




Sedex Members Ethical Trade Audit Report

Version 6.1



Audit Details			
Sedex Company Reference: (only available on Sedex System)	ZC: 420837440	Sedex Site Reference: (only available on Sedex System)	ZS: 421580660
Business name (Company name):	TAN PHU VIET NAM JOINT STOCK COMPANY - BAC NINH BRANCH Công ty Cổ phần Tân Phú Việt Nam – Chi nhánh Bắc Ninh		
Site name:	TAN PHU VIET NAM JOINT STOCK COMPANY - BAC NINH BRANCH Công ty Cổ phần Tân Phú Việt Nam – Chi nhánh Bắc Ninh		
Site address: (Please include full address)	Xuan Lam Industrial Cluster, Xuan Lam Commune, Thuan Thanh District, Bac Ninh Province, Viet Nam. Cụm công nghiệp Xuân Lâm, xã Xuân Lâm, huyện Thuận Thành, tỉnh Bắc Ninh, Việt Nam	Country:	Viet Nam
Site contact and job title:	Mr. Luong Xuan Cuong/ Director		
Site phone:	+84 933782622	Site e-mail:	Cuong.luong@tanphuvietnam.vn
SMETA Audit Pillars:	<input checked="" type="checkbox"/> Labour Standards	<input checked="" type="checkbox"/> Health & Safety (plus Environment 2-Pillar)	<input checked="" type="checkbox"/> Environment 4-pillar <input checked="" type="checkbox"/> Business Ethics
Date of Audit:	5&6 Dec 2022		

Audit Company Name & Logo:  BUREAU VERITAS Bureau Veritas Consumer Product Services	Report Owner (payer): <i>(If paid for by the customer of the site please remove for Sedex upload)</i>
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Audit Conducted By					
Affiliate Audit Company	<input checked="" type="checkbox"/>	Purchaser	<input type="checkbox"/>	Retailer	<input type="checkbox"/>
Brand owner	<input type="checkbox"/>	NGO	<input type="checkbox"/>	Trade Union	<input type="checkbox"/>

Multi-stakeholder	<input type="checkbox"/>	Combined Audit (select all that apply)
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If you have any concerns or queries about this SMETA report or the associated SMETA audit, please contact grievance@sedex.com.

To confirm the validity of this report, please visit <https://www.sedex.com/audit-verifier/>

Audit Content:

(1) A SMETA audit was conducted which included some or all of Labour Standards, Health & Safety, Environment and Business Ethics. The SMETA Best Practice Version 6.1 was applied. The scope of workers included all types at the site e.g. direct employees, agency workers, workers employed by service providers and workers provided by other contractors. Any deviations from the SMETA Methodology are stated (with reasons for deviation) in the SMETA Declaration.

(2) The audit scope was against the following reference documents

2-Pillar SMETA Audit

- ETI Base Code
- SMETA Additions
 - Universal rights covering UNGP
 - Management systems and code implementation,
 - Responsible Recruitment
 - Entitlement to Work & Immigration,
 - Sub-Contracting and Home working,

4-Pillar SMETA

- 2-Pillar requirements plus
- Additional Pillar assessment of Environment
- Additional Pillar assessment of Business Ethics
- The Customer's Supplier Code (Appendix 1)

(3) Where appropriate non-compliances were raised against the ETI code / SMETA Additions & local law and recorded as non-compliances on both the audit report, CAPR and on Sedex.

(4) Any Non-Compliance against customer code shall not be uploaded to Sedex. However, in the CAPR these 'Variances in compliance between ETI code / SMETA Additions/ local law and customer code' shall be noted in the observations section of the CAPR.

SMETA Declaration

I declare that the audit underpinning the following report was conducted in accordance with SMETA Best Practice Guidance and SMETA Measurement Criteria.

- (1) Where appropriate non-compliances were raised against the ETI code / SMETA Additions & local law and recorded as non-compliances on both the audit report, CAPR and on Sedex.
- (2) Any Non-Compliance against customer code alone shall not be uploaded to Sedex. However, in the CAPR these 'Variances in compliance between ETI code / SMETA Additions/ local law and customer code' shall be noted in the observations section of the CAPR.

