Monitoring result for HaiNingShi WanShiDa Hosiery Co., Ltd on site HaiNingShi WanShiDa Hosiery Co., Ltd



Monitoring

Monitored Party : HaiNingShi WanShiDa Hosiery Co., Ltd

amfori ID : 156-014831-000

Site : HaiNingShi WanShiDa Hosiery Co., Ltd

Site amfori ID : 156-014831-002

Address : No.8-1, YongSheng Rd, QianJiang Industry Area, Dingqiao Town, Haining City,

: Jiaxing

: Zhejiang Sheng

: China

Monitoring Activity : amfori Social Audit - Manufacturing

Monitoring Type : Full Monitoring
Submission Date : 23/05/2022
Expiration Date : 23/05/2023

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Overall rating

a

| Α | В | С | D | E | None |
|---|---|---|---|---|------|
| | | | | | |

Section rating

| PA1: Social Management System | С |
|--|---|
| PA 2: Workers Involvement and Protection | В |
| 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

[Announcement Type]: Fully-Announced

Monitoring: Full Monitoring

Monitoring Partner: TÜV NORD CERT GmbH (APSCA Firm Member: 11600051)

Leader Auditor: Allen Le (APSCA Number: CSCA21701920).

[Location and size]:

This was a fully-announced full audit for HaiNingShi WanShiDa Hosiery Co., Ltd 海宁市万事达袜业有限公司(Uniform social credit code: 913304817377555552), which is Located at No.8-1, YongSheng Rd, QianJiang Industry Area, Dingqiao Town, Haining City, Jiaxing, Zhejiang 浙江省嘉兴市海宁市丁桥镇钱江工业区永胜路8-1号. The factory was established on Mar.31 2002 and its business operation validity was till to Mar. 30 2032. The auditor verified the business license with the address, legal entity representative, business scope, and other information according to website http://www.gsxt.gov.cn/. The local factory name and address were same as above.

[Structure of facility]:

In view of the plant, there were one 3-storey partial 4-storey production building, one 5-storey production building and one 3-storey building(1F used as canteen, 2F-3F not occupied) for operation. The auditee provided canteen but no dormitory or transportation to workers.

The factory specialized in the manufacture of seamless underwear. Its capacity was about 10000000 pairs per year. Production activities are mainly including knitting, sewing, shaping, inspection and packaging.

[Employee analysis and summary of working hours and wage]:

Total of 158 employees were currently working at the factory, which included 113 female employees and 45 male employees. The ethnic backgrounds of employees were all Chinese, 61 workers were migrated from other Provinces, such as Guizhou, Anhui and etc. All workers were recruited by the factory directly. The age of employees was from 19 to 62 years old. According to management and provided records, the factory used IC card attendance system to record workers' working hours. Normal 2 shifts working time for knitting workers and security guards: from July 01 2021:08:00-11:00, 12:00-17:00, if OT 18:00-20:00, 20:00-23:00, 00:00-05:00, if OT 06:00-08:00; before July 01 2021:08:00-16:00 and 16:00-24:00; 2) Normal working time for canteen workers: 09:00-13:00, 15:00-19:00; 3) Normal working time for all other workers: 08:00-11:00,12:00-17:00,if OT 18:00-20:00. Maximum 2 hours overtime per day, 20 hours overtime per week, 86 hours overtime per month and 1 day off after 6 days consecutive working days was guaranteed. Wages for all employees were calculated on hourly rated basis. The regular overtime and rest day overtime was paid at 150% and 200% of regular rate, respectively. Employees were paid at the end of each month for previous payment cycle by cash. As per factory management, there was no obvious peak production month in the factory. According to 17 sampled employees' payroll records and attendance records in Oct.2021, Dec.2021 and Mar.2022, it was noted that the minimum hourly wage of the sample workers was RMB12.10 in all months, which met with the local legal minimum hourly rate standard (local minimum hourly wage was raised from RMB11.89 since Aug.01 2021). The factory didn't use dispatched workers, seasonal workers, migrant workers, summer job workers, apprentice workers and casual workers.

