

Monitored Party ShengZhou ShengHua Machinery Technology Co,LTD	amfori ID 156-024746-000	Address NO.7 JULONG ROAD,INDUSTRIAL FUNCTIONAL AREA,HUANGZE TOWN,SHENGZHOU,ZHEJIANG,CHINA, 312400 SHENGZHOU, Zhejiang Sheng, China
Monitoring Activity amfori Social Audit - Manufacturing	Monitoring Type Follow-up Monitoring	Monitoring Partner TÜV NORD CERT GmbH
Monitoring Start Date 18/09/2024	Closing Meeting Finished Date 18/09/2024	Submission Date 02/10/2024
Expiration Date 28/09/2025	Announcement Type Semi Announced	
Site ShengZhou ShengHua Machinery Technology Co,LTD	Site amfori ID 156-024746-001	

This is an extract of the online Monitoring Result, generated on 13/12/2024, 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	B	
PA 3: The Rights of Freedom of Association and Collective Bargaining	A	
PA 4: No Discrimination	A	
PA 5: Fair Remuneration	A	

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

Lead Auditor: Allen Zhou; APSCA membership number: CSCA 21701874.

Monitoring partner: TÜV NORD CERT GmbH, APSCA number: 11600051.

Audit schedule details: The audit was planned for 1 auditor x 1 day; Monitoring Date: 18 Sep. 2024.

Announcement type: Semi Announced

Monitoring type: Follow-up audit

Business partner information: ShengZhou ShengHua Machinery Technology Co,LTD (嵊州市昇华机械科技有限公司) was located at NO.7 JULONG ROAD, INDUSTRIAL FUNCTIONAL AREA, HUANGZE TOWN, SHENGZHOU, SHAOXING CITY, ZHEJIANG PROVINCE, CHINA (浙江省绍兴市嵊州市黄泽工业功能区巨龙路7号). The auditee was established on 21 May 2015. The main products manufactured by the facility was lifting table. The main production processes were assembly, testing, inspection and packing.

Audited location information: In the auditee's address, the auditee rented one 4-storey building as workshop, warehouse & office. The landlord was 'Shengzhou Yongcheng Machinery Co., Ltd.', with total construction area 3,611.87 square meters. The landlord did not have operation. The leased contract was provided for review. No dormitory, canteen or dormitory was provided by the facility. This audit physical scope only covered above mentioned rented area.

Operating shifts and hours: Normal working hour was 8 hours per day and 5 days per week (from Monday to Friday).

Working on Saturday was treated as overtime and Sunday was guaranteed as rest. Attendance records from 01 Aug.

2023 to 18 Sep. 2024 were reviewed. 1 shift for workers: 07:30-11:30, 13:00-17:00; No apparent peak season or low season existed. Remark: the attendance records of Aug. 2023 was only used to verify the wage of Aug. 2023.

Time recording system: Electronic finger prints attendance machine was used to record the time in/out.

Salary payment details: Local legal minimum wage was RMB 2070 per month (equivalent to RMB 11.90 per hour) before 01 Jan. 2024, and it was RMB 2260 per month (equivalent to RMB 12.99 per hour) since 01 Jan. 2024. The whole month was counted as a wage calculation cycle, and the wage was paid by cash at the end of next month. Payroll records from Aug. 2023 to July 2024 were reviewed. Workers' wages were calculated by hourly rate, the minimum wage paid to workers was RMB 16.10 per hour. Overtime on normal working days, rest days and statutory holidays was paid at 150%, 200% and 300% of normal wage.

Worker number information: All employees were hired by the factory directly. Total 46 employees including 37 male employees and 9 female employees were working in the factory. There were 5 non-production employees and 41 production employees (33 male and 8 females). There were 6 domestic migrant workers working in the factory.

Good practices: None

Worker organization details: There was no labor union in the factory. Workers were elected worker representatives in Sep. 2023. The management held meetings with worker representative regularly.

Circumstances: The factory management and sampled workers were cooperative during the audit. There was no special circumstance during the audit.

Summary of findings:

PA1: insufficient management system, insufficient capacity planning;

PA1: gap with the legal requirement and setting goals; workers were unclear about the content and principles of amfori BSCI code of conduct;

PA5: insufficient social insurance provided;

PA6: overtime hours exceeded the legal requirement;

PA7: finished products in warehouse stored against the wall; part of employees were not provided with work-related injury insurance or commercial accident protection; worker representative not invited to participate in EHS assessment; one barrel of chemical lube oil was not equipped with secondary containment or posted with MSDS;

Management attitude: The facility management showed a positive attitude to this audit during the whole process. All documentation requested for the review was provided timely. Locked areas encountered during the audit were unlocked timely. At the end of the audit, all the findings were accepted by the facility management.

Living wage calculation:

#Living Wage:

1).No anker wage available for the producer location, so we used the data provided by auditing company.