Any exceptions to this must be recorded here (e.g. different sample size): This audit includes elements beyond the scope of a Social Compliance Audit as defined by the APSCA Competency Framework. The association of the auditor's APSCA number with this report is limited to those elements outlined in the APSCA Competency Framework. APSCA makes no representations with respect to the auditor's competency to professionally

Auditor Team (s) (please list all including all interviewers):

Lead auditor: Tuan Phan	APSCA number: 21704906
Lead auditor APSCA status: RA	
Team auditor: Hai Dang	APSCA number: 21704723
Interviewers: Tuan Phan	APSCA number: 21704906

Report writer: Hai Dang

Report reviewer: Limely Chen

Date of declaration: 6 Dec 2022

Note: The focus of this ethical audit is on the ETI Base Code and local law. The additional elements will not be audited in such depth or scope, but the audit process will still highlight any specific issues.

This report provides a summary of the findings and other applicable information found/gathered during the social audit conducted on the above date only and does not officially confirm or certify compliance with any legal regulations or industry standards. The social audit process requires that information be gathered and considered from records review, worker interviews, management interviews and visual observation. More information is gathered during the social audit process than is provided here. The audit process is a sampling exercise only and does not guarantee that the audited site prior, during or post-audit, are in full compliance with the Code being audited against. The provisions of this Code constitute minimum and not maximum standards and this Code should not be used to prevent companies from exceeding these standards. Companies applying this Code are expected to comply with national and other applicable laws and where the provisions of law and this Code address the same subject, to apply that provision which affords the greater protection. The ownership of this report remains with the party who has paid for the audit. Release permission must be provided by the owner prior to release to any third parties.

Summary of Findings

Issue (please click on the issue title to go direct to the appropriate audit results by clause) <i>Note to auditor, please ensure that when issuing the audit report, hyperlinks are retained.</i>		Area of Non-Conformity (Only check box when there is a non-conformity, and only in the box/es where the non-conformity can be found)				Record the number of issues by line*:			Findings (note to auditor, summarise in as few words as possible NCs, Obs and GE)
		ETI Base Code	Local Law	Additional Elements	Customer Code	NC	Obs	GE	
0A	Universal Rights covering UNGP			<input type="checkbox"/>	<input type="checkbox"/>		3	0	<ul style="list-style-type: none"> No policy and procedure to identify their stakeholder and salient issues. No record of measuring direct, indirect, and potential impacts on stakeholders (rights holders) human rights by the facility. No record of addressing these issues on human rights within any of the stakeholder and enable effective remediation by the facility.
0B	Management systems and code implementation		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0	0	0	<ul style="list-style-type: none"> Nil
1.	Freely chosen Employment	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	0	0	0	<ul style="list-style-type: none"> Nil
2	Freedom of Association	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	0	0	0	<ul style="list-style-type: none"> Nil
3	Safety and Hygienic Conditions	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	4	0	0	<ul style="list-style-type: none"> No evidence of rain shelters had been submitted to the local firefighting police to get their acceptance No Earth Continuity Conductor (ECC) inspecting report

									<ul style="list-style-type: none"> Emergency exit doors at blowing section was missing of emergency exit light Chemical tank named DO oil was not labelled clearly by Vietnamese chemical label
4	<u>Child Labour</u>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	0	0	0	<ul style="list-style-type: none"> Nil
5	<u>Living Wages and Benefits</u>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	0	0	0	<ul style="list-style-type: none"> Nil
6	<u>Working Hours</u>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	0	0	0	<ul style="list-style-type: none"> Nil
7	<u>Discrimination</u>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	0	0	0	<ul style="list-style-type: none"> Nil
8	<u>Regular Employment</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0	0	0	<ul style="list-style-type: none"> Nil
8A	<u>Sub-Contracting and Homeworking</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0	0	0	<ul style="list-style-type: none"> Nil
9	<u>Harsh or Inhumane Treatment</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0	0	0	<ul style="list-style-type: none"> Nil
10A	<u>Entitlement to Work</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0	0	0	<ul style="list-style-type: none"> Nil
10B2	<u>Environment 2-Pillar</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	N/a	N/a	N/a	<ul style="list-style-type: none"> N/a
10B4	<u>Environment 4-Pillar</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0	0	0	<ul style="list-style-type: none"> Nil
10C	<u>Business Ethics</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0	0	0	<ul style="list-style-type: none"> Nil
General observations and summary of the site:									
<p>The Initial audit (Smeta-4 Pillar) was conducted by Bureau Veritas CPS Vietnam. Three Auditors assessed and verified the facility's operations against the ETI Base Code and local legislations on a sampling basis.</p>									

At 8:30 AM on Dec 6th, 2022, the Auditors entered the facility then held an opening meeting according to the ETI Code and SMETA guidance. The facility representatives, Mr. Luong Xuan Cuong/ Director expressed that the facility would be full cooperative with this audit.

