

Monitored Party SHANGHAI EAST DRAGON FABRIC&GARMENT CO.,LTD	amfori ID 156-025902-000	Address NO 8 Nanlu Road Nanhui Industrial Park, Pudong New District , 201300 Shanghai, Shanghai Shi, China
Monitoring Activity amfori Social Audit - Manufacturing	Monitoring Type Full Monitoring	Monitoring Partner TUV Rheinland
Monitoring Start Date 06/01/2025	Closing Meeting Finished Date 08/01/2025	Submission Date 15/01/2025
Expiration Date 15/01/2026	Announcement Type Semi Announced	
Site SHANGHAI EAST DRAGON FABRIC&GARMENT CO.,LTD	Site amfori ID 156-025902-001	

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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, Violence or Harassment	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, 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: Alice Wang; APSCA membership number: CSCA 21701959

Monitoring partner name: TUV Rheinland.

Audit schedule details: The audit is planned for one auditor x 2.5 onsite days.

Announcement Type: This is a Semi-Announced Audit.

Business partner information:

The auditee was located at NO 8 Nanlu Road Nanhui Industrial Park, Pudong New District, Shanghai, China. (上海市浦东新区南汇工业园区南芦公路8号). It was established on 16 July 1999.

The auditee was specialized in manufacturing of zipper. The main production processes were weaving, dyeing, metal processing, paint spraying, injection, assembly, inspection and packing. As claimed by factory management that all production processes were completed in the factory and no process was subcontracted by other factories.

Per business license, the registration location was “上海市南汇工业园区南芦公路8号”, which should be literally translated as “NO 8 Nanlu Road Nanhui Industrial Park, Shanghai”. Based on management interview, Nanhui District had been merged into Pudong New District for several years. Thus, they confirmed that the address in the report should be NO 8 Nanlu Road, Nanhui Industrial Park, Pudong New District, Shanghai.

Audited location information:

In view of the plant, there were total 12 buildings inside the factory boundary, and they all owned by the auditee. No dormitory or transportation was provided for workers. Total land area was about 50346 m2. The total construction area used by the auditee was about 35000 square meters. Details as follows:

one 2-storey canteen building.

one 4-storey office building.

one 3-storey main production building (1F injection, warehouse for raw materials and final products; 2F assembly; 3F weaving).

one partial 2-storey building used as dyeing workshop.

one 1-storey building for semi-finished products and metal processing workshop.

one flat sundries warehouse.

one flat chemical warehouse.

one 2-storey electricity distribution room.

one flat boiler building.

one 2-storey office building.

one 1-storey building for toilet.

There were two 2-storey building rented to many other companies such as wedding company, car maintenance company, etc., these facilities had no production activities at site. Per management interview, employee interview and factory tour, no business relationship existed between the auditee and other companies in the same boundary, no employee was shared. So, this audit did not contain this 2-storey building, the audit scope just focused on the used area of the auditee.

Operating shifts and hours:

Based on the records, the regular working time was 8 hours per day, 5 days per week. All production and office employees worked in one shift, which was from 07:30-11:30, 12:30-16:30, if needed, 2 hours overtime work from 17:30-19:30 would be arranged. The Canteen staffs worked from 09:00-13:00; 14:00-18:00. The security worked in 3 shifts: 08:00-16:00; 16:00-24:00; 24:00-08:00. Workers worked 8 hours overtime on Saturday in general. No overtime arranged on Sundays and holidays. No obvious peak season or low season existed in the factory. Based on the attendance records from December 2023 to the audit date of 18 sampled workers, workers maximum overtime worked 2 hours per day, 14 hours per week, and 56 hours per month.

Time recording system:

Factory used electronic fingerprint & facial scanning attendance system to record workers' working time.

Salary payment details:

Workers were paid by hourly rate basis. Wage was paid through bank transfer on or before 30th of following month.

