

Monitored Party Yuyao Ke'An Reflective Products Co., Ltd	amfori ID 156-015191-000	Address Dushan, Sanqishi Village, Sanqishi Town, Yuyao City, 315412 Ningbo, Zhejiang Sheng, China
Monitoring Activity amfori Social Audit - Manufacturing	Monitoring Type Full Monitoring	Monitoring Partner APCER
Monitoring Start Date 26/09/2023	Closing Meeting Finished Date 26/09/2023	Submission Date 07/10/2023
Expiration Date 07/10/2024	Announcement Type Fully Announced	
Site Yuyao Ke'An Reflective Products Co., Ltd	Site amfori ID 156-015191-002	

This is an extract of the online Monitoring Result, generated on 09/10/2023, and is only valid as an acknowledgement of the result. To see all the details, review the full monitoring result, which is available on the [amfori Sustainability Platform](#) - The English version is the legally binding one.

amfori does not assume any liability with regard to the compliance of this extract, or any versions of this extract, with the Regulation (EU) 2016/679 (General Data Protection Regulation).








All rights reserved. No part of this publication may be reproduced, translated, stored in a retrieval system, or transmitted, in any form or by any means electronic, mechanical, photocopying, recording or otherwise, be lent, re-sold, hired out or otherwise circulated without the amfori consent. © amfori, 2021

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

Name of Lead auditor: Tink Ding; APSCA membership number: CSCA 21705532

Monitoring partner name: APCER (Monitoring firm APSCA #: 11600046)

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

Announcement Type: Fully-announced full audit

Business partner information:

Yuyao Ke'An Reflective Products Co., Ltd (Local Name: 余姚市可安反光制品有限公司, Uniform Code of Social Credit: 91330281681093870K) was located at Dushan, Sanqishi Village, Sanqishi Town, Yuyao City, Ningbo City, Zhejiang Province, China (中国浙江省宁波市余姚市三七市镇三七市村独山). The factory was established on December 29, 2008 per business license review.

The factory was specialized in the manufacturing of reflective products. Main production activities included cutting, high frequency pressing, sewing and packing.

The silk printing process was subcontracted and there was no obvious peak season in the factory per management interview.

Audited location information:

The auditee occupied three flat buildings with a total area of 1,000 square meters as per site tour and interview with management and employees. The factory did not share buildings with others.

The factory did not provide transportation for employees. Neither dormitory nor canteen was provided by the factory.

Operating shifts and hours:

During the current audit, attendance records from September 2022 to the audit date were provided for review. There was only one shift arranged for all employees, and the regular working hours were from 7:30 to 16:30 with 1 hour of lunch time from 11:30 to 12:30. Overtime working is arranged for 2 hours a day on weekdays from 17:30 to 19:30 and for 8 hours a day on Saturdays if needed. Normal working days are from Monday to Friday.

Time recording system:

The factory used electrical attendance system to record employees' working hours including regular working hours and overtimes.

Salary payment details:

Payroll records from September 2022 to August 2023 were provided for review. Based on documents review and management interview, it was noted that all employees were paid by monthly rate. The factory normally paid employees on the 15th of the following month for the wage of the current calendar month via cash. The local legal minimum wage was RMB 2,070 per month since August 1, 2021. The factory paid employees at least RMB 2800 per month which was higher than local minimum wage requirement. For overtime premium, 150% and 200% of basic wages were paid to employees for their overtime hours on weekdays and weekends respectively, and no overtime was arranged on public holidays.

Worker number information:

On the audit day, there were total 10 employees (including 6 males and 4 females) in the factory, of which 6 employees (including 4 males and 2 females) were production workers. 2 employees were migrant people and all employees were hired by the factory directly. There was no vulnerable worker (such as pregnant, foreign migrant, young, disabled, temporary, seasonal, home-based worker) in the factory. The youngest employee was 31 years old and was born on January 25, 1992 and started working in the factory on September 22, 2021. No special group worker (such as interns, apprentices, contractor workers etc.) was found in this factory.

During this audit, 5 employees were interviewed, including 3 males and 2 females.

Good practices:

The factory calculated the basic living wage (RMB 2090 per month) prior to the audit.

Worker organization details:

There was no union available in the factory, but there was one employees' representative elected by employees on

January 5, 2023.

Circumstances:

The management agreed auditor to visit the whole areas of the factory and kept an open attitude during the audit. During the onsite tour, no obvious gap identified between the workforce and production capacity, and all production processes were running normally. There was no special circumstance during the audit.

