

Monitored Party CIXI YUANHUI LIGHTING ELECTRIC CO., LTD	amfori ID 156-023658-000	Address Dapeng Village, Longshan Town, Cixi City, Ningbo, Zhejiang Sheng, China
Monitoring Activity amfori Social Audit - Manufacturing	Monitoring Type Full Monitoring	Monitoring Partner QIMA Limited
Monitoring Start Date 07/09/2023	Closing Meeting Finished Date 12/09/2023	Submission Date 12/09/2023
Expiration Date 12/09/2024	Announcement Type Fully Announced	
Site CIXI YUANHUI LIGHTING ELECTRIC CO., LTD	Site amfori ID 156-023658-001	

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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	A	
PA 5: Fair Remuneration	C	
PA 6: Decent Working Hours	D	

PA 7: Occupational Health and Safety	B	
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

Name of lead auditor: Danae Lu; APSCA membership number: CSCA 21700410;
Monitoring partner name: QIMA LIMITED, APSCA Membership Number: 11600049.
Audit schedule details: The audit is planned for 1 auditor x 2.5 days.

[Business partner information]:

CIXI YUANHUI LIGHTING ELECTRIC CO., LTD (Local Name: 慈溪市远辉照明电器有限公司, Uniform Code of Social Credit: 913302826747162594) was located at Dapeng Village, Longshan Town, Cixi City, Zhejiang Province, China (Local address: 浙江省慈溪市龙山镇达蓬村). The factory was established on May 8, 2008 and valid to long term. The total occupied areas were about 21907 square meters.

The main products of the auditee were lamps and lanterns, the main production activities included punching, mixing, injection, SMT/welding, assembly and packing. And painting process was subcontracted to other factory.

[Audited location information]:

The auditee used one "U" style 4-storey building as office, kitchen and canteen, warehouse and workshop. No dormitory was provided for employees by the auditee.

[Operating shifts and hours]:

All employees worked for 8 hours per day and 5 days a week from Monday to Friday, sometimes had overtime on Saturdays and had rest on Sundays and Holidays. Injection and painting workers worked for three shifts, including first shift from 8:00 to 16:00, second shift from 16:00 to 24:00 and third shift from 24:00 to 8:00. Kitchen workers worked for one shift from 9:00 to 19:00 with 2 hours for lunch time from 13:00 to 15:00. Other employees worked for one shift from 8:00 to 17:00 with 1 hour for lunch time from 11:30 to 12:30 and 2 hours as overtime hour from 18:00 to 20:00 for production workers. The peak months were not obvious.

The attendance records from 1-August-2022 to the audit day were reviewed in the audit. 16 sampled workers' attendance records from July 2023 (current month), April 2023 (random month) and December 2022 (random month) were selected for checking. According to the provided attendance records and workers interviews, the maximum daily overtime hours are 2 hours, the maximum weekly overtime hours are 54 hours July 2023 and the maximum monthly overtime hours are 66 hours in July 2023.

[Time recording system]:

The auditee used the electronic attendance system to record the working hours.

[Salary payment details]:

The auditee has paid sufficient regular wages (RMB2088 per month/ RMB12 per hour) above the local minimum wage standard, the local minimum wage standard was set at RMB 2070 per month (RMB 11.9 per hour) from 1-August-2021. The auditee had provided payrolls from August-2022 to July-2023 for review. Workers were paid by hourly rate. 16 sampled workers' attendance records from July 2023 (current month), April 2023 (random month) and December 2022 (random month) were reviewed. For overtime wages, the auditee paid 150% and 200% of normal payment for overtime working on weekdays and Saturdays. The wages were paid by bank transfer on each 30th of following month. 119 out 239 employees had participated in social insurance. The auditee had provided commercial insurance of disability caused by work-related injury or occupational disease for employees.

