

Monitored Party <b>Hongsun Home Supplies Co., Ltd.</b>	amfori ID <b>156-023382-000</b>	Address <b>No.1 South of Dachong industrial Zone, Lishui Town, Nanhai District, Foshan City, Guangdong Province, China, Foshan, Guangdong Sheng, China</b>
Monitoring Activity <b>amfori Social Audit - Manufacturing</b>	Monitoring Type <b>Full Monitoring</b>	Monitoring Partner <b>APCER</b>
Monitoring Start Date <b>30/06/2023</b>	Closing Meeting Finished Date <b>30/06/2023</b>	Submission Date <b>10/07/2023</b>
Expiration Date <b>10/07/2024</b>	Announcement Type <b>Fully Unannounced</b>	
Site <b>Hongsun Home Supplies Co., Ltd.</b>	Site amfori ID <b>156-023382-001</b>	

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## OVERALL RATING



## SECTION RATING

PA1: Social Management System	<b>C</b>	
PA 2: Workers Involvement and Protection	<b>A</b>	
PA 3: The Rights of Freedom of Association and Collective Bargaining	<b>A</b>	
PA 4: No Discrimination	<b>A</b>	
PA 5: Fair Remuneration	<b>B</b>	
PA 6: Decent Working Hours	<b>D</b>	

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PA 7: Occupational Health and Safety	<b>A</b>	
PA 8: No Child Labour	<b>A</b>	
PA 9: Special Protection for Young Workers	<b>A</b>	
PA 10: No Precarious Employment	<b>A</b>	
PA 11: No Bonded Labour	<b>A</b>	
PA 12: Protection of the Environment	<b>A</b>	
PA 13: Ethical Business Behaviour	<b>A</b>	

## GENERAL DESCRIPTION

Name of Lead auditor: Kindy Deng; APSCA membership number: CSCA 21703898

Monitoring partner name: APCER

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

Announcement Type: Fully-unannounced full audit

Business partner information:

Hongsun Home Supplies Co., Ltd. (Local Name: 佛山市南海弘晟家居制品有限公司, Uniform Code of Social Credit: 91440605073545001A) is currently located at No.1 South of Dachong industrial Zone, Lishui Town, Nanhai District, Foshan City, Guangdong Province, China (Local address : 中国广东省佛山市南海区里水镇大冲村南边工业区1号). The factory was established in 2013 at current location. The factory is specialized in the manufacturing of Household products. Main production activities include cutting, binding, welding, sanding, painting, weaving, assembly and packing. No production process or service was subcontracted. As per management interview, peak season in the factory was not obvious, but the low production capacity in January 2023 was because of holiday of China Spring Festival.

Audited location information:

The auditee rented 2 flat buildings as production and warehouse and one 4-storey building as office, canteen and dormitory with around 13000 square meters from the building owner as Runguang Wang. There was no other factory shared the same building. The auditee didn't provide transportation for employees.

Operating shifts and hours:

During the current audit, attendance records from June 1, 2022 to the audit date were provided for review. All employees worked in one shift, the regular working hours were from 8:00 to 18:00 with 2 hours of lunch time from 12:00 to 14:00. Overtime working is arranged for 2 hours a day on weekdays from 19:00 to 21:00 and for 8 hours a day on Saturdays if needed. Normal working days are from Monday to Friday.

Time recording system:

The factory used facial printing attendance system to record workers' working hours including regular working hours and overtimes.

Salary payment details:

Based on documents review and management interview, payroll records from June 2022 to May 2023 were provided for review, all employees were paid by hourly rate. Wages were paid in cash around 30th of each month for the preceding month. The lowest basic wage among samples was RMB 2400 per month, which was higher than the legal minimum wage standard of RMB 1900 per month. For overtime premium, 150% and 200% of basic wages were paid to employees for their overtime hours on workdays and rest days respectively, and no overtime was arranged on public holidays.

Worker number information:

On the audit day, there were total 48 employees (including 28 males and 20 females) in the factory, of which 40 employees were production workers (including 24 males and 16 females). 33 employees were migrant 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 over 31 years old and was born on January 27, 1992 and started working in the factory on March 1, 2018. No special group worker (such as interns, apprentices, contractor workers etc.) was found in this factory. During this audit, 8 employees were interviewed, including 5 males and 3 females.

Worker organization details:

There was no union available in the factory, but there were 2 worker's representatives elected by workers in January 2023.

Circumstances:

There was no special circumstance during the audit.

Summary of findings:

The factory management and workers(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 details 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 needed improvements were as follows: PA 1-2 and PA 5-7. No other serious issue is noted in this audit.