Reviewing the payrolls of 18 sampled workers from December 2023 to November 2024, it was noted that the minimum

wage paid to workers was RMB 17.24/hour, which was higher than the legal requirement (RMB2690/month equal RMB15.46/hour since 1 July 2023 and RMB2590/month equal RMB14.89/hour before 1 July 2023). Workers' overtime wages were paid 150%, 200% and 300% of the normal wage rate for overtime on weekdays, weekends and statutory holidays respectively.

Worker number information:

There were 204 permanent employees (150 production workers, 54 non-production workers). Among them, 29 were local workers, 175 were domestic migrant workers (91 males and 84 females). Of the 150 production workers, 80 were males and 70 were females. All workers including the canteen staffs and security guards were recruited by the auditee directly. There was no foreign migrant, young, pregnant, seasonal, temporary, disabled, home-based workers, interns, apprentices, contractor workers etc. used in the auditee.

Good practices: Free meals were provided in the auditee.

Worker organization details:

There was no Union in the auditee, only 6 worker representatives democratically elected by workers.

Circumstances:

The auditee was cooperative and active throughout the whole audit, full access to facility walk-through and employee interview were granted, and photo-taking of necessary evidences for the audit were permitted. There was no special circumstance during the audit.

Summary of findings:

Findings were noted in PA1, PA2, PA5, PA6, PA7, PA 12 and PA13.

PA1) 1. Insufficient management system; 2. Insufficient workforce capacity planning.

PA2) 1. No targeting date and regular monitoring for long-term goals; 2. No regular satisfaction survey on grievance mechanism.

PA5) 1. Insufficient coverage of social insurance.

PA6) 1. Monthly overtime exceeded legal requirement.

PA7) 1. No post-job occupational health examination; 2. Insufficient work injury insurance; 2. One ultraviolet light for disinfection in the kitchen was not working.

PA12) 1. No grievance mechanism for surrounding communities.

PA13) 1. No survey procedure for anti-bribery of all business activity

Refer to finding table for details.

Attachment:

1. The Personal Information Protection Law of the People's Republic of China was effective as of 1 November 2021, the producer signed General Terms and Conditions of Business of TUV Rheinland in China before the audit and ensured that relevant personal data and information provided to TUV Rheinland auditor(s) had been obtained the individual's consent during the audit.

2. Agency labour contract was not reviewed as no agency was used. No contractor license/permit was reviewed as no contractor was used during audit period. The auditee had not got any government waiver or collective bargaining agreement.

SITE DETAILS

Site

SHANGHAI EAST DRAGON
FABRIC&GARMENT CO.,LTD

Site amfori ID

156-025902-001

GICS Classification

Sector	Industry Group	Industry
Consumer Discretionary	Consumer Durables & Apparel	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	204	Workers
Legal minimum wage in local currency	2,690	Monthly
Lowest wage paid for regular work at the site	3,000	Monthly
Calculated living wage in local currency	5,114	Monthly
Total sample	18	Workers

Other Metrics

Male workers	108	Workers
Female workers	96	Workers
Non-binary workers	0	Workers
Permanent workers - Male	108	Workers
Permanent workers - Female	96	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	4	Workers
Management - Female	2	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	4	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	91	Workers
Domestic migrant workers - Female	84	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	108	Workers
Workers hired directly - Female	96	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	10	Workers
Sample - Female	8	Workers
Sample - Non-binary	0	Workers

FINDINGS



PA1: Social Management System

Site: SHANGHAI EAST DRAGON FABRIC&GARMENT CO.,LTD | Site amfori ID: 156-025902-001

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	
The auditee partially respected this principle. Because based on onsite observation, document review, management interview and workers interview, it was noted the factory had established management system and set up a set of management procedures to implement the amfori BSCI Code of Conduct. However, the system is not effectively implemented, such as: the monthly overtime hours exceeded legal requirements without control measures, etc. The facility management explained that the operation in the facility was based on former experience and their understanding on amfori BSCI Code of Conduct. But there were difficulties to be fully compliance with the procedure requirement, considering production plan might be adjusted according to unexpected production orders and resulted in excessive monthly overtime. The workers stated that they were willing to overtime for high overtime remuneration. Reference to amfori BSCI system manual.	被审核方部分遵守该准则。原因是根据现场走访、文件审核、管理层访谈和员工访谈，发现工厂建立了管理体系并制定了一套管理程序来执行amfori BSCI行为准则。但这一体系并没有得到有效实施，如工人的月加班超时却没有管控等。工厂管理人员表示，工厂的运作是基于过往经验以及自己对于amfori BSCI行为准则的理解。考虑到生产计划会因为一些突发订单调整从而导致过多的加班时间，要完全符合这些程序的要求有困难。员工表示倾向于加班来获取更高的工资。参见amfori BSCI系统手册。