[Worker number information]:

There were 239 employees including 106 male and 133 females, 37 employees were local residents and 202 employees were from other province of China. All 239 employees were permanent and all 239 employees were hired by the facility directly. There were 32 non-production employees and 207 production employees in the auditee. No homemaker used by the auditee. And only 222 employees working at audited day as other 17 employees working in night shift.

[Worker organization details]:

There was no union existed in the auditee but one worker committee with 4 worker representatives elected by all employees.

[Summary of findings]:

PA1: The social responsibility system was not operated effectively; the auditee had not reasonable evaluated whether its workforce capacity could meet the expectations of delivery orders or contracts.

PA2: No employees participated in long terms goals and did not approve by qualified management; randomly selected workers and worker representative did not know amfori BSCI requirement.

PA5: The factory did not calculate and evaluate the living wage for workers; insufficient social insurance participated.

PA6: Monthly overtime hours exceeded the legal requirement.

PA7: Insufficient management system on health and safety; the auditee did not provide occupational health examination for about 40 employees who contact with chemical, dust and noise in last 12 months; the auditee had established risk assessment procedure and carried out risk assessment for safe, health and hygienic working conditions, the content of risk assessment did not include the responsible person, the corrective plan and mitigation plan; Employees did not properly wear PPE (Personal Protective Equipment);

Safety facilities for hazardous chemicals were not compliant with legal requirement; 6 electrical panels in workshop was not marked with avoid electric shock warning sign; no hot water warning label posted on in drinking water area; the goods were stored against the wall and post in the warehouse; at least two electrical boxes in production area were not locked or equipped with insulated inner covers; there were no handrails installed for 6 feeding ladders with height 1.5 meters in injection molding workshop.

PA12: no grievance mechanism in place to address the environmental concerns of surrounding communities.

[Living wage calculation]:

The factory did not calculate and evaluate the living wage for workers.

Precautions taken about #COVID-19 in the facility:

The auditee checked the health code of all employees and visitors. The auditee also checked all employees' and visitors' body temperature before entering. All employees and visitors were required to wear mask in auditee premises. All employees kept proper distance in the auditee. The auditee conducted disinfection in work place every day, including workshop, warehouse, door handles, staircases, button in elevators and etc. The auditee provided training on Covid-19 by both poster and trainings. The auditee set an isolation room for employee with abnormal body temperature. According to interview, no employee or his family had the symptom like cough, chest pain, breathing with difficulty; no employee or their family had ever infected Covid-19.

Remark:

1. There was a personal data protection law in China, so the auditor had desensitized the uploaded attachment.
2. Below documents were not uploaded because:
 - 1). There are no contractors used by the auditee, which makes the contractor license/permit not applicable.
 - 2). There are no agencies used by the auditee, which makes the agency labour contract not applicable.
 - 3). There are no collective bargaining agreements set by the auditee, which makes the collective bargaining agreements not applicable.
 - 4). There is no documented valid authorization to make exemptions on working hours by the auditee, which makes the documented valid authorization to make exemptions on working hours not applicable.

SITE DETAILS

Site
**CIXI YUANHUI LIGHTING
ELECTRIC CO., LTD**

Site amfori ID
156-023658-001

GICS Classification

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

Sub Industry
Consumer Electronics

amfori Process Classifications

N.A.

GS1 Classifications

N.A.

NACE Classification

N.A.

Water Stress Situation

N.A.

METRICS

Key Metrics

Total workforce	222	Workers
Legal minimum wage in local currency	2,070	Monthly
Lowest wage paid for regular work at the site	2,088	Monthly
Calculated living wage in local currency	2,282.5	Monthly
Total sample	16	Workers

