

Monitoring result for Shenzhen Aung Crown Industrial Ltd. on site Shenzhen Aung Crown Industrial Ltd.

Monitoring

Monitored Party	: Shenzhen Aung Crown Industrial Ltd.
amfori ID	: 156-027935-000
Site	: Shenzhen Aung Crown Industrial Ltd.
Site amfori ID	: 156-027935-003
Address	: 30# and 101 of Building B of 38#, Xinyuan Industrial Area, Xinmu Community, Pinghu Street, Longgang District
	: 518111, Shenzhen
	: Guangdong Sheng
	: China
Monitoring Activity	: amfori Social Audit - Manufacturing
Monitoring Type	: Follow-up Monitoring
Monitoring Partner	: TUV Rheinland
Monitoring Start Date	: 30/11/2022
Closing Meeting Finished Date	: 06/12/2022
Submission Date	: 08/12/2022
Expiration Date	: 10/12/2023

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Overall rating



Section rating

PA1: Social Management System	C
PA 2: Workers Involvement and Protection	A
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

Shenzhen Aung Crown Industrial Ltd. (深圳昂冠实业有限公司) was established in the year of 2010 at 30# and 101 of Building B of 38#, Xinyuan Industrial Area, Xinmu Community, Pinghu Street, Longgang District, Shenzhen City, Guangdong Province, China (深圳市龙岗区平湖街道新木社区新园工业区30号 (在深圳市龙岗区平湖街道新木社区新园工业区38号B栋101设有经营场所)).

Within the compound of 30#, there were one 3-storey production building, one flat production building and one 4-storey dormitory building, which were all used by the auditee. The canteen and kitchen located on the 1st floor of the dormitory building were available for all employees. The production area was 2,400 S. Q. meters and living area was 2,000 S. Q. meters. Only the auditee was located within the boundaries.

The auditee also occupied 101 of the 3-storey Building B of 38# with 500 S. Q. meters as workshops and warehouse. There was no shared workers or production process with other floors within same building. This audit only covered the auditee rented area. No transportation provided for workers.

The main products were Caps and Clothes with main production processes were weaving, Embroidering, Cutting, Sewing, Pressing, Inspection and Packing. Peak month and non-peak months were not obvious.

All employees were hired directly. Based on document review, workers interview, worker representative interview, management interview and site observation, no any young worker was hired.

The auditee did not use any labour contractor/agency, did not obtain any Government waivers, did not sign Collective bargaining agreements, which made the Contractor license/permit, Agency labour contract, Government waivers and Collective bargaining agreements were not applicable in this audit.

The factory cooperated with this audit, allowed auditor to enter all sites, agreed to take photos, review documents and interview workers. In the closing meeting, the auditor and the factory communicated the aspects of the factory's operation in amfori BSCI, and also pointed out the findings that need to be improved. The management representative agreed with all the findings that need to be improved in this audit and stated that they would continue to improve.

This is a follow up audit only covered PA1, PA2, PA5, PA6, PA7, the evidence of other PAs was selected by DE, the rate of these PA was kept same as previous audit. There is no finding in PA5 of previous report, PA5 is covered to crosscheck the OT time and OT wage. No environmental-related documents were uploaded due to PA12 was not covered.

The address was "101 Building A, 30# and 101 of Building B of 38#, Xinyuan Industrial Area, Xinmu Community, Pinghu Street, Longgang District, Shenzhen City, Guangdong Province, China" that shown on business license, but actually it occupied all buildings of 30#, so as confirmed with management representative, the address shown on the platform should be: 30# and 101 of Building B of 38#, Xinyuan Industrial Area, Xinmu Community, Pinghu Street, Longgang District, Shenzhen City, Guangdong Province, China.

Announcement Type: Fully-Announced. Audit date: November 30 - December 1, 2022.

Auditor: Aaron Gao, CSCA, registration number: 21701943

Auditing company: TUV Rheinland, APSCA Number:11600007

Site Details

Site : Shenzhen Aung Crown Industrial Ltd.

Site amfori ID : 156-027935-003

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

This site is located in a high or extremely high water stressed region

Metrics

Key Metrics

Total workforce	203 Workers
Legal minimum wage in local currency	2360 Monthly
Lowest wage paid for regular work at the site	2700 Monthly
Calculated living wage in local currency	3235 Monthly
Total sample	13 Workers

Other Metrics

Male workers	70 Workers
Female workers	133 Workers
Permanent workers - Male	70 Workers
Permanent workers - Female	133 Workers
Temporary workers - Male	0 Workers
Temporary workers - Female	0 Workers
Seasonal workers - Male	0 Workers
Seasonal workers - Female	0 Workers
Management - Male	8 Workers
Management - Female	16 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	60 Workers
Domestic migrant workers - Female	98 Workers
Foreign migrant workers - Male	0 Workers
Foreign migrant workers - Female	0 Workers
Workers hired directly - Male	70 Workers
Workers hired directly - Female	133 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	5 Workers
Sample - Female	8 Workers

Findings

PA1: Social Management System

The auditee has not effectively implemented a social responsibility management system to implement the amfori BSCI Code of Conduct and local laws and regulations. According to the management interview, the current management operation is mainly based on the previous management experience and the requirements of the amfori BSCI code of conduct. The auditee has implemented the amfori BSCI Code of Conduct in its production activities. But there are still problems with the findings involving PA1, PA2, PA6, PA7 etc. The auditee has established social responsibility management manuals and procedural documents based on amfori BSCI principles and local laws and regulations, such as working hours control procedures, wage and benefit procedures and occupational health and safety management procedures. However, the auditee did not fully respect and monitor the effectiveness of the management system. For example, monthly overtime was systematically exceeded, insufficient health and safety management and etc.

