

Monitored Party ZHEJIANG HAODA TOOLS MANUFACTURE CO.,LTD	amfori ID 156-014435-000	Address No.7 Shenbao Road, Niubeijin Industrial Area, Baiyang District,Wuyi County, 321200 Jinhua, Zhejiang Sheng, China
Monitoring Activity amfori Social Audit - Manufacturing	Monitoring Type Full Monitoring	Monitoring Partner SGS
Monitoring Start Date 13/06/2023	Closing Meeting Finished Date 26/06/2023	Submission Date 26/06/2023
Expiration Date 26/06/2024	Announcement Type Semi Announced	
Site ZHEJIANG HAODA TOOLS MANUFACTURE CO.,LTD	Site amfori ID 156-014435-002	

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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	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

Name of lead auditor: Gastin Li; APSCA membership number (CSCA 21701949)

Name of team auditor: Nil

Name of observers, translators, trainees, advisors/consultants: Nil

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

Audit schedule details: The audit was planned for 1 auditor x 2.5 days. The full audit (semi announced) was conducted on Jun. 13-15, 2023.

Business partner information: ZHEJIANG HAODA TOOLS MANUFACTURE CO.,LTD (Business licence registration number: 913307236628523171) was located at No.7 Shenbao Road, Niubeijin Industrial Area, Baiyang District, Wuyi County, 321200 Jinhua, Zhejiang, China. The factory was founded on 23/05/2007, it was limited company and its business license valid until long term.

The main auditee specialized in Electric tools.

The main production activities in audited factory: Metalworking - Welding - Injecting - Motor making - Paint dipping and paint trickling - Plug-in - Assembling - Testing - Packing.

Production capacity is about 500000 pieces per year.

Audited location information: There're total 3 buildings in factory, including two 3-storey production buildings and one 6-storey complex buildings. All above 3 buildings were used by audited factory.

One 3-storey production building was about 11382 square meters and used as warehouse, motor making workshop, paint dipping and paint trickling workshop, assembling workshop, packing workshop.

One 3-storey production building was about 15210 square meters and used as metalworking workshop, welding workshop, injecting workshop, assembling workshop, testing workshop, packing workshop and warehouse.

One 6-storey complex building was about 10331 square meters and used as office and dormitory.

Operating shifts and hours and Time recording system: The main auditee established working hours policy and used IC card attendance recorder to record the workers' working time. Based on attendance records from 01/05/2022 to audit day (15/06/2023), the injecting workers worked in 2 shifts (07:30-15:30; 15:30-23:30) and other workers worked in 1 shift (7:30-11:30, 13:00-17:00), the workers' regular working time was 8 hours per day, 5 days per week. The factory arranged the workers in 1 shift overtime working for 2 hours on weekdays and 8 hours on Saturday and workers could choose overtime working or not. The factory ensured all workers rest on every Sunday and statutory holidays. It was noted the maximum overtime was 2 hours per day, 52 hours per month, and the maximum weekly working time was 52 hours. The main auditee paid enough overtime wage to workers according to legal requirement.

Salary payment details: The factory established the procedures about wage and benefits, workers' minimum wage, statutory holidays, annual leaves etc. were defined in the policy. The wages were paid by cash before the 20th of the following month, the pay date never delayed, all workers were aware of the wages structures. During the audit, the factory provided the payroll records from May 2022 to Apr. 2023 for review, the workers were paid by hourly rate and the minimum wage for workers were RMB18/hour, that was met the local minimum wage standard. In addition, no fine was deducted from the wages and the workers were satisfied with their wages. The auditee provided social insurance for some workers.

Worker number information:

Total worker number: 203 workers including production and non-production workers, including 105 males and 98 females.

Production worker number: 151 production workers including 81 males and 70 females.

Vulnerable worker number: Total 139 domestic migrant workers including 62 males and 77 females. No foreign migrant workers in the factory. No child labors, young workers, disabilities workers, lactating workers, pregnant workers in factory. No interns, apprentices, contractor workers were found in factory.