**Good practice:**

Free meals and free dormitory were provided to employees by the facility.

**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. In the formula, the "Number of Workers per Family" is taken granted as two because of the realistic difficulty in investigation and calculation. The data on "avg. household size" all come from The Seventh National Census report. The data of "per capita consumption expenditure" generally come from local Statistics Bureaus, because those data meet the expectations of Anker methodology, for example, the participation of local people and organizations in order to increase its credibility and acceptance by stakeholders, and, transparency and detailed documentation and analysis to ensure that the living wage estimate is solid and credible.

**Personal data protection:**

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

**Remark:**

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.

## SITE DETAILS

Site  
**Hongsun Home Supplies Co., Ltd.**

Site amfori ID  
**156-023382-001**

### GICS Classification

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Sector <b>Consumer Discretionary</b>	Industry Group <b>Consumer Durables &amp; Apparel</b>	Industry <b>Household Durables</b>
Sub Industry <b>Home Furnishings</b>		

### amfori Process Classifications

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N.A.

### GS1 Classifications

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N.A.

### NACE Classification

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N.A.

### Water Stress Situation

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N.A.

## METRICS

### Key Metrics

Total workforce	48	Workers
Legal minimum wage in local currency	1,900	Monthly
Lowest wage paid for regular work at the site	2,400	Monthly
Calculated living wage in local currency	4,564.9	Monthly
Total sample	8	Workers

### Other Metrics

Male workers	28	Workers
Female workers	20	Workers
Permanent workers - Male	28	Workers
Permanent workers - Female	20	Workers
Temporary workers - Male	0	Workers
Temporary workers - Female	0	Workers
Seasonal workers - Male	0	Workers
Seasonal workers - Female	0	Workers
Management - Male	4	Workers
Management - Female	3	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	20	Workers
Domestic migrant workers - Female	13	Workers
Foreign migrant workers - Male	0	Workers
Foreign migrant workers - Female	0	Workers
Workers hired directly - Male	28	Workers
Workers hired directly - Female	20	Workers
Workers hired indirectly - Male	0	Workers
Workers hired indirectly - Female	0	Workers
Unionised workers - Male	0	Workers
Unionised workers - Female	0	Workers
Workers under CBA - Male	0	Workers
Workers under CBA - Female	0	Workers
Pregnant workers	0	Workers

Workers on parental leave - Male	0	Workers
Workers on parental leave - Female	0	Workers
Sample - Male	5	Workers
Sample - Female	3	Workers

## FINDINGS



### PA1: Social Management System

Site: Hongsun Home Supplies Co., Ltd. | Site amfori ID: 156-023382-001

ENGLISH	LOCAL LANGUAGE
<b>Finding(s)</b>	
<p>By interviewing with management, worker representative and workers as well as documents review, factory 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 (Mr. Qian Zhang) 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 PA1-2 and PA5-7, such as monthly overtime not controlled well. This question is rated as partially because the general condition in the factory is acceptable and no serious issue was found.</p>	<p>根据管理者访谈，员工代表访谈，员工访谈和文件查看，工厂已经基于amfori BSCI行为守则和当地法律要求的基础上建立了社会责任管理手册和程序。相关的法律法规已经收集并且有指定人员（张乾先生）定期更新。工厂管理也会进行定期的内部审核并且提供相关培训给员工。但是，该管理体系在实施中依然存在问题，在PA1-2和PA5-7都存在一些不符合项，比如月加班时间没有控制好。由于工厂并未发现任何严重问题且总体状况可接受，此问题点判定为部分符合。</p>
<p>By interviewing with management, worker representative and workers as well as documents review, the factory had established written procedure regarding production capacity plan. However, it was found that the factory did not organize workforce capacity properly to meet the expectations of the delivery order, which resulted in workers' monthly overtime hour more than legal limits systematically. This question is rated partially because the factory had written procedures and basic concept about this.</p>	<p>根据管理者访谈，员工代表访谈，员工访谈和文件查看，工厂已经建立了关于产能评估的书面文件。但是，工厂未进行正确的劳动力规划以确保满足订单要求，这也导致了工人的月加班时间系统性的超出法规要求。由于工厂有书面文件和基本认知，此问题点判定为部分符合。</p>



