

Monitoring result for Ningbo Kunpeng Luggage Co.,Ltd. on site Ningbo Kunpeng Luggage Co.,Ltd.

Monitoring

Monitored Party	: Ningbo Kunpeng Luggage Co.,Ltd.
amfori ID	: 156-028694-000
Site	: Ningbo Kunpeng Luggage Co.,Ltd.
Site amfori ID	: 156-028694-001
Address	: 5th Floor, No. 1, Building 2, No.27, Anju Lane, Xiaogang Street, Beilun District
	: Ningbo
	: Zhejiang Sheng
	: China
Monitoring Activity	: amfori Social Audit - Manufacturing
Monitoring Type	: Full Monitoring
Monitoring Partner	: SGS
Monitoring Start Date	: 16/02/2023
Closing Meeting	: 17/02/2023
Finished Date	
Submission Date	: 23/02/2023
Expiration Date	: 23/02/2024

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Overall rating

A	B	C	D	E	None
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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	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 Labour	A
PA 12: Protection of the Environment	A
PA 13: Ethical Business Behaviour	A

General description

[Legal entity and business license]

The audited factory Ningbo Kunpeng Luggage Co.,Ltd./宁波坤鹏箱包有限公司 was located at 5th Floor, No. 1, Building 2, No.27, Anju Lane, Xiaogang Street, Beilun District, Ningbo, Zhejiang Province, China. 浙江省宁波市北仑区小港街道安居弄27号2幢1号五层506、508. The factory was a limited liability company.

The business license number was 91330203MA2H7AX79B, it was established on Aug 4, 2020 and valid from Aug 4, 2020 to long term.

[Production overview/Physical audit scope]

Factory rented 5th floor of one 6-storey building as business site, detail as below:

Building A: 5th floor (1250M2) was used as raw material warehouse, cutting workshop, sewing workshop, inspection and packing workshop and office.

[Main products]

The main products of the audited factory were textile products, back bag, safety seat cushion, rearview mirror in car for children, anti-kick cushion, sunshade cover.

Production Capacity was about 1,250,000 pcs per year.

The processes onsite were cutting, sewing, inspection and packing.

[Audit process]

This was 1.0 Man Day site audit and one auditor conducted opening meeting -Plan Tour, Worker and Management Interview, Document Review and Closing Meeting. The audit was conducted in good professional working environment and auditee was very supportive and cooperative throughout the audit activities.

Opening Meeting: The opening meeting of this amfori BSCI audit was started at facility with the words of thanks from SGS, after that brief introduction of audit team was given to the participants. The audit methodology, confidentiality policy of SGS, Zero Tolerance Protocol and methodology of reporting the audit results were thoroughly briefed by the Lead Auditor. Before proceeding to the audit, the audit scope and criteria were reaffirmed and audit itinerary/ plan, which had been forwarded to the organization, was agreed. The auditor described the whole audit process, criteria, scope, different audit methods, and explained the amfori BSCI code of conduct, amfori BSCI holistic approach and local laws in detail to the extent these are related to the audit. Management of the facility assured the auditor of facilitation throughout the audit process. The auditor explained and presented SGS's Integrity Declaration Forms and Audit Cooperation & Confidentiality Declaration to the facility management and Mrs. Juanming Tao/Factory Manager agreed and signed the name.

Health and Safety Tour: All areas of the facility processes were visited during the audit. The auditor conducted the physical tour at the entire premises of the facility detailed as per following information. At the time of facility visit attitude of the facility management was good.

There were 35 employees present which include management staff and 5 sampled workers were selected for interview and the working hours and payroll records of them were selected for review.

A detailed site visit was conducted for the complete facility in order to verify Health & Safety and Environment part of the audit protocol. Workers were interviewed on one to one and focus group basis conducted by the auditor to ensure that BSCI requirements related to Forced Labour, Child Labour, Health and Safety, Freedom of Association, Disciplinary practices, Remuneration, Discrimination, Management Systems, Working Hours and Environment are being fulfilled. Attendance Record, Salary Sheets, Payment Slips, Contract Letters, Age Verification Procedure, Overtime Procedure, HSE Training records, Inspections, Employee Committee Meeting Minutes, Management Review Meetings Minutes and internal monitoring records of workers were verified.

The closing meeting was carried out by the Lead Auditor explaining all the elements of CAP and further processing.

The CAP was agreed and copy of it was also given to the factory.

