

Monitored Party Shenzhen Bangye Xing Handbag Factory	amfori ID 156-057767-000	Address 302, Building A, No. 1, Jiannan Road, Xinnan Community, Pinghu Street, Longgang District, Shenzhen, Guangdong Sheng, China
Monitoring Activity amfori Social Audit - Manufacturing	Monitoring Type Full Monitoring	Monitoring Partner SGS
Monitoring Start Date 20/09/2024	Closing Meeting Finished Date 23/09/2024	Submission Date 29/09/2024
Expiration Date 29/09/2025	Announcement Type Semi Announced	
Site Shenzhen Bangye Xing Handbag Factory	Site amfori ID 156-057767-001	

This is an extract of the online Monitoring Result, generated on 29/09/2024, 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	C	
PA 3: The Rights of Freedom of Association and Collective Bargaining	A	
PA 4: No Discrimination, Violence or Harassment	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, Forced Labour or Human Trafficking	A	
PA 12: Protection of the Environment	A	
PA 13: Ethical Business Behaviour	A	

GENERAL DESCRIPTION

Name of lead auditor: Nicky Xiao (CSCA 21702010)

Name of team auditor (if applicable): Nil

Name of observers, translators, trainees, advisors/consultants (if applicable): Nil

Monitoring partner name: SGS (Monitoring firm APSCA #: 11600006)

Audit schedule details: The audit is planned for 1 auditor x 1 day. The full audit (Semi-Announced) was conducted on September 20, 2024.

Business partner information: Shenzhen Bangye Xing Handbag Factory (Local name: 深圳市邦业兴手袋制品厂) is located at 302, Building A, No. 1, Jiannan Road, Xinnan Community, Pinghu Street, Longgang District, Shenzhen, China. (Local address: 深圳市龙岗区平湖街道新南社区建南路1号A栋302). The factory registered in Market Supervision Administration of Shenzhen, having unified social credit code 91440300MA5FJJ4B0N dated on April 2, 2019, with forever operational term.

The main products manufactured in the factory were handbags

The main production activities included cutting, sewing, handwork and packing

The factory rented the production sites from the village property from June 30, 2022 to June 30, 2025

Audited location information:

The factory used part of 3rd floor of one 4-story production building (1000 S.Q. meters per floor and 4000 S.Q. meters in total) in the industrial park. The 1st floor was used by Xiaoxiang Company as a warehouse. 2nd floor was used by Shenzhen Shengguang Toys Co., LTD which produced toys. The other part of 3rd floor was used by Shenzhen Dexin leather goods company which produced leather goods. 4th floor was used by Shenzhen Danhualong luggage factory which produced luggage bags.

And according to site observation and check with the scope of business license, no mingle worker identified during the audit. This audit only covered the scope used by the main auditee.

Part of 3rd Floor (500 S.Q. meters): All production processes, office and warehouse of the main auditee.

The factory didn't provide canteen, dormitory and transportation to workers.

Operating shifts and hours and time recording system

The main auditee had established working hours policy and used fingerprint attendance recorder to record workers' working time. During the audit, the main auditee provided attendance records from September 1, 2023 to audit date and wage records from September 2023 to August 2024 for review, based on review documents and interview with workers, workers' regular working time was 5 days per week (from Monday to Friday) and 8 hour per day. All workers worked by 1 shift, the working time was 8:00-12:00, 13:30-17:30, OT at evening 2 hours if production needed. No overtime was arranged on Sundays and holidays. The workers could choose work overtime or not, and the main auditee paid enough overtime wage according to legal requirements. The maximum daily overtime was 2 hours, the maximum monthly overtime was 88 hours (including 38 overtime hours on weekdays and 50 overtime hours on rest days in June 2024), the max weekly working time was 60 hours. The factory did not obtain comprehensive working hours system approval. During the audit, the auditor selected 3 months' attendance records as samples. The details of weekly working hours are as below:

November 2023 – standard hours (40 hours) + maximum weekly OT (20 hours)

June 2024– standard hours (40 hours) + maximum weekly OT (20 hours)

August 2024 – standard hours (40 hours) + maximum weekly OT (20 hours)

Salary payment details: The factory had established wages and benefit paying system, which met legal requirement.

Based on the attendance records from September 1, 2023 to audit date and wage records from September 2023 to August 2024 provided by the factory, all workers were paid by hourly rate, and wages were paid before 7th of the following month by cash. The minimum wage was RMB 2360/month, which was equal to the legal requirement. During the audit, the factory assessed the local decent living stand, the basic wages paid to workers were higher than the living standard.

