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Auditee :	<b>ZHANGJIAGANG KAILIDA PLASTIC CO.,LTD</b>
Audit Date From :	<b>01/08/2019</b>
Audit Date To :	<b>02/08/2019</b>
Expiry Date of the Audit :	<b>Please refer to the producer profile in the amfori BSCI platform</b>
Auditing Company :	<b>Intertek</b>
Auditor's Name(s) :	<b>Ryan Zheng(Lead)</b>
Auditing Branch (if applicable) :	<b>Intertek North East China</b>

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This is an extract of the on line Audit Report. The complete report is available in the amfori BSCI Platform.  
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Rating Definitions



Rating	A combination of ratings per Performance Area where:	Consequence																																							
<p><b>A</b> <b>Very Good</b></p>	<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> <p>These are three examples:</p> <table border="1" style="width: 100%; text-align: center;"> <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	<p>The auditee has the level of maturity to maintain its improvement process without the need for a follow-up audit.</p>
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																													
<p><b>B</b> <b>Good</b></p>	<ul style="list-style-type: none"> <li>• Maximum 3 Performance Areas rated C</li> <li>• No Performance Areas rated D or E</li> </ul> <p>These are three examples:</p> <table border="1" style="width: 100%; text-align: center;"> <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	<p>The auditee has the level of maturity to maintain its improvement process without the need for a follow-up audit.</p>
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																													
<p><b>C</b> <b>Acceptable</b></p>	<ul style="list-style-type: none"> <li>• Maximum 2 Performance Areas rated D</li> <li>• No Performance Areas rated E</li> </ul> <p>These are three examples:</p> <table border="1" style="width: 100%; text-align: center;"> <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	<p>The auditee needs follow up to support its progress. Following the completion of the audit, the auditee develops a Remediation Plan within 60 days.</p>
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																													
<p><b>D</b> <b>Insufficient</b></p>	<ul style="list-style-type: none"> <li>• Maximum 6 Performance Areas rated E</li> </ul> <p>These are three examples:</p> <table border="1" style="width: 100%; text-align: center;"> <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>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	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	E	E	E	E	E	E	<p>The auditee needs follow up to support its progress. Following the completion of the audit, the auditee develops a Remediation Plan within 60 days.</p>
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	E	E	E	E	E	E																													
<p><b>E</b> <b>Unacceptable</b></p>	<ul style="list-style-type: none"> <li>• Minimum 7 Performance Areas rated E</li> </ul> <p>These are three examples:</p> <table border="1" style="width: 100%; text-align: center;"> <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	<p>amfori BSCI Participants shall closely oversee the auditee's progress as the producer may represent a higher risk than other business partners.</p>
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																													
<p><b>Zero Tolerance</b></p>	<p>A Zero Tolerance issue was identified (see amfori BSCI System Manual Part V – Annex 5: amfori BSCI Zero Tolerance Protocol)</p>	<p>Immediate actions are required. The amfori BSCI Zero Tolerance Protocol is to be followed.</p>																																							

**Main Auditee Information**



Name of producer :	<b>ZHANGJIAGANG KAILIDA PLASTIC CO.,LTD</b>		
DBID number :	<b>392766</b>		
Audit ID :	<b>158781</b>		
Address :	<b>Tianzhuang Village, Gangkou, Fenghuang Town, Zhangjiagang City Zhangjiagang</b>		
Province :	<b>Jiangsu</b>	Country :	<b>China</b>
Management Representative :	<b>Ms. Jiang Chunfang</b>		
Contact person:	<b>Chunfang Jiang</b>	Sector :	<b>Non-Food</b>
Industry Type :	<b>Plastic Industry</b>	Product group :	<b>Plastic and articles thereof</b>
Product Type :	<b>PVC tiles</b>		

**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 : 02/08/2020	

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	
D	C	A	A	C	D	A	A	A	A	A	A	B	

**Executive summary of audit report**

1. As per onsite observation, auditor noted that the auditee had another business license named Zhangjiagang Kaiherda Plastic Co., Ltd (张家港市凯尔达有限公司) at the same address. The auditee management explained that they had registered Kaiherda as an onsite front process supplier of the auditee Kailida, but the management staffs, employees, production and dormitory areas were mixed and could not be segregated. All the employees signed labor contracts with the auditee Kailida; and also received wages from Kailida. So under such situation, all the operated areas of the auditee were included in the audit scope. Meanwhile, the auditee management was willing to disclose the full scope of the facility; and there no sign of any attempt to hide any employees, documents or areas during the whole audit processes. So, some documents such as partial EIA documents were titled with Zhangjiagang Kaiherda Plastic Co., Ltd. were also reviewed during this audit.

2. The auditee consisted of four flat buildings as workshop and warehouse; one 4-storey building as office and dormitory; and two 2-storey buildings as kitchen, canteen and dormitory.

