

Monitored Party <b>Magin Group Co., Limited</b>	amfori ID <b>156-056124-000</b>	Address <b>401, No. 34 Xinhe Road, Shangmugu Community, Pinghu, Longgang District, Shenzhen, Guangdong Sheng, China</b>
Monitoring Activity <b>amfori Social Audit - Manufacturing</b>	Monitoring Type <b>Full Monitoring</b>	Monitoring Partner <b>SGS</b>
Monitoring Start Date <b>09/07/2024</b>	Closing Meeting Finished Date <b>09/07/2024</b>	Submission Date <b>15/07/2024</b>
Expiration Date <b>15/07/2025</b>	Announcement Type <b>Fully Announced</b>	
Site <b>Magin Group Co., Limited</b>	Site amfori ID <b>156-056124-001</b>	

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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, Violence or Harassment	A	
PA 5: Fair Remuneration	B	
PA 6: Decent Working Hours	D	

PA 7: Occupational Health and Safety	<b>A</b>	
PA 8: No Child Labour	<b>A</b>	
PA 9: Special Protection for Young Workers	<b>A</b>	
PA 10: No Precarious Employment	<b>A</b>	
PA 11: No Bonded, Forced Labour or Human Trafficking	<b>A</b>	
PA 12: Protection of the Environment	<b>A</b>	
PA 13: Ethical Business Behaviour	<b>A</b>	

## GENERAL DESCRIPTION

Name of lead auditor: Tiffany Gao; APSCA membership number (CSCA 21701971).

Name of member auditor, observers, translators, trainees, advisors/consultants (if applicable): Nil

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

Audit schedule details: The audit was planned for 1 auditor x 1 day. The full audit (Fully Announced) was conducted on Jul.9, 2024.

Business partner information: Magin Group Co., Limited (深圳市志通天下电子有限公司) was located at No. 401, 34 Xinhe Road, Shangmugu Community, Pinghu, Longgang District, Shenzhen (深圳市龙岗区平湖街道上木古社区新河路34号401). The business license register number was 914403000939578631, the valid date was from Mar.21, 2014 to long term. The company type was Limited company. There were two 5-storey production building and one 6-storey dormitory building in the yards of the auditee. The factory rent 4F of production building A from Mar.20, 2023 to Mar.19, 2026. Other floors were used by other factories. The audited factory provided lease contractors and business licenses for review, no worker was shared with other factories. This audit only covered the workers and area of the audited factory.

The main products manufactured in the factory was TWS and ANTILOST TRACKER. The production capacity was about 36000000 PCS per year. The main production process was SMT> DIP and soldering>Assembly and packing.

Audited location information: The factory buildings details were as follows:

Production building A 1F: Other Transportation companies.

Production building A 2F: Warehouse and empty room

Production building A 3F: Other factory

Production building A 4F : Warehouse, office and workshop 1680 S.Q.

Production building A 4F : Other factory

The factory did not provide dormitory, transportation, canteen and kitchen to workers.

Operating shifts and hours: The main auditee had established wage and benefits policy. During the audit, the main auditee provided attendance records from Jun. 1, 2023 to Jul.9, 2024 and wage records from Jun. 2023 to May 2024 for review, based on review documents and interview with workers, workers' regular working time was 5 days per week (from Monday to Friday) and 8 hour per day. One shift was arranged for all workers. Workers worked overtime 0~2 hours on weekdays and 0~8 hours on Saturday normally. The maximum daily overtime was 2 hours, maximum monthly overtime was 82 hours and maximum weekly working time was 58 hours. They rested on Sunday and statutory holidays normally.

1st sampled month (Jun. 2024) –weekly standard hours (40H) + maximum weekly OT (18H)

2nd sampled month (May 2024) –weekly standard hours (40H) + maximum weekly OT (18H)

3rd sampled month (Mar. 2023) –weekly standard hours (40H) + maximum weekly OT (18H)

The main auditee guaranteed workers have at least 1 day off per 7 days, workers could choose work overtime or not, and the main auditee paid enough overtime wage according to legal requirements. 39 workers came from other Provinces.

They worked the same hour with the local workers. No disabled worker, young worker, pregnant worker worked in factory.

Time recording system: Workers used finger printing attendance recorder to record workers' working time.

Salary payment details: The factory had established wages and benefit paying system, which met legal requirement.

