

Monitoring result for OLD SHARK LIMITED on site Site 1

Monitoring

Monitored Party	: OLD SHARK LIMITED	amfori ID	: 156-017169-000
Site	: Site 1	Site amfori ID	: 156-017169-001
Address	: Hanyabei Zone, Ganpi village, Zhenlong Town, Huiyang District, Huizhou City, Guangdong Province.	Monitoring Activity	: amfori Social Audit - Manufacturing
	: Huizhou	Monitoring Type	: Full Monitoring
	: Guangdong Sheng	Submission Date	: 09/07/2021
	: China	Expiration Date	: 09/07/2022

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Overall rating



Section rating

PA1: Social Management System	C
PA 2: Workers Involvement and Protection	A
PA 3: The Rights of Freedom of Association and Collective Bargaining	A
PA 4: No Discrimination	A
PA 5: Fair Remuneration	C
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	B
PA 13: Ethical Business Behaviour	A

General description

At the beginning of the audit, Mr. Fan Yuan Bing/Vice General Manager, Ms. Wu Yan Hua/Worker Representative attended the opening meeting.

The factory was established on December 12, 2019 and specialized in the manufacture of LED Flash Light, Live Streaming Light, USB Cable, Charger. Business license number was 91441303MA546FA74R. Factory name in English was OLD SHARK LIMITED. Factory local name was “惠州市申盛科技有限公司”. Factory address in English was Hanyabei Zone, Ganpi Village, Zhenlong Town, Huiyang District, Huizhou City, Guangdong Province, Huizhou, China. Factory local address was “惠州市惠阳区镇隆镇甘陂村旱亚背地段”. The factory rent and occupied the 4th floor of one 9-storey production building from the landlord. The total land area occupied by the facility was 2,400 square meters. No dormitory or canteen was provided.

The main production processes in the factory included forming, inspection and packing. There were a total of 96 employees with 59 production workers and 37 non-production workers in the factory. The youngest employee noted during this audit was 18 years old.

According to factory management representation, peak season in the factory was not obvious.

The facility used face identification system to record employees' working hours. There was only one shift for all workshops and the regularly working hour was 8:00-11:30 and 13:00-17:30. The normal working hour in the facility was 8 hours per day from Monday to Friday.

All workers were paid by hourly rate. Wages would be paid by cash before 25th of the following month. Pay stubs were issued to employees.

During the audit, 30 employees' time records and payroll records were sampled as follows for working hour and wage testing: 10 samples from current paid month of May 2021, 10 samples from February 2021, 10 samples from December 2020; Auditor also selected 5 employees' time records from current complete attendance month June 2021 for review. It was noted that sampled employees were paid at least RMB 9.77 per hour, which was above the local minimum wage of RMB 8.91 per hour since July 1, 2018. All sampled employees were paid 150% and 200% of their normal wage for overtime working on weekdays and rest days that in accordance with legal requirement. No overtime worked was found on statutory holidays. Per provided time records, the maximum overtime hours were 2 hours a weekday and 86 hours per month. The longest consecutive work period was 6 days.

According to the social insurance payment receipt provided by factory management, it was noted that only 57 out of 96 employees (59.38%) were provided with accident, unemployment and medical (including maternity) and pension insurance in June 2021. Factory provided 31 employees with commercial accident insurance from September 29, 2020 to September 28, 2021.

Further, 10 employees were selected for private interviews from different workshops. No negative comment was issued during employee interviews. Interviewed employees were satisfied with the working environment, compensation, working hour and management team in the factory.

During the closing meeting, auditor provided the factory representatives with a general overview and explained all of the findings to them. Mr. Fan Yuan Bing/Vice General Manager, Ms. Wu Yan Hua/Worker Representative signed the onsite CAP and agreed to take corrective action.

Auditor note

1. There was no contractor/ agencies/ government waivers/collective bargaining used or available by the auditee, which made the contractor license agency labor contract, government waivers, or collective bargaining agreements not applicable.

