Monitoring summary report for Qingdao Future Toys Co., Ltd
MONITORING ID: 24-0245914

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Trade with purpose

Monitored Party **Qingdao Future Toys Co., Ltd**	amfori ID **156-001520-000**	Address **NO.45 Xiangtan Road, Licang District, 266043 Qingdao, Shandong Sheng, China**
Monitoring Activity **amfori Social Audit - Manufacturing**	Monitoring Type **Full Monitoring**	Monitoring Partner **Bureau Veritas Hong Kong Limited**
Monitoring Start Date **06/05/2024**	Closing Meeting Finished Date **08/05/2024**	Submission Date **15/05/2024**
Expiration Date **15/05/2025**	Announcement Type **Semi Announced**	
Site **Qingdao Future Toys Co., Ltd**	Site amfori ID **156-001520-002**	

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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	**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	**B**	
PA 13: Ethical Business Behaviour	**A**	

GENERAL DESCRIPTION

Name of lead auditor:
JasonTeng; APSCA membership number: CSCA21701231

Name of team auditor: Nil

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

Monitoring partner name:
Bureau Veritas Consumer Products Service; Audit Company APSCA Number: 11600002

Audit schedule details:
The audit is planned for 1 auditor x 2.5 days

Monitoring Date: May 6-8, 2024

Business partner information:
Qingdao Future Toys Co., Ltd which located at NO.45 Xiangtan Road, Licang District, Qingdao, China, was established on October 22, 2003. The business license number was 91370213753782596W. The Chinese name was青岛英贝特玩具礼品有限公司. The Chinese address was中国山东省青岛市李沧区湘潭路45号. The factory was specialized in plush toys. The production activities in the factory included cutting, embroidering, sewing, filling cotton, finishing, inspecting and packing. The peak season was not obvious. Per employee interview and documents review. And the maximum factory capacity was 2550000 pieces a year.

Audited location information:
The entire factory was consisted of one 3-storey building used as office and sampling workshop, one 2-storey building used as sample room, workshop and warehouse, one 2-storey building used as workshop and warehouse, one 1-storey building used as raw material warehouse, one 1-storey building used as finished product warehouse, three 1-storey building used as sample material warehouse, one 1-storey awning used as warehouse, two 1-storey building used as canteen, one 3-storey building used as dormitory, one 1-storey dormitory building was not used. The factory occupied a total construction area of approximately 16550 square meters. This production building belong to audited factory.

Buildings used by the auditee:
1# Building (3F)
1F/ Sampling workshop
2F/ Office
3F/ Office

2# Production Building (2F)
1F/ Raw material warehouse and embroidering workshop
2F/ QC room and sample room

3# Production Building (2F)
1F/ Cutting and packing workshop
2F/ Sewing, filling cotton and finishing workshop

4# Awning Building (1F)
1F/ Finished product warehouse

5# Building (1F): Finished product warehouse; 6# Building (1F): Raw material warehouse

7#-8#-9# Building (1F)
1F/ Sample material warehouse

10# and 11# Building (1F): 1F/ Canteen

12# Building (3F):1F/ Dormitory; 2F/ Dormitory; 3F/ Dormitory

13# Dormitory Building (1F): Not used

Operating shifts and hours:
There was only one shift for all workers, it was 07:30 to 11:30 and 13:00 to 17:00, the lunch break was from 12:00 to 13:00 and the overtime was 17:00 to 18:00. According to the payroll and attendance records of 15 sample employees from July 2023, 15 sample employees from October 2023 and 15 sample employees from current paid month March 2024, it was noted that employees' maximum overtime hours were 1 hour a weekday, 8 hours a rest day, 0 hour a holiday, 14 hours a week and 69.5 hours a month in the testing months. The maximum weekly working hours were 54 hours. The longest consecutive working days were 6 days in the testing periods.

Time recording system:
All workers' working hours were recorded by biometric attendance machine with detailed time in and time out information.

Salary payment details:
All workers were paid by monthly rate on 30th of next month by cash. According to the payroll and attendance records of 15 sample employees from July 2023, 15 sample employees from October 2023 and 15 sample employees from current paid month March 2024, it was noted that the regular wage of all sampled employees in these months was at least CNY12.64 per hour, which was not less than the local minimum wage of CNY 12.64 per hour since October 01, 2023. All sampled employees were paid with 150% and 200% of regular wages for their overtime work on weekdays and rest days respectively, which was in line with statutory requirement. No overtime work was noted on statutory holidays.