Based on the wage records from Jun. 2023 to May 2024 provided by the factory, all workers were paid by hourly rate, the minimum wage was paid at least RMB15.5/hour, which more than legal requirement (RMB2360/month=RMB13.56/hour).

The factory paid 150% of normal wage for overtime on workdays, 200% of normal wage for overtime on rest days, 300% of normal wage for overtime on holidays. If workers rested on statutory holidays and factory would pay normal wage to workers for statutory holidays. Different workers had different minimum wage based on their working ability. The factory provided annual leave to workers. The wage was issued before 22th of next month by bank with workers' consent. All these processes and evidence were cross checked by document review, worker interview and management interview.

Worker number information:

Total worker number: There were total 49 workers in factory including 35 production and 14 non-production workers.

Production workers number 35 (21 males and 14 females)

Vulnerable worker number:

Domestic migrant worker: 22 males and 17 females

No disabled worker, intern, apprentice, contractor worker, dispatched worker, young worker, child labour, pregnant or nursing women in factory.

Good practices: Nil

Worker organization details: No trade union was established in factory, but 2 worker representatives were elected in Jan. 2024.

Circumstances: The Management and workers were cooperative during audit. The audit was conducted smoothly. The special circumstances can be classified as followed: Based on management interview, worker interview and website searching, no negative information such as serious incident, government punishment, coaching worker, etc. was found.

Summary of findings: The finding was as follows:

PA1: 1.1 Management system was not effectively implemented.

1.4 Working hour management system implementation level was not completed.

PA2: 2.4 Some workers did not know the amfori BSCI

PA5: 5.4 After overtime pay was removed, the total wage of some workers was less than the local decent living wage

5.5 Insufficient retirement insurance coverage.

PA6: 6.2 Monthly overtime hours exceeded legal requirement.

PA7: 7.1 Health and safety management system implementation level was not completed.

7.3 Insufficient occupational health examination

7.7 The safety label of chemicals was not complete.

PA3/4/8/9/10/11/12/13: No finding.

Living wage calculation:

#LivingWge: The living wage data was based on GLWC website in Shenzhen.

Precautions taken about #COVID-19 in the facility: There was no special requirement for the audited factory to the pandemic.

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.

Attachments: During document review it was evidence that some of required documents are not applicable in organization like Agency labour Contract, Government Waiver on working hours and Collective Bargaining Agreement. All of above documents were not involved in document files.

SITE DETAILS

Site  
Magin Group Co., Limited

Site amfori ID  
156-056124-001

GICS Classification

Sector  
Consumer Discretionary

Industry Group  
Consumer Durables & Apparel

Industry  
Household Durables

Sub Industry  
Household Appliances

amfori Process Classifications

N.A.

NACE Classification

Manufacture of domestic appliances

GS1 Classifications

N.A.

Water Stress Situation

N.A.

## METRICS

### Key Metrics

Total workforce	49	Workers
Legal minimum wage in local currency	2,360	Monthly
Lowest wage paid for regular work at the site	2,697	Monthly
Calculated living wage in local currency	3,719	Monthly
Total sample	6	Workers

### Other Metrics

Male workers	27	Workers
Female workers	22	Workers
Non-binary workers	0	Workers
Permanent workers - Male	27	Workers
Permanent workers - Female	22	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	1	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	0	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	22	Workers
Domestic migrant workers - Female	17	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	27	Workers
Workers hired directly - Female	22	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	2	Workers
Sample - Female	4	Workers
Sample - Non-binary	0	Workers

## FINDINGS

### PA1: Social Management System

Site: Magin Group Co., Limited | Site amfori ID: 156-056124-001

**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

1.1 Finding: The main auditee partially respects this principle, because based on onsite observation, management and workers interview, and document review, it was noted that the factory had established management system according to amfori BSCI requirement, the factory conducted internal audit in May 2024, and the management knew basic requirement of amfori BSCI, but due to factory didn't effectively implement it, lead to some issues appeared in workers involvement and protection, social insurance, overtime hours, health&safety, etc.  
It violated the requirement of question 1.1 in amfori BSCI system manual.