2. Audit Company: Bureau Veritas Consumer Products Service

Audit Company APSCA number 11600002

Lead auditor name: Danny Xu

APSCA Auditor Registered Number: RA 21701130

Member auditor name: Amanda Zhang

APSCA Auditor Registered Number: ASCA 21701123

3. During this audit, as per factory tour, auditor noted that another three factories named Tian En Zhi Zao Technology Co., Ltd. (1st floor to 3rd floor) and Hong Hao Dian Zi (Hui Zhou) Co., Ltd. (5th floor) and Sou Dian Technology (Hui Zhou) Co., Ltd. (6th floor to 9th floor) were within the same building. According to the lease contract provided by factory, it was noted that the auditee leased above-mentioned areas (4th floor). The audited factory's management stated that they were independent factories and did not share any attendance & wage system or HR system. As per factory tour, auditor noted that the employees from other factories wore different uniform and employee ID badge, and both of factories had their own access control system. As per employee interview, employees from both factories stated that they never worked in another factory or saw anyone from another factory worked in their factory. In addition, the working hours and wages were managed and paid by their own factory. As per factory tour, document review, management and employee interview, it was confirmed by auditor that these factories were individual factories and did not share any attendance & wage system or HR system. Thus, the other factories were not included in this audit.

Site Details

Site : Site 1

Site amfori ID : 156-017169-001

GICS Classification

Sector : Consumer Discretionary

Industry : Household Durables

Industry Group : Consumer Durables & Apparel

Sub Industry : Consumer Electronics

GS1 Classifications

N.A.

Product Process Classifications

N.A.

Metrics

Key Metrics

Total workforce	94 Workers
Legal minimum wage in local currency	1550 Monthly
Lowest wage paid for regular work at the site	1700 Monthly
Calculated living wage in local currency	1783 Monthly
Total sample	10 Workers

Other Metrics

Male workers	56 Workers
Female workers	38 Workers
Permanent workers - Male	57 Workers
Permanent workers - Female	39 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	1 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	51 Workers
Domestic migrant workers - Female	26 Workers
Foreign migrant workers - Male	0 Workers
Foreign migrant workers - Female	0 Workers
Workers hired directly - Male	57 Workers
Workers hired directly - Female	39 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	6 Workers
Sample - Female	4 Workers

Findings

PA1: Social Management System

The factory did not recruit enough employees or organize its workforce capacity to meet the expectations of the delivery order and/or contracts, so that employees' overtime hours exceeded legal limit. BSCI Code of Conduct: The auditee should organize its workforce capacity to meet the expectations of the delivery order and/or contracts.

审核发现工厂没有足够的员工或者进行良好的生产组织来达成交付订单和/或合同预期，以至于员工月加班超出法律规定。BSCI行为守则：被审核方（生产商）组织其劳工来达成交付订单和/或合同预期和要求。

PA 2: Workers Involvement and Protection

It was noted that the factory had established or participated in an effective grievance mechanism for individuals, the grievance mechanism allowed workers to lodge suggestions or complaints related to the workers' rights, and individuals had alternative ways for lodging a complaint, such as through suggestion box, worker representative or directly to the management. However, the factory had not set up a channel for local communities' coming up with its suggestions or complaints to management for improvement. BSCI Code of Conduct: The auditee establishes or participates in an effective grievance mechanism for individuals and communities.

审核员发现工厂建立和参与了有效的个人申诉机制，申诉机制赋予了工人提出建议，投诉的权利，并且开放了可替代的投诉方式，例如通过意见箱，工人代表或直接向管理层投诉。但是，工厂尚未创建给当地社区提供申诉的渠道。BSCI行为守则：被审核方（生产商）建立或参与了有效的个人和团体申诉机制。

PA 5: Fair Remuneration

It was noted that the factory did not collect the information and calculate the basic needs wages to identify possible gaps existing between the actual remuneration and the basic needs wages. BSCI Code of Conduct: The auditee provides sufficient remuneration that allows workers to meet a decent living standard.

