology Co., Ltd. | Site amfori ID: 156-029924-002

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

The auditee partly respects the requirement, based on management interview, worker interview and on-site observation, the auditee didn't set up a channel for local communities' coming up with its suggestions or complaints to management for improvement. Management explain that resource was not enough to implement. Not fulfil amfori BSCI system manual requirement.

被审核方部分遵守该原则, 基于管理层访谈、工人访谈和现场观察, 发现工厂尚未创建给当地社区提供申诉的渠道。管理层表示资源不足以实施。违反了 amfori BSCI系统手册中的要求。

PA 6: Decent Working Hours

Site: Dongguan City TianHua Photoelectric Technology Co., Ltd. | Site amfori ID: 156-029924-002

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

The auditee does not respect the requirement, according to management and worker /worker representative interview, production record review, working hour and wage record review, the factory did not assess the effectiveness of workforce planning to control the overtime working, and the facility recording system did not have the capacity to flag excessive working hours, which caused the monthly overtime hours exceeded 36 hours per

被审核方未遵守该原则, 基于管理层和工人及工人代表访谈、生产记录、工时及工资记录审查, 工厂未评估产能规划的有效性来控制加班时间, 并且工厂考勤系统没有预警加班超时的功能, 导致月加班时间超过36小时。查阅了工厂提供的2022年10月1日至审核当天考勤记录并且查看了7人的考勤, 此7人的月加班时间在所有抽样月份中都超过36小时。比如下抽样的三个月: 此7人在2023年9月的最大月加班时间是48小时、在2023年5月的最大月加班时间

Finding

month. Checked attendance records from 1 Oct. 2022 to Audit date and reviewed the working time records of 7 workers, it showed that the monthly overtime hours for those 7 workers exceeded 36 hours in all sampled months. For three sampled months: the maximum monthly overtime hours of 7 workers were 48 hours in Sept. 2023, 60 hours in May 2023 and 56 hours in Oct. 2022. The maximum OT hour from 1-31 Oct. 2023 were 48 hours, 1-3 Nov. 2023 OT were 0 hour. According to management and worker interview to know that workers did not know about working hour control plan, the production supervisor notified the arrangement of overtime on weekday nights and Saturdays, workers are willing to have more overtime working to increase the income. Not fulfil PRC Labor Law, Article 41.

是60小时、在2022年10月的最大月加班时间是56小时。2023年10月1-31日的最大加班时间是48小时, 2023年11月1-3日的最大加班时间是0小时, 通过访谈管理层及员工访谈得知, 工人不知道工时控制计划, 由生产主管通知平时晚上加班以及周末加班的安排, 员工愿意多加班来提高收入。违反了中华人民共和国劳动法 第41条。

PA 7: Occupational Health and Safety

Site: Dongguan City TianHua Photoelectric Technology Co., Ltd. | Site amfori ID: 156-029924-002

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

ENGLISH

LOCAL LANGUAGE

Finding

The auditee partly respect the requirement, base on management interview, worker interview and on-site observation, it was noted that the factory did not provide regular pre-job and post service occupational health checks to 5 soldering and PCB cleaning employees. Management explain that resource was not enough and workers also not request for body check. Not fulfil Law of the People's Republic of China on the Prevention and Treatment of Occupational Diseases, Article 35

被审核方部分遵守该原则, 基于管理层访谈、工人访谈和现场观察, 发现工厂没有为5名焊锡及PCB清洁员工提供岗前及离岗职业病定期体检。管理层表示资源不足及员工没提出体检要求。违反了《中华人民共和国职业病防治法》第35条。