3. 13 months and 1 day's attendance records from 1 July 2018 to 1 August 2019, and 12 months' payroll records from July 2018 to June 2019 were provided for review, the peak season was from September to April of next year; 10 samples were selected from June 2019 (Current month), January 2019 (Peak month) and August 2018 (Non-peak month) respectively in this audit. Based on the provided attendance records:

1) In June 2019 (Current month), the daily overtime hours of the 10 randomly selected employees were 0 hours, the monthly overtime hours of the 10 randomly selected employees were 40 hours; the average weekly working hours of the 10 randomly selected samples were 48 hours, the maximum weekly working hours were 48 hours (10 out of 10 randomly selected samples).

2) In January 2019 (Peak month), the daily overtime hours of the 10 randomly selected employees were 2 hours, the monthly overtime hours of the 10 randomly selected employees were 76 hours; the average weekly working hours of the 10 randomly selected samples were 58 hours, the maximum weekly working hours were 58 hours (10 out of 10 randomly selected samples).

3) In August 2018 (Non-peak month) the daily overtime hours of the 10 randomly selected employees were 0 hours, the monthly overtime hours of the 10 randomly selected employees were 32 hours; the average weekly working hours of the 10 randomly selected samples were 48 hours, the maximum weekly working hours were 48 hours (10 out of 10 randomly selected samples).

4. The auditee's business license number is 91320582330855335X.

5. Below documents were not upload, because:  
There was no contractor used by the auditee, so contractor license/permit was not applicable.  
There was no agency used by the auditee, so agency labour contract was not applicable.  
There was no any waiver obtained by the auditee, so government waiver was not applicable.  
There was no collective bargaining agreement existed in the auditee, so collective bargaining agreement was not applicable.

6. The APSCA number of the auditor: Ryan Zheng/ Leader Auditor (21700650).

**Performance area 3: The Rights of Freedom of Association and Collective Bargaining**  
The auditee had established the policy and procedure to protect the right of freedom of association. During employee interview, interviewees stated they were not refrained to join any form of organizations which was legal. There was no labor union in the auditee. But there was worker committee, 3 worker committee representatives had been elected by all employees. The employees could raise complaints or suggestions to management through suggestion box, via worker representatives, or direct communication. No deviation was observed in this PA.

**Performance area 4: No Discrimination**  
The auditee had established its policy and procedure of prohibiting against discrimination. Based on employee interview, employees were not discriminated because of their nation, gender, politics, disability, etc. Hepatitis B virus or HIV test was not required during recruitment processes. All the employees were provided with trainings on anti-discrimination procedure at least annually. Both female and male employees were treated fairly and distributed with all types of positions. No deviation was observed in this PA.

**Performance area 8: No Child Labour**  
The auditee had established its hiring procedure, which stated that the auditee would never hire any person whose age was younger than 16 years old. During auditee tour, employee interview and document review, no existing or historical child labor was detected. The youngest employee was 19 years old. The auditee had established the child labor remediation procedure. No deviation was observed in this PA.

**Performance area 9: Special protection for young workers**

Based on onsite observation, the auditee did not hire any juvenile employee. The youngest employee in the auditee was 19 years old. The auditee had established the procedure which stipulated special employment conditions for juvenile employees, such as juvenile employees should be given a regular health check, no overtime or night work should be arranged for them, etc. No deviation was observed in this PA.

**Performance area 10: No Precarious Employment**

All the employees were hired by auditee directly. No labour agency was used by the auditee to hire employees. No temporary employee, apprenticeship schemes or home employee had been observed during the audit. The auditee had signed labour contracts with the employees within one month; and provided each employee with one copy of it. The labour contracts were in local language Chinese, which could be understood by employees. Through employee interview, the interviewees knew the content of their labor contracts well. No deviation was observed in this PA.

**Performance area 11: No Bonded Labour**

The auditee had established the policy and procedure of prohibiting forced or bonded labor. The auditee did not require any deposit; or withheld employees' original ID cards; but only obtained ID cards' copies from employees during recruitment processes. Based on employee interview, employees' right of freedom was not restricted by the auditee. Employees could resign from the auditee at any time. The employees were free to leave the position at any time to drink water or go to the toilet. The auditee did not charge any payment for work tools, PPE, training, etc. from employees. No prison labour had been detected. The interviewees expressed their positive attitude toward auditee. There was no debt relation between the employees and the auditee, or any other third-party agencies. No deviation was observed in this PA.

