

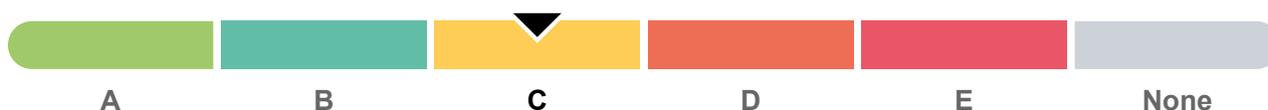
Monitored Party Taizhou Guangjia Crafts Co., Ltd.	amfori ID 156-042554-000	Address No.19-4 Huimin Road, Beicheng Development Zone, Huangyan, 318020 TAIZHOU, Zhejiang Sheng, China
Monitoring Activity amfori Social Audit - Manufacturing	Monitoring Type Full Monitoring	Monitoring Partner Bureau Veritas Hong Kong Limited
Monitoring Start Date 18/11/2024	Closing Meeting Finished Date 18/11/2024	Submission Date 25/11/2024
Expiration Date 25/11/2025	Announcement Type Semi Announced	
Site Taizhou Guangjia Crafts Co., Ltd.	Site amfori ID 156-042554-001	

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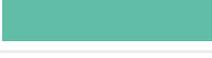
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OVERALL RATING



SECTION RATING

PA1: Social Management System	C	
PA 2: Workers Involvement and Protection	B	
PA 3: The Rights of Freedom of Association and Collective Bargaining	A	
PA 4: No Discrimination, Violence or Harassment	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, Forced Labour or Human Trafficking	A	
PA 12: Protection of the Environment	A	
PA 13: Ethical Business Behaviour	B	

GENERAL DESCRIPTION

Name of lead auditor: James Cheng; APSCA membership number: CSCA 21702362

Name of team auditor (if applicable): N/A; APSCA membership number: N/A

Name of observers, translators, trainees, advisors/consultants (if applicable): N/A

Monitoring partner name: Bureau Veritas Consumer Products Service; Audit Company APSCA Number: 11600002

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

Monitoring Date: November 18, 2024

Factory name: Taizhou Guangjia Crafts Co., Ltd. 台州市广佳工艺品有限公司

Factory address: No.19-4 Huimin Road, Beicheng Development Zone, Huangyan, Taizhou City, Zhejiang Province, China
浙江省台州市黄岩区北城街道惠民路19-4号

Business license number: 91331003MABWMC6R89

The factory was established on September 2, 2022; and specialized in the manufacture of wooden crafts. Main production activities were wood processing, paint spraying, drawing, silkscreen printing, assembling and packing. Relevant peak season in the facility was not obvious.

The 5-storey building and the 2-storey building in which the factory was located were leased, half of the 1st floor of the 5-storey building was occupied by another independent entity specialized in mold processing. Auditor was allowed to tour the whole areas, and it was noted no hazardous issue or worker exchange was noted during this audit. Thus, the other entity was not included within the audit scope. The total construction area occupied by the auditee was about 7000 square meters. No canteen, dormitory or transportation was provided.

Building Layout:

Building No.1

1st floor: Warehouse. Workshop of another entity specialized in mold processing.

2nd floor: Warehouse, assembly and packing workshop.

3rd floor: Color drawing and silk-screen printing workshop.

4th floor: Color drawing and silk-screen printing workshop.

5th floor: Office.

Building No.2

1st floor: Wood processing, paint spraying workshop, warehouse.

2nd floor: Warehouse, assembly and packing workshop.

The factory had 26 employees (male: 10, female: 16), including 8 non-production employees and 18 production employees (male: 7, female: 11). There were 13 domestic migrants (male: 6, female: 7). The youngest employee in the factory was 24 years old. No foreign migrant, young, pregnant women, seasonal, temporary, disabled or home-based workers were noted in this factory. And there were no other special group workers (interns, apprentices, contractor workers etc.), either.

The factory adopted face recognition attendance recording machines to record workers' working time. Production employees ran one shift (07:30 to 17:00, with 1.5 hours rest from 11:30 to 13:00). Production workers were paid directly at a monthly rate no later than the 25th of the following month in cash.

