

---

Auditee :	<b>ShenZhen RHM Electrical Appliance Co.,Ltd</b>
Audit Date From :	<b>22/07/2020</b>
Audit Date To :	<b>22/07/2020</b>
Expiry Date of the Audit :	<b>Please refer to the producer profile in the amfori BSCI platform</b>
Auditing Company :	<b>BureauVeritas</b>
Auditor's Name(s) :	<b>Amanda Zhang(Lead), Dan Huang, Winking Guo</b>
Auditing Branch (if applicable) :	

---



This is an extract of the on line Audit Report. The complete report is available in the amfori BSCI Platform.  
Access [www.bsciplatform.org](http://www.bsciplatform.org), for entitled users only.

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.

This is an extract of the amfori BSCI Audit Report, which is available in the amfori BSCI Platform. © amfori, 2018 - The English version is the legally binding One.

## Rating Definitions



Rating	A combination of ratings per Performance Area where:	Consequence																																							
<b>A</b> <b>Very Good</b>	<ul style="list-style-type: none"><li>Minimum 7 Performance Areas rated A</li><li>No Performance Areas rated C, D or E</li></ul> These are three examples: <table><tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td></tr><tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>B</td><td>B</td><td>B</td></tr><tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td></tr></table>	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	B	B	B	A	A	A	A	A	A	A	B	B	B	B	B	B	The auditee has the level of maturity to maintain its improvement process without the need for a follow-up audit.
A	A	A	A	A	A	A	A	A	A	A	A	A																													
A	A	A	A	A	A	A	A	A	A	B	B	B																													
A	A	A	A	A	A	A	B	B	B	B	B	B																													
<b>B</b> <b>Good</b>	<ul style="list-style-type: none"><li>Maximum 3 Performance Areas rated C</li><li>No Performance Areas rated D or E</li></ul> These are three examples: <table><tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td></tr><tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>C</td></tr><tr><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>C</td><td>C</td><td>C</td></tr></table>	A	A	A	A	A	A	B	B	B	B	B	B	B	A	A	A	A	A	B	B	B	B	B	B	B	C	B	B	B	B	B	B	B	B	B	B	C	C	C	The auditee has the level of maturity to maintain its improvement process without the need for a follow-up audit.
A	A	A	A	A	A	B	B	B	B	B	B	B																													
A	A	A	A	A	B	B	B	B	B	B	B	C																													
B	B	B	B	B	B	B	B	B	B	C	C	C																													
<b>C</b> <b>Acceptable</b>	<ul style="list-style-type: none"><li>Maximum 2 Performance Areas rated D</li><li>No Performance Areas rated E</li></ul> These are three examples: <table><tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>C</td><td>C</td><td>C</td><td>C</td></tr><tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>B</td><td>B</td><td>B</td><td>B</td><td>C</td><td>C</td><td>C</td><td>D</td></tr><tr><td>C</td><td>C</td><td>C</td><td>C</td><td>C</td><td>C</td><td>C</td><td>C</td><td>C</td><td>C</td><td>C</td><td>D</td><td>D</td></tr></table>	A	A	A	A	A	A	A	A	A	C	C	C	C	A	A	A	A	A	B	B	B	B	C	C	C	D	C	C	C	C	C	C	C	C	C	C	C	D	D	The auditee needs follow up to support its progress. Following the completion of the audit, the auditee develops a Remediation Plan within 60 days.
A	A	A	A	A	A	A	A	A	C	C	C	C																													
A	A	A	A	A	B	B	B	B	C	C	C	D																													
C	C	C	C	C	C	C	C	C	C	C	D	D																													
<b>D</b> <b>Insufficient</b>	<ul style="list-style-type: none"><li>Maximum 6 Performance Areas rated E</li></ul> These are three examples: <table><tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>D</td><td>D</td><td>D</td></tr><tr><td>A</td><td>A</td><td>A</td><td>B</td><td>B</td><td>B</td><td>C</td><td>C</td><td>C</td><td>D</td><td>D</td><td>D</td><td>E</td></tr><tr><td>D</td><td>D</td><td>D</td><td>D</td><td>D</td><td>D</td><td>D</td><td>D</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td></tr></table>	A	A	A	A	A	A	A	A	A	A	D	D	D	A	A	A	B	B	B	C	C	C	D	D	D	E	D	D	D	D	D	D	D	D	E	E	E	E	E	The auditee needs follow up to support its progress. Following the completion of the audit, the auditee develops a Remediation Plan within 60 days.
A	A	A	A	A	A	A	A	A	A	D	D	D																													
A	A	A	B	B	B	C	C	C	D	D	D	E																													
D	D	D	D	D	D	D	D	E	E	E	E	E																													
<b>E</b> <b>Unacceptable</b>	<ul style="list-style-type: none"><li>Minimum 7 Performance Areas rated E</li></ul> These are three examples: <table><tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td></tr><tr><td>A</td><td>A</td><td>B</td><td>B</td><td>C</td><td>D</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td></tr><tr><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td></tr></table>	A	A	A	A	A	A	E	E	E	E	E	E	E	A	A	B	B	C	D	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	amfori BSCI Participants shall closely oversee the auditee's progress as the producer may represent a higher risk than other business partners.
A	A	A	A	A	A	E	E	E	E	E	E	E																													
A	A	B	B	C	D	E	E	E	E	E	E	E																													
E	E	E	E	E	E	E	E	E	E	E	E	E																													
<b>Zero Tolerance</b>	A Zero Tolerance Issue was identified (see amfori BSCI System Manual Part V – Annex 5: amfori BSCI Zero Tolerance Protocol)	Immediate actions are required. The amfori BSCI Zero Tolerance Protocol is to be followed.																																							