A health and safety walkthrough was facilitated by Mr. Nguyen Van Hoa/ HR officer who provided an overview of the facility work floor and employee interaction with each other and with the management team. Auditor had done the walkthrough of all areas. Approximate percentage of facility visited: 100%

The auditor sampled:

During the assessment the auditor was able to visit and view all production and all perimeters of the facility.

Facility is very well equipped with fire extinguishers, emergency exits, emergency pathways with emergency lighting along them the route of egress and assembly points were viewed at the facility during the walkthrough.

The factory provided sufficiently the past 12 months of payrolls and time records from November 2021 to October 2022 for review. The auditors skimmed all provided time records & payroll records and selected a total of 26 samples of time records & payroll records for each selected month (26 samples for most recent paid month Oct 2022, 26 samples for Aug 2022 – random month and 26 samples for Apr 2022 – random month).

All other government inspection reports about health and safety as well as labour contracts and some relevant documents were required for checking. During the factory tour, full access was provided to all areas in the factory. The audit findings were based on on-site observation, interviews with employees and management and document review.

The closing meeting had been conducted with factory's representative, all non-compliance had been discussed and explained. The factory management agreed all non-compliances and signed the CAP for accepting.

Remark: the factory did conduct combined BSCI & SMETA audit within 2 days (5&6 Dec 2022)

**Please note the table above records the total number of Non-compliances (NC), Observations (Obs) and Good Examples (GE). This gives the reviewer an indication of problem areas but does not detail severities of each issue – Reviewers need to check audit results by clause.*

Site Details

Site Details																													
A: Company Name:	TAN PHU VIET NAM JOINT STOCK COMPANY - BAC NINH BRANCH																												
B: Site name:	TAN PHU VIET NAM JOINT STOCK COMPANY - BAC NINH BRANCH																												
C: GPS location: (If available)	GPS Address:	Latitude: 21.027846 Longitude: 106.019517																											
D: Applicable business and other legally required licence numbers and documents, for example, business license number, liability insurance, any other required government inspections	<p>Tan Phu Viet Nam Joint Stock Company – Bac Ninh Branch is a 100% Vietnamese invested factory started its operation since 2010 under Business License No. 0303640880- 002 dated June 9th, 2010 issued by the Investment and Planning of Bac Ninh Province. Latest amendment was made on Apr 13th, 2021. Factory was located at Xuan Lam Industrial Cluster, Xuan Lam Commune, Thuan Thanh District, Bac Ninh Province, Viet Nam.</p>																												
E: Products/Activities at site, for example, garment manufacture, electricals, toys, grower, cutting, sewing, packing etc	Plastic (shelf, basket, bin, bottle, etc.).																												
F: Site description: (Include size, location, and age of site. Also, include structure and number of buildings)	<p>Total area with approximate 13,949.8 square meter, the factory did have 4 main buildings as detail below:</p> <table border="1"> <thead> <tr> <th>Production Building no 1</th> <th>Description</th> <th>Remark, if any</th> </tr> </thead> <tbody> <tr> <td>Floor 1</td> <td>Office, heat pressing, blowing, mixing, inspection section, canteen.</td> <td>Nil</td> </tr> <tr> <td>Floor 2</td> <td>Mezzanine used for office.</td> <td>Nil</td> </tr> <tr> <td>Is this a shared building?</td> <td>Nil</td> <td>Nil</td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th>Production Building no 2</th> <th>Description</th> <th>Remark, if any</th> </tr> </thead> <tbody> <tr> <td>Floor 1</td> <td>Heat pressing, blowing, inspection section</td> <td>Nil</td> </tr> <tr> <td>Is this a shared building?</td> <td>Nil</td> <td>Nil</td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th>Production Building no 3</th> <th>Description</th> <th>Remark, if any</th> </tr> </thead> <tbody> <tr> <td>Floor 1</td> <td>Heat pressing, mixing, inspection section, packing.</td> <td>Nil</td> </tr> </tbody> </table>		Production Building no 1	Description	Remark, if any	Floor 1	Office, heat pressing, blowing, mixing, inspection section, canteen.	Nil	Floor 2	Mezzanine used for office.	Nil	Is this a shared building?	Nil	Nil	Production Building no 2	Description	Remark, if any	Floor 1	Heat pressing, blowing, inspection section	Nil	Is this a shared building?	Nil	Nil	Production Building no 3	Description	Remark, if any	Floor 1	Heat pressing, mixing, inspection section, packing.	Nil
Production Building no 1	Description	Remark, if any																											
Floor 1	Office, heat pressing, blowing, mixing, inspection section, canteen.	Nil																											
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Floor 1	Heat pressing, blowing, inspection section	Nil																											
Is this a shared building?	Nil	Nil																											
Production Building no 3	Description	Remark, if any																											
Floor 1	Heat pressing, mixing, inspection section, packing.	Nil																											