[Summary of social insurance]:

Insufficient social insurance participated. There were total 158 workers employees including 19 retired worker and no new comers in last month, thus total 139 workers needed to participate in social insurance. As per the social insurance application system and social insurance payment sheet (records from May 2021 to Apr. 2022) review, 3 out of 158 employees were not provided with medical insurance, endowment insurance, child-bearing insurance, unemployment insurance and work-related injury insurance. Per the management and interviewed employees, most employees were domestic migrants and they did not want to participate in social insurance and did not want to undertake their own fees. Remark: The factory provided group commercial insurance to all other workers who did not join in work-related injury insurance, signed with CHINA LIFE, which was valid from Apr.21 2022 to Apr.20 2023.

[Summary of closing meeting]:

All the findings were discussed with the management in the closing meeting. The factory signed the onsite finding report. The auditor reminded the factory that they should submit the Remediation Plan into the amfori BSCI Platform within 60 days. The management was receptive of all the findings and gave the willingness to take appropriate corrective actions.

The performance areas needed improvement were PA1, PA2, PA5, PA6, PA7 and PA10.

Remark

- 1. There was no contractor or agency used by the auditee, which makes the agency labor contract or contractor license/permit not applicable;
- 2. There was no collective bargaining agreements in the factory:
- 3. The auditee did not obtain any government waivers.

Site Details

Site : HaiNingShi WanShiDa Hosiery Co., Ltd

Site amfori ID : 156-014831-002

GICS Classification

Sector : Consumer Discretionary Industry : Specialty Retail

Industry Group : Retailing Sub Industry : Apparel Retail

amfori Process Classifications GS1 Classifications

N.A. N.A.

NACE Classification Water Stress Situation

N.A. N.A.

Metrics

Key Metrics

| Total workforce | 158 Workers |
|---|--------------|
| Legal minimum wage in local currency | 2070 Monthly |
| Lowest wage paid for regular work at the site | 2100 Monthly |
| Calculated living wage in local currency | 2100 Monthly |
| Total sample | 17 Workers |

Other Metrics

| Male workers | 45 Workers |
|------------------------------------|-------------|
| Female workers | 113 Workers |
| Permanent workers - Male | 45 Workers |
| Permanent workers - Female | 113 Workers |
| Temporary workers - Male | 0 Workers |
| Temporary workers - Female | 0 Workers |
| Seasonal workers - Male | 0 Workers |
| Seasonal workers - Female | 0 Workers |
| Management - Male | 5 Workers |
| Management - Female | 8 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 | 9 Workers |
| Workers with night shift - Female | 29 Workers |
| Workers with disabilities - Male | 0 Workers |
| Workers with disabilities - Female | 0 Workers |
| Domestic migrant workers - Male | 7 Workers |
| Domestic migrant workers - Female | 54 Workers |
| Foreign migrant workers - Male | 0 Workers |
| Foreign migrant workers - Female | 0 Workers |
| Workers hired directly - Male | 45 Workers |
| Workers hired directly - Female | 113 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 | 5 Workers |
| Sample - Female | 12 Workers |

Findings

PA1: Social Management System

Based on amfori BSCI COC and local law requirements, the auditee had established social compliance management system, the factory established documentation amfori BSCI system such as in working hours, benefits and occupational Health and Safety. They had conducted internal social assessment and management review with records. However, the factory did not have a systematic planning on observing and supervision, such as overtime hours exceeded legal limit and etc. Per management interview, partial requirements were not implemented effectively, they did not monitor the workers overtime working hour regularly, and they would correct the findings found in the audit soon.