**Ratings Summary**



<b>Auditee's background information</b>			
Auditee's name :	<b>ZHANGJIAGANG KAILIDA PLASTIC CO.,LTD</b>	Legal status :	<b>Limited Company</b>
Local Name :	<b>张家港市凯利达塑料有限公司</b>	Year in which the auditee was founded :	<b>2015</b>
Address :	<b>Tianzhuang Village, Gangkou, Fenghuang Town, Zhangjiagang City</b>	Contact person (please select) :	<b>Chunfang Jiang</b>
Province :	<b>Jiangsu</b>	Contact's Email :	<b>admin@cnkaierda.com</b>
City :	<b>Zhangjiagang</b>	Auditee's official language(s) for written communications :	<b>Chinese</b>
Region :	<b>North East Asia</b>	Other relevant languages for the auditee :	<b>English</b>
Country :	<b>China</b>	Website of auditee (if applicable) :	<b>N/A</b>
GPS coordinates :	<b>120.674514, 31.792997</b>	Total turnover (in Euros) :	<b>2599766.02</b>
Sector :	<b>Non-Food</b>	Of which exports % :	<b>90.00</b>
Industry :	<b>Plastic Industry</b>	Of which domestic market % :	<b>10.00</b>
If other, please specify :		Production volume :	<b>3000000 pieces per month</b>
Product Group :	<b>Plastic and articles thereof</b>	Production cost calculation :	<b>No</b>
If other, please specify :		Lost time injury calculation cost :	<b>No</b>
Product Type :	<b>PVC tiles</b>		

<b>Auditee's employment structure at the time of the audit</b>			
Total number of workers :	<b>85</b>	Total number of workers in the production unit to be monitored (if applicable) :	<b>0</b>
	<b>MALE WORKERS</b>	<b>FEMALE WORKERS</b>	
Permanent workers	<b>63</b>	<b>22</b>	
Temporary workers	<b>0</b>	<b>0</b>	
In management positions	<b>8</b>	<b>2</b>	
Apprentices	<b>0</b>	<b>0</b>	
On probation	<b>0</b>	<b>0</b>	
With disabilities	<b>0</b>	<b>0</b>	
Migrants (national citizens)	<b>41</b>	<b>16</b>	
Migrants (foreign citizens)	<b>0</b>	<b>0</b>	
Workers on the permanent payroll	<b>63</b>	<b>22</b>	
Production based workers	<b>0</b>	<b>0</b>	
With shifts at night	<b>0</b>	<b>0</b>	
Unionised	<b>0</b>	<b>0</b>	
Pregnant	<b>-</b>	<b>0</b>	
On maternity leave	<b>-</b>	<b>0</b>	



**Finding Report**



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

Full Audit [Audit Id - 158781] Audit Date: 01/08/2019 PA Score: D

Deadline date:30/06/2020

**GOOD PRACTICES:**

None observed

**AREAS OF IMPROVEMENT:**

The auditee had set up its social compliance policies and procedures to implement amfori BSCI CoC, however, not all policies or procedures were properly implemented. The auditee had assigned responsible individuals to ensure the amfori BSCI values and requirement to be followed. The auditee had a good overview of significant business partners and their level of alignment with the amfori BSCI CoC. The auditee had communicated social compliance requirement and conducted social compliance audit toward the suppliers. The auditee did not calculate the costs of production and delivery times. Based on satisfactory evidence, the auditee partially respected this principle, because of the reason: 被审核方建立社会责任管理政策和程序以实施amfori BSCI CoC, 但不是所有政策和程序都得以适当实施;被审核方任命了负责人以确保充分遵循amfori BSCI价值和原则要求;被审核方对主要商业伙伴及其遵守amfori BSCI行为守则的水平有一个较好的理解, 向供应商传达了社会责任的相关要求, 并对供应商进行社会责任审核, 被审核方未进行生产产能和订单周期的计算。基于令人满意的证据, 企业部分尊重本条原则, 原因是:

- 1.1 - The auditee had set up its social compliance policies and procedures, but not all of them were properly implemented, for example, insufficient social insurance for employees, partial chemical not provided with leakage prevention, etc. It partially respected amfori BSCI Performance area 1.1.  
被审核方建立了其社会责任的政策和程序, 但并未得以良好实施, 例如, 员工社保不足, 部分化学品无防渗漏措施等。其部分尊重绩效区域1.1.
- 1.4 - According to management interview and document review, the auditee did not calculate the costs of production and delivery times. In addition, Based on the randomly selected attendance records, monthly overtime hours had exceeded requirement of local law due to production and delivery times not reasonable. It did not respect amfori BSCI Performance area 1.4.  
根据管理层访谈, 被审核方未计算生产产能和订单周期, 此外, 根据随机抽取的考勤, 被审核方因产能规划不合理导致月加班时数超过当地法规限值。其尚未尊重绩效区域1.4。

**Remarks from Auditee:**

**Performance Area 2 : Workers Involvement and Protection**

Full Audit [Audit Id - 158781] Audit Date: 01/08/2019 PA Score: C

Deadline date:30/06/2020

**GOOD PRACTICES:**

None observed

**AREAS OF IMPROVEMENT:**

Based on employee interview and document review, there were regular meetings between employees and their representatives to discuss work place issues. The employees could raise suggestion or complaint to management directly. The auditee had installed suggestion box and published the person responsible for its administration and grievance reporting hot line. The auditee had not defined long-term goals to protect employees. Based on satisfactory evidence, the auditee partially respected this principle, because of the reason: 通过员工访谈和文件审核, 企业员工和他们的代表会进行定期的会议讨论工作场所相关的事。员工可以直接向管理提出任何建议和诉求。企业安装了意见箱并且公布了申诉的负责人和申诉热线。企业尚未制定保护员工的长期目标。基于令人满意的证据, 企业部分尊重本条原则, 原因是:

- 2.2 - Based on management interview and document review, the auditee had not defined long term goals to protect its employees according to amfori BSCI requirement. It did not respect amfori BSCI Performance area 2.2.  
根据管理层访谈和文件审核, 被审核方尚未依据amfori BSCI的要求制定保护工人的长期目标。其尚未尊重amfori BSCI绩效区域2.2。
- 2.5 - Based on document review and auditee tour, the auditee had established a written grievance procedure; however, it did not include the content including potential conflict interests and how to overcome them, how the grievances to be investigated and addressed, and regular survey on the grievance procedure. It partially respected amfori BSCI Performance area 2.5.  
通过文件审核和现场走访, 被审核方建立了建立了书面的申诉程序, 但是, 该申诉程序缺少潜在利益如何克服, 申诉如何调查及申诉程序常规检查的内容。其部分尊重amfori BSCI绩效区域2.5。

**Remarks from Auditee:**

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

Full Audit [Audit Id - 158781] Audit Date: 01/08/2019 PA Score: A

Deadline date:

**GOOD PRACTICES:**

None observed

**AREAS OF IMPROVEMENT:**

None observed  
未发现不符合项

**Remarks from Auditee:**

<b>Performance Area 4 : No Discrimination</b>	
Full Audit [Audit Id - 158781] Audit Date: 01/08/2019 PA Score: A	Deadline date:
<b>GOOD PRACTICES:</b> None observed	
<b>AREAS OF IMPROVEMENT:</b> None observed 未发现不符合项	
<b>Remarks from Auditee:</b>	
<b>Performance Area 5 : Fair Remuneration</b>	
Full Audit [Audit Id - 158781] Audit Date: 01/08/2019 PA Score: C	Deadline date:30/06/2020
<b>GOOD PRACTICES:</b> None observed	
<b>AREAS OF IMPROVEMENT:</b> Based on the provided records: 1. The basic wage paid to employees was more than the local minimum wage standard. 2. The auditee had paid 150% and 200% of normal wage for overtime work on normal working days and rest days respectively. No overtime work had been arranged on holidays in the past 12 months. 3. Employees received their wages by cash no later than 30th of each following month, which was within legally required 30 days after the calculation period. The employees had received pay stub along with the wage of each month. 4. Based on document review and employee interview, the auditee had provided employees with all mandatory leaves, such as annual leave, sick leave, etc. 5. Based on social insurance document in June 2019, the auditee provided social insurance to partial employees. 6. The auditee had not calculated the local living wage. Based on satisfactory evidence, the auditee partially respected this principle, because of the reason: 根据被审核方提供的记录:1. 支付给员工的基本工资高于当地最低工资标准。2. 被审核方给工作日加班和休息日加班分别支付了正常工资的1.5倍和2倍, 过去12个月内无法定假日加班。3. 被审核方不晚于每月30日以现金的方式支付上个自然月的工资, 符合法规的30天发放工资的要求, 发工资时同时也提供工资单给员工。4. 根据文件审核和员工访谈, 被审核方提供了强制要求的假期待遇, 如年假、病假等。5. 根据2019年6月提供的社保记录显示, 被审核方为部分员工提供了社保。6. 被审核方尚未计算当地的最低生活保障工资。基于令人满意的证据, 企业部分尊重本条原则, 原因是: <b>5.4 -</b> Based on management interview and document review, the auditee had not collected the data or conducted the evaluation for the remuneration of decent standard of living. Meanwhile, the interviewees and auditee management did not know the concept of remuneration of decent standard of living. It did not respect the amfori BSCI Performance area 5.4. 根据管理层访谈和文件审核, 被审核方尚未收集相关数据并对当地体面生活工资标准进行评估。同时被访员工和管理层均不理解体面生活工资标准的概念。其尚未尊重amfori BSCI绩效区域5.4。 <b>5.5 -</b> 12 months' social insurance receipts from July 2018 to June 2019 had been reviewed. Based on the social insurance receipt of June 2019, auditor found that there were 85 employees (6 employees were retirees hired to work again) in the auditee in June 2019, 40 (50.6%) employees had participated in social insurance including basic endowment insurance, basic medical insurance, employment injury insurance, unemployment insurance and maternity insurance. Based on employee interview, the interviewees said that they did not want to participate in social insurance because of their own reasons. Meanwhile, the auditee had provided commercial incident injury insurance to all the 85 employees in the auditee, the most recent two commercial incident injury insurance slips were valid from 28 July 2018 to 27 July 2019 and 28 July 2019 to 27 July 2020 respectively. It did not respect the amfori BSCI Performance area 5.5 and did not comply with the Social Insurance Law of the People's Republic of China, Article 10 Employees shall participate in the basic endowment insurance, and the basic endowment insurance premiums shall be jointly paid by employers and employees. Article 23 Employees shall participate in the basic medical insurance for employees, and the basic medical insurance premiums shall be jointly paid by employers and employees in accordance with the relevant provisions of the state. Article 33 Employees shall participate in the employment injury insurance, and the employment injury insurance premiums shall be paid by their employers rather than the employees. Article 44 Employees shall participate in unemployment insurance, and the unemployment insurance premiums shall be jointly paid by employers and employees in accordance with the relevant provisions of the state. Article 53 Employees shall participate in maternity insurance, and the maternity insurance premiums shall be paid by employers rather than employees in accordance with the relevant provisions of the state. 审核员查看了12个月的自2018年7月至2019年6月的社保收据, 根据2019年6月的社保收据, 被审核方在2019年6月共有85名员工(其中6名是退休返聘留用的员工), 40(50.6%)人参加社会保险, 包括养老保险, 医疗保险, 工伤保险, 生育保险以及失业保险。通过员工访谈, 未参保员工表示他们由于个人原因不愿意参加社保。同时, 被审核方给所有85名员工提供了商业意外事故的保险, 最近两份商业意外事故保险保单的有效期分别为2018年7月28日至2019年7月27日及2019年7月28日至2020年7月27日。其尚未尊重amfori BSCI绩效区域5.5, 且不符合《中华人民共和国社会保险法》第十条, 职工应当参加基本养老保险, 由用人单位和职工共同缴纳基本养老保险费。第二十三条 职工应当参加职工基本医疗保险, 由用人单位和职工按照国家规定共同缴纳基本医疗保险费。第三十三条 职工应当参加工伤保险, 由用人单位缴纳工伤保险费, 职工不缴纳工伤保险费。第四十四条 职工应当参加失业保险, 由用人单位和职工按照国家规定共同缴纳失业保险费。第五十三条 职工应当参加生育保险, 由用人单位按照国家规定缴纳生育保险费, 职工不缴纳生育保险费。	
<b>Remarks from Auditee:</b>	