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	
The auditee partially respected this principle. Because per document review, management interview and workers interview, it was noted that the factory had set up written workforce planning procedure, but the procedure was not effectively implemented. Such as the sampled workers had excessive 36 hours monthly overtime work. Facility management explained that established production plans were adjusted according to production orders in each period, and workers said that overtime was voluntary. Reference to amfori BSCI system	被审核方部分遵守该准则。原因是基于文件审核、管理层访谈和员工访谈，发现工厂建立了书面的产能规划程序，但该程序没有有效执行，比如抽样的工人月加班超36小时。工厂解释说原先制定的生产计划根据各个阶段的生产订单进行了调整，且员工表示加班是自愿的。参见amfori BSCI系统手册。

Finding

manual.

PA 2: Workers Involvement and Protection

Site: SHANGHAI EAST DRAGON FABRIC&GARMENT CO.,LTD | Site amfori ID: 156-025902-001

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

The auditee partially respected this principle. Because based on document review and management interview, it was noted the factory had defined long-term goals to protect workers, for instance, controlling monthly overtime working hours within 36 hours, etc. However, the facility did not define the targeting date, moreover, the facility did not regularly track these goals. The management said they ignored this requirement. Reference to amfori BSCI system manual.

被审核方部分遵守该准则。原因是根据文件审核和管理层访谈，发现工厂制定了保护员工的长期目标，比如将月加班控制在36小时以内等。但是工厂没有定义完成时间，同时，工厂没有定期去追踪这些目标。管理层表示他们疏忽了该要求。参见amfori BSCI系统手册。

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

The auditee partially respected this principle. Because according to document review, management interview and employee interview, it was noted the factory did not carry out regular satisfaction survey on grievance mechanism to ensure the grievance channels worked effectively. There was no grievance or feedback in the past years according to the grievance record, the factory management stated that they only conducted the survey orally and did not maintain records, the interviewed workers stated that they knew about the current grievance channels, and they did not have grievance or complaint. Reference to amfori BSCI system manual.

被审核方部分遵守该准则。原因是根据文件审阅、管理层和员工访谈，发现工厂未对申诉机制进行定期的满意度调查，以确保申诉渠道畅通。根据申诉记录查看，工厂在过往都未收到任何投诉或反馈，工厂管理层表示他们仅口头做过调查，没有保留记录，访谈到的员工表示他们了解目前的申诉渠道，他们没有申诉或抱怨。参见amfori BSCI系统手册。

PA 5: Fair Remuneration

Site: SHANGHAI EAST DRAGON FABRIC&GARMENT CO.,LTD | Site amfori ID: 156-025902-001

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

The auditee partially respected this principle, because based on document review, management interview and workers interview, it was noted insufficient social insurance coverage was detected in the factory. Based on the online verification of social insurance payment records in the past 1 year, according to the latest social insurance payment record in November 2024, it was noted there were 6 out of 193 social insurance participation required employees were not provided with pension, medical, unemployment, maternity and work-related injury insurance. According to the management interview and employee interview, the interviewed workers stated that they abandoned social insurance voluntarily, they reported they wanted to get more income and were unwilling to pay social insurance individual part. Reference law: Social Insurance Law of P.R.C, Article 10, Article 23, Article 33, Article 44, Article 53