According to the review of the 15 sample population employees' wage and attendance records (5 samples each from September 2024, July 2024 and February 2024), it was noted that all sampled employees were paid at least CNY3130 per month, which was not lower than the local legal minimum wage requirement of CNY2260 per month since January 2024 and CNY2070 per month since August 2021; All employees were paid 150% of normal wage for overtime worked on weekdays and 200% of normal wage for overtime worked on rest days; which was in compliance with the local law; no overtime on holidays was noted. The maximum overtime working hours were 2 hours a weekday and 78 hours a month. The maximum weekly working hours were 58 hours. The longest consecutive working days were 6 days.

Insufficient social insurance coverage. There were 26 employees in the factory in September 2024, including 8 hired retirees. Thus, 18 employees in the factory need to participate in the social insurance program. According to the social insurance payment receipt provided by factory management, it was noted that only 9 out of 18 employees (50.00%) were provided with pension, medical, unemployment, accident and maternity insurance in September 2024. All 26 employees were provided with commercial accident insurance, which was valid from April 16, 2024 to April 15th, 2025.

The attendance records were cross-checked against production records and confidential interviews were conducted with 5 employees from different departments. No inconsistency regarding working hours was found.

Good practice:

1. 15 minutes break was provided respectively in the morning and afternoon during the 8 hours regular working hours.
2. Hygiene kits were provided in workshops.

Worker organization details: 1 worker representative was elected by fellow workers in October 2024. The facility did not interfere with the establishment, functioning or administration of worker organization or collective bargaining.

At the end of the audit, a closing meeting was held with the factory representatives. All findings were disclosed and discussed, and a corrective action plan was explained to the factory representatives. Ms. Xie Yongya, Vice General Manager, agreed with the findings and signed the corrective action plan.

There was no special circumstance during the audit.

Opening meeting and closing meeting factory representatives (name and titles)

Ms. Xie Yongya, Vice General Manager

Ms. Xu Linghong, Worker Representative

Non-compliances were noted in PA1 (1.1, 1.4), PA2 (2.4, 2.5), PA5 (5.5), PA6 (6.2), and PA7 (7.7, 7.13), and PA13 (13.4); please refer to relevant PA in report for details.

Remark:

1. There are no agencies or contractor used by the auditee, which makes the contractor license and agency labour contract not applicable. No collective bargaining agreement was available. There is no government waiver obtained by the auditee, which makes the Government waivers not applicable.

2. Living wage was provided by auditing company; please refer to the BNW in attachment for details. BV has used the methodology which is similar with Anker Benchmark methodology to estimate the living wage by estimating the cost of a basic but decent lifestyle for a worker and his/her family. This involves adding up the cost of three expenditure groups: food (for a low-cost nutritious diet), housing (for basic healthy housing), and other essential expenses for a family, and then adding a small margin for sustainability and emergencies. The reason BV does not use Anker benchmark is no data in GLWC for the area where the factory is located. The data source: onsite audit information collection (BV BNW).

SITE DETAILS

Site
Taizhou Guangjia Crafts Co., Ltd.

Site amfori ID
156-042554-001

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	26	Workers
Legal minimum wage in local currency	2,260	Monthly
Lowest wage paid for regular work at the site	3,130	Monthly
Calculated living wage in local currency	2,353.84	Monthly
Total sample	5	Workers

Other Metrics

Male workers	10	Workers
Female workers	16	Workers
Non-binary workers	0	Workers
Permanent workers - Male	10	Workers
Permanent workers - Female	16	Workers
Permanent workers - Non-binary	0	Workers
Temporary workers - Male	0	Workers
Temporary workers - Female	0	Workers
Temporary workers - Non-binary	0	Workers
Seasonal workers - Male	0	Workers
Seasonal workers - Female	0	Workers
Seasonal workers - Non-binary	0	Workers
Management - Male	2	Workers
Management - Female	2	Workers
Management - Non-binary	0	Workers
Apprentices - Male	0	Workers
Apprentices - Female	0	Workers
Apprentices - Non-binary	0	Workers
Workers on probation - Male	0	Workers
Workers on probation - Female	0	Workers
Workers on probation - Non-binary	0	Workers
Workers with night shift - Male	0	Workers
Workers with night shift - Female	0	Workers
Workers with night shift - Non-binary	0	Workers
Workers with disabilities - Male	0	Workers
Workers with disabilities - Female	0	Workers
Workers with disabilities - Non-binary	0	Workers
Domestic migrant workers - Male	6	Workers
Domestic migrant workers - Female	7	Workers
Domestic migrant workers - Non-binary	0	Workers
Foreign migrant workers - Male	0	Workers