**Performance Area 6 : Decent Working Hours**

Full Audit [Audit Id - 158781] Audit Date: 01/08/2019 PA Score: D

Deadline date:30/06/2020

**GOOD PRACTICES:**

None observed

**AREAS OF IMPROVEMENT:**

1. The auditee used finger scanning attendance system to record the attendance of all employees. Some production records such as daily output records, daily inspection records, etc. had been reviewed; no inconsistency was found. So the compliance status of working hours issue could be verified in this audit. 2. Based on document review and employee interview, normal working hours was 8 hours per day from Monday to Friday and 40 hours per week; and it was compliant with local law. 3. 13 months and 1 day's attendance records from 1 July 2018 to 1 August 2019, and 12 months' payroll records from July 2018 to June 2019 were provided for review, 10 samples were randomly selected from June 2019 (Current month), January 2019 (Peak month) and August 2018 (Non-peak month) respectively. 1) In June 2019 (Current month), the daily overtime hours of the 10 randomly selected employees were 0 hours, the monthly overtime hours of the 10 randomly selected employees were 40 hours; 2) In January 2019 (Peak month), the daily overtime hours of the 10 randomly selected employees were 2 hours, the monthly overtime hours of the 10 randomly selected employees were 76 hours; 3) In August 2018 (Non-peak month), the daily overtime hours of the 10 randomly selected employees were 0 hours, the monthly overtime hours of the 10 randomly selected employees were 32 hours. 4. Based on the randomly selected records and employee interview, employees were provided with at least one day off in each seven-day period, the maximum consecutive working days were 6 days. Based on satisfactory evidence, the auditee partially respected this principle, because of the reason:

1. 被审核方使用电子指纹扫描考勤系统记录员工的出勤情况。审核中查看了部分生产记录如每日产量记录, 检验日报记录等, 未发现不一致的情况, 所以此次审核中工时符合性可以验证。2. 通过文件审核和员工访谈, 被审核方正常工作时间审核周一至周五每天八小时, 总共四十小时, 符合法规要求。3. 审核中查看了从2018年7月1日至2019年8月1日共13个月1天的考勤记录及从2018年7月至2019年6月共12个月工资记录, 从2019年6月(当前月), 2019年1月(旺季月), 2018年8月(淡季月)分别随机抽取了10个样本。1) 2019年6月(当前月), 随机抽取的10名员工日加班时间达到0小时, 月加班时间达到40小时, 2) 2019年1月(旺季月), 随机抽取的10名员工日加班时间达到2小时, 月加班时间达到76, 3) 2018年8月(淡季月), 随机抽取的10名员工日加班时间达到0小时, 月加班时间达到32小时。4. 根据企业提供的记录及员工访谈, 企业提供员工每七天有一个休息日, 最大连续上班天数是六天。基于令人满意的证据, 企业部分尊重本条原则, 原因是:

6.2 - 6.2 Monthly overtime hours exceeded the requirement of local law. Through document review, auditor found that a. The monthly overtime hours of all the 10 randomly selected employees were 40 hours in June 2019 (Current month); b. The monthly overtime hours of all the 10 randomly selected employees were 76 hours in January 2019 (Peak month). All the interviewees stated that they worked overtime voluntarily. It did not respect the amfori BSCI Performance area 6.2, and did not comply with the PRC Labour Law article 41 The employing unit may extend working hours due to the requirements of its production or business after consultation with the trade union and labourers, but the extended working hour for a day shall generally not exceed one hour; if such extension is called for due to special reasons, the extended hours shall not exceed three hours a day under the condition that the health of labourers is guaranteed. However, the total extension in a month shall not exceed thirty-six hours.