Summary of findings:

The factory management and employees (representative) showed a positive attitude to this audit during the whole process. The audit was basically fulfilled according to the audit plan sent prior to the audit. At the end of the audit, auditor communicated the findings in detail to them and allowed them to ask questions and make any needed clarifications. Finally, they agreed on the findings and signed the on-site audit findings report. The performance areas that needed improvements were as follows: PA1-2 and PA5-7. No other serious issue was noted in this audit.

Living wage calculation:

- a. There is no GLWC benchmark for the audited location, so the data of Living Wage in the report were provided by the auditing company. Detailed data for Living Wage calculation were filled in the report.
- b. Generally, by Anker Methodology, Net Living Wage = Cost of Basic but Decent Life for a Family / Number of Workers per Family. Based on the concept of Anker methodology, the formula "Living Wage = per capita consumption expenditure x (0.5 x avg. household size) x 1.1" is used for calculation, because "per capita consumption expenditure" covers the daily basic costs of living.
- c. The factory had collected local data and calculated the Living Wage by using the table of Fair Remuneration Scan, which was RMB 2090/month. Relevant evidence was uploaded under Attachment. During this audit, the factory's data were accepted and used when PA5.4 was evaluated. The basic wages (Not including overtime compensation) paid to all sampled workers in 3 sampled months were RMB 2800 per month, which were more than the local living wage RMB 2090 per month as calculated by the factory.

Personal data protection:

As Personal Information Protection Law was implemented in China since Nov 1, 2021, so employees' faces, names, ID numbers, contact information, brand names and logos etc. taken in the photos were protected in the sake of privacy.

Remark:

- a. There was no agency, contractor or collective bargaining agreement used by the auditee, which makes these documents not applicable. Also, no government waiver was obtained currently, which makes the waiver not applicable.
- b. The factory could be exempted from environmental impact assessment according to Construction Projects' Systematic Management Directory of Environmental Impact Assessment.

SITE DETAILS

Site
Yuyao Ke'An Reflective Products Co., Ltd

Site amfori ID
156-015191-002

GICS Classification

Sector Consumer Discretionary	Industry Group Consumer Durables & Apparel	Industry Textiles, Apparel & Luxury Goods
Sub Industry Apparel, Accessories & Luxury Goods		

amfori Process Classifications

N.A.

NACE Classification

N.A.

GS1 Classifications

N.A.

Water Stress Situation

N.A.

METRICS

Key Metrics

Total workforce	10	Workers
Legal minimum wage in local currency	2,070	Monthly
Lowest wage paid for regular work at the site	2,800	Monthly
Calculated living wage in local currency	4,594.78	Monthly
Total sample	5	Workers

Other Metrics

Male workers	6	Workers
Female workers	4	Workers
Permanent workers - Male	6	Workers
Permanent workers - Female	4	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	0	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	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	1	Workers
Domestic migrant workers - Female	1	Workers
Foreign migrant workers - Male	0	Workers
Foreign migrant workers - Female	0	Workers
Workers hired directly - Male	6	Workers
Workers hired directly - Female	4	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	3	Workers
Sample - Female	2	Workers

FINDINGS



PA1: Social Management System

Site: Yuyao Ke'An Reflective Products Co., Ltd | Site amfori ID: 156-015191-002

Question: 1.1 Is there satisfactory evidence that the auditee has set up an effective management system to implement the amfori BSCI Code of Conduct?

ENGLISH	LOCAL LANGUAGE
Finding	
<p>According to interviewing with management and employees as well as documents review, it was noted that factory had already established the social responsibility management manual and procedures based on amfori BSCI principles and local legal requirements. Relevant laws and regulations had been collected and updated by assigned person periodically. The factory management also conducted regular internal audits and provided related training for workers. However, the management system was not operated effectively as there were findings identified in PA2 and PA5-7, such as employees' monthly overtime exceeded legal limits systematically.</p> <p>This question is rated as partially because the general condition in the factory was acceptable and no serious issue was found.</p>	<p>通过与管理层和员工的访谈以及文件查看，审核发现工厂已经根据amfori BSCI原则和当地法律制定了社会责任管理手册和程序文件。相关法律法规已由专人定期收集和更新。工厂管理层还定期进行内部审计，并为员工提供相关培训。然而，管理系统并未有效运行，是因为在PA2和PA5-7中有发现点，如员工出现系统性月加班超时。</p> <p>这个问题被评为部分符合的原因是工厂的整体情况是可以接受的，没有发现严重问题。</p>

Question: 1.4 Is there satisfactory evidence that the auditee's workforce capacity is properly organised to meet the expectations of the delivery order and/or contracts?