发现点：主要被审核方（生产商）部分遵守该原则，原因是根据现场观察，管理层和员工访谈以及文件审核发现，工厂有按照amfori BSCI要求建立相关体系，工厂在2024年5月进行内审，且管理者代表知道amfori BSCI基本要求，但由于未有效执行，导致在员工参与和保护，社保，加班时间，健康安全等方面出现问题。  
违反了amfori BSCI管理手册中问题1.1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

1.4 Finding: The main auditee partially respects this principle, because based on management interview and document review, it was noted that the factory had implemented capacity planning, but due to the working hour management system implementation level was not completed, lead to workers' overtime hours exceeded legal requirement. Based on provided attendance records from Jun. 2023 to the audit day, the maximum monthly overtime hours were 82 hours.  
It violated the requirement of question 1.4 in amfori BSCI system manual.

发现点：主要被审核方（生产商）部分遵守该原则，原因是根据管理层访谈和文件审核发现，工厂执行了产能规划，但是由于工时管理系统执行层面不完善，导致加班超过法规要求，根据工厂提供的自2023年6月至审核当天的考勤记录，员工月加班最大为82小时。  
违反了amfori BSCI管理手册中问题1.4的要求。

### PA 2: Workers Involvement and Protection

Site: Magin Group Co., Limited | Site amfori ID: 156-056124-001



**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**

2.4 Finding: The main auditee partially respects this principle because the auditee had the system on training to related persons in order to ensure that they had the competence to implement amfori BSCI management system, provided the training on social responsibility for management, all workers and workers' representatives in Apr. 2024. The amfori BSCI Code of Conduct was posted onsite, but the most workers did not know what is amfori BSCI and their roles in amfori BSCI system clearly. Managers said they would continue to train employees. It violated the requirement of question 2.4 in amfori BSCI system manual.

发现点：工厂部分遵守该原则，原因是工厂有建立培训系统去保证相关人员有一定的能力来实施amfori BSCI管理系统，在2024年4月给管理人员、所有工人和工人代表提供了关于社会责任知识方面培训，现场张贴了amfori BSCI行为准则，但大部分工人不是很清楚amfori BSCI是什么以及他们各自的角色。管理人员表示，会继续对员工进行培训。违反了amfori BSCI管理手册中问题2.4的要求。

**PA 5: Fair Remuneration**

Site: Magin Group Co., Limited | Site amfori ID: 156-056124-001

**Question:** 5.4 Is there satisfactory evidence that the auditee provides sufficient remuneration that allows workers to meet a decent standard of living?

**ENGLISH**

**LOCAL LANGUAGE**

**Finding**

5.4 Finding: The main auditee partially respected this principle. Based on payroll records review, the minimum wage paid for workers by factory met the local minimum wage standard (RMB2360/month), however, except overtime wage, the remaining wages of some workers are less than the local decent living wage RMB3719/month. The factory management explained that it was difficult to meet the requirements. It violated the requirement of question 5.4 in amfori BSCI system manual.

发现点：主要被审核方（生产商）部分遵守该原则，原因根据工资表查看，工厂支付工人的最低工资符合当地最低工资水平（RMB2360/月），但去掉加班费后，部分工人获得的剩下的工资低于当地体面生活工资RMB3719/月，工厂管理层解释很难满足要求。违反了amfori BSCI管理手册中问题5.4的要求。

**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

5.5 Finding: The main auditee partially respects this principle because the factory didn't provide social insurance for employees according to legal requirement. Based on provided social insurance payment records of Jun. 2024, the factory provided injury, illness, unemployment and child-bearing insurance to all workers, but did not provide retirement insurance to 5 workers. The factory explained that the workers' social insurance was purchased voluntarily, these workers did not want to buy retirement insurance.

It violated Law requirement: Labor Law of the People's Republic of China (2018 Amendment), Article 72&73.

Remark: The factory did not provide commercial accident insurance to workers.

发现点：主要被审核方（生产商）部分遵守该原则，原因是工厂未按法规要求给员工提供社保。根据工厂提供的2024年6月的社保缴费记录，工厂为所有员工提供了工伤，医疗，失业，生育保险，但未给其中的5名员工提供养老保险，工厂表示员工社保自愿购买，这些员工不愿意购买养老保险。

违反了中华人民共和国劳动法（2018修正）第七十二，七十三条。

备注：工厂未给员工提供了商业意外保险

## PA 6: Decent Working Hours

Site: Magin Group Co., Limited | Site amfori ID: 156-056124-001

**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

6.2 Finding: The main auditee does not respect this principle because workers' monthly overtime hours exceeded legal requirement. During the audit, the factory provided workers' attendance records from Jun.1, 2023 to Jul.9, 2024. Based on 6 sampled workers' attendance records in Jun. 2024, May 2024 and Mar. 2024, it was noted that 6 out of 6 sampled workers' monthly overtime hours exceeded 36 hours, the maximum reached o 82 hours in Mar. 2024, including 42 overtime hours on regular day and 40 overtime hours on weekend.