月加班时间超过当地法规要求。根据文件审核, 审核员发现 a.所有10名被随机选取的员工在2019年6月(当前月)月加班时间为40小时; b.所有10名被随机选取的员工在2019年1月(旺季月)月加班时间为76小时。受访员工都表示他们都是自愿加班的。其尚未尊重amfori BSCI绩效区域6.2, 且不符合《中华人民共和国劳动法》第41条, 用人单位由于生产经营需要, 经与工会和劳动者协商后可以延长工作时间, 一般每日不得超过一小时;因特殊原因需要延长工作时间的, 在保障劳动者身体健康的条件下延长工作时间每日不得超过三小时, 但是每月不得超过三十六小时。

**Remarks from Auditee:**

<b>Performance Area 7 : Occupational Health and Safety</b>	
Full Audit [Audit Id - 158781] Audit Date: 01/08/2019 PA Score: A	Deadline date:30/06/2020
<b>GOOD PRACTICES:</b> None observed	
<b>AREAS OF IMPROVEMENT:</b>	
<p>EHS committee had been formed by auditee to manage the OHS related issues. The auditee had conducted OHS risk analyze at least annually. The health and safety risks in the auditee were controlled well. For example, there were sufficient fire-fighting equipment such as fire extinguishers, fire hydrant, etc. installed; machines were installed with proper protective devices as per law, there were sufficient first aid supplies in the workshops, etc. Based on document review and employee interview, the auditee provided trainings on OHS knowledge to all employees when they join in the auditee, including the health and safety training, PPE training, etc. However, there were findings noted in the auditee. Based on satisfactory evidence, the auditee partially respected this principle, because of the reason:</p> <p>被审核方建立了健康安全委员会来管理企业的职业健康安全问题。被审核方至少每年进行一次职业健康安全风险评估。被审核方健康安全的风险被很好的控制。例如，被审核方安装了足量的消防设施例如灭火器和消防栓等，机器均安装了适当的防护装置，被审核方在车间配备了足够的急救物资等。根据文件审核和员工访谈，所有员工进被审核方时，均会安排职业健康安全培训，劳保用品培训。然而本次审核亦发现了一些问题。基于令人满意的证据，被审核方部分尊重本条原则，原因是：</p>	
7.1 -	<p>The occupational health and safety management system was not implemented properly. As the auditee was not in observance of the occupational health and safety laws or regulations applicable for its activities completely, for example there was finding against law observed in the area such as PA7.7, 7.17. It partially respected Performance area 7.1.</p> <p>被审核方职业健康安全管理系统并未充分实施。由于被审核方未完全遵守职业健康安全相关的法律和法规要求。例如在某些绩效区域如PA7.7, 7.17存在违反法规要求的发现点。其部分尊重绩效区域7.1。</p>
7.3 -	<p>Based on document review and management interview, auditor found that the auditee had conducted occupational health and safety risk assessment once per year. However, it was inadequate, for example, the risk of special equipment such as forklift had not been assessed. It partially respected amfori BSCI Performance area 7.3.</p> <p>根据文件审核和管理层访谈，审核员发现被审核方每年进行了职业健康安全风险评估。然而，该风险评估并不充分。例如，未评估特种设备如叉车的风险。其部分尊重amfori BSCI绩效区域7.3。</p>
7.7 -	<p>Based on auditee tour, auditor found that around 20% of the print oil in the printing workshop were not provided with leakage prevention measure, such as secondary containment. It partially respected amfori BSCI Performance area 7.7 and did not comply with Regulations on the Safety Management of Dangerous Chemicals article 20, The units producing, storing dangerous chemicals shall, according to the categories and hazardous characteristics of the dangerous chemicals they producing, storing, set up the corresponding safety facilities and equipments for monitoring, aeration, protection against exposure to sun, temperature adjusting, fireproof, fire fighting, flameproof, pressure discharging, prevention of toxicants, neutralization, moistureproof, protection against thunder, protection against static, antiseptis, prevention of leakage, protection dams or segregated operations, etc.. In addition, the units shall carry out maintenance and caring regularly according to the national standards, industrial standards or the relevant provisions of the State, thus to guarantee the safety operations of facilities and equipments.</p> <p>根据现场走访，审核员发现印刷车间约20%的油墨未被提供防渗漏措施，如二次容器。部分尊重amfori BSCI绩效区域7.7且不符合危险化学品安全管理条例第二十条，生产、储存危险化学品的单位，应当根据其生产、储存的化学品的种类和危险特性，在作业场所设置相应的监测、监控、通风、防晒、调温、防火、灭火、防爆、泄压、防毒、中和、防潮、防雷、防静电、防腐、防泄漏以及防护围堤或者隔离操作等安全设施、设备，并按照国家标准、行业标准或者国家有关规定对安全设施、设备进行经常性维护、保养，保证安全设施、设备的正常使用。生产、储存危险化学品的单位，应当在其作业场所和安全设施、设备上设置明显的安全警示标志。</p>
7.17 -	<p>During auditee tour, auditor found that the auditee used special equipment forklift. However, the auditee had not obtained safety management certificate for special equipment (Code A). It partially respected amfori BSCI Performance area 7.17 and did not comply with Regulations on Safety Supervision of Special Appliance Article 38, The operator and related managers (hereinafter referred to as Special Appliance Operator) of boilers, compressing equipment, elevator, lifting appliance, passenger ropeways, large amusement facilities and facility in-bound vehicles shall be examined according to the relevant regulations by relevant supervising department and obtain nationally unified certificate of special appliance operator prior to operating or managing the appliance operation.</p> <p>通过现场走访，审核员发现被审核方使用特种设备叉车。然而，其尚未获得特种设备安全管理人员证书(代号为A)。其部分尊重绩效区域7.17且不符合《特种设备安全监察条例》第38条，第三十八条 锅炉、压力容器、电梯、起重机械、客运索道、大型游乐设施、场(厂)内专用机动车辆的作业人员及其相关管理人员(以下统称特种设备作业人员)，应当按照国家有关规定经特种设备安全监督管理部门考核合格，取得国家统一格式的特种作业人员证书，方可从事相应的作业或者管理工作。</p>
7.23 -	<p>Remark: No transportation was provided by the auditee.</p> <p>备注:被审核方未提供交通。</p>
<b>Remarks from Auditee:</b>	
<b>Performance Area 8 : No Child Labour</b>	
Full Audit [Audit Id - 158781] Audit Date: 01/08/2019 PA Score: A	Deadline date:
<b>GOOD PRACTICES:</b> None observed	
<b>AREAS OF IMPROVEMENT:</b> None observed 未发现不符合项	
<b>Remarks from Auditee:</b>	