[Working hours information]

The factory established working time system. Factory used fingerprint scanner attendance recorder to record workers each in/ out time. all employees had one shift: 08:00~11:00, 12:00~17:00; and if needed, overtime from 18:00 to 20:00. They usually had 8 OT working hours on Saturdays. All employees had rested on each Sunday. Confirmed by workers interview, overtime was voluntary. Time records of sampled employees from Jan 1, 2022 to Feb 16, 2023 were reviewed randomly. Maximum overtime work 2 OT working hours per day, 14 hours per week, 64 hours per month and guarantee at least one day rest per week.

[Wage information]

The factory set up wages and benefit paying system, which included paid statutory holidays, sick leave, annual leave, marriage leave and maternity leave etc. Based on the wages from Jan 2022 to Dec 2022 provided by the factory, all workers were paid by hour's rate, the minimum wage paid by the factory was RMB 2500 per month which was more than legal requirement and paid at 20th of the next month by cash. 150%, 200% of normal rate for overtime on regular weekdays and rest days respectively was provided for workers. The payment cycle was natural month. Wages of workers met the decent standard of living and no deduction except individual income tax was identified according to wages records of workers. All these processes and evidence were cross checked by document review, worker interview and management interview.

#LivingWge: The living wage data is provided by the Auditing company because there is no data on GLWC website in the city where the factory is located.

The living costs estimated by auditing company involves developing a model diet for workers using the method developed in Anker Methodology. This involved: (i) calculating required number of calories per person for the reference size family; (ii) Identifying least expensive acceptable food items in accordance with workers' dietary habits and relative food prices using surveys of markets where workers shop; and (iii) using data on nutritional content of foods to develop a preliminary model diet, and then adjusting the preliminary model diet to meet the recommended dietary structure for Chinese people in Development Outline of Food and Nutrition in China as well as WHO recommendations. Second, the housing cost is estimated by evaluating the cost of various rental units, utility costs, other housing costs, and routine repairs/maintenance costs which are basic for a family. And auditing company also considered the living conditions of housing near the factory according to Anker Methodology.

Third, auditing company estimates non-food-non-housing (NFNH) cost for a living wage (i.e. all other costs besides food and housing) based on the ratio of NFNH to food costs expenditures according to secondary statistical data and the cost of our model diet. Fourth, auditing company estimates the number of full-time equivalent workers per family providing support in order to estimate a net living wage for workers based on information from government websites and published papers. Finally, payroll taxes and deductions are taken into consideration to estimate the gross living wage for workers.

[Attachments]

The comprehensive timing approval document and collective bargaining agreement are not applicable to the factory. The processes onsite were cutting, sewing, inspection and packing, EIA was not needed.

Announcement Type: Announced

Monitoring Date: Feb 16, 2023

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

Auditor name: Nita Xiong (APSCA member No. CSCA 21701701)

Site Details

Site : Ningbo Kunpeng Luggage Co.,Ltd.
Site amfori ID : 156-028694-001

GICS Classification

Sector	: Consumer Discretionary	Industry	: Textiles, Apparel & Luxury Goods
Industry Group	: Consumer Durables & Apparel	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	35 Workers
Legal minimum wage in local currency	2280 Monthly
Lowest wage paid for regular work at the site	2500 Monthly
Calculated living wage in local currency	3458 Monthly
Total sample	5 Workers

Other Metrics

Male workers	8 Workers
Female workers	27 Workers
Permanent workers - Male	8 Workers
Permanent workers - Female	27 Workers
Temporary workers - Male	0 Workers
Temporary workers - Female	0 Workers
Seasonal workers - Male	0 Workers
Seasonal workers - Female	0 Workers
Management - Male	0 Workers
Management - Female	2 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	8 Workers
Domestic migrant workers - Female	20 Workers
Foreign migrant workers - Male	0 Workers
Foreign migrant workers - Female	0 Workers
Workers hired directly - Male	8 Workers
Workers hired directly - Female	27 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	1 Workers
Sample - Female	4 Workers

Findings

PA1: Social Management System

1.1 The main auditee partially respects this principle because the factory established social compliance procedures such as wage and benefits management procedure, working hour management procedure, health and safety management procedure, etc. to implement amfori BSCI Code of Conduct. But the factory did not have a systematic planning on observing and supervision. Through management representative interview, the implementation for amfori BSCI management system was not effective, partial established procedures did not carry out effectively during the daily production, and related non-conformance such as excessive overtime hours, insufficient social insurance, etc. were detected during the current audit. It violated amfori BSCI Code 1.1.