**Main Auditee Information**



Name of producer :	ShenZhen RHM Electrical Appliance Co.,Ltd		
DBID number :	402831		
Audit ID :	187453		
Address :	Block A, Huafeng Cyber park, Yanluo Industrial Estate, Chaoyang Road, Yanchuan, Songgang, Bao'an, Shenzhen		
Province :	Guangdong	Country :	China
Management Representative :	Taihua Zhu		
Contact person:	Taihua Zhu	Sector :	Non-Food
Industry Type :	Mechanical and electrical engineering	Product group :	Electrical supplies
Product Type :	Speaker		

## Audit Details



Audit Range :	<input checked="" type="checkbox"/> Full Audit	<input type="checkbox"/> Follow-up Audit
Audit Scope :	<input checked="" type="checkbox"/> Main Auditee	<input type="checkbox"/> Main Auditee & Farms
Audit Environment :	<input checked="" type="checkbox"/> Industrial	<input type="checkbox"/> Agricultural <input type="checkbox"/> Small Producer
Audit Announcement :	<input checked="" type="checkbox"/> Fully-Announced	<input type="checkbox"/> Fully-Unannounced <input type="checkbox"/> Semi-Announced
Random Unannounced Check (RUC) :	No	
Audit extent (if applicable) :	none	
Audit interferences or contingencies (if applicable) :	none	
Overall rating :	C	
Need of follow-up :	Yes	If YES, by : 22/07/2021

## Rating per Performance Area (PA)

PA 1	PA 2	PA 3	PA 4	PA 5	PA 6	PA 7	PA 8	PA 9	PA 10	PA 11	PA 12	PA 13
C	B	A	C	B	D	B	A	A	A	A	C	B

## Executive summary of audit report

ShenZhen RHM Electrical Appliance Co., Ltd (business license number: 91440300590701842T, factory name in Chinese: 深圳市皇马电器有限公司, factory address in Chinese: 深圳市宝安区松岗街道燕川社区朝阳路燕罗工业区华丰数码科技园A, was established on Feb.22, 2012 and specialized in the manufacture of Speaker. The main production processes were listed as follows: Wooden production, leathering, plug-in, assembly and packing.

The factory consisted of one 5-storey production building. Total construction was 7900 square meters. There was no dormitory, canteen was provided in the factory.

There were totally 291 employees in the factory, including 36 non-production employees and 255 production employees. There were 192 male employees and 99 female employees. The youngest employee working in the factory was 19 years old. Per factory management, the peak season was not obvious in the past year. The factory used face identified system to record working hours. The office and cleaner ran 1 shift: shift1: 7:50-12:00, 13:40-17:50 (7:45-17:45 in the production structure and including 10 minutes rest time in the morning, afternoon respectively). The workshop ran 2 shifts: shift1: 7:50-12:00, 13:40-17:50 (7:45-17:45 in the production structure and including 10 minutes rest time in the morning, afternoon respectively), shift2: 7:30-11:50, 13:40-17:40 (7:30-17:45 in the production structure and including 10 minutes rest time in the morning, afternoon respectively). Production workers were paid at hourly rate by cash at or before 7th of next month. The security guards ran 3 shifts: shift1: 8:00-16:00, shift2: 16:00-24:00, shift3: 0:00 to 8:00.

According to payroll and attendance records of 63 sampled workers (21 samples from November 2019, 21 samples from January 2020, 21 employees from the most current paid month June 2020), it was noted that the minimum wage paid to employees was CNY 12.65 per month, which was above the local minimum wage of CNY 12.64 or CNY2200 per month since Aug.1, 2018. Further, all sample employees were paid 150% of their normal wage for the overtime working hours on the normal working days and 200% of their normal wage for the overtime working hours on the rest days. No overtime working hours were noted on the statutory holidays.