<b>Performance Area 9 : Special protection for young workers</b>	
Full Audit [Audit Id - 158781] Audit Date: 01/08/2019 PA Score: A	Deadline date:
<b>GOOD PRACTICES:</b> None observed	
<b>AREAS OF IMPROVEMENT:</b> None observed 未发现不符合项	
<b>Remarks from Auditee:</b>	
<b>Performance Area 10 : No Precarious Employment</b>	
Full Audit [Audit Id - 158781] Audit Date: 01/08/2019 PA Score: A	Deadline date:
<b>GOOD PRACTICES:</b> None observed	
<b>AREAS OF IMPROVEMENT:</b> None observed 未发现不符合项	
<b>Remarks from Auditee:</b>	
<b>Performance Area 11 : No Bonded Labour</b>	
Full Audit [Audit Id - 158781] Audit Date: 01/08/2019 PA Score: A	Deadline date:
<b>GOOD PRACTICES:</b> None observed	
<b>AREAS OF IMPROVEMENT:</b> None observed 未发现不符合项	
<b>Remarks from Auditee:</b>	
<b>Performance Area 12 : Protection of the Environment</b>	
Full Audit [Audit Id - 158781] Audit Date: 01/08/2019 PA Score: A	Deadline date:30/06/2020
<b>GOOD PRACTICES:</b> None observed	
<b>AREAS OF IMPROVEMENT:</b> The product in the auditee were PVC tile; the main raw material was PVC particles; and the main processes were calendaring, printing, heat pressing, gumming, pressing, inspection, packing. No industrial waste water was generated from production. The waste gas and hazardous waste was generated from production processes. The auditee had identified the significant impacts and environmental implications associated to its activity; monitored the waste discharge; and had compiled Environmental Impact Assessment (EIA) Report. The EIA processes were divided into two stages. The first stage included the front processes calendaring, printing, heat pressing, gumming. The auditee failed to obtain the EIA approval or EPCA approval initially. Then in 2016, the auditee completed its self-assessment of environmental impact as per requirement of local environmental bureau; and obtained the environmental impact registration. So it was lawful for the first stage and no further action was needed. The second stage included the last processes pressing, inspection and packing. The auditee had obtained EIA approval or EPCA approval for the second stage. Based on satisfactory evidence, the auditee partially respected this principle, because of the reason: 被审核方的主要产品是塑料地砖,其主要材料为塑料颗粒,主要生产工序包括压延,印刷,热压,背胶,冲床,检验,包装。生产过程不产生工业废水。部分生产工序产生工业废气和危险废弃物。被审核方识别了其活动产生的对环境产生的显著影响,对污染排放做了监测,并且编制了环境影响评价报告。被审核方环评流程分为两个阶段,第一个阶段包括前段工序压延,印刷,热压,背胶,被审核方在当初未能及时获得环评批复和验收,随后在2016年,被审核方根据当地环保局的要求,对其环境影响完成了自我评估,并且获得了评估备案。所以第一阶段目前是合法的且没有进一步需要完成的流程。第二阶段包括后段工序冲床,检验,包装,被审核方获得了第二阶段的环评批复和验收。基于令人满意的证据,被审核方部分尊重本条原则,原因是: <b>12.1 -</b> Based management interview and document review, auditor found that the auditee had not established the grievance mechanism to address the environmental concerns of surrounding communities. It partially respected amfori BSCI Performance area 12.1. 通过管理层访谈和文件审核,审核员发现被审核方尚未针对周边社区建立环境问题的申诉机制。其部分尊重amfori BSCI绩效区域12.1	
<b>Remarks from Auditee:</b>	