审核员发现工厂未进行基本需求工资信息收集和计算以识别其实际支付的工资和基本需求工资之间的差距。BSCI行为守则：被审核方（生产商）提供让工人达到体面生活标准的足够报酬。

According to the social insurance payment receipt provided by factory management, it was noted that only 57 out of 96 employees (59.38%) were provided with accident, unemployment and medical (including maternity) and pension insurance in June 2021. Factory provided 31 employees with commercial accident insurance from September 29, 2020 to September 28, 2021. In accordance with Article 73 of the Labor Law of the People's Republic of China

根据厂方提供的2021年6月社会保险缴费单据显示工厂57/96名员工（59.38%）购买了工伤，失业，医疗（含生育）和养老保险。工厂为31名员工购买了商业意外保险，时间从2020年9月29日到2021年9月28日。根据《中华人民共和国劳动法》第73条。

PA 6: Decent Working Hours

It was noted that 35 out of 35 sample population employees worked in excess of the statutory overtime hour limits. A review of 35 sample population employees' time records (10 sample employees from current paid month May 2021, 10 sample employees from February 2021 and 10 sample employees from December 2020; In addition, auditors sampled 5 samples' time records from current complete attendance month June 2021) yielded the following: a) 10 out of 10 sample population employees' monthly overtime in December 2020 reached 70-80 hours; b) 10 out of 10 sample population employees' monthly overtime in February 2021 reached 44-54 hours; c) 10 out of 10 sample population employees' monthly overtime in May 2021 reached 68-86 hours; d) 5 out of 5 sample population employees' monthly overtime in June 2021 reached 68-78 hours In accordance with Article 41 of the Labor Law of the PRC

审核员从厂方提供的考勤记录中抽取35个样本(从最近工资支付月2021年5月，从2021年2月，从2020年12月各抽取10个样本；另外，从当前完整考勤月2021年6月抽取了5个样本；)，发现共有35名员工加班时间超出了法定标准，具体为：a) 10/10名抽样员工在2020年12月的加班时间为70-80小时；b) 10/10名抽样员工在2021年2月的加班时间为44-54小时；c) 10/10名抽样员工在2021年5月的加班时间为68-86小时；d) 5/5名抽样员工在2021年6月的加班时间为68-78小时；根据《中华人民共和国劳动法》第41条。

PA 7: Occupational Health and Safety

It was noted that the factory did not provide the occupational health checks to employees in workshop who were in contact with hazardous materials (e.g. soldering dust etc.) yearly. In accordance with Article 35 Law of the People's Republic of China on the Prevention and Treatment of Occupational Diseases.

审核员发现厂方没有每年为在车间接触有毒有害物质（例如：焊锡烟尘等）的员工提供职业病体检。根据《中华人民共和国职业病防治法》第35条。

PA 7: Occupational Health and Safety

According to the social insurance payment receipt provided by factory management, it was noted that only 57 out of 96 employees (59.38%) were provided with accident insurance in June 2021. Factory provided 31 employees with commercial accident insurance from September 29, 2020 to September 28, 2021. In accordance with Article 73 of the Labor Law of the People's Republic of China

根据厂方提供的2021年6月社会保险缴费单据显示工厂57/96名员工（59.38%）购买了工伤保险。工厂为31名员工购买了商业意外保险，时间从2020年9月29日到2021年9月28日。根据《中华人民共和国劳动法》第73条。

The factory had conducted risk assessment for safe, healthy and hygienic working conditions, but the forming area was not covered. This violated Clause 7.3 of BSCI requirement.

工厂有进行健康安全卫生的风险评估，但是没有包含成型区域。根据BSCI条款7.3。

It was noted that 1 out of 1 soldering employee who was in contact with lead dust was not wearing active carbon mask, which had been provided by factory. This violated Article 42 of Law of the People's Republic of China on Production Safety.

审核发现1/1个焊锡员工没有佩戴工厂已提供的活性炭口罩。违反《中华人民共和国安全生产法》第42条

PA 12: Protection of the Environment

The factory could not provide the approval document for on-site inspection and acceptance of completed environmental protection facilities for review. In accordance with Article 17 of the Regulations on Environmental Protection Check and Acceptance for Completed Construction Project

本次审核工厂未能提供建设项目竣工环境保护验收文件。根据《建设项目竣工环境保护验收管理办法》第17条。