1st sampled month (Jun. 2024) – standard hours (152H) + maximum monthly OT (78H)

2nd sampled month (May 2024) – standard hours (176H) + maximum monthly OT (76H)

3rd sampled month (Mar. 2024) – standard hours (168H) + maximum monthly OT (82H)

The factory management explained that overtime hours exceeded legal requirement due to insufficient employee allocation.

It violated Law requirement: Labor Law of the People's Republic of China (2018 Amendment),

发现点：主要被审核方（生产商）未遵守该原则，原因是员工的月加班时间超过法规要求。审核期间，工厂提供了工人从2023年6月1日至2024年7月9日的考勤记录，根据6名抽样员工在2024年6月，2024年5月及2024年3月的考勤记录，发现6名抽样工人中的6名月加班均超过36小时，最大在2024年3月达到82个小时，包括平时加班42小时，周末加班40小时。

第一个抽样月（2024年6月）–标准工时（152H）+最大月加班（78H）

第二个抽样月（2024年5月）–标准工时（176H）+最大月加班（76H）

第三个抽样月（2024年3月）–标准工时（168H）+最大月加班（82H）

工厂管理人员解释由于人员配置不足，导致加班超时。

违反了中华人民共和国劳动法（2018修正）第四十一条。

备注：最大日加班为2小时，最大周工时为58小时。

## Finding

Article 41.

Remark: The max. daily overtime hours were 2 hours, the max. weekly working hours were 58 hours.

## PA 7: Occupational Health and Safety

Site: Magin Group Co., Limited | Site amfori ID: 156-056124-001

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

### ENGLISH

### LOCAL LANGUAGE

## Finding

7.1 Finding: The main auditee partially respects this principle because the factory had management system on health and safety, included health and safety check, law collection, training and etc. But H&S issues were identified due to management negligence.

It violated the requirement of question 7.1 in amfori BSCI system manual.

发现点：被审核方（生产商）部分遵守该原则，原因是工厂有建立健康安全管理体系，包括健康安全检查和法规收集，培训等，但是由于管理疏忽，导致仍然有健康安全问题存在。

违反了amfori BSCI管理手册中问题7.1的要求。

**Question:** 7.3 Is there satisfactory evidence that the auditee set up an effective management system that ensures they regularly carry out risk assessments for safe, healthy and hygienic working conditions?

### ENGLISH

### LOCAL LANGUAGE

## Finding

7.3 Finding: The main auditee does not respect this principle, because based on document review, management and workers interview, the factory did not provide occupational health examination to workers who used chemicals (cleaning solvent, etc.) and soldering workers. The factory management explained they didn't understand the law requirement adequately, they didn't arrange the health examination to workers.

It violated Law of the People's Republic of China on Prevention and Control of Occupational Diseases (2018 Amendment), Article 35.

发现点：被审核方（生产商）未遵守该原则，原因是根据文件审核，管理层访谈和员工访谈，工厂未给使用化学品（洗板水等）的工人及焊锡工人提供职业健康体检。管理人员解释由于没有足够理解法规要求，故未安排员工进行体检。

违反了中华人民共和国职业病防治法（2018修正）第三十五条。

**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
<b>Finding</b>	
<p>7.7 Finding: The main auditee partially respects this principle, because based on onsite observation, the factory provided secondary containment and MSDS for all chemicals, but the safety label of 3 bottles of cleaning solvent missed precautionary statements, supplier identification, etc.</p> <p>It violated General Rules for Preparation of Precautionary Label for Chemicals (GB 15258-2009), Article 4.1</p>	<p>发现点：主要被审核方（生产商）部分遵守该原则，原因是根据现场观察发现，工厂给化学品提供了二次容器及MSDS，但3瓶洗板水张贴的化学品安全标签缺少防范说明，供应商标识等内容。管理人员解释是由于没有足够理解法规要求。</p> <p>违反了化学品安全标签编写规定（GB 15258-2009）4.1</p>