According to the attendance time records for 63 sampled employees (21 samples from November 2019, 21 samples from January 2020, 21 samples from the most current paid month June 2020), it was noted that the maximum overtime hours were 2 hours a day and 82 hours a month. The maximum weekly working hours were 58 hours a week and the maximum consecutive working days were 6 days.

According to the social insurance payment receipt provided by factory management, it was noted that 124 out of 363 employees (34.16%) were provided with pension insurance and 363 out of 363 employees (100%) were provided with accident, medical, unemployment and maternity insurance in June 2020. Remark: 72 employees belong to the sales department of Xixiang Branch Company.

Further, 21 employees were selected for private interviews from different workshops. No negative comment was issued during employee interviews. Interviewed employees were satisfied with the working environment, compensation, working hour and management team in the factory.

At the end of the audit, a closing meeting was held with the factory representatives. All of the findings were disclosed and discussed and a draft corrective action plan was explained to the factory representatives. Mr. Taihua Zhu/ Factory Director agreed with the findings and signed the corrective action plan. Opening and closing meeting attendees were Mr. Weihe Ma/ Office Supervisor, Mr. Shufeng Liu/ Vice sales General Manager, Mr. Taihua Zhu/Factory Director, Ms. Aiming Guo/ Worker Representative.

### Remark:

1. There were no agencies used by the auditee, which made the agency labor contract not applicable. No Government Waivers or Collective Bargaining Agreements was available.

2. Audit company: Bureau Veritas Consumer Products Service  
Audit Company's APSCA number: 11600002.

Lead auditor name: Amanda Zhang; APSCA Auditor Registered Number: RA 21701123

Member auditor name: Dan Huang; APSCA Auditor Registered Number: RA 21701177

Member auditor name: Winking Guo; APSCA Auditor Registered Number: RA 21701131

3. Per factory management interview and document review, it was noted that the factory reduced business scope from Block A, A2, B (5th floor), B2 to Block A on March 1, 2017 and there were no business activities performed in the old location (Block A2, B (5th floor), B2) since then. However, the factory had not updated the business license to reflect the change of location as legally required. Per factory tour and employee' interview, it was noted that the

Block A2, B, B2 was used by other factories and all interviewed workers stated that they also did not work in the above buildings. Thus, Block A2, B, B2 was not including the audit scope.

## Ratings Summary



Auditee's background information			
Auditee's name :	ShenZhen RHM Electrical Appliance Co.,Ltd	Legal status :	Limited Company
Local Name :	深圳市皇马电器有限公司 (91440300590701842T)	Year in which the auditee was founded :	2012
Address :	Block A, Huafeng Cyber park, Yanluo Industrial Estate, Chaoyang Road, Yanchuan, Songgang, Bao'an,	Contact person (please select) :	Taihua Zhu
Province :	Guangdong	Contact's Email :	962994465@qq.com
City :	Shenzhen	Auditee's official language(s) for written communications :	Chinese
Region :	North East Asia	Other relevant languages for the auditee :	None
Country :	China	Website of auditee (if applicable) :	None
GPS coordinates :	N22°49'9" E113°51'56"	Total turnover (in Euros) :	55700000.00
Sector :	Non-Food	Of which exports % :	75.00
Industry :	Mechanical and electrical engineering	Of which domestic market % :	25.00
If other, please specify :		Production volume :	130000 sets per month
Product Group :	Electrical supplies	Production cost calculation :	Yes
If other, please specify :		Lost time injury calculation cost :	No
Product Type :	Speaker		

Auditee's employment structure at the time of the audit		
Total number of workers :	291	Total number of workers in the production unit to be monitored (if applicable) : 0
	MALE WORKERS	FEMALE WORKERS
Permanent workers	192	99
Temporary workers	0	0
In management positions	20	16
Apprentices	0	0
On probation	0	0
With disabilities	0	0
Migrants (national citizens)	165	81
Migrants (foreign citizens)	0	0
Workers on the permanent payroll	192	99
Production based workers	0	0
With shifts at night	4	0
Unionised	0	0
Pregnant	-	0
On maternity leave	-	0

## Finding Report



### Performance Area 1 : Social Management System and Cascade Effect

Full Audit [Audit Id - 187453] Audit Date: 22/07/2020 PA Score: C

Deadline date:21/07/2021

#### GOOD PRACTICES:

None

#### AREAS OF IMPROVEMENT:

Factory had already established social compliance management policies, procedures, manuals and organization structure to implement amfori BSCI management system. Mr. Taihua Zhu/Factory Director was appointed to Management representative to be responsible for the implementation of BSCI management system in the operation of the factory. The factory had already established policy with respect to the selection, management and monitoring of its own significant business partners. The factory had provided monitoring documents on social performance of its own significant business partners, and passed amfori BSCI COC and TOI for Business Partners to its significant business partners.