	Is this a shared building?	Nil	Nil
	Production Building no 4	Description	Remark, if any
	Floor 1	Material and finished goods storage	Nil
	Is this a shared building?	Nil	Nil
<p>Sub-buildings: Security post, Air-compressor area, Chemical storage area, Waste storage area, Parking lot.</p> <p>For below, please add any extra rows if appropriate.</p> <p>F1: Visible structural integrity issues (large cracks) observed? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No F2: Please give details: No crack observed</p> <p>F3: Does the site have a structural engineer evaluation? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No F4: Please give details: Not required by law.</p>			
G: Site function:	<input type="checkbox"/> Agent <input checked="" type="checkbox"/> Factory Processing/Manufacturer <input type="checkbox"/> Finished Product Supplier <input type="checkbox"/> Grower <input type="checkbox"/> Homeworker <input type="checkbox"/> Labour Provider <input type="checkbox"/> Pack House <input type="checkbox"/> Primary Producer <input type="checkbox"/> Service Provider <input type="checkbox"/> Sub-Contractor		
H: Month(s) of peak season: (if applicable)	There was no peak month observed in the last 12 months		
I: Process overview: (Include products being produced, main operations, number of production lines, main equipment used)	<p>The factory was specialized in manufacturing of plastic (shelf, basket, bin, bottle, etc.). The main manufacturing processes were Input material – Mixing – Blowing – Heat pressing - Packing - Inspection – Shipping.</p> <p>The factory had 20 production lines with adequate machinery/equipment e.g. Pressing machine, mixing machine, blowing machine, air compressor machine.</p>		
J: What form of worker representation / union is there on site?	<input checked="" type="checkbox"/> Union (name): Tan Phu Viet Nam JCS – Branch Bac Ninh Trade Union <input type="checkbox"/> Worker Committee		

	<input type="checkbox"/> Other (specify) <input type="checkbox"/> None
K: Is there any night production work at the site?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
L: Are there any on site provided worker accommodation buildings e.g. dormitories	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No L1: If yes, approx. % of workers in on site accommodation
M: Are there any off site provided worker accommodation buildings	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No M1: If yes, approx. % of workers
N: Were all site-provided accommodation buildings included in this audit	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No N1: If no, please give details

Audit Parameters			
A: Time in and time out	A1: Day 1 Time in: 8:30 A2: Day 1 Time out: 16:30	A3: Day 2 Time in: 8:30 A4: Day 2 Time out: 16:30	A5: Day 3 Time in: N/a A6: Day 3 Time out: N/a
B: Number of auditor days used:	2 auditor * 2 days Remark: the factory did conduct combined BSCI and SMETA within 2 days (5&6 Dec 2022)		
C: Audit type:	<input checked="" type="checkbox"/> Full Initial <input type="checkbox"/> Periodic <input type="checkbox"/> Full Follow-up <input type="checkbox"/> Partial Follow-Up <input type="checkbox"/> Partial Other If other, please define		
D: Was the audit announced?	<input type="checkbox"/> Announced <input checked="" type="checkbox"/> Semi – announced: Window detail: 4 weeks <input type="checkbox"/> Unannounced		
E: Was the Sedex SAQ available for review?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: If No, why not?		
F: Any conflicting information SAQ/Pre-Audit Info to Audit findings?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes , please capture detail in appropriate audit by clause		
G: Who signed and agreed CAPR (Name and job title)	Mr. Luong Xuan Cuong/ Director		
H: Is further information available (If yes, please contact audit company for details)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
I: Previous audit date:	Nil		
J: Previous audit type:	Nil		
K: Were any previous audits reviewed for this audit	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A		