被审核方在amfori BSCl行为准则和当地法规要求的基础上建立了社会责任管理体系,工厂建立了amfori BSCl要求的文件,比如工时制度,工福利制度,职业健康安全等方面的制度,并组织了足够的人员来执行该体系标准,工厂进行了内部审核和管理评审并保存了记录。但是在遵守和监督方面没有系统的规划,比如加班时间超时等。根据管理层访谈,管理层表示部分要求仍然没有有效的执行,未定期监督员工的加班情况,会尽快改善评估中发现的问题点。

The factory had established production capacity assessment procedure. But the factory didn't have a good capacity planning to meet the expectations of the delivery order, which led to the monthly overtime hours exceeded legal requirement. Through management interview, they did not consider the compliance of workers' overtime-working hours during the production capacity planning. The factory did not hire enough employees or properly organize to meet the production requirement. They could not ensure overtime hours meet with the law requirements when the factory could meet the requirements of the client orders continually.

工厂制定了生产能力评估程序,但是工厂没有一个完善的产能计划去完成预期的订单交货以致于月加班时间超过法规要求。根据管理人员访谈,工厂在产能规划期间未考虑员工加班工作时间的合规性,工厂未聘请足够的员工或更好地组织来满足生产的需求。工厂在产能持续满足客户订单需求的同时,无法确保加班时间符合法规要求。

PA 2: Workers Involvement and Protection

Per workers interview, the worker representative and workers were not familiar with amfori BSCI COC. All the interview workers did not know amfori BSCI and did not know it contains 13 Performance Areas. There was no feedback mechanism for training effect, such as test.

通过访谈发现员工代表和工人并不了解amfori BSCI 行为准则. 所有访谈员工不知道什么是amfori BSCI并且不知道amfori BSCI 包含13个执行领域。培训缺乏培训效果的反馈机制,比如测验。

The auditee had established a grievance procedure, but it did not define a person responsible for its administration and the facility did not publish the grievance reporting hot line or email.

被审核方建立了文件化的申诉制度,但是其没有规定具体的负责人,也没有公告其联系方式,如电话或邮箱等。

PA 5: Fair Remuneration

Insufficient social insurance participated. There were total 158 workers employees including 19 retired worker and no new comers in last month, thus total 139 workers needed to participate in social insurance. As per the social insurance application system and social insurance payment sheet (records from May 2021 to Apr. 2022) review, 3 out of 158 employees were not provided with medical insurance, endowment insurance, child-bearing insurance, unemployment insurance and work-related injury insurance. Per the management and interviewed employees, most employees were domestic migrants and they did not want to participate in social insurance and did not want to undertake their own fees. Reference law: Social Insurance Law of the People Republic of China, Article 10, 23, 33, 44 and 53. Remark: The factory provided group commercial insurance to all other workers who did not join in work-related injury insurance, signed with CHINA LIFE, which was valid from Apr.21 2022 to Apr.20 2023

社会保险参保不足。工厂总共158名员工,其中包括19名退休员工以及最近一个月没有新进员工,因此总共139名员工应该参加社保。根据社保申报系统和社保缴费凭证(自2021年05月至2022年04月的记录)的查看,工厂没有为139名员工中的3名员工购买医疗保险、养老保险,生育保险,失业保险和工伤保险。根据管理层和员工访谈,大部分员工是外地员工,他们不想交社保,也不想承担自己的费用。参考法律法规:《中华人民共和国社会保险法》第10,23,33,44和53条。备注:工厂未所有没有参加工伤保险的员工购买了团体意外保险,与中国人寿财产保险股份有限公司签订了协议,有效期为2022年04月21日到2023年04月20日。

PA 6: Decent Working Hours

Working hour records from Apr.01 2021 to the audit day were provided for review and it was noted that workers' monthly overtime hours systematically exceed 36 hours. Working hour records in 3 sampled months (Oct.2021, Dec.2021 and Mar.2022) for 17 sampled workers were reviewed and it was noted that the maximum monthly overtime hours were 76 for the sampled workers in Oct.2021, the maximum monthly overtime hours were 86 for the sampled workers in Dec.2021 and the maximum monthly overtime hours were 86 for the sampled workers in Mar.2022 respectively. Based on document review, the auditee had a documented procedure requiring that workers' overtime hours shall not exceed 36 hours a month, but did not conduct workforce planning to control overtime hours, monitor workers' monthly overtime and take corrective action for any gaps.