Foreign migrant workers - Female	0	Workers
Foreign migrant workers - Non-binary	0	Workers
Workers hired directly - Male	10	Workers
Workers hired directly - Female	16	Workers
Workers hired directly - Non-binary	0	Workers
Workers hired indirectly - Male	0	Workers
Workers hired indirectly - Female	0	Workers
Workers hired indirectly - Non-binary	0	Workers
Unionised workers - Male	0	Workers
Unionised workers - Female	0	Workers
Unionised workers - Non-binary	0	Workers
Workers under CBA - Male	0	Workers
Workers under CBA - Female	0	Workers
Workers under CBA - Non-binary	0	Workers
Pregnant workers	0	Workers
Workers on parental leave - Male	0	Workers
Workers on parental leave - Female	0	Workers
Workers on parental leave - Non-binary	0	Workers
Sample - Male	2	Workers
Sample - Female	3	Workers
Sample - Non-binary	0	Workers

FINDINGS



PA1: Social Management System

Site: Taizhou Guangjia Crafts Co., Ltd. | Site amfori ID: 156-042554-001

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>The main auditee partially respected this principle. Per onsite tour, document review, and interviews; the facility had set up management procedures to implement the amfori BSCI Code of Conduct, they performed well in amfori BSCI Performance area of No Child Labour, No Discrimination and The rights of Freedom of Association and Collective Bargaining; but not all policies were properly implemented; for example, in amfori BSCI Performance area of Decent Working Hours, the monthly overtime hours of selected employees exceeded the legal requirement.</p> <p>This violated Performance Area 1: Social Management System and Cascade Effect 1.1.</p>	<p>被审核方部分遵守本原则。根据现场查看，文件查阅和访谈；企业建立了确保amfori BSCI COC有效实施的管理制度；在禁止使用童工，禁止歧视和结社自由与集体谈判权等领域表现良好；但不是所有制度都得以有效实施；比如在体面工作时间领域，抽样员工的月加班时间违反了法律要求。</p> <p>根据执行领域1：社会责任管理体系和级联效应1.1.</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>The main auditee partially respected this principle. Per document review and interviews, the facility had established the written procedure on calculation of the costs of production and delivery times; the facility calculated production capacity to schedule production to meet the requirement of orders and delivery dates; but the facility's workforce capacity was not properly organized to meet the expectations of the delivery order or contracts, and employees' overtime hours exceeded the legal requirement.</p> <p>This violated Performance Area 1: Social Management System and Cascade Effect 1.4.</p>	<p>被审核方部分遵守本原则。根据文件查阅和访谈；企业建立了书面的核算生产成本和订单周期的制度；企业进行了产能的计算，来安排生产以满足订单和交期要求；但企业的人力资源没有合适的进行组织以达到交付订单或合同的预期要求，并且员工加班时间超过法规要求。</p> <p>根据执行领域1：社会责任管理体系和级联效应1.4.</p>



PA 2: Workers Involvement and Protection

Site: Taizhou Guangjia Crafts Co., Ltd. | Site amfori ID: 156-042554-001

Question: 2.4 Is there satisfactory evidence that the auditee builds sufficient competence among managers, workers and workers representatives to successfully embed responsible practices in the business operation?

ENGLISH	LOCAL LANGUAGE
Finding	
<p>The main auditee partially respected this principle. Per onsite tour and document review, the factory posted BSCI COC publicly and provided BSCI training to all employees. However, 2 out of 5 sampled employees were not familiar with some content and concepts of amfori BSCI COC during interviews, e.g., CBA.</p> <p>This violated Performance Area 2: Workers Involvement and Protection 2.4.</p>	<p>被审核方部分遵守本原则。根据现场查看和文件查阅，工厂有张贴BSCI的行为准则且有提供关于社会责任的培训。但访谈时抽样5名员工中有2名并不熟悉amfori BSCI行为守则的部分内容和概念，如集体谈判权。</p> <p>根据执行领域2：工人参与度和保护-2.4改善。</p>