Worker number information:
• There were 151 workers in the factory, including 65 admin employees and 82 production workers, 4 security guards.
• There were 82 production workers including 11 male production workers and 71 female production workers.
• There were 24 domestic migrant employees in the factory. No foreign migrant, young, pregnant, seasonal, temporary, disabled, home-based worker was observed in the factory.
• There was no interns, apprentices or contractor worker in the factory.

Good practices:
None

Worker organization details:
There was no union in the factory. Three worker representatives were elected by workers freely in January 2024. Workers could interact with the worker representative without interruption. Worker representative conducted communication meeting with the facility management about the daily affairs every three months.

Circumstances:
There was no special circumstance during the audit.

Summary of findings:
The non-compliances were noted in PA1, PA2, PA5, PA6, PA7 and PA12 in this audit. And the details please refer to the relevant PA in the report.

Living wage calculation:
BV has used the methodology which is similar with Anker Benchmark methodology to estimate the living wage by estimating the cost of basic but decent life style for a worker and his/her family.
This involves adding up the cost of three expenditure groups: food (for a low-cost nutritious diet), housing (for basic healthy housing), and other essential expenses for a family, and then adding a small margin for sustainability and

emergencies. The reason BV does not use Anker benchmark is no data in GLWC area where the factory is located. The data source: onsite audit information collection (BV BNW).

Remark:
1. There were no agencies or contractor used by the auditee, which made the contractor license/permit and agency labor contract not applicable. No government waiver was obtained by the factory. No collective bargaining agreement was available in the auditee.

2. This audit was arranged on May 6, 2024 in Amfori BSCI system. But the actual audit date was May 6 to May 8, 2024.

SITE DETAILS

Site
Qingdao Future Toys Co., Ltd

Site amfori ID
156-001520-002

GICS Classification

Sector
Consumer Discretionary

Industry Group
Consumer Durables & Apparel

Industry
Leisure Products

Sub Industry
Leisure Products

amfori Process Classifications

- Cutting/Sewing (fabric/leather)
- Filling
- Packaging /Packing and shipping
- Raw materials reception / handling / storage (the site does not use hazardous chemicals)

GS1 Classifications

N.A.

NACE Classification

Manufacture of games and toys

Water Stress Situation

This site is not located in a water stressed region

METRICS

Key Metrics

Total workforce	**149**	**Workers**
Legal minimum wage in local currency	**2,200**	**Monthly**
Lowest wage paid for regular work at the site	**2,200**	**Monthly**
Calculated living wage in local currency	**2,566.71**	**Monthly**
Total sample	**15**	**Workers**

Other Metrics

Male workers	**31**	**Workers**
Female workers	**118**	**Workers**
Non-binary workers	**0**	**Workers**
Permanent workers - Male	**31**	**Workers**
Permanent workers - Female	**120**	**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	**10**	**Workers**
Management - Female	**11**	**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	**3**	**Workers**
Workers with night shift - Female	**1**	**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	**0**	**Workers**
Domestic migrant workers - Female	**24**	**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	**31**	**Workers**
Workers hired directly - Female	**120**	**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	**1**	**Workers**
Sample - Female	**14**	**Workers**
Sample - Non-binary	**0**	**Workers**

FINDINGS

PA1: Social Management System

Site: Qingdao Future Toys Co., Ltd | Site amfori ID: 156-001520-002

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	
Based on management, worker, worker representative interview, site observation, document review, the audited factory had set up the management procedures to implement the Amfori BSCI Code of Conduct. The factory mainly complied with Amfori BSCI requirement, but not all policies were properly implemented, such as monthly overtime exceeded local limit. So this finding was rated as Partially. This did not respect Amfori BSCI Performance Area 1.1	根据管理层、员工及员工代表访谈、现场查看、文件审核，工厂建立了确保Amfori BSCI COC有效实施的管理制度，基本上遵守了Amfori BSCI的要求，但是不是所有制度都得以有效实施，比如出现了员工月加班超时的不符项，因此该发现被判定为部分不符合项。 根据Amfori BSCI 1.1改善