### PA 2: Workers Involvement and Protection

Site: Hongsun Home Supplies Co., Ltd. | Site amfori ID: 156-023382-001

ENGLISH	LOCAL LANGUAGE
<b>Finding(s)</b>	
<p>By interviewing with management, worker representative and workers as well as documents review, the factory had established written procedures regarding grievance mechanisms and provided relevant training to employees. Two main grievance mechanisms in the factory were well</p>	<p>根据管理者访谈，员工代表访谈，员工访谈和文件查看，工厂已经建立了关于投诉机制的程序文件并且给员工提供了相关培训。工厂现有的两个投诉机制（意见箱和员工代表）被员工广泛知晓。但是，审核发现工厂没有对现有投诉机制进行定期的满意度调查以确保其有效性。由于工厂建立了两个投诉</p>



Finding(s)	
known by employees, including suggestion box and worker representatives. However, it was noted that the factory did not conduct satisfactory survey regarding current grievance mechanisms periodically to assess its effectiveness. This question is rated partially because the factory had set up two grievance mechanisms in the factory and make sure employees knew them clearly.	机制并且员工清晰了解，此问题点判定为部分符合。

## PA 5: Fair Remuneration

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ENGLISH	LOCAL LANGUAGE
Finding(s)	
By interviewing with management, worker representative and workers as well as documents review, it was noted that the factory did not calculate basic living wage prior to audit. The lowest payment in the factory was RMB 2500 per month (not including overtime compensation but including RMB 100 per month as full attendance bonus), which was lower than the number calculated by the audit company (RMB 4564.90 per month). This question is rated no because the factory did not have any idea about the living wage.	根据管理者访谈，员工代表访谈，员工访谈和文件查看，工厂没有计算基本生活需求工资。工厂支付的最低工资为每月2500元（不包括加班工资但是包括每个月100元全勤奖），低于审核公司所计算的基本生活需求工资（每月4564.90元）。由于工厂对于基本生活需求工资毫无概念，此问题判定为不符合。
By interviewing with management, worker representative and workers as well as documents review, it was noted that the social insurance participation rate was not 100%. Social insurance receipts from July 2022 to June 2023 were provided for review. Based on social insurance receipt from June 2023, it was noted that there were 1 retired employee among 48 employees in the factory and 42(89.36%) employees were covered by five types of social insurance (maternity, unemployment, retirement, work-related injury and medical insurance). The factory had bought commercial accident insurance for 45 employees (including 1 retired employee), which was valid from August 23, 2022 to August 22, 2023. This question is rated as partially because the social insurance participation rate is high. (Article 72 and 73 of the Labor Law of the People's Republic of China) Remark: The employees would like to save more money rather than buy social insurance.	根据管理者访谈，员工代表访谈，员工访谈和文件查看，审核发现工厂社保参保率不是100%。工厂提供了2022年7月到2023年6月的社保缴费记录。根据2023年6月的社保缴费记录，工厂48名员工中有1名退休返聘员工，工厂给所有42(89.36%)人提供了社保五险（生育，失业，养老，工伤和医疗保险）。工厂给45名员工（包括一名退休员工）购买了商业意外保险，其有效期为2022年8月23日到2023年8月22日。由于社保参保率较高，此问题判定为部分符合。（《中华人民共和国劳动法》（1994）第72条和73条） 备注：员工不愿意购买社保是想存更多钱。

## PA 6: Decent Working Hours

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ENGLISH	LOCAL LANGUAGE
<b>Finding(s)</b>	
<p>By interviewing with management, worker representative and workers as well as documents review, it was noted that excessive monthly overtime working exists in the factory. Attendance records from June 2022 to the audit day were provided for review. Based on the attendance records of 8 randomly selected employees of May 2023, March 2023 and November 2022, it was noted that all employees conducted excessive monthly overtime working in the three months and the monthly overtime working hours was 66 hours in May 2023, 72 hours in March 2023 and 66 hours in November 2022. The maximum monthly overtime working was 72 hours. This question is rated as no because excessive monthly overtime working is a systematical issue in the factory. (The PRC Labor Law article 41)</p>	<p>根据管理者访谈，员工代表访谈，员工访谈和文件查看，审核发现工厂存在月加班超时。工厂提供了2022年6月到审核当天的考勤记录，基于随机抽取的8名员工2023年5月，2023年3月和2022年11月的考勤记录，所有随机抽取的员工在这三个月均加班超时，月加班时间为2023年5月的66小时，2023年3月的72小时和2022年11月的66小时。月加班最大值为72小时。由于工厂月加班超时是一个系统性问题，此问题点判定为不符合。（《中华人民共和国劳动法第41条》）</p>

