

**MONITORING ID: 24-0280649**

Monitored Party <b>Yangzhou Harmony Accessories Manufacture Co., Ltd.</b>	amfori ID <b>156-038500-000</b>	Address <b>No.208 Ji'an Road, Hanjiang Industrial Park Yangzhou, Jiangsu Sheng, China</b>
Monitoring Activity <b>amfori Social Audit - Manufacturing</b>	Monitoring Type <b>Full Monitoring</b>	Monitoring Partner <b>TÜV NORD CERT GmbH</b>
Monitoring Start Date <b>10/10/2024</b>	Closing Meeting Finished Date <b>17/10/2024</b>	Submission Date <b>17/10/2024</b>
Expiration Date <b>17/10/2026</b>	Announcement Type <b>Semi Announced</b>	
Site <b>Yangzhou Harmony Accessories Manufacture Co., Ltd.</b>	Site amfori ID <b>156-038500-001</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, Violence or Harassment	<b>A</b>	
PA 5: Fair Remuneration	<b>A</b>	
PA 6: Decent Working Hours	<b>C</b>	

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, Forced Labour or Human Trafficking	A	
PA 12: Protection of the Environment	A	
PA 13: Ethical Business Behaviour	A	

## GENERAL DESCRIPTION

Announcement Type: Semi Announced

Monitoring: Full Monitoring

Monitoring Partner: TÜV NORD CERT GmbH (APSCA Firm Member: 11600051)

Auditor: Aries He, APSCA Auditor Number: CSCA 21703908

Monitoring Schedule Details: 1 auditor x 1.5 day onsite

[Location and size]:

Yangzhou Harmony Accessories Manufacture Co., Ltd. (扬州汉梦服饰制造有限公司) is Located at No.208 Ji'an Road, Hanjiang Industrial Park Yangzhou, Jiangsu Province, China (中国江苏省扬州邗江经济开发区吉安路208号). The Uniform Code of Social Credit is 91321000733754870Y, valid from Dec 19, 2001 to long.

[Structure of facility]:

The factory used one 2-storey building for office, production, warehouse, used one 2-storey building for canteen, dormitory. The total area of structure was about 5,670 S.Q. meters.

[Process of facility]:

The main product manufactured by the auditee were hats; and the main process was listed as below: cutting, printing, embroider, sewing, ironing, forming, inspection and packing. No subcontracted or homemaker was used by the auditee.

[Employee analysis]:

A total of 92 employees including 19 male employees and 73 female employees were currently working in the auditee, including 15 migrants from other provinces. There were 62 production employees including 11 males and 51 females. There were 30 non-production employees including 8 males and 22 females. No children or young workers worked in the factory.

There was no Trade Union available in the factory, but there were 2 worker representatives elected by workers.

[Summary of working hours]:

Attendance records from September 2023 to the audit day and payroll records from September 2023 to August 2024 were reviewed in this audit. By cross check those records, production records and interview with the management, workers, and worker representative; no inconsistency on working hours was identified during the audit. The regular working time was 8 hours per day and 5 days per week.

There was 1 shift for employees in kitchen from 9:00 to 18:30 with 1.5-hours lunch break from 13:30 to 15:00.

There was 1 shift for other employees from 8:30 to 18:00 with lunch break from 11:30 to 13:00. Partially workers generally had overtime work at night for 2 hours from 19:00 to 21:00 for 1 to 4 nights per week and on Saturday for 8 hours from 8:30 to 18:00, but they always had one day off per week. Time scanner was used for recording check in/out time and every employee should scan their working time when they entered and exited the facility.

According to the sampled attendance records and confirmed by the interview with management and workers, the maximum overtime hours for workers were 2 hours a day and 42 hours a month, and the maximum working hours were 52 hours a week.

[Summary of compensation]:

All employees' wages were calculated by hourly-rate and the lowest basic wage was RMB 3200 per month which exceeded local legal minimum payment requirement RMB2490 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.

Wages were paid on end of next month and paid by cash on time each month.

The factory provided all employees with maternity insurance, medical insurance, pension insurance, unemployment insurance and accident insurance as the requirement of local law.