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	
<p>The main auditee partially respected this principle. Based on document review, onsite tour and interviews, grievances within the auditee were regularly collected, followed and recorded. However, it was found that no satisfaction indicator was set up and no regular survey was carried out to ensure and improve the effectiveness of the grievance mechanism.</p> <p>This violated Performance Area 2: Workers Involvement and Protection 2.5.</p>	<p>被审核方部分遵守本原则。根据文件查阅，现场查看和访谈，工厂定期收集，跟进和记录了工厂内的申诉。但被审核方未设立申诉机制的满意度指标及进行定期的调查以确保并改善其申诉机制的有效性。</p> <p>根据执行领域2：工人参与度和保护-2.5改善。</p>

PA 5: Fair Remuneration

Site: Taizhou Guangjia Crafts Co., Ltd. | Site amfori ID: 156-042554-001

Question: 5.5 Is there satisfactory evidence that the auditee provides workers with the social benefits that are legally granted without negative impact on their pay, level of seniority, position, or promotion prospects?

ENGLISH	LOCAL LANGUAGE
Finding	
<p>The main auditee did not respect this principle. Per document review and interviews, social insurance coverage was insufficient. There were 26 employees in the factory in September 2024, including 8 hired retirees. Thus, 18 employees in</p>	<p>被审核方未遵守本原则。根据文件查看和访谈，工厂的社会保险覆盖不足。2024年9月，包括8名返聘员工在内，工厂共有26名员工，其中18名员工需要参加社会保险。根据厂方提供的2024年9月社会保险缴费单据显示工厂仅为9/18名 (50.00%) 员工提供了</p>

Finding

the factory need to participate in the social insurance program. According to the social insurance payment receipt provided by factory management, it was noted that only 9 out of 18 employees (50.00%) were provided with pension, medical, unemployment, accident and maternity insurance in September 2024. All 26 employees were provided with commercial accident insurance, which was valid from April 16, 2024 to April 15th, 2025.

In accordance with Article 73 of the Labour Law of the People's Republic of China.

The facility management explained that employees were voluntary to participate in the social insurance program. The facility respected the choice of the employees. Per employee interview, they confirmed that they refused the social insurance.

养老，医疗，生育，工伤和失业保险。工厂为所有26名员工都购买了商业意外险，有效期为2024年4月16日至2025年4月15日。

根据《中华人民共和国劳动法》第73条。工厂管理人员解释社保是自愿的，工厂尊重员工的选择。通过员工访谈，部分员工确认他们自己拒绝了社保。

PA 6: Decent Working Hours

Site: Taizhou Guangjia Crafts Co., Ltd. | Site amfori ID: 156-042554-001

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

The main auditee did not respect this principle. Per document review and interviews, employees monthly overtime hours exceed legal requirement. According to the payroll and attendance records of 5 sampled workers each in September 2024, July 2024 and February 2024; it was noted that 5 out of 5 sampled workers in September 2024 worked 70 hours overtime work a month, 5 out of 5 sampled workers in July 2024 worked 78 hours overtime work a month, which exceeded the statutory overtime hour limits of 36 hours a month.

This violated Article 41 of the Labour Law of the PRC.

The facility did not take actions to control workers excessive overtime hours, nor had it established the reasonable production schedule. Thus, workers overtime systematically exceeding legal requirements in the sampled month. The employees stated that the overtime was voluntary.

被审核方未遵守本原则。根据文件查看和访谈，工厂员工月加班时间超出法定标准。根据抽样的2024年9月5名员工，2024年7月5名员工和2024年2月5名员工的工资和考勤记录，2024年9月5/5名员工月加班70小时，2024年7月5/5名员工月加班78小时，超过法律规定的36小时每月。

根据《中华人民共和国劳动法》第41条。

工厂没有采取措施来控制工人过多加班，也没有制定合理的生产排期。因此，在抽样的月份员工加班都系统性超过法律要求。员工说加班是自愿的。

PA 7: Occupational Health and Safety

Site: Taizhou Guangjia Crafts Co., Ltd. | Site amfori ID: 156-042554-001

Question: 7.7 Is there satisfactory evidence that the auditee implements engineering and administrative control measures to avoid or minimise the release of hazardous substances into the work environment, keeping the level of exposure below internationally established or recognised limits?

