

# L'Oreal Supplier Social Responsibility Audit



## JIAFENG PLASTIC PRODUCTS CO., LTD.

### GENERAL INFORMATION

**Overall Result: Needs Continuous Improvement**

Report No :	F_IAR_23148	City :	Shenzhen City,
Assessment No :	A4676852	Country :	China
Audit Date :	Apr 17, 2018	Auditors :	Primary: Aimee Liu
Last Audit :	Jun 05, 2015 (NCI)		Secondary: None
Assesment Stage :	Re-Audit		

### PERFORMANCE SUMMARY

Participating facilities:  
3189

Assessment Area	Section Result	Compliance Level					
		Zero Tolerance	Needs Immediate Action	Needs Continuous Improvement	Satisfactory	Access Denied	Not Applicable
<b>Overall</b>	<b>NCI</b>	-	-	<b>1</b>	<b>133</b>	-	<b>292</b>
Child Labor	<b>S</b>	-	-	-	3	-	17
Forced & Compulsory Labor	<b>S</b>	-	-	-	14	-	21
Health & Safety	<b>S</b>	-	-	-	81	-	150
Freedom of Association	<b>NA</b>	-	-	-	-	-	21
Non Discrimination	<b>S</b>	-	-	-	6	-	15
Disciplinary Practices	<b>S</b>	-	-	-	6	-	12
Harassment & Abuse	<b>S</b>	-	-	-	4	-	10
Compensation and Benefits	<b>S</b>	-	-	-	12	-	21
Hours of Work	<b>NCI</b>	-	-	1	7	-	16
Subcontracting	<b>NA</b>	-	-	-	-	-	9

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## A. FACILITY PROFILE

### A1. FACILITY INFORMATION

<b>Factory Name:</b>	Jiafeng Plastic Products Co., Ltd.	<b>Postal Code:</b>	518000
<b>Physical Address:</b>	6-1 Tanmian Road, Xikeng Village, Henggang Town, Longgang District,	<b>Legal status:</b>	Private
<b>City/Town:</b>	Shenzhen City,	<b>Year started:</b>	2009
<b>State/Province:</b>	Guangdong	<b>Compliance Officer:</b>	Yes
<b>Country:</b>	China	<b>Website:</b>	www.jiafengpvc.com
<b>Phone:</b>	86-755-28619986		
<b>Fax:</b>	86-755-28618769		
<b>Contact Name:</b>	Mr. Jack Lam, Manager		
<b>Contact Title:</b>	Mr. Jack Lam / Manager		
<b>Email:</b>	lam@jiafengpvc.com		

### A2. EMPLOYEE INFORMATION

	<b>Management</b>	<b>Production</b>		
<b>Language(s) Spoken:</b>	Mandarin	Mandarin	<b>Legal Minimum Age:</b>	16
<b>Total Nr of Employees:</b>	20	76	<b>Number of historical child labor:</b>	NA
<b>Youngest Employee Age:</b>	19		<b>Name of Union:</b>	NA
<b>Age Documentation:</b>	Photocopy of ID card.		<b>Number of First Aiders:</b>	6
<b>Number of Apprentices:</b>	NA			
<b>Past Labor Strikes/Conflicts:</b>	NA			

**The number of lost time accidents to employees per million hours worked : Lost time injury rate/frequency [(number of lost time injuries) x 1,000,000] / (exposed man hours)] =** This information was not provided by the facility.

### A3. SUPPLIER INFORMATION

<b>Supplier name:</b>	No information provided.	<b>Fax:</b>	No information Provided.
<b>Postal Address:</b>	No information Provided.	<b>Website:</b>	No information Provided.
<b>City/Town:</b>	No information Provided.		
<b>State/Province:</b>	No information Provided.		
<b>Country:</b>	No information Provided.		

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<b>Phone:</b>	No information Provided.
<b>Contact Name:</b>	No information Provided.
<b>Contact Title:</b>	No information Provided.
<b>Email:</b>	No information Provided.

## A4. PRODUCTION INFORMATION

<b>Product Type:</b>	Cosmetic bags, wash bags, gift bags, etc.	
<b>Labels WIP:</b>	Label Name 1 / (Percentage of output)%:	Biotherm 35%
	Label Name 2 / (Percentage of output)%:	Vichy 25%
	Label Name 3 / (Percentage of output)%:	Kerastase 15%
	Label Name 4 / (Percentage of output)%:	La Roche-Posay 7.5%
	Production Capacity a Week:	75000 pieces per week
	Total Number of Machines:	77
<b>Brand presence (if applicable):</b>	Percentage of production devoted to client:	30 percent
	Other brands being produced:	LVMH, Unilever