工厂已建立了社会责任管理方针、程序、手册及组织架构来执行BSCI管理体系。朱太华先生/厂长被任命为管理者代表以负责在工厂运作中实施BSCI管理体系。工厂已建立供应商的选择、管理和监控程序，提供了监控其重要商业伙伴的社会责任表现的评估文件，并将BSCI行为准则和商业伙伴专用实施条款传递给其重要的商业合作伙伴。

- 1.4 -** The factory did not recruit enough employees or effectively organize its workforce capacity to meet the expectations of the delivery order and/or contracts, so that employees' overtime hours exceeded legal limit. This violated Clause 1.4 of BSCI requirement.

审核发现工厂没有足够的员工或者进行有效的生产组织来达成交付订单和/或合同预期，以至于员工月加班超出法律规定。根据BSCI条款1.4。

#### Remarks from Auditee:

Factory management represented that they would take corrective action as soon as possible. 工厂表示尽快改善

### Performance Area 2 : Workers Involvement and Protection

Full Audit [Audit Id - 187453] Audit Date: 22/07/2020 PA Score: B

Deadline date:21/01/2021

#### GOOD PRACTICES:

None

#### AREAS OF IMPROVEMENT:

The auditee partially respects the requirement of this performance area. The facility had established policy on worker involvement and protection. Worker representatives were elected by workers publicly and fairly and quarterly communication meeting record with the management were provided for review. The annual training covered workers' rights and responsibilities, Health & Safety and facility rules. The auditee had an effective grievance mechanism; the mechanism consisted of using suggestion box, worker representation and etc. Interviewed workers reported that they were clear about the grievance procedure in the facility, but they were satisfied with their working condition in the facility, thus there was no grievance in the past 12 months. Relevant documents were maintained and provided for review. BSCI COC with poster had been posted in the Factory area and all employees can read freely. However, gaps had been identified in implementation (e.g. factory did not have any grievance mechanism for external parties.).

被审核方部分遵守本执行领域要求。工厂建立了员工参与和保护的政策。员工代表由员工公开公平选举，工厂提供了员工代表和管理层季度沟通的会议记录。年度的培训内容涵盖员工的权利和责任，健康安全以及厂纪厂规。工厂有一个有效的申诉机制，包括：意见箱、员工代表等。受访员工表示他们清楚申诉流程，但是他们对自己在工厂的工作情况比较满意，所以过去12个月没有过申诉。BSCI行为守则及海报已经张贴在厂区，员工可以自由查阅。然而，工厂在实施中仍存在差距例如：（例如，工厂目前尚未提供申诉途径给外部机构）。

- 2.5 -** Per document review and management interview, it was noted that the facility didn't establish an effective operational-level grievance mechanism for stakeholders (i.e. neighbors, factories, suppliers, local government, NGO, etc.) This violated Clause 2.5 of BSCI requirement.

通过文件审核和管理层访谈，审核员发现工厂没有建立针对利益相关方（如周边居民，工厂，供应商，当地政府，NGO等）的有效的申诉机制。根据BSCI条款2.5。

#### Remarks from Auditee:

Factory management represented that they would take corrective action as soon as possible. 工厂表示尽快改善

### Performance Area 3 : The rights of Freedom of Association and Collective Bargaining

Full Audit [Audit Id - 187453] Audit Date: 22/07/2020 PA Score: A

Deadline date:

#### GOOD PRACTICES:

None

#### AREAS OF IMPROVEMENT:

Workers' rights of freedom of association and collective bargaining were respected. The auditee did not discriminate against or dismiss workers for participating any workers' organizations. Workers were allowed to elect their representatives on their own and worker representatives were allowed to interact with workers in the workplace.

工人自由结社和集体谈判的权利得到尊重。被审核方不会因为工人参与工人组织而进行歧视或解雇。工人可以自己选择他们的代表，而工人代表可以在工作场所与工人互动。

#### Remarks from Auditee:



#### Performance Area 4 : No Discrimination

Full Audit [Audit Id - 187453] Audit Date: 22/07/2020 PA Score: C

Deadline date:21/01/2021

##### GOOD PRACTICES:

None

##### AREAS OF IMPROVEMENT:

The auditee had established non-discrimination policy and effectively cascade to all employees through trainings and posting BSCI code of conduct in the workshop. All interview employees represented that no discrimination occurred in the auditee. However, the factory did not conduct satisfaction surveys on the grievance mechanism.