被审核方未有效地执行社会责任管理体系来执行amfori BSCI行为准则和当地法律法规的要求。根据管理层访谈，目前的管理运作主要按以往的管理经验和amfori BSCI行为准则的要求。被审核方已经在其生产活动中导入amfori BSCI行为准则。但是涉及绩效领域1，绩效领域2、绩效领域6，绩效领域7等的发现点仍存在问题。被审核方已经建立了基于amfori BSCI原则和当地法律法规的社会责任管理手册和程序文件，例如工作时间控制程序，工资福利程序和职业健康与安全管理程序。然而，被审核方未充分尊重和监控管理体系的有效性，例如月加班系统性超时，健康安全等仍有部分缺失等。

The auditee had prepared the production capacity planning for their production order and delivery time. However, the auditee did not consider the compliance of workers' overtime-working hours during the production capacity planning. The auditee did not hire enough employees or properly organized to meet the produce requirement. Checking with workers attendance from 01 December 2021 to audit day, 13 sampled workers' monthly overtime working hours exceeded legal requirements in the past year. (Refer to 6.2).

被审核方为生产订单和发货时间制定了产能规划。但是，被审核方在产能规划期间未考虑员工加班工作时间的合规性，被审核方未聘请足够的员工或更好地组织生产来满足生产的需求。根据检查员工2021年12月1日至审核当日的考勤记录，13名抽样员工在过去一年月加班工作时间超过法规要求（见6.2）。

PA 2: Workers Involvement and Protection

The factory didn't establish an effective operational-level grievance mechanism for external communities (i.e. neighbors, factories, suppliers, local government, NGO, etc.). The management stated that they had not received any complaints or penalties from stakeholders, and they did not know how to establish an effective grievance mechanism for stakeholders.

工厂没有建立针对利益相关方（如周边居民，工厂，供应商，当地政府，NGO等）的有效的申诉机制。管理层解释他们没有收到利益相关方的投诉或者处罚，不清楚如何建立有效地利益相关方申诉机制。

PA 6: Decent Working Hours

The factory did not establish overtime control program and the time recording system did not have the capability to flag excessive hours of workers. Base on document review, management and worker interview, the factory representative knew the requirements of the work overtime, but the monthly overtime exceeded the legal requirement due to the unstable order arrangement. Workers thought the overtime work was not very heavy and they would like to earn more. The monthly overtime hours exceeded 36 hours during the sampled period of April 2022, July 2022 and October 2022: in April 2022, 13 out of 13 sampled workers' monthly overtime working hours exceeded 36 hours, and the maximum monthly overtime working hours were 64 hours. In July 2022, 13 out of 13 sampled workers' monthly overtime working hours exceeded 36 hours, and the maximum monthly overtime working hours were 74 hours. In October 2022, 13 out of 13 sampled workers' monthly overtime working hours exceeded 36 hours, and the maximum monthly overtime working hours were 68 hours. Reference law: PRC Labour Law, Article 41.

工厂没有建立加班控制程序同时工厂的工时记录系统也没有针对工人过多的工作时间进行警示功能。经过文件访谈、管理层和工人访谈发现工厂代表知道法规对加班时间的要求，但是因为不稳定的订单安排造成月加班超过法规要求。工人认为加班工作不是很繁重，且愿意多赚点钱。员工的月加班时间在抽样周期2022年4月、2022年7月和2022年10月超过了36小时：在2022年4月，抽样的13名员工中有13名员工月加班时间超过36小时，最多达到64小时。在2022年7月，抽样的13名员工中有13名员工月加班时间超过36小时，最多达到74小时。在2022年10月，抽样的13名员工中有13名员工月加班时间超过36小时，最多达到68小时。参考法规：中华人民共和国劳动法 第41条。

PA 7: Occupational Health and Safety

1) No occupational hazards testing was carried out in factory. There were obvious occupational hazards such as noise in the workshop. Reference law: Provisions on the Administration of Occupational Health at Work Sites, Article 20. 2) There were occupational hazards such as noise in the workshop, but the factory did not provide pre-job, on-job or post-job occupational health check (OHC) to related workers. Reference Law: PRC Law on Occupational Disease Prevention, Article 35.

1) 工厂没有进行职业危害因素检测。车间存在明显的噪声等职业危害因素。参考法规：工作场所职业卫生管理规定第20条。2) 车间存在明显的噪声等职业危害因素，但是工厂没有给相关工人提供岗前、在岗和离岗职业健康体检。参考法规：中华人民共和国职业病防治法第三十五条。

PA 7: Occupational Health and Safety

Eye-protection guards were missing for 6 high feet sewing machines in the sewing workshop. The management personnel said that they would install eye-protection guards for these machines as soon as possible. Reference Law: General rules for designing the production facilities in accordance with safety and health requirements (GB5083-1999) Article 6.1.6.

车缝车间的6台高车缺少护目挡板。管理人员表示他们会尽快给这些机器安装护目挡板。相关法律：生产设备安全卫生设计总则GB 5083-1999) 第6.1.6条。

The kitchen did not store the food samples for more than 48 hours. Reference Law: Operating Specifications on Food Safety in Catering Services, Article 7.9.2.

厨房没有将留样食品存放48小时以上。参考法规：餐饮服务食品安全操作规范第7.9.2条。

The dormitory rooms were not equipped with personal privacy lockers.

宿舍没有配备个人隐私储物柜。