Workers' OT wages on weekdays and weekends were 150% and 200% of normal wages as per legal law. Other benefits such as paid annual leaves, statutory holidays, etc. were provided to all employees according to legal laws. Social

insurances were provided to part of workers.

Worker number information:

- Total worker number (production and management workers): 22 workers include 5 non-production workers and 17 production workers
- Production worker number: 17 production workers include 7 male workers and 10 female workers.
- Vulnerable worker number: Domestic migrant workers: 15 including 5 male workers and 10 female workers. There is no young worker, child labor, disabilities, pregnant and on parental leave workers.
- Any other special group workers: There were no interns, apprentices, contractor workers in the factory.

Good practices: Nil

Worker organization details: There is no union in the factory, but the factory does not prevent workers from forming workers' committees. A workers' committee was established in 2024 with the assistance of the factory management and two worker representatives were elected. During the audit, both worker representatives were out of office because of Mid-Autumn Day holiday in China.

Circumstances: No negative information was identified in the search of website.

Summary of findings:

PA1: 1.1 amfori BSCI Code management was not implemented perfectly, 1.4 working hours' management system was not perfect

PA2: 2.2 The factory didn't create a method to assess the long-term goal, 2.4 workers had no idea about amfori BSCI code, 2.5 no community grievance procedure

PA5: 5.5 The social insurance were not provided to all workers.

PA6: 6.2 Workers' monthly overtime hours exceeded legal requirement

PA7: 7.17 The finger protection rings were installed too high to protect workers, 7.22 The flushing facility in the toilet was broken.

PA3, PA4, PA8, PA9, PA10, PA11, PA12, PA13: Nil

[Living wage] The living wage data is provided by GLWC and please refer to the attachment for details.

PIPL: The Personal Information Protection Law of the People's Republic of China was promulgated on August 20, 2021, the producer ensured that relevant personal data and information provided to SGS auditor(s) has been obtained the individual's consent during the audit.

Attachments During document review it was evident that some of required documents are not applicable in organization like Agency Labour Contract, Government Waiver on working hours and Collective Bargaining Agreement. The main auditee didn't obtain fire certificate and building completion inspection report of the production building because the building was built in 1990 when there was no applicable law. So all of above documents were not involved in document report.

SITE DETAILS

Site
**Shenzhen Bangye Xing Handbag
Factory**

Site amfori ID
156-057767-001

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	20	Workers
Legal minimum wage in local currency	2,360	Monthly
Lowest wage paid for regular work at the site	2,360	Monthly
Calculated living wage in local currency	3,719	Monthly
Total sample	5	Workers

Other Metrics

Male workers	8	Workers
Female workers	12	Workers
Non-binary workers	0	Workers
Permanent workers - Male	9	Workers
Permanent workers - Female	13	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	1	Workers
Management - Female	1	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	9	Workers
Workers hired directly - Female	13	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	2	Workers
Sample - Female	3	Workers
Sample - Non-binary	0	Workers

FINDINGS



PA1: Social Management System

Site: Shenzhen Bangye Xing Handbag Factory | Site amfori ID: 156-057767-001

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
Finding	
<p>1.1 The main auditee partially respected this principle because based on site observation, document review and interview statement, the factory has established a system and procedures to implement the amfori BSCI code of conduct, but there is a deviation from the standard in the implementation process. The factory has the issues on workers' communication and involvement, wages, working hours, health and safety. The social policy (Human Right policy) created by the factory didn't include decision-making process/committee to address if any adverse human rights impacts are identified and a budget to compensate (if needed) and mitigate if any adverse human rights impacts are identified. Considering that the factory has established a complete system and there was only a deviation in implementation, the question was rated as a partial compliance. It violated the requirement of question 1.1 in amfori BSCI system manual.</p>	<p>被审核方部分遵守该原则是因为依照现场审核，文件审核以及访谈，工厂建立了实施amfori BSCI行为准则的体系政策，但是在执行过程中和标准有偏差。例如工厂在工人沟通与参与，工资，工作时间，健康安全方面有问題。工厂在社会责任政策（人权政策）的制定中未包括决策过程/委员会，以解决发现的任何不利人权影响，并包含用于补偿（如果需要）和减轻发现的任何不利人权影响的预算。考虑到工厂已建立了完整的体系并且只是执行上的偏差，该问题点判为部分符合。违反了BSCI管理手册中的问题点1.1的要求。</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>1.4 The main auditee partially respected this principle because based on document review and management interview, the factory has established the procedure of calculating the capacity of production and delivery time. However, when calculating the production capacity, the factory depended on workers working 2 hours overtime per day and 10 hours overtime on Saturday, the factory had no total overtime control principle. As a result, the final working hours could not be controlled at the level required by the regulations. Considering that the factory has established the procedure and</p>	<p>被审核方部分遵守该原则是因为依照文件审核和管理层访谈工厂建立了如何计算生产产能和订单周期的程序。但是工厂在计算产能时按照每天加班2小时，周六加班10小时，但无总量加班控制原则，导致最终的工作时间无法控制在法规要求的水平。考虑到工厂已创建程序并且将产能计算结果应用在工时规划中，该问题点判为部分符合。违反了BSCI管理手册中的问题点1.4的要求。</p>