Audit attendance	Management	Worker Representatives
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	Senior management	Worker Committee representatives	Union representatives
A: Present at the opening meeting?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
B: Present at the audit?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
C: Present at the closing meeting?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
D: If Worker Representatives were not present please explain reasons why (only complete if no worker reps present)	The factory did not have worker representative.		
E: If Union Representatives were not present please explain reasons why: (only complete if no union reps present)	The chairwoman of the labour union presented.		

Worker Analysis

The term "migrant worker" refers to a person who is engaged or has been engaged in a remunerated activity in a country of which they are not a national or permanent resident or has purposely migrated on a temporary basis to another in-country region to seek and engage in a remunerated activity.

Worker Analysis								
	Local			Migrant*				Total
	Permanent	Temporary	Agency	Permanent	Temporary	Agency	Home workers	
Worker numbers – Male	145	0	0	0	0	0	0	145
Worker numbers – female	126	0	0	0	0	0	0	126
Total	271	0	0	0	0	0	0	271
Number of Workers interviewed – male	14	0	0	0	0	0	0	14
Number of Workers interviewed – female	16	0	0	0	0	0	0	16
Total – interviewed sample size	30	0	0	0	0	0	0	30



A: Nationality of Management	Vietnamese	
B: Please list the nationalities of all workers, with the three most common nationalities listed first. <i>Please add more nationalities as applicable to site. Add more rows if required.</i>	Nationalities: B1: Nationality 1: ___Vietnamese___ B2: Nationality 2: _____ B3: Nationality 3: _____	Was the list completed during peak season? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If no, please describe how this may vary during peak periods: There was no peak season observed in the last 12 months
C: Please provide more information for the three most common nationalities.	C: approx % total workforce: Nationality 1 ___100%___ C1: approx % total workforce: Nationality 2 _____ C2: approx % total workforce: Nationality 3 _____	
D: Worker remuneration (management information)	D: _____% workers on piece rate D1: ___100%___% hourly paid workers D2: _____% salaried workers Payment cycle: D3: _____% daily paid D4: _____% weekly paid D5: ___100___% monthly paid D6: _____% other D7: If other, please give details	



Worker Interview Summary		
A: Were workers aware of the audit?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
B: Were workers aware of the code?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
C: Number of group interviews: (Please specify number and size of groups. Please see SMETA Best Practice Guidance and Measurement Criteria. If the auditor was not able to follow the BPG, please state within the declaration)	4 groups of 5	
D: Number of individual interviews (Please see SMETA Best Practice Guidance and Measurement Criteria)	D1: Male: 5	D2: Female: 5
E: All groups of workers are included in the scope of this audit such as; Direct employees, Casual and agency workers, Workers employed by service providers such as security and catering staff as well as workers supplied by other contractors. <i>Note to auditor: please record details of migrant /agency/contractor workers in section 8 – Regular Employment, under Responsible Recruitment</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If no, please give details	
F: Interviews were done in private and the confidentiality of the interview process was communicated to the workers?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
G: In general, what was the attitude of the workers towards their workplace?	<input checked="" type="checkbox"/> Favourable <input type="checkbox"/> Non-favourable <input type="checkbox"/> Indifferent	
H: What was the most common worker complaint?	The employees did not have any complaint	
I: What did the workers like the most about working at this site?	The employees were satisfied with their working hours, salary and working environment	
J: Any additional comment(s) regarding interviews:	Nil	
K: Attitude of workers to hours worked:	The employees were satisfied with their working hours, salary and working environment	
L. Is there any worker survey information available?		
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No L1: If yes, please give details:		

M: Attitude of workers:

(Include their attitude to management, workplace, and the interview process. Both positive and negative information should be included) Note: Do not document any information that could put workers at risk

Confidential interviews were conducted with all sampled workers selected from various sections and interviewed in private room. In the interview process, the workers were honest. They were positive toward the management and the company. All interviewed employees stated that they were free to leave the factory premise if their shift ends. They were not forced to overtime work on normal working day, holiday or on rest day. All interviewed workers confirmed that the management treated workers with dignity and respect. All interviewed workers said that working hours and overtime hours were recorded by themselves.