ENGLISH	LOCAL LANGUAGE
Finding	
<p>1. The main auditee did not respect this principle. Per onsite tour, document review and interview, chemical management policy was established. MSDS was available where chemicals were used and stored, and employees were made aware of the chemical safety risks through training. However, it was noted that there was no anti-leakage facility (e.g., secondary container) for about 50% of all chemicals (e.g. paint) being used in workshops. In accordance with article 20 of Regulation for Safety of Hazardous Chemical</p> <p>2. The main auditee did not respect this principle. Per onsite tour, document review and interview, chemical management policy was established. MSDS was available where chemicals were used and stored, and employees were made aware of the chemical safety risks through training. However, it was noted that containers of transferred hazardous chemicals (e.g. paint) were not posted with safety labels. In accordance with Article 14 of the Regulation For Chemical Usage Safety in Work Place</p>	<p>1) 被审核方未遵守本原则。根据现场查看,文件查阅和访谈,工厂建立了化学品管理程序,工厂化学品存储和使用的地方都有MSDS,工厂给员工提供了化学品培训,员工都清楚化学品安全风险。然而,审核员发现工厂没有为全厂车间正在使用的50%的化学品(如漆)设置防渗漏设施/二次容器。根据《危险化学品安全管理条例》第20条</p> <p>2) 被审核方未遵守本原则。根据现场查看,文件查阅和访谈,工厂建立了化学品管理程序,工厂化学品存储和使用的地方都有MSDS,工厂给员工提供了化学品培训,员工都清楚化学品安全风险。但是审核员发现工厂没有为分装过的危险化学品容器(如漆)张贴安全标签。根据《工作场所安全使用化学品规定》第14条</p>

Question: 7.13 Is there satisfactory evidence that the auditee makes sure a competent person periodically checks the electrical installations and equipment?

ENGLISH	LOCAL LANGUAGE
Finding	
<p>The main auditee partially respected this principle. Based on document review, onsite tour and interviews, electrical installations in the factory were properly protected and labelled, monthly inspection was conducted, and electricity safety training was provided. However, it was noted that the electric circuit in each one opened electricity switch box in the wood processing area and the assembling area was exposed without inner insulation protective device.</p>	<p>被审核方部分遵守本原则。根据文件查阅,现场查看和访谈,工厂电器设备有良好的保护和标识,电工每月会对电器设备做检查,也给员工提供了电器安全培训。但审核员发现工厂木工车间和组装车间各1个打开的电开关盒内的电线裸露,没有安装内部绝缘装置。根据《用电安全导则GB/T13869-2017》第5.1.2条</p>

Finding

In accordance with Article 5.1.2 of the General Guide for Safety of Electric User (GB/T13869-2017)

PA 9: Special Protection for Young Workers

Site: Taizhou Guangjia Crafts Co., Ltd. | Site amfori ID: 156-042554-001

Question: 9.2 CRUCIAL: Is there satisfactory evidence that young workers' working hours do not prejudice their attendance at school, their participation in vocational orientation approved by the competent authority or their capacity to benefit from training or instruction programmes?

ENGLISH

LOCAL LANGUAGE

Finding

No young worker was noted in the factory.

工厂内没有发现未成年工。

Question: 9.6 Is there satisfactory evidence that the auditee has a good overview of all young workers engaged in its production site?

ENGLISH

LOCAL LANGUAGE

Finding

No young worker was noted in the factory.

工厂内没有发现未成年工。

PA 13: Ethical Business Behaviour

Site: Taizhou Guangjia Crafts Co., Ltd. | Site amfori ID: 156-042554-001

Question: 13.4 Is there satisfactory evidence that the auditee collects uses and otherwise processes personal information with reasonable care and in accordance with privacy and information security laws and regulatory requirements?

ENGLISH

LOCAL LANGUAGE

Finding

The main auditee did not respect this principle. Per document review, procedures on privacy protection were established. However, per onsite tour and interviews, it was noted that no mechanism was established to ensure personal information was processed with reasonable care within the facility. In accordance with Performance Area 13: Ethical Behaviour-13.4

被审核方没有遵守本原则。根据文件查看，工厂建立了隐私保护程序。根据现场查看和访谈，审核员发现工厂没有建立有效机制以保证个人信息得到合理谨慎处理。
根据执行领域 13: 道德的商业行为-13.4