

Monitoring result for Dongguan Shengming Industrial Co., Ltd. on site Dongguan Shengming Industrial Co., Ltd.

Monitoring

Monitored Party : Dongguan Shengming Industrial Co., Ltd.
amfori ID : 156-023140-000
Site : Dongguan Shengming Industrial Co., Ltd.
Site amfori ID : 156-023140-001
Address : Tiansheng Lake Village Group, Rome Road, Qingxi Town
: DONGGUAN
: Guangdong Sheng
: China
Monitoring Activity : amfori Social Audit - Manufacturing
Monitoring Type : Full Monitoring
Monitoring Partner : SGS
Monitoring Start Date : 21/10/2022
Closing Meeting : 28/10/2022
Finished Date :
Submission Date : 28/10/2022
Expiration Date : 28/10/2023

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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	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

[Legal entity and business license]

Dongguan Shengming Industrial Co., Ltd. is located at Tiansheng Lake Village Group, Rome Road, Qingxi Town, Dongguan City, Guangdong Province, China. Factory has been operating at this location since 2016. The factory registered in Market Supervision Administration of Dongguan, having unified social credit code 91441900MA4UTBC30B dated on 1st Aug, 2016 with forever operational term. The factory rented the sites from Xin Bao Ying Properties on July 1, 2016 for a term until June 30, 2031.

[Production overview/Physical audit scope]

The audited factory used one 4-storey production building as production and warehouse, one 1-storey building as warehouse, one 5-storey dormitory building as office and employee' bedrooms.

The layout of each building is as below:

Building 1, 1F: Warehouse, the factory will return the floor back to properties in the end of 2022. (Area: 1400 S.Q. meters)

2F: Warehouse (Area: 1400 S.Q. meters)

3F: Assembly and Packing (Area: 1400 S.Q. meters)

4F: Warehouse and Canteen (Area: 1400 S.Q. meters)

Building 2, 1F: Warehouse (Area: 285 S.Q. meters)

Building 3, 1F-3F: Office (Area, 400 S.Q. meters per floor)

4F-5F: Dormitory (Area, 400 S.Q. meters per floor)

[Main products]

The main products manufactured in the factory were hairdressing tools.

The main production activities included assembly and packing.

Production Capacity is about 600,000 pieces Per Year.

[Audit process]

This was 1 Man Day site audit and one auditor conducted opening meeting, Plan Tour, Worker and Management Interview, Document Review and Closing Meeting. The audit was conducted in good professional working environment and auditee was very supportive and cooperative throughout the audit activities.

Opening Meeting: The opening meeting of this amfori BSCI audit was started at facility with the words of thanks from SGS, after that brief introduction of audit team was given to the participants. The audit methodology, confidentiality policy of SGS, Zero Tolerance Protocol and methodology of reporting the audit results were thoroughly briefed by the Lead Auditor. Before proceeding to the audit, the audit scope and criteria were reaffirmed and audit itinerary/ plan, which had been forwarded to the organization, was agreed. The auditor described the whole audit process, criteria, scope, and explained the amfori BSCI code of conduct, amfori BSCI holistic approach and local laws in detail to the extent these are related to the audit. Management of the facility assured the auditor of facilitation throughout the audit process. The auditor explained and presented SGS's Integrity Declaration Forms and Audit Cooperation & Confidentiality Declaration to the facility management and Ms. Yu Aifei/Manager agreed and signed the name.

Health and Safety Tour: All areas of the facility processes were visited during the audit. The auditor conducted the physical tour at the entire premises of the facility detailed as per following information. At the time of facility visit attitude of the facility management was good.

On the day of audit, there were 49 employees present which included management staff and 5 sampled workers were selected for interview and the working hours and payroll records of them were selected.