Other Metrics

Male workers	97	Workers
Female workers	125	Workers
Permanent workers - Male	106	Workers
Permanent workers - Female	133	Workers
Temporary workers - Male	0	Workers
Temporary workers - Female	0	Workers
Seasonal workers - Male	0	Workers
Seasonal workers - Female	0	Workers
Management - Male	2	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	18	Workers
Workers with night shift - Female	16	Workers
Workers with disabilities - Male	0	Workers
Workers with disabilities - Female	0	Workers
Domestic migrant workers - Male	90	Workers
Domestic migrant workers - Female	112	Workers
Foreign migrant workers - Male	0	Workers
Foreign migrant workers - Female	0	Workers
Workers hired directly - Male	106	Workers
Workers hired directly - Female	133	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	7 Workers
Sample - Female	9 Workers

FINDINGS

PA1: Social Management System

Site: CIXI YUANHUI LIGHTING ELECTRIC CO., LTD | Site amfori ID: 156-023658-001

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

Through document review, the auditee had established social compliance policy and procedures. But part procedures were not properly implemented, details please refer to Performance Area 1 Social Management System and Cascade Effect, Performance Area 2 Workers Involvement and Protection, Performance Area 5 Fair Remuneration, Performance Area 6 Decent Working Hours, Performance Area 7 Occupational Health and Safety and etc.

通过文件查阅，被审核方建立了社会责任方针政策和管理程序。但被审核方部分程序没有有效实施，详细分别见执行领域1供应链管理与级联效应，执行领域2工人参与和保护，执行领域5公平报酬，执行领域6体面劳动时间，执行领域7职业健康与安全等。

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

Through document review, the auditee had established workforce capacity management procedure, but the auditee had not reasonable evaluated whether its workforce capacity could meet the expectations of delivery orders or contracts. In addition, based on attendance records of last 12 months provided by the auditee, monthly overtime hours of all employees exceeded legal requirements.

通过文件查阅，被审核方有建立生产能力管理程序，但没有合理的评估其生产能力是否可以满足其生产订单要求。另外，根据被审核方提供的最近12个月的考勤记录显示，所有员工的月加班时间超出了法规要求。

PA 2: Workers Involvement and Protection

Site: CIXI YUANHUI LIGHTING ELECTRIC CO., LTD | Site amfori ID: 156-023658-001

Question: 2.2 Is there satisfactory evidence that the auditee defines long-term goals for protecting workers in line with the aspirations of the amfori BSCI Code of Conduct?

ENGLISH

LOCAL LANGUAGE

Finding	
Through document review, the auditee had established the long terms goals to protect workers according to the amfori BSCI Code of Conduct. But no employees participated in them and did not approve by qualified management.	通过文件审核，被审核方按照amforiBSCI的期望建立保护工人的长期目标，但员工没有参与确立这些目标，没有被有资格的管理人员批准。

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	
Through document review, the auditee has provided training records about amfori BSCI Code and relevant training material, however all randomly selected workers and worker representative did not know amfori BSCI requirement.	通过文件查阅，被审核方提供了amfori BSCI COC的培训记录和培训材料，但是访谈随机挑选的所有员工及员工代表不清楚amfori BSCI要求。

PA 5: Fair Remuneration

Site: CIXI YUANHUI LIGHTING ELECTRIC CO., LTD | Site amfori ID: 156-023658-001

Question: 5.4 Is there satisfactory evidence that the auditee provides sufficient remuneration that allows workers to meet a decent standard of living?

ENGLISH	LOCAL LANGUAGE
Finding	
Through document review and management interview, auditor noted that the auditee management did not collect the datum and conduct the assessment for the remuneration of decent standard of living as per amfori BSCI requirements. The actual regular wage paid by auditee for all employees was less than the fair remuneration figure calculated by audit company. The actual regular wage paid by auditee for all employees was more than local minimum wage.	通过文件查阅和管理人员访谈，审核员发现被审核方的管理层没有按照amforiBSCI要求收集相关数据并对当地体面生活工资标准进行评估。但被审核方实际实付的所有员工基本工资低于审核公司计算的公平需求工资。被审核方实际实付的所有员工基本工资高于当地最低工资标准。

Question: 5.5 Is there satisfactory evidence that the auditee provides workers with the social benefits that are legally granted?