被审核方部分遵守该准则。原因是根据文件审核、管理层访谈和员工访谈，发现工厂社会保险参保不足。基于过去1年的社保缴费记录的在线核实，2024年11月份最近一次的社保扣费记录显示，工厂193名应参保员工中有6名员工没有参保养老、医疗、失业、生育和工伤保险。根据管理层访谈和员工访谈，访谈工人表示他们自愿放弃社保，他们表示想获取更多的收入而不愿意缴纳社保个人部分。参考法规：《中华人民共和国社会保险法》第10、23、33、44及53条

PA 6: Decent Working Hours

Site: SHANGHAI EAST DRAGON FABRIC&GARMENT CO.,LTD | Site amfori ID: 156-025902-001

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

The auditee did not respect this principle. Because confirmed by worker attendance records from 1 December 2023 to audit date, management interview and workers interview, it was noted although the auditee had controlled overtime hours, the workers monthly OT working hours still exceeded 36 hours. The details of 3 sampled months were as follows:
1) 16 out of 18 sampled employees monthly OT working hours exceeded 36 hours in May 2024, and up to 50 hours;
2) 18 out of 18 sampled employees monthly OT working hours exceeded 36 hours in August 2024, and up to 56 hours;

被审核方未遵守该准则。原因是基于工厂提供的2023年12月1日至审核期间的考勤记录、管理层访谈和员工访谈，发现尽管工厂控制了加班时间，工人的月加班还是超出36小时。抽样的3个月详细如下：
1> 18名抽样员工中16名员工在2024年5月的月加班超出36小时，达到50小时；
2> 18名抽样员工中18名员工在2024年8月的月加班超出36小时，达到56小时；
3> 18名抽样员工中18名员工在2024年11月的月加班超出36小时，达到50小时；
参考法规：《中华人民共和国劳动法》第41条。经文件审查，工厂建立了书面的工作时间管理程序。程序中规定，每日加班工作时间不得超过3小

Finding	
<p>3) 18 out of 18 sampled employees monthly OT working hours exceeded 36 hours in November 2024, and up to 50 hours.</p> <p>Reference law: Labor Law of the P.R.C, Article 41. Confirmed by the documents review, the factory established written working time management procedure. The procedure showed that the daily OT working hours should not be exceeded 3 OT working hours, and the monthly OT working hours should not be exceeded 36 hours. However, the production did not execute the procedure. The management reflected their priority was to complete the orders. Confirmed by workers interview, overtime was voluntary. And they expected more overtime, which could increase total wages. The factory guaranteed at least one day off per week.</p> <p>Remark: the maximum monthly overtime hours of 18 sampled employees in January 2025 (from 1 January 2025 to 8 January 2025) was 10 hours.</p>	<p>时，每月加班工作时间不得超过36小时。但是生产部门并没有执行此程序。管理层表示他们的首要任务是完成订单。基于员工访谈，加班是自愿的。他们期望有更多的加班，这样可以增加收入。工厂保证了工人每周休息一天。</p> <p>备注：18名抽样员工中在2025年1月（2025年1月1号至8日）的最大月加班时间为10小时。</p>

PA 7: Occupational Health and Safety

Site: SHANGHAI EAST DRAGON FABRIC&GARMENT CO.,LTD | Site amfori ID: 156-025902-001

Question: 7.1 Is there satisfactory evidence that the auditee observes occupational health and safety regulations applicable for its activities?	
ENGLISH	LOCAL LANGUAGE
Finding	
<p>The auditee partially respected this principle. Because per onsite observation, document review and management interview, it was noted the factory provided on-job occupational health examinations for employees who were exposed to occupational hazards during production, such as noise, dust, and chemicals (benzene series, etc.). However, no post-job occupational health examinations records were available to review yet. The management said it's hard to call back the resigned workers to do the post-job occupational health examinations.</p> <p>Remark: no new workers worked at post where had hazardous factors in the past 1 year. Reference law: Law of the People's Republic of China on Prevention and Control of Occupational Diseases, Article 35</p>	<p>被审核方部分遵守该准则。原因是根据现场走访、文件审核和管理层访谈，发现工厂为在生产过程中会接触职业危害因素例如：噪音，粉尘和化学品（苯系物等）的员工提供了在岗的职业病体检，但没有提供离岗职业病体检记录供审阅。管理层表示，很难叫辞职的员工再回来做离岗的职业病体检。备注：过去1年中，没有新招的工人在存在危险因素的岗位工作过。参考法律：《中华人民共和国职业病防治法》第35条</p>