The auditee had provided social retirement, maternity insurances, unemployment, medical, social accident insurance for 100% of eligible employees. The auditee had provided commercial accident insurance for 18 employees including 16 retired employees.

[Note for living wage calculation]:

The source of data for living wage was manually calculated by auditor according to below methods: 1) Based on the concept of Anker methodology, the formula "Net Living Wage = Cost of Basic but Decent Life for a Family / Number of Workers per Family" is used for calculation. Here, the "Number of Workers per Family" is taken granted as 2, due to realistic difficulty in investigation and calculation. The reason why data from Statistics Bureaus are used is that these data meet the expectations of Anker methodology, for example, the participation of local people and organizations to increase its credibility and acceptance by stakeholders, transparency and detailed documentation and analysis to ensure that the living wage estimation is solid and credible. 2) The data of "per capita consumption expenditure" in this table generally come from the local Statistics Bureau. The data was mostly published in the National Economy and Society Development Statistical Bulletin of the city. 3) The data on "avg. household size" come from The Seventh National Census Report (2020). 4) The proportion of Per Capita Consumption Expenditure is taken from the national average data, which are: Food: 29.8%; Housing: 23.4%; Education: 10.8%; Healthcare: 8.8%; Others (including clothing, transportation and communication, daily life supplies and services, other supplies, and services): 27.2%. Data are from the Statistical Communique of the People's Republic of China on the 2021 National Economic and Social Development.

[Summary of Interview]:

Worker interviews were conducted individually and in group.  
Randomly selected 12 employees, no complaint was raised.

[Overall Circumstances]:

The auditee management and workers (representative) showed a positive attitude to this audit during the whole process. There was no abnormal levels of production or workforce composition identified during the audit. The audit was basically fulfilled according to the audit plan sent prior to the audit. At the end of the audit, all the findings were accepted by the auditee. The performance areas needed improvements were as follows: PA1-2, PA6-7, PA12.

[Special scene during on site observed]:

1. There was no contractor and agency used by the auditee, so the agency labor contract or contractor license/permit was not applicable for the auditee.
2. The auditee did not obtain any government waiver.
3. There was no collective bargaining agreement in the auditee.
4. Due to personal data protection law/requirement, the personal information related to attached documents had been treated confidentially on the BSCI platform.

## SITE DETAILS

Site  
**Yangzhou Harmony Accessories  
Manufacture Co., Ltd.**

Site amfori ID  
**156-038500-001**

### GICS Classification

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Sector <b>Consumer Discretionary</b>	Industry Group <b>Consumer Durables &amp; Apparel</b>	Industry <b>Textiles, Apparel &amp; Luxury Goods</b>
Sub Industry <b>Apparel, Accessories &amp; Luxury Goods</b>		

### amfori Process Classifications

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N.A.

### NACE Classification

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N.A.

### GS1 Classifications

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N.A.

### Water Stress Situation

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This site is not located in a water stressed region

## METRICS

### Key Metrics

Total workforce	92	Workers
Legal minimum wage in local currency	2,490	Monthly
Lowest wage paid for regular work at the site	3,200	Monthly
Calculated living wage in local currency	2,146.16	Monthly
Total sample	12	Workers

### Other Metrics

Male workers	19	Workers
Female workers	73	Workers
Non-binary workers	0	Workers
Permanent workers - Male	19	Workers
Permanent workers - Female	73	Workers
Permanent workers - Non-binary	0	Workers
Temporary workers - Male	0	Workers
Temporary workers - Female	0	Workers
Temporary workers - Non-binary	0	Workers
Seasonal workers - Male	0	Workers
Seasonal workers - Female	0	Workers
Seasonal workers - Non-binary	0	Workers
Management - Male	6	Workers
Management - Female	21	Workers
Management - Non-binary	0	Workers
Apprentices - Male	0	Workers
Apprentices - Female	0	Workers
Apprentices - Non-binary	0	Workers
Workers on probation - Male	0	Workers
Workers on probation - Female	0	Workers
Workers on probation - Non-binary	0	Workers
Workers with night shift - Male	0	Workers
Workers with night shift - Female	0	Workers
Workers with night shift - Non-binary	0	Workers
Workers with disabilities - Male	0	Workers
Workers with disabilities - Female	0	Workers
Workers with disabilities - Non-binary	0	Workers
Domestic migrant workers - Male	5	Workers
Domestic migrant workers - Female	10	Workers
Domestic migrant workers - Non-binary	0	Workers
Foreign migrant workers - Male	0	Workers