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	
Based on management, worker, worker representative interview, document review, it was noted that the audited factory established the production capacity assessment procedure. Also, it was noted that the factory conducted production capacity assessment. However, the production capacity assessment was unreasonable and caused too many overtime working hours. Monthly overtime hours of sampled employees exceeded the legal limit. The facility's workforce capacity was not properly organized to meet the expectations of the delivery order and /or contracts. So this finding was rated as Partially. This did not respect Amfori BSCI Performance Area 1.4	根据管理层、员工及员工代表访谈、文件审核，被审核工厂有建立生产能力评估程序，工厂也进行了生产能力评估，但是评估的不合理，导致了太多的加班工作，抽样人员的月加班时间超过了法律要求。由于工厂没有安排足够的人力来满足订单等的需求，因此该发现被判定为部分不符合项。 根据Amfori BSCI 1.4改善

PA 2: Workers Involvement and Protection

Site: Qingdao Future Toys Co., Ltd | Site amfori ID: 156-001520-002

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	
Based on management, worker, worker representative interview, document review, it was noted that the factory had defined long-term goals to protect workers according to amfori BSCI Code of Conduct. However, the factory did not establish action plan to achieve these goals. So this finding was rated as Partially. This did not respect Amfori BSCI Performance Area 2.2	根据管理层、员工及员工代表访谈、文件审核，工厂有基于amfori BSCI 行为守则制定了长期目标来保护员工，但是工厂没有建立达到这些目标的行动计划。因此该发现被判定为部分不符合项。 根据Amfori BSCI 2.2改善.

PA 5: Fair Remuneration

Site: Qingdao Future Toys Co., Ltd | Site amfori ID: 156-001520-002

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	
1. Based on management, worker, worker representative interview, document review, it was noted that the factory's social insurance coverage was insufficient. According to the social insurance payment receipt provided by factory management, it was noted that only 75 out of 151 employees (50%) were provided with pension, accident, unemployment, medical, maternity insurance in April 2024. In addition, the factory provided the commercial injury insurance to 76 out of 151 employees from April 7, 2024 to April 6, 2025. All employees were covered the injury insurance. The factory management said that all other employees participated the countryside cooperation medical insurance. The factory explained some employees did not want to participate the social insurance. In addition, the factory explained that the factory could not afford to provide all 5 types of social insurances to all employees. The factory could not meet this law requirement. Because the insurance participation rate of employees had not reached above 80% on average, this finding was rated as Non-compliance.	1. 根据管理层、员工及员工代表访谈、文件审核，审核员发现工厂的社会保险覆盖不足。根据厂方提供的2024年4月社会保险缴费单据显示工厂仅为75/151名员工（50%）提供了养老、工伤、失业、医疗、生育保险。另外工厂给76/151名工人缴纳了商业工伤保险，有效期是2024年4月7日到2025年4月6日，所有工人覆盖了工伤保险。工厂管理人员说没有参加社会保险的所有其他工人参加了农村合作医疗保险。工厂解释说一些员工不愿意参加社会保险，另外，工厂不能负担给所有的工人缴纳社会保险，工厂不能满足这个法律要求。因为工厂的平均社保缴纳率没有超过80%，因此该发现项被判定为不符合项。 根据《中华人民共和国劳动法》第73条以及《中华人民共和国社会保险法》第33条。 2. 根据工厂政策，员工和管理人员访谈，审核员发现厂规规定男员工只能享受7天的陪产假，少于法律规定的15天。因此该发现项被判定为部分不符合项。 根据《山东省人口与计划生育条例》第26条

Finding	
This violated Article 73 of the Labor Law of the People's Republic of China and Article 33 of Social Insurance Law of the People's Republic of China 2. According to factory policy, employees and management interview, it was noted that male employees in the factory were provided with 7 days paternity leave benefit, which was less than the 15 days required by law. So this finding was rated as Partially. This violated Article 26 of Regulations of Shandong Province on Population and Family Planning	