## PA 7: Occupational Health and Safety

Site: Hongsun Home Supplies Co., Ltd. | Site amfori ID: 156-023382-001

ENGLISH	LOCAL LANGUAGE
<b>Finding(s)</b>	
<p>Based on observation, management interview, worker interview and document review, it was noted that the factory had established procedures and policies regarding health and safety management system. There was a health and safety committee in the factory, which was responsible for relevant issues. The factory provided relevant training to workers periodically. However, it was not implemented effectively and there were still some non-compliance issues identified in PA7, such as not wearing provided PPE, missing secondary container, etc. This question is rated as partially because the general condition regarding health and safety in the factory is acceptable and no serious issue was found.</p>	<p>根据现场查看，管理者访谈，员工访谈和文件查看，审核发现工厂已经建立了有关健康安全管理体的程序文件。工厂有健康安全委员会负责其相关事务。工厂定期给员工进行相关培训。但是，该体系运行存在缺失，在第七部分仍然发现一些不符合项，比如没有佩戴所提供的个人防护用品，缺少二次容器等。由于工厂并未发现任何严重问题且工厂健康安全总体状况可接受，此问题点判定为部分符合。</p>
<p>Based on observation, workers' interview and document review, it was noted that there were at least ten workers involved in poisoned or harmful</p>	<p>根据现场查看，员工访谈和文件查阅，审核发现工厂至少有10名员工涉及到有毒有害工位（噪音，粉尘，化学品等），但是工厂没有给这些员工提供职</p>

Finding(s)	
position (noise, dust, chemical, etc.) but the factory did not provide occupational health examination to these workers. This question is rated as partially because risk assessment was taken regularly and most related workers under working environment with hazardous factors wore proper PPEs during the audit. (PRC Law of Prevention and Control of Occupational Diseases article 35)	业健康体检。由于有定期进行风险评估，大部分在有职业危害因素下工作的员工工作期间都有佩戴个人防护用品，此问题判定为部分符合。（《中华人民共和国职业病防治法》第三十五条）
Based on observation, management interview, worker interview and document review, it was noted that welders did not have a license. This question is rated as partially because the factory had provided safety training to employees and provided proper PPE to employees and welders were wearing them during working hours. (PRC Labor Law article 55)	根据现场查看，管理者访谈，员工访谈和文件查看，审核中发现金属焊接工没有操作证。由于工厂给员工提供了安全培训且提供了个人防护用品给员工，焊接员工工作期间佩戴了所提供的个人防护用品，此问题点判定为部分符合。（《中华人民共和国劳动法》第55条）
Based on onsite observation, worker interview and management interview, it was noted that most workers in the factory had been wearing provided PPE but two workers using nail gun were not using provided earplugs and one worker in sanding department were not wearing provided dust-proof mask during working hours. This question is rated as partially because the factory had conducted risk assessment for each position and provided relevant training to workers and had provided proper PPE to workers. (PRC on Work Safety Article 42)	根据现场查看，员工访谈和文件查阅，审核发现工厂大部分员工都使用了所提供的个人防护用品但是两名使用钉枪的员工工作期间没有佩戴所提供的耳塞，打磨一名员工没有佩戴所提供的防尘口罩。由于工厂进行了岗位风险评估且给员工提供了相关培训，给员工发放了个人防护用品，此问题判定为部分符合。（《中华人民共和国安全生产法第42条》）
Based on onsite observation, worker interview and management interview : 1.It was noted that 80% chemical containers onsite and in chemical warehouse were missing secondary containers. (Regulations on the Safety Management of Dangerous Chemicals Article 20) 2. It was noted that chemical containers were not labeled for identification (paint). (Regulation of Chemical Safety Usage in Workplace, Article 19) This question is rated partially because the factory had established chemical usage manual and conduct chemical leakage drill and post MSDS onsite.	根据现场查看，员工访谈和管理者访谈： 1.审核发现现场存放和化学品仓库课80%的化学品桶没有二次容器。（《危险化学品安全管理条例》第二十条） 2.审核中发现工厂使用的化学品（油漆）没有标识。（《工作场所安全使用化学品规定》第19条） 由于工厂建立了化学品使用手册和进行了化学品泄漏处理演习并且张贴了化学品的物质资料安全表，此问题判定为部分符合。
Based on observation, it was noted that no basic supplies such as toilet paper, soap were provided in toilet. This question is rated as partially because there are sufficient toilet squatting position with privacy door and the sanitation is good.	根据现场查看，审核发现工厂洗手间没有纸巾，肥皂等基本用品。由于工厂有足够的带有隐私门的厕所蹲位且卫生状况良好，此问题判定为部分符合。