**Performance Area 13 : Ethical Business Behaviour**

Full Audit [Audit Id - 158781] Audit Date: 01/08/2019 PA Score: B

Deadline date:30/06/2020

**GOOD PRACTICES:**

None observed

**AREAS OF IMPROVEMENT:**

The auditee had established the policy and procedure of business ethics; and provided relevant trainings to all the employees. During the opening meeting, auditor explained the anti-bribery policy of Intertek and amfori BSCI to auditee management, the auditee management had agreed with the policy and signed on the acknowledge letter during opening meeting. No bribery or attempt bribery case was occurred during the whole assessment. No confirmed falsified record was observed in this audit. There was no indication that the employees might go on strike. Interviewees that they like working here. Based on satisfactory evidence, the auditee partially respected this principle, because of the reason: 被审核方建立了关于商业道德的制度和程序, 并且给全体员工提供了相关培训。在审核的首次会议上, 审核员向被审核方管理层介绍了Intertek及 amfori BSCI的反贿赂政策, 被审核方的管理层表示同意遵守该政策, 并且签署了防止贿赂承诺书。在整个审核过程中未发生任何贿赂或试图贿赂的情况。审核中未发现确凿的数据造假情况。无任何迹象表明员工将要进行罢工。被访谈员工均表示他们喜欢在这工作。基于令人满意的证据, 被审核方部分尊重本条原则, 原因是:

- 13.4 - Based on management interview and document review, the auditee had not established procedure on privacy protection. It did not respect the amfori BSCI Performance area 13.4.  
根据管理层访谈和文件审核, 被审核方尚未建立有关保护个人隐私的程序。其尚未尊重绩效区域13.4.

**Remarks from Auditee:**

**Summary**



Audit Type	Date	Audit Id	PA1	PA2	PA3	PA4	PA5	PA6	PA7	PA8	PA9	PA10	PA11	PA12	PA13	Overall Rating
Full Audit	01/08/2019	158781	D	C	A	A	C	D	A	A	A	A	A	A	B	C



Producer Photos



External photo(s) of the production unit(s)  
Audit gate.jpg



Photo of fire safety equipment  
Fire alarm test.jpg



Photo of the inside of the main production hall  
Drinking water.jpg



External photo(s) of the production unit(s)  
Audit name.jpg



Photo of fire safety equipment  
Fire extinguishers.jpg



Photo of the inside of the main production hall  
Electrical box.jpg



External photo(s) of the production unit(s)  
Production buildings.jpg



Photo of fire safety equipment  
Fire hydrant test.jpg



Photo of the inside of the main production hall  
Finished product warehouse.jpg



External photo(s) of the production unit(s)  
Raw materials.jpg



Photo of fire safety equipment  
Fire hydrant.jpg



Photo of the inside of the main production hall  
Forklift.jpg



External photo(s) of the production unit(s)  
Waste gas treatment facility.jpg



Photo of non-conformity  
NC Partial chemical without leakage prevention.jpg



Photo of the inside of the main production hall  
Gummy workshop.jpg



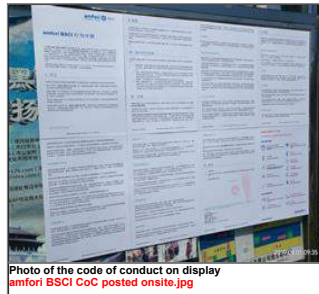




Photo of fire safety equipment  
Evacuation indication sign.jpg



Photo of the inside of the main production hall  
Attendance machine.jpg



Photo of the personal protection equipments (if applicable)  
PPE warning sign.jpg



Photo of fire safety equipment  
Evacuation plan.jpg



Photo of the inside of the main production hall  
Calendaring workshop.jpg



Photo of the sanitary facilities  
Toilet.jpg



Photo of fire safety equipment  
Exit sign emergency light and fire alarm.jpg