N: Attitude of worker's committee/union reps:

(Include their attitude to management, workplace, and the interview process. Both positive and negative information should be included) Note: Do not document any information that could put workers at risk

Interviews with the trade union members they were happy with the working conditions, and they stated that they could give suggestions on all parts of the site's practices.

O: Attitude of managers:

(Include attitude to audit, and audit process. Both positive and negative information should be included)

The factory management showed a cooperative attitude to the audit and audit process. They provided all relevant documents related to social audit to the auditors for review, agreed for factory tour, copy documents & interviewed employees

Audit Results by Clause

0A: Universal Rights covering UNGP

[\(Click here to return to summary of findings\)](#)

0.A. Guidance for Observations

0.A.1 Businesses should have a policy, endorsed at the highest level, covering human rights impacts and issues, and ensure it is communicated to all appropriate parties, including its own suppliers.

0.A.2 Businesses should have a designated person responsible for implementing standards concerning Human rights

0.A.3 Businesses shall identify their stakeholders and salient issues.

0.A.4 Businesses shall measure their direct, indirect, and potential impacts on stakeholders (rights holders) human rights.

0.A.5 Where businesses have an adverse impact on human rights within any of their stakeholders, they shall address these issues and enable effective remediation.

0.A.6 Businesses shall have a transparent system in place for confidentially reporting, and dealing with human rights impacts without fear of reprisals towards the reporter.

Note for auditors and readers. This is not a full Human Rights Assessment, but instead a check on the business's implementation of processes to meet their Universal rights covering UNGP responsibilities.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is /are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

Human right policy was established on Oct 01, 2022 and Mr. Nguyen Duc Thang/ Vice Director was assigned to monitor and perform Human Right policy. There was transparent system in place for confidentially reporting, and dealing with human rights impacts without fear of reprisals towards the reporter. However, the policy for stakeholders were not effectively established.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- Human right policy
- Assignment decision for a person responsible for implementing standards concerning Human rights.

Any other comments:

Nil

A: Policy statement that expresses commitment to respect human rights?

☒ Yes

☐ No

A1: Please give details: The facility has established Human rights policy and latest reviewed on Oct 01, 2022.

B: Does the business have a designated person responsible for implementing standards concerning Human Rights?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The facility assigned person responsible to monitor and perform standards concerning Human Right Name: Mr. Nguyen Duc Thang Job title: Vice Director
C: Does the business have a transparent system in place for confidentially reporting, and dealing with human rights impacts without fear of reprisals towards the reporter?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No C1: Please give details: The factory did have a transparent system with policy, procedure, notice and training in place for confidentially reporting, and dealing with human rights impacts without fear of reprisals towards the reporter.
D: Does the grievance mechanism meet UNGP expectations? (Legitimate, Accessible, Predictable, Equitable, Transparent, Rights-compatible, a source of continuous learning and based on stakeholder engagement)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No D1: If no, please give details: It was noted that the factory did not have the policy and procedure to identify their stakeholder and salient issues.
E: Does the business demonstrate effective data privacy procedures for workers' information, which is implemented?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No E1: Please give details: It was noted that the factory had not measure their direct, indirect, and potential impacts on stakeholders (rights holders) human rights.

Findings		
1/ Finding: Observation <input checked="" type="checkbox"/> Description of observation: There was no evidence to prove that the factory had the policy and procedure to identify their stakeholder and salient issues. Additional elements: 0.A.3 Businesses shall identify their stakeholders and salient issues. Comments: The facility shall establish the policy and procedure to identify their stakeholder and salient issues.	Company NC <input type="checkbox"/>	1/ Objective evidence observed: Noted during document review and interview with factory management
2/ Finding: Observation <input checked="" type="checkbox"/> Description of observation: There was no evidence to prove that the factory had measure their direct, indirect, and potential impacts on stakeholders (rights holders) human rights. Additional elements:	Company NC <input type="checkbox"/>	2/ Objective evidence observed: Noted during document review and interview with factory management