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	
The auditee partially respected this principle, because based on document review and management interview, it was noted most workers were covered by work injury insurance, but the factory failed to provide work related injury insurance or additional commercial accident insurance for 9 workers (including 3 rehired retirees). The factory management said these workers were security guard and canteen staffs, no work injury ever reported, thus they ignored this requirement. Reference Law: social Insurance Law of the People's Republic of China, Article 33.	被审核方部分遵守该准则。原因是根据文件审核和管理层访谈,发现工厂大多数工人都参保了工伤险,但是有9名员工(包括3名退休返聘人员)没有参保工伤保险或者附加的商业意外险。工厂管理层表示这些工人是保安和食堂工作人员,从未有过工伤报告,因此他们忽视了这一要求。参考法规:《中华人民共和国社会保险法》,第33条。

Question: 7.21 Is there satisfactory evidence that the auditee provides workers with access to an appropriate, clean area for storing food, eating and/or cooking?

ENGLISH	LOCAL LANGUAGE
Finding	
The auditee partially respected this principle, because based on site observation and management interview, it was noted one ultraviolet light for disinfection in the kitchen was not working. The management explained there was no flies in winter thus they ignore this issues. Reference Law: Food Safety Law of the People's Republic of China, article 33.	被审核方部分遵守该准则。原因是根据现场观察和管理层访谈,发现后厨的一处紫外线杀毒灯无法正常工作。管理人员解释说,冬天没有苍蝇,所以他们忽略了这个问题。参考法规:《中华人民共和国食品安全法》第33条。

PA 12: Protection of the Environment

Site: SHANGHAI EAST DRAGON FABRIC&GARMENT CO.,LTD | Site amfori ID: 156-025902-001

Question: 12.1 Is there satisfactory evidence that the auditee continuously identifies the significant impacts and environmental implications associated to its activity?

ENGLISH	LOCAL LANGUAGE
Finding	
The auditee partially respected this principle. Because per document review and management interview, it was noted the auditee did not establish a grievance mechanism in place to address the environmental concerns of surrounding	被审核方部分遵守该准则。原因是根据文件审核和管理层访谈,发现被审核工厂没有建立申诉机制以解决周围社区的环境问题。管理层解释说,他们有定期监测自己的环境绩效,如果有任何违规行为,内部EHS团队将立即采取纠正措施来确保废气、废

Finding

communities. The management explained they monitored their environmental performance on regular basis, if there were any violation, the internal EHS team will take immediate corrective actions to ensure the emission of waste air, wastewater, and boundary noise within legal limit. Reference to amfori BSCI system manual.

水和厂界噪音等的排放在法定限度内。参见amfori BSCI系统手册。

PA 13: Ethical Business Behaviour

Site: SHANGHAI EAST DRAGON FABRIC&GARMENT CO.,LTD | Site amfori ID: 156-025902-001

Question: 13.1 Is there satisfactory evidence that the auditee actively opposes any act of corruption, extortion or embezzlement, or any form of bribery in its activities as a business enterprise?

ENGLISH

LOCAL LANGUAGE

Finding

The auditee partially respected this principle. Because per document review, management interview and workers interview, it was noted the factory had set up anti-corruption and business ethics management rules according to amfori BSCI Code of conduct and local law. However, the factory did not establish a survey procedure for anti-bribery to all business activity. According to workers interview, they never heard any bribery case happened ever. Reference to amfori BSCI system manual.

被审核方部分遵守该准则。原因是根据文件审核、管理层访谈和员工访谈，发现工厂依据amfori BSCI行为守则和当地法律法规建立了反腐败和商业道德管理规则，但是工厂没有建立对于所有业务活动的反腐败和反贿赂调查的体制。通过员工访谈，工人从未听说工厂发生过腐败的案例。参见amfori BSCI系统手册。