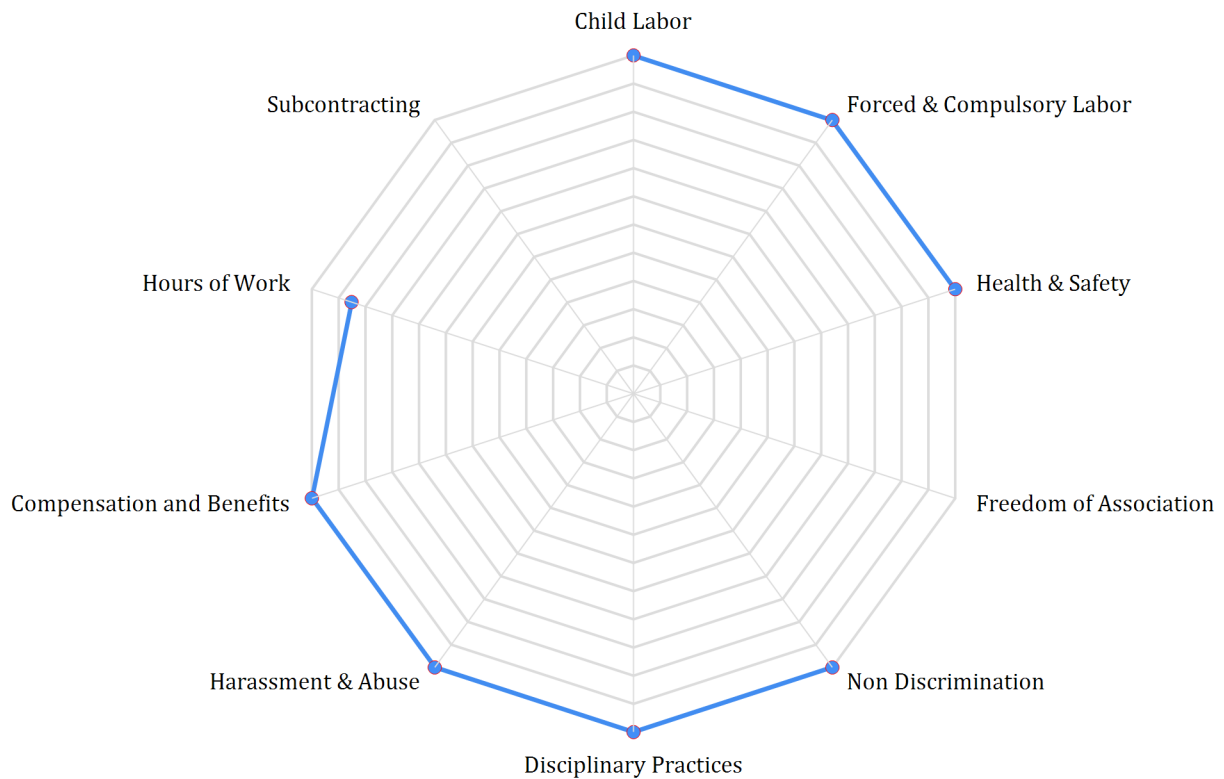
## A5. AUDIT SAMPLE SIZE

<b># Payroll :</b>	7+5+5
<b>Payroll months analysed:</b>	7 samples from March 2018 (current month), 5 samples from January 2018 (random month), 5 samples from July 2017 (random month). Remark: There was no obvious peak season in the facility as per facility management.
<b># Interviews:</b>	7



## B. PERFORMANCE METRICS

### B1. RESULT SUMMARY



**"Freedom of Association" rating is not shown on the above graph as its rating is N/A**

**"Subcontracting" rating is not shown on the above graph as its rating is N/A**



## B2. PERFORMANCE TREND ANALYSIS

Section Name	Current (17-Apr-2018)	Last	First (05-Jun-2015)	Change (Current-Last)	Change (Current-First)
Child Labor	S	Not Applicable	S	Not Applicable	■
Forced & Compulsory Labor	S	Not Applicable	S	Not Applicable	■
Health & Safety	S	Not Applicable	NCI	Not Applicable	▲
Freedom of Association	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Non Discrimination	S	Not Applicable	S	Not Applicable	■
Disciplinary Practices	S	Not Applicable	S	Not Applicable	■
Harassment & Abuse	S	Not Applicable	S	Not Applicable	■
Compensation and Benefits	S	Not Applicable	S	Not Applicable	■
Hours of Work	NCI	Not Applicable	S	Not Applicable	▼
Subcontracting	Not Applicable	Not Applicable	S	Not Applicable	■
<b>Overall Result</b>	<b>NCI</b>	<b>Not Applicable</b>	<b>NCI</b>	<b>Not Applicable</b>	■