受审核方建立了明确的反歧视政策并且清楚地通过培训，员工手册及BSCI行为守则张贴在生产车间等方式告知员工。所有受访员工都向审核员反映不存在歧视。但是，工厂没有进行申诉机制的满意度调查。

- 4.2 -** It was noted that the factory did not conduct satisfaction surveys on the grievance mechanism. This violated Clause 4.2 of BSCI requirement. 工厂没有进行申诉机制的满意度调查。根据BSCI条款4.2。

##### Remarks from Auditee:

Factory management represented that they would take corrective action as soon as possible. 工厂表示尽快改善

#### Performance Area 5 : Fair Remuneration

Full Audit [Audit Id - 187453] Audit Date: 22/07/2020 PA Score: B

Deadline date:21/07/2021

##### GOOD PRACTICES:

None

##### AREAS OF IMPROVEMENT:

The overall observation showed that the auditee partially respects the requirement of this performance area. The auditee kept all month payroll records since July 2019, complied with local minimum wage and overtime wage requirement to pay normal wage and overtime wage to employees, and the wages were issued in a timely manner (before 7th of month), regularly and fully in legal tender, the benefits including annual Leave, sick Leave, maternity leave etc. were provided. However, the factory did not provide social insurance to all employees.

受审核方部分尊重这个执行领域的要求。被审核方保存工厂2019年7月以来的工资记录，遵循当地最低工资标准和加班工资标准为员工支付正常工资和加班费，且会将工资按时，定期（7号前）并全额支付给员工。员工的福利包括年假，病假，产假等都已经提供。然而，工厂没有为所有员工提供社会保险。

- 5.5 -** It was noted that the factory's social insurance coverage was insufficient. According to the social insurance payment receipt provided by factory management, it was noted that 124 out of 363 employees (34.16%) were provided with pension insurance and 363 out of 363 employees (100%) were provided with accident, medical, unemployment and maternity insurance in June 2020. Remark: 72 employees belong to the sales department of Xixiang Branch Company. This violated Article 73 of the Labor Law of the People's Republic of China. No evidence proof that the insufficient coverage of social insurance was caused by the employees' unwillingness to participate in the program. Local government department did not mandatorily require factory provided all five types of social insurance to all employees.

审核员发现工厂的社会保险覆盖不足。根据厂方提供的2020年6月社会保险缴费单据显示工厂124/363名员工（34.16%）购买了养老保险，为363/363名员工（100%）购买了工伤、医疗、失业和生育保险。备注：363名员工中有72名属于西乡分公司的业务部门。根据《中华人民共和国劳动法》第73条。没有记录显示员工不愿意购买社保。当地政府部门没有强制要求工厂为所有员工购买所有五种保险。

##### Remarks from Auditee:

Factory management represented that they would take corrective action as soon as possible. 工厂表示尽快改善



## Performance Area 6 : Decent Working Hours

Full Audit [Audit Id - 187453] Audit Date: 22/07/2020 PA Score: D

Deadline date:21/07/2021

### GOOD PRACTICES:

None

### AREAS OF IMPROVEMENT:

Factory had established the procedure about working hour and overtimes according the law. face identified attendance machine was used for recording workers attendance. Normal working hour was 8 hours per day and 40 hours per week. The factory provided attendance records from July 2019 to July 2020. Maximum overtime was 2 hours per day and 1 day off after 6 days. Workers confirmed that they worked overtime voluntarily and 150%, 200% of normal rate would be compensated for overtime on normal working days, weekend. No overtime work was conducted on statutory holidays. However, 63 out of 63 sampled employees overtime working hours exceed the legal limit of 36 hours per month. 工厂依据法律要求制定了关于工作时间和加班时间的程序。人脸识别考勤系统用于记录工人出勤。正常工作时间为每天8小时，一周40小时。工厂提供了从2019年7月至2020年7月的考勤提供进行了审核，发现最长加班时间为2小时每天，保证了连续上班6天后至少休息一天。工人们表示他们加班是自愿的。平时加班，周末加班，工厂分别支付了平时工资的150%，200%。没有节日加班。但是，63/63名抽样员工的月加班时间超过了36小时的法律规定。

- 6.2 -** It was noted that 63 out of 63 sample population employees worked in excess of the statutory overtime hour limits. A review of 63 sample population employees' time records (21 sample employees from current paid month June 2020, 21 sample employees from month of January 2020 and 21 sample employees from month of November 2019) yielded the following: a) 21 out of 21 sample population employees' monthly overtime in June 2020 reached 74 hours, b) 21 out of 21 sample population employees' monthly overtime in January 2020 reached 38 hours, c) 21 out of 21 sample population employees' monthly overtime in November 2019 reached 80-82 hours, which exceeded the legal limit of 36 hours per month. This violate Article 41 of the Labor Law of the PRC. Employees could refuse to work for overtime freely, without penalty. Employees were compensated with overtime wage in accordance with legal requirement.