被审核方部分遵循该准则。原因是工厂有建立社会责任程序文件如工资福利程序，工作时间管理程序，健康安全程序等去执行amfori BSCI的行为准则。但是在遵守和监督方面没有系统的规划。通过管理者代表访谈，工厂未有效执行amfori BSCI管理体系，建立的部分程序在日常生产中没有有效的实施，此次审核中有发现不符合项，如加班超时，社保不足等。违反了amfori BSCI Code 1.1。

1.4 The main auditee partially respects this principle because as per management interview and documents review, the management was aware of the workforce planning and cost accounting, and the workforce planning and cost accounting procedure were established. But the auditee did not evaluate its workforce capacity to meet the expectations of deliver order or contracts. According to attendance and payroll records review, the workers' overtime exceeded the law requirement. It violated amfori BSCI Code 1.4.

被审核方部分遵循该准则。原因是根据管理层访谈及文件审核，管理层有了解产能规划和成本核算，且工厂建立产能规划和成本核算程序。但被审核方没有评估其生产能力是否可以满足其生产订单要求。根据考勤和工资记录查阅，员工的加班时间超出法规的要求。违反了amfori BSCI Code 1.4。

PA 2: Workers Involvement and Protection

2.2 The main auditee does not respect this principle because from management interview and document review, the factory did not establish the long-term goals which met the requirements of the amfori BSCI Code of Conduct. It violated amfori BSCI Code 2.2.

被审核方未遵循该准则，原因是根据文件查看和管理层访谈，工厂没有制定一个符合amfori BSCI行为准则要求的长期目标。违反了amfori BSCI Code 2.2。

PA 5: Fair Remuneration

5.5 The main auditee does not respect this principle because the factory did not provide social insurance to workers as per legal requirement. There were total 35 employees in the factory, including 7 retirees and 2 employees recruited within one month, 26 employees should be provided with social insurance. Based on workers interview and confirmed by management interview, the factory provided social insurance for 15 employees of them, factory provided commercial accident insurance for all employees who were not provided with social insurance, it valid from Apr 22, 2022 to Apr 21, 2023. It violated Labor Law of the People's Republic of China (2018 Amendment) Article 72 and Article 73.

被审核方未遵循该准则，原因是工厂未按法规要求给员工缴纳社保，工厂共有35名员工，包含7名退休人员以及2名1个月内的新进员工，工厂应为26人提供社保，根据员工访谈及管理层访谈确认，工厂给其中15人提供了社保。工厂给所有未提供社保的员工提供了商业意外保险，周期从2022年4月22日-2023年4月21日。违反了中华人民共和国劳动法（2018 修正）第七十二条、七十三条。

PA 6: Decent Working Hours

6.2 The main auditee does not respect this principle because the facility established working hours regulation according to local law. Management knows the local law requirement clearly, but due to the high cost of manpower and order delivery was urgent, it was hard to establish effective overtime control system. Based on attendance records from Jan 1, 2022 to Feb 16, 2023, the monthly overtime hours exceeded 36 hours systematically, the maximum monthly overtime working hours were 64 hours (including 24 OT hours in weekdays and 40 OT hours in weekends) in Jul 2022. It violated Labor Law of the People's Republic of China (2018 Amendment), Article 41.

被审核方未遵循该准则，原因是工厂依据当地法规建立工时规定，管理人员清楚法规要求，但由于招工成本高，且订单紧急，因此很难建立一个有效的加班管控系统，根据提供的2022年1月1日-2023年2月16日的考勤，工厂月加班系统性的超过36小时。最大的月加班时间为2022年7月的64小时，包含24小时的平时加班及40小时的周末加班。违反了中华人民共和国劳动法（2018 修正）第四十一条。

PA 7: Occupational Health and Safety

7.1 The main auditee partially respects this principle. The factory had established management system for health and safety, included establishing control procedures, identifying related legal regulations, training, health and safety regular check and etc; but some non- conformances were still be found in this audit. It violated amfori BSCI Code 7.1.

被审核方部分遵守该准则。原因是工厂已建立了健康安全管理体系，包括建立管理程序，识别相关法规，培训，健康安全检査等，但此次审核仍然发现不符合项。违反了amfori BSCI Code 7.1。

7.17 The main auditee does not respect this principle because the sewing machines in the factory are not equipped with finger protectors, and there are 2 sewing machines without pulley protection covers and 1 edge machine without needle guard. It violated General Rules of Design on Health and Safety of Production Facility (GB 5083-1999) 6.1.

被审核方未遵守该原则，原因是工厂的缝纫机均未安装护指器，且有2台缝纫机无皮带轮保护罩并且1台拷边机无挡针板。违反了生产设备安全卫生设计总则（GB 5083-1999）6.1。