<p>0.A.4 Businesses shall measure their direct, indirect, and potential impacts on stakeholders (rights holders) human rights.</p> <p>Comments: The facility shall measure their direct, indirect, and potential impacts on stakeholders (rights holders) human rights.</p> <p>3/ Finding: Observation <input checked="" type="checkbox"/> Company NC <input type="checkbox"/></p> <p>Description of observation:</p> <p>There was no evidence to prove that the factory had addressed these issues on human rights within any of the stakeholder and enable effective remediation.</p> <p>Additional elements:</p> <p>0.A.5 Where businesses have an adverse impact on human rights within any of their stakeholders, they shall address these issues and enable effective remediation.</p> <p>Comments: The facility shall address these issues on human rights within any of the stakeholder and enable effective remediation.</p>	<p>3/ Objective evidence observed:</p> <p>Noted during document review and interview with factory management</p>
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Good examples observed:	
<p>Description of Good Example (GE):</p> <p>Non observed</p>	<p>Objective Evidence Observed:</p>

Measuring Workplace Impact

Workplace Impact		
A: Annual worker turnover: Number of workers leaving in last 12 months as a % of average total number of workers on site over the year (annual worker turnover)	A1: Last year: 2021 __16__ %	A2: This year: Jan to Nov 2022 __20.1__ %
B: Current % quarterly (90 days) turnover: Number of workers leaving from the first day of the 90 days period through to the last day of the 90 day period / [(number of employees on the 1 st day of 90 day period + number of employees on the last day of the 90 day period) / 2]	9.5%	
C: Annual % absenteeism: Number of days lost through job absence in the year / [(number of employees on 1 st day of the year + number employees on the last day of the year) / 2] * number available workdays in the year	C1: Last year: 2021 __0__ %	C2: This year: Jan to Nov 2022 __0__ %
D: Quarterly (90 days) % absenteeism: Number of days lost through job absence in the period / [(Number of employees on 1 st of the period + Number of employees on the last day of the period) / 2] * Number of available workdays in the month	0	
E: Are accidents recorded?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No E1: Please describe: There was no accident occur.	
F: Annual Number of work related accidents and injuries per 100 workers: [(Number of work related accidents and injuries * 100) / Number of total workers]	F1: Last year: 2021 Number: 0	F2: This year: Jan to Nov 2022 Number: 0
G: Quarterly (90 days) number of work related accidents and injuries per 100 workers: [(Number of work related accidents and injuries * 100) / Number of total workers]	0	
H: Lost day work cases per 100 workers: [(Number of lost days due to work accidents and work related injuries * 100) / Number of total workers]	H1: Last year: 2021 0	H2: This year: Jan to Nov 2022 0
I: % of workers that work on average more than 48 standard hours / week in the last 6 / 12 months:	I1: 6 months __0__% workers	I2: 12 months __0__% workers
J: % of workers that work on average more than 60 total hours / week in the last 6 / 12 months:	J1: 6 months __0__% workers	J2: 12 months __0__% workers

0B: Management system and Code Implementation

[\(Click here to return to summary of findings\)](#)

- 0.B.1 Suppliers are expected to implement and maintain systems for delivering compliance to this Code.
- 0.B.2 Suppliers are expected to be operating legally in premises with the correct business licenses and permissions and to have systems to ensure that all relevant land rights have been complied with
- 0.B.3 Suppliers shall appoint a senior member of management who shall be responsible for compliance with the Code.
- 0.B.4 Suppliers are expected to communicate this Code to all employees.
- 0.B.5 Suppliers should communicate this code to their own suppliers and, where reasonably practicable, extend the principles of this Ethical Code through their supply chain.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

- The facility has obtained legal documents such as business license, fire safety document, construction permit.
- There were relevant policies and procedures established with specific staff designation to ensure all local standards and client standards are complied with.
- Mr. Nguyen Duc Thang / Vice Director was responsible were the main person to be responsible for all compliance issues.
- All interviewed workers confirmed they received all necessary training to ensure safe working in the factory.
- Internal audit was conducted annually to review social performance of the facility and communicated with management board on management review.
- There were separate channels such as direct verbal report to HR department, grievance box for workers to raise any concern regarding working environment and condition.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- Management interview
- Training records
- Workers interview
- Document review (policy & procedures)
- Checking age procedure was established and updated on Oct 10, 2022.