Good practices: Nil

Worker organization details: There's no trade union in the factory, and 5 worker representatives were elected by workers.

Circumstances: Nil

The special circumstances can be classified as followed: No special circumstances were found in auditee by check with IPE website, Tianyancha Website etc.

#Incidents: Nil

#Shortcomings: Nil
#Auditor safety: Nil
#Building safety: Nil
#National events: Nil
#Behaviour: Nil
#Coaching: Nil

Summary of findings:

The non-compliances were found in below performance areas:

PA1: 1.1, Amfori BSCI system was not perfect; 1.4, No planning and calculating for production capacity.

PA2: 2.2, No long-term goal was established.

PA5: 5.5, Insufficient social insurance.

PA6: 6.2, Overtime hours exceeded legal requirement.

PA7: 7.1, Goods were stored against the wall; 7.3, Insufficient occupational health examination; 7.6, PPE were not worn properly; 7.7, Chemicals missed complete chemical labels; 7.13, Electric boxes were unlocked.

PA12: 12.5, No active measure was implemented for saving water.

PA13: 13.1, No risk assessment about ethics and integrity for the high-risk process.

Living wage calculation: 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. 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. Third, auditing company estimates non-food-non-housing(NFNH) cost for a living wage. 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.

Reference:

- 1) <http://www.stats.gov.cn/sj/ndsj/2021/indexch.htm>
- 2) http://tjj.jinhua.gov.cn/art/2021/5/18/art_1229317894_3844172.html

Precautions taken about #COVID-19 in the facility: No special requirement.

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.

The photo of Personal Information Protection Law was saved in the Document report.

Attachments :

No Consolidated Working Hours System Approval obtained by the auditee, so the documented valid authorisation to make exemptions on working hours was not applicable.

The audit was not SPA, so the self declaration of producer was not applicable.

Remarks:

During audit day, there's no production in paint dipping and paint trickling workshop, the factory management explained the paint dipping and paint trickling process was stopped due to shortage of raw materials, so they stopped the production in paint dipping and paint trickling workshop and arranged the paint dipping and paint trickling workers worked in the motor making workshop.

SITE DETAILS

Site
**ZHEJIANG HAODA TOOLS
MANUFACTURE CO.,LTD**

Site amfori ID
156-014435-002

GICS Classification

Sector Industrials	Industry Group Capital Goods	Industry Machinery
Sub Industry Industrial Machinery		

amfori Process Classifications

N.A.

GS1 Classifications

N.A.

NACE Classification

N.A.

Water Stress Situation

N.A.

METRICS

Key Metrics

Total workforce	203	Workers
Legal minimum wage in local currency	1,840	Monthly
Lowest wage paid for regular work at the site	3,132	Monthly
Calculated living wage in local currency	3,343.75	Monthly
Total sample	16	Workers

Other Metrics

Male workers	105	Workers
Female workers	98	Workers
Permanent workers - Male	105	Workers
Permanent workers - Female	98	Workers
Temporary workers - Male	0	Workers
Temporary workers - Female	0	Workers
Seasonal workers - Male	0	Workers
Seasonal workers - Female	0	Workers
Management - Male	6	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	62	Workers
Domestic migrant workers - Female	77	Workers
Foreign migrant workers - Male	0	Workers
Foreign migrant workers - Female	0	Workers
Workers hired directly - Male	105	Workers
Workers hired directly - Female	98	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	7 Workers
Sample - Female	9 Workers