Finding

applied the productivity calculation results in the working hour planning, the question was rated as a partial compliance. It violated the requirement of question 1.4 in amfori BSCI system manual.

PA 2: Workers Involvement and Protection

Site: Shenzhen Bangye Xing Handbag Factory | Site amfori ID: 156-057767-001

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

2.2 The main auditee partially respected this principle. Based on management interviews and document reviews, the auditee established long-term objectives for the implementation of amfori BSCI in July 2024 and created a methodology for achieving these objectives, but the Factory did not define how the long-term objectives would be evaluated in the future, including evaluation methods and evaluation cycles. Based on the condition of the plant, the question was rated to be partially compliant. It violated the requirements of question 2.2 in the BSCI Management Manual.

被审核方部分遵守该原则。依照管理层访谈和文件审核，被审核方于2024年7月建立实施amfori BSCI的长期目标并且创建如何实现该方法，但是工厂未定义将来如何针对长期目标进行评估，包括评估方法和评估周期。基于工厂的情况，该问题点判定为部分符合。违反了BSCI管理手册中的问题2.2的要求。

Question: 2.4 Is there satisfactory evidence that the auditee builds sufficient competence among managers, workers and workers representatives to successfully embed responsible practices in the business operation?

ENGLISH

LOCAL LANGUAGE

Finding

2.4 The main auditee partially respected this principle because based on document review, management interview and workers interview, the factory provided training on amfori BSCI code to workers, but workers did not understand it well and workers were not involved completely in the implementation of amfori BSCI code. No training material was provided for audit review. It violated the requirement of question 2.4 in amfori BSCI system manual.

被审核方（生产商）部分遵循该准则，原因是依照文件审核，管理层访谈和工人访谈，工厂给员工提供了关于amfori BSCI行为守则的培训，但员工不了解，使得员工在BSCI守则执行时参与度不高。审核中工厂未提供培训教材。违反了BSCI管理手册中的问题2.4的要求。

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

Finding

2.5 The main auditee partially respected this principle. Based on management interviews, worker interviews and document reviews, the factory has created a worker grievance system and workers can give feedback through suggestion boxes and direct feedback from workers' representatives or with workers' supervisors. But the factory did not create a community grievance system. Based on the condition of the factory, the question was rated to be partial-conformance. It violated the requirements of question 2.5 in the BSCI Management Manual.

被审核方部分遵守该原则。依照管理层访谈，工人访谈和文件审核，工厂创建了工人申诉系统并且工人可通过意见箱以及工人代表或和工人主管直接反馈意见。但是工厂未创建社区申诉系统。基于工厂的情况，该问题点判定为部分符合。违反了BSCI管理手册中的问题2.5的要求。

PA 5: Fair Remuneration

Site: Shenzhen Bangye Xing Handbag Factory | Site amfori ID: 156-057767-001

Question: 5.5 Is there satisfactory evidence that the auditee provides workers with the social benefits that are legally granted without negative impact on their pay, level of seniority, position, or promotion prospects?

ENGLISH

LOCAL LANGUAGE

Finding

5.5 The main auditee didn't respect this principle because the factory didn't provide social insurance to all employees as per legal requirement. During the audit, the factory provided social insurance payment receipts from July 2024 to September 2024 for review. Based on social insurance payment receipts of September 2024 review and management interview, there were total 22 employees in the factory, the factory only provided retirement insurance, injury insurance, unemployment insurance, medical insurance and child-bearing insurance to 5 employees. Remark: the main auditee provided commercial accident insurance for all employees, which was effective from July 4, 2024 to July 3, 2025. It violated Labor Law of the People's Republic of China (2018 Amendment) Article 72 & Social Insurance Law of the People's Republic of China (2018 Amendment), Article 10, Article 23, Article 33, Article 44, Article 53, Article 58, Article 60.