PA 6: Decent Working Hours

According to management interview, the auditee did not control workers' overtime hours by planning its workforce capacity and workers needed to work overtime due to tight production schedule. Reference law: Article 41 of the Labor Law of the PRC.

工厂提供了2021年04月01日至审核当天的工时记录供审核,员工月加班时间系统性地超过了36小时。17名抽样员工在3个抽样月份(即2021年10月、2021年12月和2022年03月)的工时记录显示:抽样员工在2021年10月的最大月加班时间为76小时,在2021年12月的最大月加班时间为86小时,在2022年03月的最大月加班时间为86小时。根据文件审核,被审核方有书面程序要求工人的每月加班时间不超过36小时,但未进行产能计划来控制加班时间,未能监控工人每月加班,也未能针对存在的差距采取改善措施。根据管理层访谈,被审核方未通过产能规划来控制工人的加班时间,以至于工人因为紧张的生产计划需要加班。参考法规:根据《中华人民共和国劳动法》第41条。

PA 7: Occupational Health and Safety

Per documents review, it was noted that the knitting workers attended occupational health examination and the examination report indicated that 3 employees were asked to be reviewed, but the factory did not provide the new inspection report. Reference law: PRC Law of Prevention and Control of Occupational Diseases article 36.

在文件审核时,审核员发现企业对织造车间的员工进行了职业健康体检,体检结果显示,其中有3名员工要求复检,但是审核当天,工厂没有提供该3名员工的新的检查报告。参考法律法规:《中华人民共和国职业病防治法》第三十六条。

Per factory tour, the factory added one floor about 800 square meters on one 4-storey production building as warehouse, but the factory did not provide the completion acceptance and fire acceptance of the new building. Reference Law: Construction Law of the People's Republic of China, Article 61 and PRC Fire Prevention Law article 11.

走厂发现,工厂在¹栋⁴层的生产楼上增加了一层大约⁸⁰⁰平米的建筑作为仓库,但是工厂未能提供该新增建筑的竣工验收文件和消防验收文件供审核。参考法律法规:中华人民共和国建筑法第六十一条和中华人民共和国消防法第十一条。

Part of finished goods were placed against walls in finished goods warehouse. If there was emergency, the goods stacked against the wall would affect the evacuation and the speed of the rescue. Reference law: General Rules for Fire safety Management of Storage Occupancies, article 6.8.

企业的成品仓库的部分成品靠墙堆放,如果遇到紧急情况,靠墙堆放的货物会影响撤离以及救援的速度。参考法律法规:《仓储场所消防安全管理通则》第6.8条。

Per factory tour, about 3 sewing machines did not equip with eye shield in sewing section. The management stated that they knew these issues and conducted training on machine protection to all workers, but the implementation was still insufficient. Reference Law: General rules of design on health and safety of production auditee (GB5083-1999) article 6.1.2.

走厂发现,缝纫区域³台缝纫机没有安装护眼挡板。管理层表示知道这个事情,并且对所有员工进行了机器防护的培训,但是执行当中仍然是不足的。相关法律法规: 生产设备安全卫生设计总则(GB5083-1999)第6.1.2条。

Per factory tour, basic supplies, such as toilet paper and hand soap were available in the toilets.