A detailed site visit was conducted for the complete facility in order to verify Health & Safety and Environment part of the audit protocol. Workers were interviewed on one to one and focus group basis conducted by the auditor to ensure that BSCI requirements related to Forced Labour, Child Labour, Health and Safety, Freedom of Association, Disciplinary practices, Remuneration, Discrimination, Management Systems, Working Hours and Environment are being fulfilled. Attendance Record, Salary Sheets, Payment Slips, Contract Letters, Age Verification Procedure, Overtime Procedure, HSE Training records, Inspections, Employee Committee Meeting Minutes, Management Review Meeting Minutes and internal monitoring records of workers were verified.

The closing meeting was carried out by the Lead Auditor explaining all the elements of CAP and further processing.

The CAP was agreed and copy of it along with Finding report was also given to the factory.

[Working hours information]

During the audit, employees regularly working hours were 5 days per week and 8 hours per day. All employees worked in one shift except guards worked in two shifts. The factory sometimes arranged 2 hours OT in working days, usually arranged 8~10 hours OT on Saturdays. Not any OT was arranged on Sunday and public holidays. The maximum weekly working hours were 58 hours. The maximum daily/monthly overtime hours were 2/88 hours. Per factory management, the peak season was not obvious in the factory. The factory used face recognition and fingerprinting integrated attendance system to keeping attendance record.

[Wage information]

All workers were paid by hourly rate. The minimum basic wage paid by the factory was RMB 1900 per month, which was equal to the legal requirement. The factory paid salary for employees in the end of month for last month by cash. Overtime wages were paid according to legal requirement. Public holidays leave wage and annual wage were provided for employees. The factory provided different position allowance for employees according to employees' positions and skills, not any illegal deduct was available in the factory. And the factory provided full attendance allowance for employee.

[Attachments]

During document review it was evident that some of required documents are not applicable in organization like Agency Labour Contract, Government Waiver on working hours and Collective Bargaining Agreement. All of above documents were not involved in document report.

[#COVID19]

There is no special requirement for the factory to the pandemic except all workers should scan place code when entering into the factory.

[Audit team's information]

Announcement Type: Fully-Announced

Monitoring Date: 21st October 2022

Monitoring firm: SGS (Monitoring firm APSCA #: 11600006)

Auditor name: Nicky Xiao (CSCA 21702010)

Site Details

Site : Dongguan Shengming Industrial Co., Ltd.

Site amfori ID : 156-023140-001

GICS Classification

Sector : Consumer Staples

Industry : Personal Products

Industry Group : Household & Personal Products

Sub Industry : Personal Products

amfori Process Classifications

N.A.

GS1 Classifications

N.A.

NACE Classification

N.A.

Water Stress Situation

N.A.

Metrics

Key Metrics

Total workforce	49 Workers
Legal minimum wage in local currency	1900 Monthly
Lowest wage paid for regular work at the site	1900 Monthly
Calculated living wage in local currency	2543 Monthly
Total sample	5 Workers

Other Metrics

Male workers	27 Workers
Female workers	22 Workers
Permanent workers - Male	27 Workers
Permanent workers - Female	22 Workers
Temporary workers - Male	0 Workers
Temporary workers - Female	0 Workers
Seasonal workers - Male	0 Workers
Seasonal workers - Female	0 Workers
Management - Male	3 Workers
Management - Female	4 Workers
Apprentices - Male	0 Workers
Apprentices - Female	0 Workers
Workers on probation - Male	2 Workers
Workers on probation - Female	1 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	25 Workers
Domestic migrant workers - Female	17 Workers
Foreign migrant workers - Male	0 Workers
Foreign migrant workers - Female	0 Workers
Workers hired directly - Male	27 Workers
Workers hired directly - Female	22 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	2 Workers
Sample - Female	3 Workers

Findings

PA1: Social Management System

1.1 - The main auditee partially respected this principle because the factory has established a system and procedures to implement the amfori BSCI code of conduct, but there is a deviation from the standard in the implementation process. For example, the factory didn't have effective control on external grievance system, social insurance, working hours, health and safety.

被审核方部分遵守该原则是因为工厂建立了实施amfori BSCI行为准则的体系政策，但是在执行过程中和标准有偏差。例如工厂未在外部申诉系统，社保，工作时间，健康安全有很好的管控。

1.4 - The main auditee partially respected this principle because the factory had established the procedure of calculating the capacity of production and delivery time. But working hours arrangement in the calculation of production capacity was excessive, which resulted in that workers' monthly overtime working hours exceeded legal requirement.