审核员从厂方提供的考勤记录中抽63个样本(从最近工资支付月2020年6月，从2020年1月，从2019年11月各抽21个样本)，有63名员工加班时间超出了法定标准，具体为：a) 21/21名抽样员工在2020年6月的加班时间为74小时，b) 21/21名抽样员工在2020年1月的加班时间为38小时，c) 21/21名抽样员工在2019年11月的加班时间80-82小时，超过每月加班时间不能超过36小时的法律规定。根据《中华人民共和国劳动法》第41条。员工可以自由地拒绝加班工作，没有被处罚。工厂按照法规要求支付了加班费。

### Remarks from Auditee:

Factory management represented that they would take corrective action as soon as possible. 工厂表示尽快改善

## Performance Area 7 : Occupational Health and Safety

Full Audit [Audit Id - 187453] Audit Date: 22/07/2020 PA Score: B

Deadline date:21/01/2021

### GOOD PRACTICES:

None

### AREAS OF IMPROVEMENT:

Per factory tour, document review, management interview and employees' private interview, it was noted that the auditee basically complied with occupational health and safety (OHS) regulations. The auditee established fire safety policy, the emergency evacuation plan, and also regularly carried out risk assessment for safe, healthy and hygienic working condition. The auditee regularly conducted fire drills for employees (The latest fire drill was conducted on May 29, 2020). Further, the auditee provided safety training to employees. However, gaps were identified in implementation.

通过现场走访、文件查阅、管理层访谈和员工访谈，审核发现被审核方基本遵守了适合其业务活动的职业健康与安全法规。被审核方建立了消防程序文件，应急预案等，并定期执行了有关安全、健康和卫生工作条件的风险评估，定期组织员工进行消防演习（最近一次消防演习在2020年5月29日举行），对员工进行安全培训等。但是，在实际执行中存在差距。

- 7.1 -** It was noted that the factory did not provide occupational health checks to employees in workshop who were in contact with hazardous materials yearly. This violated Article 35 Law of the People's Republic of China on the Prevention and Treatment of Occupational Diseases.

审核员发现没有为在车间接触有毒有害物质的员工提供职业病体检。根据《中华人民共和国职业病防治法》第35条。

- 7.3 -** It was noted that the factory conducted healthy and safety assessment regularly. However, the assessment did not include some main production process (e.g. wooden, leathering, plug-in, etc.). This violated BSCI 7.3.

审核员发现工厂有定期进行健康安全风险评估，但是评估没有包含主要工序（例如：木工、贴皮、插件等）。根据BSCI条款7.3。

- 7.6 -** It was noted that all employees in workshops who were in contact with dust, chemical (e.g. glue) wore medical mask instead of anti-dust/active carbon mask during the working hours. Moreover, the employees who were in contact with chemical (e.g. glue) were not wearing rubber gloves. This violated Article 42 of Law of the People's Republic of China on Production Safety.

审核员发现在工厂车间接触粉尘和化学品（例如，胶水）的员工佩戴的口罩为医用口罩而不是防尘/活性炭口罩。此外，使用化学品（例如，胶水）的员工没有佩戴橡胶手套。根据《中华人民共和国安全生产法》第42条。

- 7.7 -** It was noted that the chemical (e.g. glue) package containers used in the workshops of the factory were all not posted with a safety label. This violated Article 14 of the Regulation For Chemical Usage Safety in Work Place.

审核员发现工厂车间使用的化学品分装容器（胶水等）均没有张贴安全标签。根据《工作场所安全使用化学品规定》第14条。

- 7.22 -** It was noted that the factory did not set toilet paper and hand washing liquid in the toilet for workers. This violated BSCI 7.22.

审核员发现工厂没有在洗手间为员工提供纸巾和洗手液。根据BSCI条款7.22。

### Remarks from Auditee:

Factory management represented that they would take corrective action as soon as possible. 工厂表示尽快改善