ENGLISH	LOCAL LANGUAGE
Finding	
<p>According to interviewing with management as well as documents review, it was noted that the factory had established the workforce planning and cost accounting procedures, while they did not conduct workforce capacity evaluation, which led to employees' monthly overtime exceeding legal limits systematically.</p> <p>This question is rated as partially because corresponding procedures has been established but not effectively implemented.</p>	<p>通过与管理层的访谈以及文件查看，审核发现工厂有建立产能规划和成本核算的程序，但没有进行产能评估，导致员工出现系统性月加班超时情况。</p> <p>这个问题被评为部分符合的原因是工厂已经建立相应程序，但并未有效的执行。</p>



PA 2: Workers Involvement and Protection

Site: Yuyao Ke'An Reflective Products Co., Ltd | Site amfori ID: 156-015191-002

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

According to interviewing with management as well as documents review, it was noted that factory had set long-term of goals to protect employees as per BSCI COC, while they did not monitor the achieving situation in last 12 months. This question is rated as partially because long-term of goals are feasible but they have not been implemented.

通过与管理层的访谈以及文件查看，审核发现工厂已根据 BSCI 的行为准则制定保护工人的长期目标，但没有监控过去12个月的目标达成情况。这个问题被评为部分符合的原因是长期目标是可行的，但并未执行。

PA 5: Fair Remuneration

Site: Yuyao Ke'An Reflective Products Co., Ltd | Site amfori ID: 156-015191-002

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

ENGLISH

LOCAL LANGUAGE

Finding

According to the social insurance receipt of August 2023, there were total 10 permanent employees at that time (including 2 retired employees, no newly hired, temporary or dispatched employee), 6 out of 8 eligible employees (75%) had participated in pension, unemployment, medical, maternity and accident insurances. The factory did not provide commercial accident insurance to employees or obtain any social insurance waiver. This violated the PRC Labor Law article 72 and 73.

This question is rated as no because the factory's social insurance participation ratio does not exceed 80%.

Remark: Per employees and management interview, they explained that participating in social insurance was voluntary and some employees were reluctant to participate in social insurance.

根据2023年8月份的社保缴费情况，工厂当时有10名员工（包含2名退休员工，无新进，临时或派遣员工），工厂有给8名有资格的员工中的6名（75%）提供了养老，失业，医疗，生育和工伤险。工厂未给员工提供商业意外险，也没有获得任何社保批文。这违反了《中华人民共和国劳动法》第72、73条。

这个问题被评为不符合的原因是工厂的社保参保比例不超过80%。

备注：通过员工及管理层访谈，均表示参加社会保险是自愿的原则，部分员工不愿意参加社会保险。

PA 6: Decent Working Hours

Site: Yuyao Ke'An Reflective Products Co., Ltd | Site amfori ID: 156-015191-002

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	
<p>The factory provided the attendance records of all employees from September 2022 to audit day for review. During this audit, the monthly overtime hours of 5 out of 5 randomly selected employees were 62 hours in December 2022 (random month), 5 out of 5 randomly selected employees were 56 hours in April 2023 (random month), 5 out of 5 randomly selected employees ranged from 46 to 48 hours in August 2023 (current month), which exceed the legal limitation of 36 hours per month. This violated the PRC Labor Law article 41. This question is rated as no because employees' monthly overtime exceeding legal limits systematically in the factory.</p>	<p>工厂提供了所有员工2022年9月至审核当天的考勤记录供查看。此次审核中，在2022年12月（随机月），随机抽样的5/5名员工的月加班工时为62小时，在2023年4月（随机月），随机抽样的5/5名员工的月加班工时为56小时，在2023年8月（当前月），随机抽样的5/5名员工的月加班工时为46至48小时，超过了法定要求的每月加班工时不超36小时的要求。这违反了《中华人民共和国劳动法》第41条。这个问题被评为不符合是因为员工的月加班时间存在系统性超出法规要求的情况。</p>

PA 7: Occupational Health and Safety

Site: Yuyao Ke'An Reflective Products Co., Ltd | Site amfori ID: 156-015191-002

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>According to interviewing with management and employees, document review as well as site tour, it was noted that the factory had established a complete occupational health management system, but it did not operate effectively which resulted in the discovery of occupational health and safety issue in violation of laws in PA7. This question is rated as partially because the general condition of health and safety in the factory was acceptable and no serious issue was found.</p>	<p>通过与管理层和员工的访谈，文件查看以及现场走访，审核发现工厂已经建立了完整的职业健康管理体系统，但并未有效的运行，导致在PA7发现关于违法定的职业健康安全问題。这个问题被评为部分符合的原因是工厂健康安全的总体状况尚可接受，没有发现严重问题。</p>

Question: 7.2 Is there satisfactory evidence that the auditee seeks to improve workers' protection in case of accident, including through compulsory insurance schemes?