被审核方部分遵守该原则因是工厂建立了如何计算生产产能和订单周期的程序，但产能分析中的工作时间安排过多，导致员工的月加班超过法规要求。

PA 2: Workers Involvement and Protection

2.5 - Finding: The main auditee partially respected this principle because the factory established grievance mechanism for workers, such as suggestion box, however, the factory did not establish external grievance system and create community grievance channel.

审核方部分遵循该准则。原因是工厂给员工提供了申诉途径，如意见箱，但工厂未建立外部申诉系统以及社区申诉渠道。

PA 5: Fair Remuneration

5.5 - The main auditee didn't respect this principle because according to the social insurance receipts provided by the factory in October 2022, the factory provided social insurance such as retirement, injury and medical insurance to 37 out of 49 workers, provided unemployment and maternity insurance to 35 workers. The factory has provided commercial accident insurance to all employees, which was valid from April 18, 2022 to April 17, 2023. The factory updated the list of new employees and resignation employees with the insurance company every month.

被审核方未遵守该原则。依照查看工厂的2022年10月的社保记录，工厂给总数49人的其中37人提供了养老，工伤，医疗保险，给35人购买了失业和生育保险。工厂给所有员工提供了商业意外保险，有效期为2022年4月18日至2023年4月17日，工厂每个月会和保险公司更新新入职和离职人员名单。

PA 6: Decent Working Hours

6.2 - The main auditee did not respect this principle because the monthly OT hours exceeded legal requirement. During the audit, the factory provided the attendance records from 1 September 2021 to the audit date for review. The workers' overtime hours were 2 hours per day, 54 to 88 hours per month. The monthly overtime working hours of 5 out of 5 sampled workers exceeded legal requirement from September 2021 to September 2022. The maximum was up to 88 hours including 32 hours in weekdays and 56 hours in weekends in October 2021.

被审核方因员工月加班超过法规按要而未遵守该原则。审核期间，工厂提供了员工从2021年9月1日至审核当天的考勤记录。根据记录显示，员工日加班为2小时，月加班为54~88小时，抽样的5名员工中的5名员工月加班时间从2021年9月至2022年9月均超过法规要求，最大月加班为88小时包括平时加班的32小时和周末加班的56小时，如2021年10月。

PA 7: Occupational Health and Safety

7.1 - Finding: The main auditee partially respected this principle because the factory has established occupational health and safety policies to identify and implement local labor laws and regulations. However, due to insufficient understanding and implementation of laws and regulations, there were several findings of violation of health and safety laws and regulations identified during the audit. The products in warehouse were stacked against the wall.

被审核方部分遵守该原则是工厂已建立职业健康安全政策，识别以及执行当地劳动法规，但是由于对法规理解不足以及执行不到位，导致有违反健康安全法律法规的问题点发生。工厂仓库中的货物靠墙堆放。

7.3 - Finding: The main auditee partially respected this principle because the factory had established risk assessment policies on health and safety in place and conducted the risk assessment. During the audit, the factory did not provide the occupational disease examination reports of one worker who was exposed to chemicals such as cleanser.

被审核方部分遵守该原则是因为工厂已建议健康安全风险评估政策并且在车间内进行了健康风险评估。审核期间，工厂未提供了1名接触化学品例如抹机水的员工职业病体检报告。

7.6 - Finding: The main auditee did not respect this principle because the factory did not provide active carbon masks to workers exposed to chemicals.

被审核方未遵守该原则是因为工厂未给接触化学品的工人提供活性炭口罩。

PA 7: Occupational Health and Safety

7.7 – Finding: The main auditee partially respected this principle because the chemical containers of the factory were only marked with the name of the chemical, but were not marked with the chemical hazard identification, supplier information and other information.

被审核方部分遵守该原则是因为工厂的化学品容器只标明化学品名称，未标明化学品的危险性标识，供应商信息等信息。