FINDINGS



PA1: Social Management System

Site: ZHEJIANG HAODA TOOLS MANUFACTURE CO.,LTD | Site amfori ID: 156-014435-002

ENGLISH	LOCAL LANGUAGE
Finding(s)	
<p>1.1 The main auditee partially respected this principle. The factory had established management system according to amfori BSCI requirement, and conducted the internal audit for management system on 13/02/2023, but based on documents review, onsite check, interview with workers and managements, some issues appeared in Workers Involvement and Protection, Fair Remuneration, Decent Working Hours, Occupational Health and Safety, Protection of the Environment and Ethical Business Behaviour. The facility management declared that, they didn't understand the related requirement.</p> <p>It violated the requirement of question 1.1 in amfori BSCI system manual.</p>	<p>被审核方（生产商）部分遵循该准则。工厂有按照 amfori BSCI要求建立管理体系，且在2023年2月13日进行了社会责任体系内审，但根据文件审核，现场审核，员工及管理层的访谈确认，工厂在员工参与和保护，公平报酬，体面劳动时间，职业健康与安全，环境保护和道德的商业行为方面出现问题。工厂管理层解释其对相关要求不了解。</p> <p>违反了 amfori BSCI管理手册中问题1.1的要求。</p>
<p>1.4 The main auditee partially respected this principle. Based on management interview and documents review, the factory established the policy for production capacity planning and calculating, but the factory did not conduct the planning and calculating for the production capacity, and the maximum monthly overtime working hours of workers reached to 52 hours (during Dec. 2022). The facility management declared that, they didn't understand the requirement about production capacity planning and calculating.</p> <p>It violated the requirement of question 1.4 in amfori BSCI system manual.</p>	<p>被审核方（生产商）部分遵循该准则。原因：根据文件审核和管理层访谈，工厂建立了产能规划及计算的程序，但未执行产能规划与计算，同时工人的最大月加班时间达到52小时（在2022年12月）。工厂管理层解释其对产能规划计算的要求不了解。</p> <p>违反了 amfori BSCI管理手册中问题1.4的要求。</p>



PA 2: Workers Involvement and Protection

Site: ZHEJIANG HAODA TOOLS MANUFACTURE CO.,LTD | Site amfori ID: 156-014435-002

ENGLISH	LOCAL LANGUAGE
Finding(s)	
<p>2.2 The main auditee did not respect this principle. Based on documents review and management interview, the factory did not establish the long-term goal for workers protection as per amfori BSCI</p>	<p>被审核方（生产商）未遵循该准则。原因：根据文件审核和管理层访谈，工厂未依据 amfori BSCI要求来制定保护工人的长期目标，例如如何降低员工的每月加班时间。工厂管理层解释其对长期目标的要求</p>

Finding(s)	
<p>requirement, such as how to reduce the employees' monthly overtime hours. The facility management declared that, they didn't understand the requirement about long-term goal.</p> <p>It violated the requirement of question 2.2 in amfori BSCI system manual.</p>	<p>求不了解。</p> <p>违反了 amfori BSCI 管理手册中问题 2.2 的要求。</p>

PA 5: Fair Remuneration

Site: ZHEJIANG HAODA TOOLS MANUFACTURE CO.,LTD | Site amfori ID: 156-014435-002

ENGLISH	LOCAL LANGUAGE
Finding(s)	
<p>5.5 The main auditee did not respect this principle. Based on documents review and management interview, there were total 203 workers including 13 retired workers, the factory should provide social insurances for 190 workers. Based on social insurance payment invoice from Mar. 2023 to May 2023, it was found that the factory only provided the retirement insurance and unemployment insurance to 67 workers, provided medical insurance and maternity insurance to 68 workers, provided injury insurance to 190 workers, meanwhile, the factory provided commercial accident insurance to 14 workers (valid from 25/04/2023 to 24/04/2024), the workers stated they had bought the new rural social pension insurance by themselves. The facility management declared that the reason for poor social insurance coverage rate was high turnover rate and some workers had bought the new rural social pension insurance. It violated the requirement of Labor Law of the People's Republic of China (2018 Amendment) Article 72 and Article 73</p>	<p>被审核方（生产商）未遵循该准则。原因：根据文件审核和管理层访谈，工厂共203人包含13名退休工人，应该为190名工人购买社会保险；根据工厂提供的2023年3月到2023年5月的社保缴纳记录，工厂仅给67名工人购买养老保险和失业保险，给68名工人提供了医疗保险和生育保险，给190名工人提供工伤保险，此外工厂给14名工人提供商业意外险（有效期从25/04/2023到24/04/2024），工人表示自己已购买新农保。工厂解释社保不足的原因是工人流动性大且部分工人已自行购买新农保。</p> <p>违反了中华人民共和国劳动法（2018修正）第七十二条和第七十三条</p>