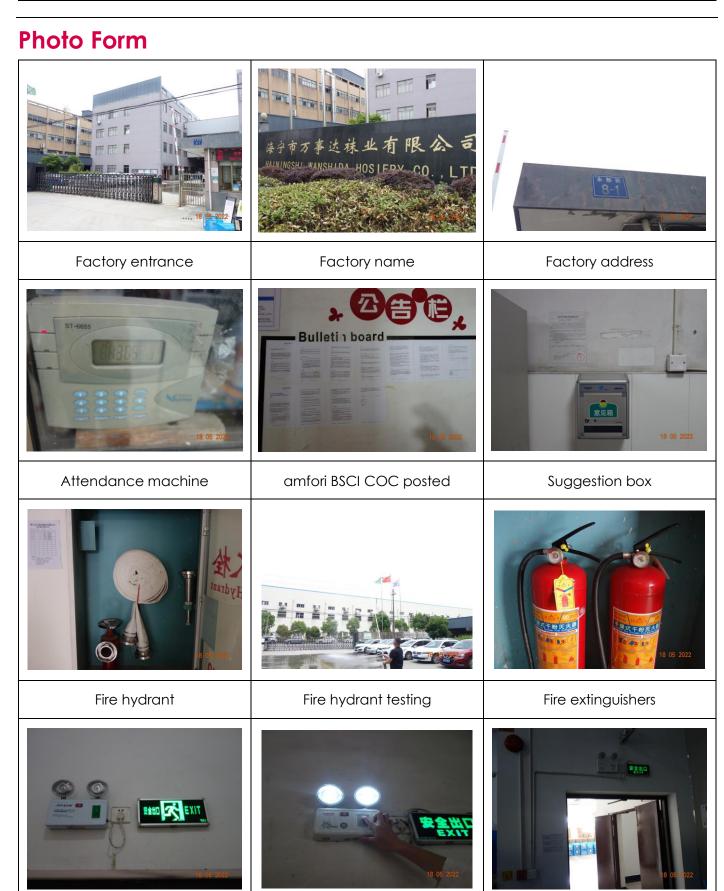
走厂发现,工厂车间的卫生间提供了基本备品如厕纸和洗手液。

PA 10: No Precarious Employment

The factory did not list out the potential occupational hazard in the labor contract, such as the knitting section might cause occupational disease, however no relevant notification in the labor contract. Reference Law: Law of the People's Republic of China on Prevention and Control of Occupational Diseases, Article 33.

工厂没有在劳动合同里列出潜在的职业危害,比如织造区域可能会产生职业病,但是劳动合同中并没有相关告知。参考法律法规:《中华人民共和国职业病防治法》第33条。

| Amfori Photo report | | | | |
|---------------------|--|------------|----------------|--|
| Monitoring ID | 156-014831-000 Monitoring ID 22-0129331 | | | |
| Monitored Party | HaiNingShi WanShiDa Hosiery Co., Ltd | | | |
| Auditor Name(s) | Allen(Lujie) Le | Audit Date | May 18-20 2022 | |



Emergency light testing

Fire alarm

Emergency light and exit sign

| Amfori Photo report | | | | |
|---------------------|--------------------------------------|---------------|----------------|--|
| Monitoring ID | 156-014831-000 | Monitoring ID | 22-0129331 | |
| Monitored Party | HaiNingShi WanShiDa Hosiery Co., Ltd | | | |
| Auditor Name(s) | Allen(Lujie) Le | Audit Date | May 18-20 2022 | |







First aid kit

Drinking area

Emergency plan







Raw material warehouse

Yarn setting section

Sewing section







Inspection and packing section

The worker wear PPEs at work

Knitting workshop







Shaping section

Canteen

Toilet

| Amfori Photo report | | | | |
|---------------------|--|------------|----------------|--|
| Monitoring ID | 156-014831-000 Monitoring ID 22-0129331 | | | |
| Monitored Party | HaiNingShi WanShiDa Hosiery Co., Ltd | | | |
| Auditor Name(s) | Allen(Lujie) Le | Audit Date | May 18-20 2022 | |

Findings



NC 7.16 the finished goods placed against walls



NC 7.17 not equip with eye shield



NC 7.22 no basic supplies