ENGLISH	LOCAL LANGUAGE
Finding	
<p>According to interviewing with management, employees' representative and employees as well as document review, it was noted that factory did</p>	<p>通过与管理层、工人代表和工人的访谈以及文件查看，审核发现工厂没有给4名员工提供商业意外險或者工伤險。</p>

Finding	
<p>not provide commercial accident insurance or accident insurance to 4 employees.</p> <p>This question is rated as partially because regular training was provided for employees and management on how to avoid accidents and minimize their impacts, most employees were provided with accident insurance besides.</p>	<p>这个问题被评为部分符合的原因是工厂定期给员工和管理人员培训如何避免事故发生及降低伤害，此外工厂为大部分员工提供了工伤险。</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>1. According to interviewing with management, document review as well as site tour, it was noted that factory management failed to provide construction safety certificate and fire service certificate for production buildings. The buildings occupied a total construction area of 1,000 square meters and completed in 2003. This violated the PRC Construction Law Article 61 and PRC Fire Prevention Law Article 11.</p> <p>2. According to site tour, it was noted that part of goods stored against wall in warehouse. This violated the Rules Concerning Warehouse Safety and Fire Control Article 18.</p> <p>This question is rated as no because the factory has not obtained any valid government issued building safety certification or exemption documents.</p>	<p>1. 通过与管理层访谈，文件查看以及现场走访，审核发现工厂未能提供厂房的建筑工程竣工验收报告和消防验收合格证明。厂房的总建筑面积为1,000平方米，于2003年竣工。这违反了《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。</p> <p>2. 通过现场走访，审核发现工厂仓库部分货物靠墙堆放。这违反了《仓库防火安全管理规划》第18条。</p> <p>这个问题被评为不符合是因为工厂未获取任何政府出具的建筑安全合格的有效文件或者豁免文件。</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>According to interviewing with management and employees, document review as well as site tour, it was noted that 2 out of 2 randomly selected electrical boxes were lack of inner insulation cover in packing workshop. This violated the General Guide for Safety of Electric User GBT 13869-2017 Article 5.1.2.</p> <p>This question is rated as partially because the factory has established the electrical safety</p>	<p>通过与管理层和员工的访谈，文件查看以及现场走访，审核发现包装车间2/2个抽样电箱缺少内绝缘保护罩。这违反了《用电安全导则》GBT 13869-2017第5.1.2条。</p> <p>这个问题被评为部分符合的原因是工厂有建立电气安全管理程序，并为员工提供定期的培训，此外电箱均安装了外绝缘保护罩，并由有资质的电工进行月检。</p>

Finding	
management procedures and provided regular training for employees. Moreover, electrical boxes were installed with external insulation covers and inspected by qualified electrician monthly.	

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	
<p>According to site tour</p> <p>1. It was noted that sewing machines used in sewing workshop were not installed with finger protective device; 1 out of 1 high posted sewing machine was not installed with needle guards. This violated the General Rules for Designing the Production Facilities in accordance with Safety and Health Requirements 6.1.2.</p> <p>2. It was noted that the transmission belt of 1 out of 1 cutting machine used in cutting workshop was not equipped with pulley guards. This violated the General Rules for Designing the Production Facilities in accordance with Safety and Health Requirements 6.1.6.</p> <p>This question is rated as partially because the factory provided machine safety training for employees regularly, and no similar accident happened in recent 12 months.</p>	<p>通过现场走访</p> <p>1. 审核发现缝纫车间使用的平车未安装护指装置; 1/1台高头车未安装护眼挡板。这违反了《生产设备安全卫生设计总则》6.1.2。</p> <p>2. 裁剪车间1/1台裁切机没有为外露的传动皮带安装皮带保护罩。这违反了《生产设备安全卫生设计总则》6.1.6。</p> <p>这个问题被评为部分符合的原因是工厂为员工提供了定期的机器安全培训，最近12个月未发生类似的工伤。</p>