ENGLISH	LOCAL LANGUAGE
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Finding

Insufficient social insurance participated. There were 239 employees (26 workers who had reached retire age) in August 2023, 119 employees (55.87%) had participated in basic endowment insurance, unemployment insurance, maternity insurance and basic medical insurance and employment injury insurance. In addition, the auditee had provided commercial insurance of disability caused by work-related injury or occupational disease from 4-May-2023 to 3-May-2024 for other employees (including 26 workers who had reached retire age, 94 employees had not participated in employment injury insurance). Reference Law: Social Insurance Law of the People's Republic of China, Article 10, Article 23, Article 33, Article 44 and Article 53.

社会保险参保不足。被审核方2023年8月有239名员工（包括26名退休返聘人员），119人（55.87%）参加养老保险，失业保险，生育保险，医疗保险，和工伤保险。此外，被审核方为其他员工（包括26人退休返聘，94名未参加工伤保险的员工）购买了商业意外保险，有效期从2023年5月4日到2024年5月3日。

PA 6: Decent Working Hours

Site: CIXI YUANHUI LIGHTING ELECTRIC CO., LTD | Site amfori ID: 156-023658-001

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

Overtime hours exceeded the legal requirement. Through document review, auditor found that the monthly overtime hours of 16 out of 16 randomly selected employees were 40-66 hours in July 2023 (current month), 16 out of 16 randomly selected employees were 40-64 hours in April 2023 (random month), 16 out of 16 randomly selected employees were 40-58 hours in December 2022 (random month). Reference law: The PRC Labour Law article 41.

加班时间超过法规要求。通过文件审核，审核员发现在抽取的2023年8月份（当前月）的考勤中，16名随机抽取的员工中16人月加班时间为40-66小时，2023年4月份（随机月）的考勤中，16名随机抽取的员工中16人月加班时间为40-64小时，2022年12月份（随机月）的考勤中，16名随机抽取的员工中16人月加班时间为40-58小时。

PA 7: Occupational Health and Safety

Site: CIXI YUANHUI LIGHTING ELECTRIC CO., LTD | Site amfori ID: 156-023658-001

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

ENGLISH

LOCAL LANGUAGE

Finding	
<p>1. Through document review and factory tour, the auditee was in line with most of the regulations on occupational health and safety relevant for its activities such as the regulations on electricity, fire protection, escape routes and emergency exit, first aid etc. But the auditee was not fully in line its activities such as goods were stored against the wall in the warehouse and etc.</p> <p>2. Through document review, the auditee did not provide occupational health examination for about 40 employees who contact with chemical, dust and noise in last 12 months. Reference law: PRC Law of Prevention and Control of Occupational Diseases Article 35.</p>	<p>1. 通过文件审核和现场走访，被审核方大部分符合了职业健康安全与其活动相关的规定如关于电力、防火、逃生路线和紧急出口、急救等方面的规定。但是，被审核方没有完全遵守适用于其活动的职业健康安全规定，如仓库货物靠墙等。</p> <p>2. 通过文件审核，被审核方最近12个月没有安排接触化学品，粉尘和噪声的40人参加职业病体检。</p>

Question: 7.3 Is there satisfactory evidence that the auditee regularly carries out risk assessments for safe, healthy and hygienic working conditions?	
ENGLISH	LOCAL LANGUAGE
Finding	
<p>Through document review, the auditee had established risk assessment procedure and carried out risk assessment for safe, health and hygienic working conditions, the content of risk assessment did not include the responsible person, the corrective plan and mitigation plan.</p>	<p>通过文件审核，被审核方虽然提供了风险评估程序和风险评估记录，但是风险评估内容没有包含相应的负责人、处理措施和缓解措施等内容。</p>