2).The calculation methodology refers to anker living wage structure.

3).The data comes from the local bureau of statistics for the current year.

Precautions taken about #COVID-19 in the facility: There are no special measures taken in place at the factory to deal with COVID-19 now.

Remark:

1.a)No contractor was used by the auditee, which makes the contractor license/permit not applicable; b)No agency was used by the auditee, which makes the agency labour contract not applicable; c)No government waiver such as Comprehensive Working Hours System waiver or social insurance waiver was obtained by the auditee, which makes the government waiver not applicable; d)No collective bargain agreements existed in the factory, which makes the collective bargain agreements not applicable.

SITE DETAILS

Site

ShengZhou ShengHua Machinery Technology Co,LTD

Site amfori ID

156-024746-001

GICS Classification

Sector

Consumer Discretionary

Industry Group

Consumer Durables & Apparel

Industry

Household Durables

Sub Industry

Home Furnishings

amfori Process Classifications

N.A.

NACE Classification

N.A.

GS1 Classifications

N.A.

Water Stress Situation

N.A.

METRICS

Key Metrics

Total workforce	46	Workers
Legal minimum wage in local currency	2,260	Monthly
Lowest wage paid for regular work at the site	2,800	Monthly
Calculated living wage in local currency	2,724.21	Monthly
Total sample	8	Workers

Other Metrics

Male workers	37	Workers
Female workers	9	Workers
Permanent workers - Male	37	Workers
Permanent workers - Female	9	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	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	4	Workers
Domestic migrant workers - Female	2	Workers
Foreign migrant workers - Male	0	Workers
Foreign migrant workers - Female	0	Workers
Workers hired directly - Male	37	Workers
Workers hired directly - Female	9	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	2	Workers

FINDINGS



PA1: Social Management System

Site: ShengZhou ShengHua Machinery Technology Co,LTD | Site amfori ID: 156-024746-001

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	
Follow up audit (Sep. 18, 2024): Corrective action not taken: The facility had established written social procedures to implement amfori BSCI Code of Conduct, including working hour policy, wage and benefits system and health & safety procedure etc., but the facility did not perform the procedures effectively. For example, workers' working hours had exceeded legal requirement systematically and not all employees were covered by social insurance, but there was no effective control mechanism. Through management interview, current operation in the facility was based on former experience and reference from peers, rather than completely based on amfori BSCI requirement, the facility did not inspect the social insurance and monitor workers' overtime hours according to legal requirements. (In violation of the requirements of the amfori BSCI system Manual)	跟进审核(2024年9月18日): 纠正措施未执行: 工厂建立了书面社会责任程序来实施amfori BSCI行为准则, 包括了工时制度、工资福利制度和健康安全程序等, 但是在遵守和监督方面没有系统的规划。例如, 员工的工作时间系统性的超过法规要求, 不是所有员工都参加了社会保险, 但是工厂没有有效的控制机制。通过管理层访谈, 工厂目前的运作主要来自之前的经验和同行借鉴, 而不是完全基于amfori BSCI的要求, 工厂未按法规要求去检查社保的执行情况和监督员工加班情况。(违反了amfori BSCI行为手册的要求。)

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	
Follow up audit (Sep. 18, 2024): Corrective action not taken: The auditee partially respect to this principle, based on interviews with management and worker representatives, document review, and on-site observations. Although there was a workforce evaluation and production planning procedure in the factory, the factory did not conduct proper workforce evaluation and production planning. It was noted that excessive monthly overtime was detected for most employees, the management claimed that they arranged production according the requirement of deliver time mainly and did not control monthly overtime hours. (In violation of the requirements of the	跟进审核(2024年9月18日): 纠正措施未执行: 被审核方部分遵守该原则, 基于管理层和工人代表访谈, 文件审查和现场观察。虽然工厂有制定了劳动力评估以及生产规划程序, 但是工厂没有进行合理的劳动力评估以及生产规划。审核发现大部分员工的月加班超时, 管理层表明他们主要是按照交货时间的要求来安排生产, 没有控制月加班时间。(违反了amfori BSCI行为手册的要求。)

Finding

amfori BSCI system Manual).

PA 2: Workers Involvement and Protection

Site: ShengZhou ShengHua Machinery Technology Co,LTD | Site amfori ID: 156-024746-001

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

Follow up audit (Sep. 18, 2024): Corrective action not taken: The auditee partially respects this principle, according to document review, onsite observation, management and employee interview: The factory has basic objectives and targets on BSCI management system, such as monthly OT within 36 hours, all employees joined the five social insurance, but there was still gap with the legal requirement and setting goals about actual OT hours and social insurance. The factory also did not establish actionable plan to reduce the gap.