PA 6: Decent Working Hours

Site: ZHEJIANG HAODA TOOLS MANUFACTURE CO.,LTD | Site amfori ID: 156-014435-002

ENGLISH	LOCAL LANGUAGE
Finding(s)	
<p>6.2 The main auditee did not respect this principle. Based on reviewing of the provided attendance records from 01/05/2022 to audit day (15/06/2023)</p>	<p>被审核方（生产商）未遵循该准则。原因：根据工厂提供从2022年5月1日到审核当天（2023年6月15日）的考勤和从2022年5月到2023年4月工资表查</p>

Finding(s)	
<p>and payrolls from May 2022 to Apr. 2023 by the factory, the injecting workers worked in 2 shifts and other workers worked in 1 shift, and the workers worked 5 days per week and 8 hours per day, all 16 sampled workers' monthly OT hours exceeded the legal requirements, and the maximum monthly overtime hours reached to 52 hours (including 12 overtime hours on weekdays and 40 overtime hours on rest days) during Dec. 2022. The facility management declared that the reason for overtime working was catch up the shipping date.</p> <p>It violated the requirement of Labor Law of the People's Republic of China (2018 Amendment), Article 41</p>	<p>看，注塑工人为两班制而其他工人为一班制，正常上班每周5天和每天8小时，所有16名抽样工人的月加班时间均超出法规要求，最大在2022年12月达到52小时（包括工作日加班12小时和休息日加班40小时）。工厂管理层解释加班的原因是为了赶出货交期。</p> <p>违反了中华人民共和国劳动法（2018修正）第四十一条</p>



PA 7: Occupational Health and Safety

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ENGLISH	LOCAL LANGUAGE
<p>Finding(s)</p>	
<p>7.1 The main auditee partially respected this principle. The factory had established the management system about occupational health and safety, included identification and awareness of related legal regulation, health and safety check and training etc., but based on onsite check, documents review and management interview, some issue still happened due to management negligence, for example, the finished products in the warehouse were stored against the wall. The facility management declared that, they didn't understand the related requirement.</p> <p>It violated the requirement of Regulations on Fire Prevention of Warehouse (1990) Article 18</p>	<p>被审核方（生产商）部分遵循该准则。原因是工厂已建立职业健康安全的管理体系，包括相关法规的识别与了解，健康安全检查和培训等，但是根据现场查看，文件审核及管理层的访谈，仍然有问题发生，如工厂仓库的成品靠墙堆放。工厂管理层解释其对相关要求不了解。</p> <p>违反了仓库防火安全管理规则（1990）第十八条</p>
<p>7.3 The main auditee partially respected this principle. Based on documents review, the factory conducted the occupational health examinations for 22 workers engaged in hazardous work during the past 1 year, but the factory did not conduct the occupational health examinations for 1 sampled testing worker. The facility management declared that it was caused by management negligence.</p> <p>It violated the requirement of Law of the People's Republic of China on Prevention and Control of Occupational Diseases (2018 Amendment), Article 35</p>	<p>被审核方（生产商）部分遵循该准则。原因：根据文件审核，工厂在过去一年安排了22名有害岗位工人进行职业病体检，但工厂未安排1名抽样试机工人进行职业病体检。工厂管理层解释其存在管理疏忽。</p> <p>违反了中华人民共和国职业病防治法（2018修正）第三十五条</p>