▲ Advancers ■ Constant ▼ Decliner



### B3. COMPENSATION

<b># of Employees Present:</b>	96
<b># of Employees on Payroll:</b>	96
<b>Payroll records sampled:</b>	From April 2017 to March 2018
<b># of sample taken:</b>	7 samples from March 2018(current month), 5 samples from January 2018 (random month) and July 2017 (random month) respectively.
<b>Form of Payment:</b>	Cash
<b>Pay Day:</b>	On the 10th day of each month

	<b>Payroll</b>	<b>Interview</b>	<b>Law</b>	<b>Unit</b>
<b>Minimum wage:</b>	RMB12.24 per hour	RMB12.24 per hour	RMB 2130 per month equivalent to RMB 12.24 (2130/21.75/8) per hour since 1 June 2017 and RMB 2030 per month equivalent to RMB 11.67 (2030/21.75/8) per hour before 1 June 2017.	Hourly
<b>Regular overtime rate:</b>	150% of normal rate	150% of normal rate	150% of normal rate	Hourly
<b>Rest day overtime rate:</b>	200% of normal rate	200% of normal rate	200% of normal rate	Hourly
<b>Holiday overtime rate:</b>	300% of normal rate	300% of normal rate	300% of normal rate	Hourly
<b>Lowest piece rate:</b>	NA, no piece rate	NA, no piece rate	NA, no piece rate	
<b>Average salary:</b>	RMB3900	RMB3900	NA	Monthly

### B4. HOURS OF WORK

	<b>Payroll</b>	<b>Interview</b>	<b>Law</b>
<b>Normal work hours per day:</b>	8	8	8
<b>Normal work hours per week:</b>	40	40	40
<b>Maximum overtime hours per week:</b>	16	16	NA
<b>Average overtime hours per week:</b>	14	14	NA

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<b>Overtime rate per hour:</b>	150%, 200% and 300% of normal rate for overtime on normal working days, rest days and public holidays respectively	150%, 200% and 300% of normal rate for overtime on normal working days, rest days and public holidays respectively	150%, 200% and 300% of normal rate for overtime on normal working days, rest days and public holidays respectively
<b>Number of shifts:</b>	1	1	NA

**Local legal working hours per week:** Normal working hours per day were 8 hours from Monday to Friday and 40 hours per week.

**Time record system used:**

**Total numbers of hours worked per week:** Remark:  
 Based on the attendance record provided by the facility, working hour statistics were the following:  
 1) In March 2018, the total number of hours worked (regular + OT) per employee per week ranged from 50 to 54 hours, the maximum weekly hours were 54 hours (7 out of 7 randomly samples);  
 2) In January 2018, the total number of hours worked (regular + OT) per employee per week ranged from 52 to 54 hours, the maximum weekly hours were 54 hours (5 out of 5 randomly samples);  
 3) In July 2017, the total number of hours worked (regular + OT) per employee per ranged from 50 to 56 hours, the maximum weekly hours were 56 hours (5 out of 5 randomly samples).



## C. PERFORMANCE DETAILS

Current (17-Apr-2018) Last ( 05-06-2015 )

### C1. Hours of Work

NCI

Sub Section: **Hours of Work**

Status	Local Law	Findings	Global freq of compliance
● NCI	Yes	<p><b>Q.258</b> - Overtime hours are not within allowable limits under applicable law.</p> <p><i>Overtime hours exceeded the legal requirement. Through document review, auditor found that the monthly overtime hours of 7 out of 7 randomly selected employees were 58 hours in March 2018 (Most current month); monthly overtime hours of 5 out of 5 were 58 hours in January 2018 (Random month), monthly overtime hours of 5 out of 5 were 60 hours in July 2017 (Random month).</i></p> <p><b>Law Title/Text:</b> -- <b>258.01</b> PRC Labour Law article 41 The employing unit may extend working hours due to the requirements of its production or business after consultation with the trade union and labourers, but the extended working hour for a day shall generally not exceed one hour; if such extension is called for due to special reasons, the extended hours shall not exceed three hours a day under the condition that the health of labourers is guaranteed. However, the total extension in a month shall not exceed thirty-six hours.</p> <p><b>Management Response</b> - The facility management agreed with the finding and would take corrective. Agreed deadline for correction would be 17 July, 2018.</p> <p><b>Proposed Corrective Action</b> - It is recommended that the facility should reduce the overtime hours to ensure it is within 36 hours per month.</p>	63%

**% Global Frequency of Compliance:** Represents the implementation percentage performance of all suppliers participating in the L'Oreal Community globally for each issue.

**Identification numbers:** Represents the finding ID associated with each checklist question

- Satisfactory
- Needs Immediate Action
- Access Denied
- Needs Continuous Improvement
- Zero Tolerance
- Not Applicable



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## D. SUBCONTRACTING

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<b>Facility Capacity:</b>	75,000 pieces per week
<b>Production Output per day:</b>	12,500 pieces per day

### Subcontractor Details

<b>SubContractor Name:</b>	N/A
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