跟进审核(2024年9月18日): 纠正措施未执行: 被审核方部分遵守该原则, 根据文件审阅, 现场查看, 管理人员和员工访谈, 工厂有建立基本的目标指标, 譬如加班时间每月控制在36小时内, 全厂所有的员工都要购买了5险, 但是工厂实际的工作时间和社保执行情况与法规要求以及制定的目标有差距, 工厂也没有建立可实施的计划去减少此差距。

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

Follow up audit (Sep. 18, 2024): Corrective action not taken: The auditee partially respects this principle, according to document review, onsite observation, management and employee interview: According to the documents, it was found that the training records included amfori BSCI COC training. Per onsite inspection, amfori BSCI COC and poster were posted on the exhibition board for employees to view. However, through employee interviews, it was found that 4 out of the 8 interviewed employees did not understand some of the content and concepts of amfori BSCI COC, such as related requirements in the field of employee participation and employee protection, and the concept of BNW. The management explained that this situation existed due to the

跟进审核(2024年9月18日): 纠正措施未执行: 被审核方部分遵守该原则, 根据文件审阅, 现场查看, 管理人员和员工访谈, 根据文件查看, 发现培训记录里包括amfori BSCI COC培训。现场查看发现展板张贴了amfori BSCI COC和海报供员工查看。然而, 通过员工访谈, 发现8名受访员工中的4名员工对amfori BSCI COC的部分内容和概念不理解, 例如员工参与和员工保护领域的相关要求以及BNW的概念等。管理层解释, 由于部分员工的理解能力有限, 会存在这种情况。

Finding

limited understanding of some employees.

PA 5: Fair Remuneration

Site: ShengZhou ShengHua Machinery Technology Co,LTD | Site amfori ID: 156-024746-001

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

ENGLISH

LOCAL LANGUAGE

Finding

Follow up audit (Sep. 18, 2024): Corrective action not taken: The auditee partially respects this principle, according to document review, management and employee interview, not all workers were provided with social insurance. There were total 46 employees hired at the factory during audit date, 2 employees were retirees hired to work again and no employee was newly hired in one month, so the factory should provide social insurance to 44 employees in Aug. 2024. In Aug. 2024, 6 employees (13.6%) was not provided with all five types of social insurance, including work-injury insurance, retirement insurance, medical insurance, unemployment insurance and child-bearing insurance. 38 employees were provided with social insurance. The management explained that part of workers did not want to participate in social insurance, the workers who did not participate in social insurance stated that they did not want to participate in social insurance because they had participated in local rural medical insurance, although the factory had communicated the social insurance policy to them. The factory did not collect the relevant documents about workers participated in local rural medical insurance. Reference law: Labor Law of P.R.C, Article 72 & 73.

跟进审核(2024年9月18日): 纠正措施未执行: 被审核方部分遵守该原则, 根据文件审阅, 管理层和员工访谈, 不是所有员工都提供社保。工厂审核当天一共雇佣了46名员工, 其中2名退休返聘员工, 无1个月内新进员工。因此工厂应该在2024年8月应为44名员工提供社会保险。在2024年8月, 工厂未给6名员工(13.6%)提供所有社保五险, 包括工伤、养老、医疗、失业和生育保险, 有38人参加了社保。工厂管理层解释到部分员工不想参加社会保险, 未参加社保的员工表示他们不想参加社会保险, 因为他们已经参加了当地的农村合作医疗保险, 尽管工厂已给他们沟通了社保政策。工厂未收集员工参加当地农村合作医疗保险的相关文件。参考法规: 《中华人民共和国劳动法》第72和73条

PA 6: Decent Working Hours

Site: ShengZhou ShengHua Machinery Technology Co,LTD | Site amfori ID: 156-024746-001

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

Follow up audit (Sep. 18, 2024): Corrective action not taken: The auditee did not respect this principle, according to document (working hours management procedure, attendance records, production schedules and daily production reports) review, management and employee interview, the factory did not control the monthly overtime hours within legal requirement. According to the attendance records from 1 Sep. 2023 to the audit day review and worker interview, the monthly overtime hours of workers exceeded 36 hours:

(1) The attendance records in Dec. 2023 showed the monthly overtime hours for 7 out of 8 randomly selected workers exceeded 36 hours and the maximum was up to 56 hours;

(2) The attendance records in June 2024 showed the monthly overtime hours for 8 randomly selected workers exceeded 36 hours and the maximum was up to 60 hours;

(3) The attendance records in July 2024 showed the monthly overtime hours for 8 randomly selected workers exceeded 36 hours and the maximum was up to 52 hours. Reference law: PRC Labor Law article 41.

The monthly overtime hours of 8 randomly selected employees were 24 hours in Sep. 2024 (from 1st to 18th). The factory management stated that the overtime schedule was arranged by orders, orders needed shipment in time, so workers needed to work overtime. Workers stated that they worked overtime voluntarily and they were willing to work overtime to increase income.