Foreign migrant workers - Female	0	Workers
Foreign migrant workers - Non-binary	0	Workers
Workers hired directly - Male	19	Workers
Workers hired directly - Female	73	Workers
Workers hired directly - Non-binary	0	Workers
Workers hired indirectly - Male	0	Workers
Workers hired indirectly - Female	0	Workers
Workers hired indirectly - Non-binary	0	Workers
Unionised workers - Male	0	Workers
Unionised workers - Female	0	Workers
Unionised workers - Non-binary	0	Workers
Workers under CBA - Male	0	Workers
Workers under CBA - Female	0	Workers
Workers under CBA - Non-binary	0	Workers
Pregnant workers	0	Workers
Workers on parental leave - Male	0	Workers
Workers on parental leave - Female	0	Workers
Workers on parental leave - Non-binary	0	Workers
Sample - Male	6	Workers
Sample - Female	6	Workers
Sample - Non-binary	0	Workers

## FINDINGS



### PA1: Social Management System

Site: Yangzhou Harmony Accessories Manufacture Co., Ltd. | Site amfori ID: 156-038500-001

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

ENGLISH	LOCAL LANGUAGE
<b>Finding</b>	
<p>PA1.1The auditee partially respects this principle. The auditee has set up a social compliance management system and established systemic related policies and procedures. However, it was found that the management system was not operated effectively. E.g. in PA6.2, no effective plans and actions were taken to ensure the monthly overtime of workers meet legal requirements. In PA7, the OHS procedures were not implemented effectively, which resulted in some OHS findings were identified in PA7.</p>	<p>PA1.1被审核方部分遵守本原则。被审核方已建立了社会责任管理系统和系统性的社会责任相关政策及程序文件。然而，被审核方的社会责任管理体系没有有效运行。例如，在PA6.2，被审核方未采取有效的计划和行动以确保工人的月加班时间符合法规要求。在PA7，职业健康安全程序未被有效执行，导致在PA7发现一些职业健康安全方面的问题点。</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
<b>Finding</b>	
<p>PA1.4The auditee partially respects this principle. The auditee has calculated the production costs, labor costs and delivery time and made the workforce plan. However, it was found that the auditee did not organize its workforce capability reasonably and effectively to meet its operation needs. E.g. according to the finding on PA6.2, workers' monthly overtime hours exceeded legal limits systematically.</p>	<p>PA1.4被审核方部分遵守本原则。被审核方已经计算了生产成本、劳动力成本和交付时间以及制定了劳动力计划。然而，被审核方未合理有效地安排其员工劳动力以满足其运作需求。例如，根据PA6.2的审核发现，工人的月加班时间系统性地超出法规要求。</p>



### PA 2: Workers Involvement and Protection

Site: Yangzhou Harmony Accessories Manufacture Co., Ltd. | Site amfori ID: 156-038500-001

**Question:** 2.5 Is there satisfactory evidence that the auditee has established, or participates in, an effective operational-level grievance mechanism for individuals and communities?

ENGLISH	LOCAL LANGUAGE
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Finding	
PA2.5 Based on satisfactory evidence, the main auditee partially respected this principle, because: Based on management and worker interviews and document review, it was noted that the facility has established grievance procedure in writing, but the procedure was not complete. It did not include information of potential conflicts of interest and how to overcome it and record system including how they were investigated, and no indicators of satisfaction among the users to grievance mechanism.	PA2.5基于令人满意的证据，被审核方部分尊重BSCI的本条原则，原因是：根据管理层访谈，员工访谈，文件审核。审核发现被审核方已经建立了书面的员工申诉程序，但是程序内容没有包含以下信息：潜在利益冲突及如何克服，和如何调查申诉。也没有建立使用者对投诉机制的满意指标。

## PA 6: Decent Working Hours

Site: Yangzhou Harmony Accessories Manufacture Co., Ltd. | Site amfori ID: 156-038500-001

**Question:** 6.2 CRUCIAL: Is there satisfactory evidence that the auditee request of overtime is in line with the requirements of the amfori BSCI Code of Conduct?