Performance Area 8 : No Child Labour	
Full Audit [Audit Id - 187453] Audit Date: 22/07/2020 PA Score: A	Deadline date:
<b>GOOD PRACTICES:</b> None	
<b>AREAS OF IMPROVEMENT:</b> <p>The the auditee fully respected the requirement of this performance area. Formal child labor prohibition policy was established to prohibit to use children labor below 16 years old and there was specific guideline for auditee to avoid hiring workers below 16 years old. Through management interview, worker representative interview and employee interview, all knew the child labor forbidden policy and confirmed no child labor in the factory.</p> <p>受审核方完全尊重这个执行领域的要求。被审核方建立了禁止使用童工的程序，禁止招聘16周岁以下的员工，以及如何避免招聘16周岁以下的员工。员工面谈，员工代表面谈和管理层面谈都证实清楚的知晓禁止童工政策并且确定工厂没有童工。</p>	
<b>Remarks from Auditee:</b>	
Performance Area 9 : Special protection for young workers	
Full Audit [Audit Id - 187453] Audit Date: 22/07/2020 PA Score: A	Deadline date:
<b>GOOD PRACTICES:</b> None	
<b>AREAS OF IMPROVEMENT:</b> <p>Perdocument review, management interview and employees'private interview, it was noted that the auditee had established Young Worker Management Procedure which established necessary mechanisms to prevent, identify and mitigate harm to young workers. Moreover, in the grievance mechanisms it was regulated that workers can lodge grievances if there was young worker not identified or not protected.</p> <p>通过文件查阅、管理层访谈和员工访谈，审核发现工厂建立了预防、识别和减轻对未成年工伤害的未成年工特殊保护程序，并有未成年工的申诉机制来全部该程序执行。</p>	
<b>Remarks from Auditee:</b>	
Performance Area 10 : No Precarious Employment	
Full Audit [Audit Id - 187453] Audit Date: 22/07/2020 PA Score: A	Deadline date:21/01/2021
<b>GOOD PRACTICES:</b> None	
<b>AREAS OF IMPROVEMENT:</b> <p>The auditee had established clear recruit policies to respect local law requirements, provided compliant labor contract to employees. Confirmed through employee and employee representative interview, they needed to sign standard labor contracts with factory and they kept one labor contract. However, the facts, harmful effects, consequences, protective measures and necessary treatment of occupational diseases were not communicated to relevant employees and also not indicated in their employment contracts.</p> <p>受审核方建立了清楚地招聘程序来遵守当地的法规要求，提供合规的劳动合同给到员工。通过员工和员工代表面谈，确认所有员工进厂时必须签标准的劳动合同，并且他们自己都留有一份合同。但是，工厂没有与员工沟通可能会产生职业病的危害及其后果、职业病防护措施和待遇等，也没有在在劳动合同中写明。</p> <p><b>10.3 -</b> It was noted that occupational disease might result in the work process of some employees in the factory (e.g. employees in the wooden production workshop who were in contact with dust and high noise might result in relevant occupational disease.). However, the facts, harmful effects, consequences, protective measures and necessary treatment of occupational diseases were neither communicated to relevant employees nor indicated in their employment contracts. This violated Article 33 Law of the People's Republic of China on the Prevention and Treatment of Occupational Diseases. The factory had established occupational health policy and posted occupational disease warning in the workshop.</p> <p>审核员发现工厂的一些工作过程有可能产生职业病(例如：木加工车间的员工接触粉尘和噪声可能导致相关职业病)。但是工厂并没有与员工沟通可能会产生职业病的危害及其后果、职业病防护措施和待遇等，也没有在劳动合同中写明。根据《中华人民共和国职业病防治法》第33条。工厂已经建立职业健康安全的程序文件并且在现场有张贴职业危害告知卡。</p>	
<b>Remarks from Auditee:</b> Factory management represented that they would take corrective action as soon as possible. 工厂表示尽快改善	
Performance Area 11 : No Bonded Labour	
Full Audit [Audit Id - 187453] Audit Date: 22/07/2020 PA Score: A	Deadline date:
<b>GOOD PRACTICES:</b> None	
<b>AREAS OF IMPROVEMENT:</b> <p>The auditee didn't limit the employees' freedom including resignation or ask for leave from the factory. The inhumane or degrading treatment, corporal punishment, mental or physical coercion and/or verbal abuse never occurred. There was no prison labour or forced labour. No ID card or wage was withheld by factory. It was observed that workers were working without pressure. Disciplinary measures were all reasonable: Verbal warning, warning letter and termination.</p> <p>被审核方没有限制员工的自由，包括离职或请假。工人从未受到不人道或有辱人格的待遇、体罚、精神或肉体胁迫和/或辱骂。工厂里没有监狱劳工或强迫劳动。工厂没有扣留工人的身份证和工资。员工在工厂里没有压力。处罚措施是合理的，处罚措施包括：口头警告，警告信和解雇。</p>	
<b>Remarks from Auditee:</b>	

## Performance Area 12 : Protection of the Environment

Full Audit [Audit Id - 187453] Audit Date: 22/07/2020 PA Score: C

Deadline date:21/07/2021

### GOOD PRACTICES:

None

### AREAS OF IMPROVEMENT:

Factory had established a policy based on BSCI standards and local law requirements to identify and reduce the impacts of its activities to the environment. The factory had established environmental protection policy. However, Environmental Impact Assessment report and the approval document for on-site inspection and acceptance of completed environmental protection facilities was not obtained.