Question: 7.6 Is there satisfactory evidence that the auditee enforces the use of PPE to provide protection to workers alongside other controls and safety systems?	
ENGLISH	LOCAL LANGUAGE
Finding	
<p>Employees did not properly wear PPE (Personal Protective Equipment). During facility tour, auditor found that 60% employees working in the injection molding and punching workshop did not wear earplugs which were provided by auditee. Reference law: In accordance with Law of the PRC on Work Safety Article 45.</p>	<p>员工未按要求佩戴劳动防护用品。在现场巡查时，审核员发现在注塑和冲压车间的60%员工没有佩戴被审核方提供的耳塞。</p>

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	
Safety facilities for hazardous chemicals were not compliant with legal requirement. During facility tour, auditor found that hazardous chemicals such as lubricating oil using at punching workshop, but there was no secondary containment. Reference law: Regulations on the Safety Management of Dangerous Chemicals article 20	危险化学品储存的安全设施不符合要求。在现场巡查时，审核员发现在冲压车间使用的危险化学品（如润滑油），没有按要求设置防泄漏安全措施。

Question: 7.9 Is there satisfactory evidence that the auditee makes visible potential hazards to the workers and visitors through signs and warnings?

ENGLISH	LOCAL LANGUAGE
Finding	
<p>1. During factory tour, auditor noted that 6 electrical panels in workshop was not marked with avoid electric shock warning sign. Reference law: In accordance with Law of the PRC on Work Safety Article 35, manufacturing units shall post clear warning signs wherever high-risk machines and equipments are installed.</p> <p>2. During factory tour, no hot water warning label posted on in drinking water area.</p>	<p>1. 在现场巡查时，发现车间内4个配电箱没有标警告标识。</p> <p>2. 在现场巡查时，发现饮水机区域没张贴高温标识。</p>

Question: 7.11 Is there satisfactory evidence that the auditee confirms that the equipment and buildings used for production are stable and safe?

ENGLISH	LOCAL LANGUAGE
Finding	
<p>The goods were stored against the wall and post in the warehouse. During facility tour, some materials stored against wall and post in material warehouse and the finished goods warehouse directly. Reference law: In accordance with General Rules for Fire Safety Management of Storage Occupancies XF1131-2014 Article 6.8,</p>	<p>被审核方的仓库中货物靠墙靠柱堆放。经现场走访发现，被审核方的原材料仓和成品仓中的部分货物靠墙靠柱堆放。</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>Through factory tour, auditor noted that at least two</p>	<p>通过现场走访，审核员发现：发现生产区域至少2台</p>

Finding	
electrical boxes in production area were not locked or equipped with insulated inner covers. Reference Law: General Guide for Safety of Electric User (GB/T 13869-2017) article 3.2	电盒未上锁且未配备绝缘内盖。

Question: 7.17 Is there satisfactory evidence that the auditee ensures adequate safeguards for any machine part, function, or process which may cause injury to workers?

ENGLISH	LOCAL LANGUAGE
Finding	
Through factory tour, auditor noted that there were no handrails installed for 6 feeding ladders with height 1.5 meters in injection molding workshop. Reference Law: PRC on Work Safety Article 33.	通过现场走访，审核员发现：注塑车间有6台注塑机的加料梯，垂直高度超过1.5米，没有安装扶手。

PA 12: Protection of the Environment

Site: CIXI YUANHUI LIGHTING ELECTRIC CO., LTD | Site amfori ID: 156-023658-001

Question: 12.1 Is there satisfactory evidence that the auditee continuously identifies the significant impacts and environmental implications associated to its activity?

ENGLISH	LOCAL LANGUAGE
Finding	
Through document review, auditor noted that the auditee had identified the significant impacts and environmental implications associated to its activity, but there was no grievance mechanism in place to address the environmental concerns of surrounding communities.	通过文件审核，审核员发现：受审核方识别了其商业活动的重大影响以及对环境造成的后果，但受审核方没有建立有关周围社区环境问题的申诉机制。