被审核方未遵守该原则原因是工厂未给全体员工缴纳社保。审核期间，工厂提供了从2024年7月至2024年9月的社保缴费凭证供查看。根据2024年9月的社保缴费凭证和管理层访谈，工厂共有22名员工，工厂仅为5名工人提供了养老保险，工伤保险，失业保险，医疗保险和生育保险。备注：被审核方给所有工人提供商业意外险，有效期从2024年7月4日至2025年7月3日。违反了中华人民共和国劳动法（2018修正）第七十二条和中华人民共和国社会保险法（2018修正）第十条，第二十三条，第三十三条，第四十四条，第五十三条，第五十八条和第六十条。

PA 6: Decent Working Hours

Site: Shenzhen Bangye Xing Handbag Factory | Site amfori ID: 156-057767-001

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

6.2 The main auditee did not respect this principle because the monthly OT hours exceeded legal requirement. During the audit, the factory provided the attendance records from 1 September 2023 to the audit date for review. The workers' overtime hours were 2 hour per day, 32 to 88 hours per month. The monthly overtime working hours of 5 out of 5 sampled workers exceeded legal requirement from September 2023 to August 2024 except February 2024. The maximum was up to 88 hours in June 2024 including 38 hours in weekdays and 50 hours in weekends. Employees could refuse to work for overtime freely, without penalty. Employees were compensated with overtime wage in accordance with legal requirement. It violated Article 41 of the Labor Law of the PRC. During the audit, auditor selected 5 samples of workers' working hours from below three months including November 2023, June 2024 and August 2024, the situation of sampled working hours is as below:

November 2023– standard hours (176 hours) + maximum monthly OT (74 hours)
June 2024 – stand hours (160 hours) + maximum monthly OT (88 hours)
August 2024 – standard hours (176 hours) + maximum monthly OT (86 hours)

被审核方因员工月加班超过法规按要求的未遵守该原则。审核期间，工厂提供了员工从2023年9月1日至审核当天的考勤记录。根据记录显示，员工日加班为2小时，月加班为32-88小时，抽样的5名员工中的5名员工月加班时间从2023年9月至2024年8月除2024年2月外均超过法规要求，最大月加班为88小时在2024年6月包括平时加班38小时，周末加班50小时。员工可以自由地拒绝加班工作，没有被处罚。工厂按照法规要求支付了加班费。违反了《中华人民共和国劳动法》第41条。

审核过程中，审核员抽取了5个工人的样本，包括三个抽样月份，2023年11月，2024年6月和2024年8月，样本情况如下

2023年11月– 正常工作时间176小时，最大月加班时间为74小时
2024年6月– 正常工作时间160小时，最大月加班时间为88小时
2024年8月– 正常工作时间176小时，最大月加班时间为86小时

PA 7: Occupational Health and Safety

Site: Shenzhen Bangye Xing Handbag Factory | Site amfori ID: 156-057767-001

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

7.17 The main auditee partially respected this principle. According to on-site observation and management interviews, it was found that the

被审核方（生产商）部分遵循该准则。根据现场观察和管理层访谈发现，工厂现场有4台针车的护指环安装过高，无法起到保护工人手指的作用。工厂解

Finding	
<p>protective rings of 4 needle machines in the factory site were too high to protect the fingers of workers. The factory explained that the guard ring was installed too low, and each time the needle was broken, it needed to be disassembled and installed, affecting the efficiency. It violated General Rules of Design on Health and Safety of Production Facility (GB 5083-1999), 6.1.</p>	<p>释说，护指环安装过低，每次断针需要拆卸安装，影响效率。违反了生产设备安全卫生设计总则《GB 5083-1999》，6.1。</p>

Question: 7.22 Is there satisfactory evidence that the auditee provides workers with clean washing facilities, changing rooms and toilets that are also respectful of local customs?

ENGLISH	LOCAL LANGUAGE
Finding	
<p>7.22 The main auditee partially respected this principle. According to on-site observation, management interviews and worker interviews, the factory has provided workers with toilets, in which hand sanitizer and toilet paper are placed for use. However, the flushing facilities of the factory toilets have been damaged, and workers can only flush manually. The factory explained that the activity was mainly to save water. It violated the requirement of question 7.1 in amfori BSCI system manual.</p>	<p>被审核方（生产商）部分遵循该准则。根据现场观察，管理层访谈以及工人访谈，工厂已给工人提供了洗手间，洗手间内放置了洗手液和厕纸供使用。但是工厂洗手间的冲水设施已损坏，工人只能手动冲水。工厂解释此举主要是为了节约用水。违反了amfori BSCI管理手册中问题7.22的要求。</p>