Finding(s)	
<p>7.6 The main auditee partially respected this principle. Based on onsite observation, the factory issued proper PPE to all workers engaged in hazardous work, but it was found 1 welding worker and 1 tin soldering worker missed dustproof masks during work, 1 plastic crushing worker in injecting workshop only wore common mask rather than dustproof mask. The facility management declared that, the training for workers by factory was inadequate.</p> <p>It violated the requirement of Production Safety Law of the People's Republic of China (2021 Amendment), Article 45</p>	<p>被审核方（生产商）部分遵循该准则。原因：根据现场审核，工厂给所有有害岗位工作的工人均发放了个人防护用品，但发现1名焊接工人和1名焊锡工人均未佩戴防尘口罩，1名碎料工人仅佩戴普通口罩而非防尘口罩。工厂管理层解释其对工人的培训不充分。</p> <p>违反了中华人民共和国安全生产法（2021修正）第四十五条</p>
<p>7.7 The main auditee did not respect this principle. The factory had established the program on chemicals management and appointed person in charge of the chemicals, the separated storage area was provided to store the chemicals and MSDS was posted for reference, but based on onsite observation and management interview, the chemical labels posted on insulating paint containers in paint dipping and trickling workshop were incomplete. The facility management declared that, they didn't understand the related requirement.</p> <p>It violated the requirement of Regulations on Safety Use of Chemicals in Workplaces (1996), Article 12</p>	<p>被审核方（生产商）未遵循该准则。原因：工厂已经建立化学品管理程序并任命人员去管理化学品，专用区域被用于储存化学品且MSDS张贴现场，但根据现场查看和管理层访谈确认，滴漆浸漆车间内的绝缘漆张贴的化学品标识不完整。工厂管理层解释其对相关要求不了解。</p> <p>违反了工作场所安全使用化学品规定（1996）第十二条</p>
<p>7.13 The main auditee partially respected this principle. The factory established the management program about electrical installations and equipment, appointed the electrician to inspect regularly, but based on onsite observation, the external covers of about 30% electric boxes in the workshop were unlocked. The facility management declared that, they didn't understand the related requirement.</p> <p>It violated the requirement of National Safety Technical Code for Electric Equipments (GB 19517-2009) 2.2</p>	<p>被审核方（生产商）部分遵循该准则。原因：工厂建立了电气设施管理程序且安排了电工定期检查，但根据现场观察，车间约30%的配电箱外盖没有上锁。工厂管理层解释其对相关要求不了解。</p> <p>违反了国家电气设备安全技术规范（GB 19517-2009）2.2</p>



PA 12: Protection of the Environment

Site: ZHEJIANG HAODA TOOLS MANUFACTURE CO.,LTD | Site amfori ID: 156-014435-002

ENGLISH

LOCAL LANGUAGE

Finding(s)	
<p>12.5 The main auditee partially respected this principle. Based on documents review and management interview, the factory had established the water saving policy, but no active measure was implemented for saving water. The facility management declared that, they didn't understand the related requirement.</p> <p>It violated the requirement of question 12.5 in amfori BSCI system manual.</p>	<p>被审核方（生产商）部分遵循该准则。原因：根据文件审核和管理层访谈确认，工厂建立了节约用水的政策，但未执行实际的节水措施。工厂管理层解释其对相关要求不了解。</p> <p>违反了amfori BSCI管理手册中问题12.5的要求。</p>



PA 13: Ethical Business Behaviour

Site: ZHEJIANG HAODA TOOLS MANUFACTURE CO.,LTD | Site amfori ID: 156-014435-002

ENGLISH	LOCAL LANGUAGE
Finding(s)	
<p>13.1 The main auditee partially respected this principle. Based on documents review and management interview, the factory had established the related procedures on ethics and integrity, but the factory did not conduct the risk assessment about ethics and integrity for the high-risk process. The facility management declared that it was caused by management negligence.</p> <p>It violated the requirement of question 13.1 in amfori BSCI system manual.</p>	<p>被审核方（生产商）部分遵循该准则。原因：根据文件审核和管理层访谈，工厂建立了关于商业道德的相关政策，但未对存在商业道德风险的环节作相应的风险评估。工厂管理层解释其存在管理疏忽。</p> <p>违反了amfori BSCI管理手册中问题13.1的要求。</p>