PA 6: Decent Working Hours

Site: Qingdao Future Toys Co., Ltd | Site amfori ID: 156-001520-002

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	
Based on management, worker, worker representative interview, site observation, document review, it was noted that 32 out of 45 sample population employees worked in excess of the statutory overtime hour limits. A review of the sample population employees' time records (15 samples from July 2023, 15 samples October 2023, 15 samples from current month March 2024) yielded the following: • 9 out of 15 sample population employees worked in excess of 36 overtime hours per month (i.e. 36.5 to 51 hours) in July 2023, which was not in compliance with the legal requirement; • 13 out of 15 sample population employees worked in excess of 36 overtime hours per month (i.e. 38 to 69.5 hours) in October 2023, which was not in compliance with the legal requirement; • 10 out of 15 sample population employees worked in excess of 36 overtime hours per month (i.e. 40 to 63.5 hours) in March 2024, which was not in compliance with the legal requirement; All employees interviewed represented that they were voluntarily to work overtime and they confirmed that they might work more than 36 hours per month during busy period. The factory management explained that due to too much	根据管理层、员工及员工代表访谈、现场查看、文件审核，根据抽样的45名工人（2023年7月15名，2023年10月15名和2024年3月15名）的考勤发现，2023年7月9/15名工人每月加班36.5-51小时；2023年10月13/15名工人每月加班38-69.5小时；2024年3月10/15名工人每月加班40-63.5小时，超过了法定要求的每月最大加班36小时。 访谈员工表示自愿加班，在生产繁忙时每月加班时间可能会超过36小时，工厂管理层解释因为订单多，工厂不能控制员工的加班。因此该发现被判定为不符合项。 根据《中华人民共和国劳动法》第41条改善.

Finding	
orders, they could not control employees' overtime hours. So this finding was rated as Non-compliance. This violated Article 41 of the Labor Law of the PRC.	

PA 7: Occupational Health and Safety

Site: Qingdao Future Toys Co., Ltd | Site amfori ID: 156-001520-002

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

ENGLISH	LOCAL LANGUAGE
Finding	
Based on management, worker, worker representative interview, site observation, document review, it was noted that the factory had set up the occupational health and safety regulations and procedures; however, the actual practice throughout the factory was not fully in compliance. Please refer to the non-compliance of PA7 for detailed information. So this finding was rated as Partially. This did not respect Amfori BSCI Performance Area 7.1	根据管理层、员工及员工代表访谈、现场观察和文件查看，工厂虽然建立了职业健康安全方面的程序和相关制度，但是工厂在实际的执行过程中还存在问题，请参考PA7部分的不符合项，所以该发现被判定为部分不符合项。 根据Amfori BSCI 7.1改善.

Question: 7.4 Is there satisfactory evidence of active cooperation between management and workers (and/or their representatives) when developing and implementing systems towards ensuring OHS?

ENGLISH	LOCAL LANGUAGE
Finding	
Based on management, worker, worker representative interview, document review, it was noted that employees in the workshops did not participate in suggesting and making factory OHS policies. So this finding was rated as Non-compliance. This did not respect Amfori BSCI Performance Area 7.4	根据管理层、员工及员工代表访谈、文件查看，审核发现审核员发现工厂员工没有参与建议和制定工厂相关的OHS政策，所以该发现被判定为不符合项。 根据Amfori BSCI 7.4改善.

Finding	

Question: 7.22 Is there satisfactory evidence that the auditee provides workers with clean washing facilities, changing rooms and toilets that are also respectful of local customs?

ENGLISH	LOCAL LANGUAGE
Finding	
Per factory tour, it was noted that the stalls in the toilet located at the cutting workshop were equipped with private device such as cloth curtain. But the cloth curtain could not protect effectively employees' privacy. So this finding was rated as Partially. This did not respect Amfori BSCI Performance Area 7.22	通过走场，工厂裁剪车间里的厕所里的每个隔断都安装了遮挡帘，但是不能有效的保护工人的隐私，所以这个问题被判定为部分不符合项。 根据Amfori BSCI 7.22改善。

PA 12: Protection of the Environment

Site: Qingdao Future Toys Co., Ltd | Site amfori ID: 156-001520-002

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	
Based on management, worker, worker representative interview, document review, it was noted that the facility did not provide the environment aspect identify evaluation and control records. This finding was rated as Non-compliance because the factory management said they did not know relevant requirement. This did not respect Amfori BSCI Performance Area 12.1	根据管理层、员工及员工代表访谈、文件审核，工厂没有提供环境因素识别评估记录。因为工厂管理层不了解相关要求，该发现被判定为不符合项。 根据Amfori BSCI要求12.1改善