工厂基于BSCI的标准和当地法规要求建立了环境的方针和目标以识别和减少其生产活动对于环境的影响。工厂建立了环境保护的政策。但是，工厂没有取得环评报告及环保验收文件。

- 12.1 -** It was noted that the factory did not work out the report of environmental impacts, the report form of environmental impacts or the registration form of environmental impacts of the construction of the facility. This violated Article 16 of Law of the People's Republic of China on Appraising of Environment Impacts.

审核员发现工厂未有办理环评文件。根据《中华人民共和国环境影响评价法》第16条。

- 12.3 -** It was noted that factory management was unable to provide the approval document for on-site inspection and acceptance of completed environmental protection facilities for review. This Article 17 of the Regulations on Environmental Protection Check.

审核员发现工厂未能提供建设项目竣工环境保护验收文件。根据《建设项目竣工环境保护验收管理办法》第17条。

### Remarks from Auditee:

Factory management represented that they would take corrective action as soon as possible. 工厂表示尽快改善

## Performance Area 13 : Ethical Business Behaviour

Full Audit [Audit Id - 187453] Audit Date: 22/07/2020 PA Score: B

Deadline date:21/01/2021

### GOOD PRACTICES:

None

### AREAS OF IMPROVEMENT:

The auditee had established written ethic policy and none of any act of corruption, or any form of bribery in its activity was noticed during this audit. The auditee kept accurate information regarding its own activities, structure and performance during this audit. However, the factory did not update the address on the business license timely.

被审核方制定了书面的廉政政策并且在审核过程中并没有发现任何腐败或贿赂的商业行为。此次审核中被审核方保留了有关其商业活动、架构和绩效的准确信息。但是，工厂没有及时的更新营业执照上面的地址。

- 13.2 -** It was noted that the factory reduced business scope from Block A, A2, B (5th floor), B2 to Block A on March 1, 2017 and there were no business activities performed in the old location (Block A2, B (5th floor), B2) since then. However, the factory had not updated the business license to reflect the change of location as legally required. This violated Article 17 of Enterprises Legal Representative Registration Management Regulation of the People's Republic of China.

审核员发现工厂地址自2017年3月1日发生了变更，由A栋、A2栋、B栋、B2栋(B栋5楼)变成A栋，并且在部分旧的地址（A2栋、B栋、B2栋(B栋5楼)）已经没有商业活动，但工厂的营业执照并没有依据地址的变更而进行更新。根据《中华人民共和国企业法人登记管理条例》第17条。

### Remarks from Auditee:

Factory management represented that they would take corrective action as soon as possible. 工厂表示尽快改善

## Summary



Audit Type	Date	Audit Id	PA1	PA2	PA3	PA4	PA5	PA6	PA7	PA8	PA9	PA10	PA11	PA12	PA13	Overall Rating
Full Audit	22/07/2020	187453	C	B	A	C	B	D	B	A	A	A	A	C	B	C

**Producer Photos**



External photo(s) of the production unit(s)  
Assembly and packing.JPG



External photo(s) of the production unit(s)  
Assembly.JPG



External photo(s) of the production unit(s)  
Attendance record device.JPG



External photo(s) of the production unit(s)  
BSCI CoC posted in the factory.JPG



External photo(s) of the production unit(s)  
Drinkable water.JPG



External photo(s) of the production unit(s)  
Evacuation plan.JPG



External photo(s) of the production unit(s)  
Exit sign and emergency light testing.JPG



External photo(s) of the production unit(s)  
Exit sign and emergency light.JPG



External photo(s) of the production unit(s)  
Eye washer.JPG



External photo(s) of the production unit(s)  
Factory gate.JPG



External photo(s) of the production unit(s)  
Factory name.JPG



External photo(s) of the production unit(s)  
Fire alarm testing.JPG



External photo(s) of the production unit(s)  
Fire alarm.JPG



External photo(s) of the production unit(s)  
Fire extinguishers.JPG



External photo(s) of the production unit(s)  
Fire hydrant testing.JPG





External photo(s) of the production unit(s)  
Fire hydrant.JPG



External photo(s) of the production unit(s)  
First aid kit.JPG



External photo(s) of the production unit(s)  
NC-7.6 No rubber gloves.JPG



External photo(s) of the production unit(s)  
NC-7.6 Wrong type mask.JPG



External photo(s) of the production unit(s)  
NC-7.7 No safety label.JPG



External photo(s) of the production unit(s)  
Plugging.JPG



External photo(s) of the production unit(s)  
PPE worn slogan.JPG



External photo(s) of the production unit(s)  
Production building.JPG



External photo(s) of the production unit(s)  
Suggestion box.JPG



External photo(s) of the production unit(s)  
Toilet.JPG



External photo(s) of the production unit(s)  
Warehouse.JPG



External photo(s) of the production unit(s)  
Warning sign.JPG