跟进审核(2024年9月18日): 纠正措施未执行: 被审核方未遵守该原则, 根据文件(工时管理程序、考勤记录、生产排班表、生产日报表)审阅, 管理层和员工访谈, 工厂未控制月加班时间在法规要求范围内。根据查阅2023年9月1日至审核当天的考勤记录以及员工访谈, 工人的月加班时间超过36小时:

(1) 2023年12月显示8名随机抽样员工有7人月加班超过36小时, 最大的达到56小时;

(2) 2024年6月显示8名随机抽样员工月加班超过36小时, 最大的达到60小时;

(3) 2024年7月显示8名随机抽样员工月加班超过36小时, 最大的达到52小时。参考法律法规: 《中华人民共和国劳动法》第41条。

8名随机抽样在2024年9月(从1号到18号上午)月加班时间为24小时。工厂管理层表示加班根据订单安排, 订单需要及时出货, 因此需要加班工作。工人说他们自愿加班且愿意加班来增加收入。

PA 7: Occupational Health and Safety

Site: ShengZhou ShengHua Machinery Technology Co,LTD | Site amfori ID: 156-024746-001

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

ENGLISH

LOCAL LANGUAGE

Finding

Follow up audit (Sep. 18, 2024): Corrective action not taken: The auditee partially respects this principle, according to document review, onsite observation, management and employee interview: the factory had established a complete health and safety management system, but due to

跟进审核(2024年9月18日): 纠正措施未执行: 被审核方部分遵守该原则, 根据文件审阅, 现场查看, 管理人员和员工访谈, 工厂已建立完整的健康安全管理体系, 但是由于管理疏忽, 导致仍然有问题发生。企业成品仓库里30%产品垛还是靠墙堆放, 垛与墙之间的距离为0米, 不符合法律要求的不小于

Finding	
management negligence, there are still problems. About 30% stacks of materials (finished products) in warehouse were still stored against the wall. The gap between stacks and walls was 0 meter, which was not in compliance with the legal requirement of no less than 0.5 meter. (Laws and Regulations: General Rules for Fire Safety Management of Storage Occupancies GA1131-2014 Article 6.8)	0.5米。(参考法律法规：仓储场所消防安全管理通则 GA1131-2014 第6.8条)

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	
Follow up audit (Sep. 18, 2024): Corrective action not taken: The auditee partially respects this principle, according to document review, onsite observation, management and employee interview: 8 out of 46 employees were not provided with work-related injury insurance or commercial accident protection. Remark: 38 workers joined the work-related injury insurance of social insurance. Reference law: Social Insurance Law of the People's Republic of China, Article 33.	跟进审核(2024年9月18日)：纠正措施未执行：被审核方部分遵守该原则，根据文件审阅，现场查看，管理人员和员工访谈，企业没有给46名员工中的8名员工提供工伤保险或商业意外保障。备注：有38人参加了社保的工伤保险。参考法律法规：《中华人民共和国社会保险法》第33条。

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	
Follow up audit (Sep. 18, 2024): Corrective action not taken: The auditee partially respect to this principle, based on interviews with management and worker representatives, document review, and on-site observations. Workers and their representatives were still not invited to participate in the assessment of occupational health and safety risks. The employees stated that they are aware of all risks within the factory. The factory management stated that they will invite workers and their representatives to participate in the risk assessment as soon as possible. Violated the requirements in the amfori BSCI system manual	跟进审核(2024年9月18日)：纠正措施未执行：被审核方部分遵守该原则，基于管理层和工人代表访谈，文件审查和现场观察。审核发现工人和工人代表还是没有受邀参与进行职业健康安全风险的评估。员工表示他们了解厂内的所有风险。工厂管理人员表示他们会尽快邀请工人和工人代表参与风险评估。违反了amfori BSCI行为手册中的要求。

Question: 7.7 Is there satisfactory evidence that the auditee implements engineering and administrative control measures to avoid or minimise the release of hazardous substances into the work environment, keeping the level of exposure below internationally established or recognised limits?

ENGLISH

LOCAL LANGUAGE

Finding

Follow up audit (Sep. 18, 2024): Corrective action not taken: The auditee partially respect to this principle, based on interviews with management and worker representatives, document review, and on-site observations. One barrel of the chemical lube oil stored at out of production building was not equipped with secondary containment or post with MSDS onsite. (Laws and Regulations: Regulation for Safety of Hazardous Chemical, Article 20 & Regulations on Safety Use of Chemicals in Workplaces, Article 12.)

跟进审核(2024年9月18日)：纠正措施未执行：被审核方部分遵守该原则，基于管理层和工人代表访谈，文件审查和现场观察。工厂厂房外围存放的1桶润滑油未设置二次容器及张贴MSDS。（参考法律法规：《危险化学品安全管理条例》第20条，工作场所安全使用化学品规定 第十二条）