ENGLISH	LOCAL LANGUAGE
Finding	
Based on satisfactory evidence, the main auditee did not respect this principle, because: Based on management and worker interviews and document review, based on 12 sampled workers' time records from three sampled months (August 2024, June 2024, December 2023) provided by the factory, it was noted that 3 out of 12 randomly selected workers' monthly overtime was 40 hours in June 2024, 3 out of 12 randomly selected workers' monthly overtime was 42 hours in December 2023, which exceeded legal overtime limit: 36 hours per month, and the maximum monthly overtime was 42 hours. (The PRC Labor Law article 41)	基于令人满意的证据，被审核方没有尊重BSCI的本条原则，原因是：根据管理层访谈，员工访谈，文件审核。基于抽样12名员工2024年8月，2024年6月，2024年12月的考勤发现，12名员工中的3人在2024年6月加班时间为40小时，12名员工中的3人在2023年12月加班时间为42小时，均超过法规最大限值36小时每月，且最大月加班时间42小时。（《中华人民共和国劳动法》第四十一条）

## PA 7: Occupational Health and Safety

Site: Yangzhou Harmony Accessories Manufacture Co., Ltd. | Site amfori ID: 156-038500-001

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

ENGLISH	LOCAL LANGUAGE
Finding	
Based on satisfactory evidence, the main auditee	基于令人满意的证据，被审核方没有尊重BSCI的本

Finding	
<p>did not respect this principle, because: Based on management and worker interviews and document review.</p> <p>The factory has 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.</p>	<p>条原则,原因是:根据管理层访谈,员工访谈,文件审核.</p> <p>工厂已经建立了完整的职业健康管理体系,但并未有效的运行,导致在PA7发现关于违反法定的职业健康安全问题的。</p>

**Question: 7.4** Is there satisfactory evidence of active cooperation between management and workers (and/or their representatives) when developing and implementing systems towards ensuring OHS?

ENGLISH	LOCAL LANGUAGE
Finding	
<p>Based on document review, workers &amp; management interview, it was noted that workers and worker representatives were not involved in conducting OHS risk and drafting OHS policies or procedures. This issue was rated as partially because the factory had conducted risk assessment and drafted OHS policies or procedures.</p>	<p>通过文件审阅、员工及管理层访谈,发现员工及员工代表未参与到健康安全风险评估及制定健康安全的政策或程序中。这个问题被评为部分符合,因为工厂有进行风险评估和制定相关健康安全的程序。</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>Based on satisfactory evidence, the main auditee partially respected this principle, because: Through document review, facility tour and management interview, the auditee inspected the warehouse periodically</p> <p>It was noted that the gap between 8% stacks and wall was 0 meter in the warehouse which was less than the legal requirement of 0.5 meter. (Article 18 of Rules for Warehouse Fire Prevention Safety Management)</p>	<p>主要被审核方(生产商)部分遵守本原则,通过文件审核,现场审核和管理层访谈,工厂有定期检查仓库。</p> <p>审核员发现工厂仓库8%的物料和墙间距为0米,小于法律规定0.5米的要求。(《仓库防火安全管理规则》第18条)</p>

## PA 12: Protection of the Environment

Site: Yangzhou Harmony Accessories Manufacture Co., Ltd. | Site amfori ID: 156-038500-001

**Question:** 12.5 Is there satisfactory evidence that water is managed in a way that respects the environment, particularly but not limited to preserving local water sources?

**ENGLISH**

**LOCAL LANGUAGE**

**Finding**

The main auditee partially respected this principle, because: Based on management review and document review.  
It was noted that the facility did not have the management method for preserving water resource.

被审核方部分遵守本原则。原因是：根据管理层访谈，文件审核  
审核中发现被审核方没有建立管理水资源的制度。