Any other comments: Nil

Management Systems:

A: In the last 12 months, has the site been subject to any fines/prosecutions for non-compliance to any regulations?

- ☐ Yes
☒ No

A1: Please give details: The factory did not subject to any fines/ prosecutions for non-compliance to any regulations

<p>B: Do policies and/or procedures exist that reduce the risk of forced labour, child labour, discrimination, harassment & abuse?</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <p>B1: Please give details: The policies and procedures to reduce the risk of forced labour, child labour, discrimination, harassment, etc. were established on July 12, 2021</p>
<p>C: If Yes, is there evidence (an indication) of effective implementation? Please give details.</p>	<p>- Factory had established policies and procedures and those policies and procedures had been trained for all worker. The policies and procedures were posted on the notice board.</p> <p>- Grievance mechanism has been established and trained for worker to raise the complaint if any.</p> <p>In addition, the interviewed workers understood and knew all the policies and procedures.</p>
<p>D: Have managers and workers received training in the standards for forced labour, child labour, discrimination, harassment & abuse?</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <p>D1: Please give details: Training for all employees has been done for all employees. The latest training was provided on October 18, 2022.</p>
<p>E: If Yes, is there evidence (an indication) that training has been effective e.g. training records etc.? Please give details</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <p>E1: Please give details: The related documents: attendance record, photos, training material were available for review.</p>
<p>F: Does the site have any internationally recognised system certifications e.g. ISO 9000, 14000, OHSAS 18000, SA8000 (or other social audits). Please detail (Number and date).</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <p>F1: Please give details: ISO 9001:2015 certificate valid from January 19, 2022 to January 18, 2025</p>
<p>G: Is there a Human Resources manager/department? If Yes, please detail.</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <p>G1: Please give details: Ms. Duong thi Xiem / HR Manager.</p>
<p>H: Is there a senior person / manager responsible for implementation of the code</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <p>G1: Please give details: Mr. Nguyen Duc Thang / Vice Director.</p>
<p>I: Is there a policy to ensure all worker information is confidential?</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

	Please give details: The confidentiality requirement was included in recruitment policy required all workers' information and profiles were only assessable by HR department.
J: Is there an effective procedure to ensure confidential information is kept confidential?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Only HR department can have access to workers' information. Violators of the policy or procedure would be subjected to disciplinary actions as stated in the internal working regulation.
K: Are risk assessments conducted to evaluate policy and procedure effectiveness?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The annual assessment to evaluate policy and procedure effective was conducted annually.
L: Does the facility have a process to address issues found when conducting risk assessments, including implementation of controls to reduce identified risks?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The assessment procedure had been established to ensure all the issue which identified during the assessment are corrected.
M: Does the facility have a policy/code which require labour standards of its own suppliers?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The factory had established the policy about the Suppliers and Subcontractors about labour standard on September 20, 2022. All the documents were available for review.
Land rights	
N: Does the site have all required land rights licenses and permissions (see SMETA Measurement Criteria)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No N1: Please give details: The factory obtained right of land use
O: Does the site have systems in place to conduct legal due diligence to recognize and apply national laws and practices relating to land title?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No O1: Please give details: The site have systems in place to conduct legal due diligence to recognize and apply national laws and practices relating to land title.
P: Does the site have a written policy and procedures specific to land rights. If yes, does it include any due diligence the company will undertake to obtain free, prior and informed	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No P1: If yes, how does the company obtain FPIC: The site had a written policy and procedures

consent, (FPIC) even if national/local law does not require it	specific to land rights and it was included diligence the company's undertake to obtain free, prior and informed consent.
Q: Is there evidence that facility / site compensated the owner/lessor for the land prior to the facility being built or expanded.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Q1: Please give details: facility site compensated the owner/lessor for the land prior to the facility being built or expanded.
R. Does the facility demonstrate that alternatives to a specific land acquisition were considered to avoid or minimize adverse impacts?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No R1: Please give details: The factory had fulfilled all duties on land right as law required.
S: Is There any evidence of illegal appropriation of land for facility building or expansion of footprint.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No S1: Please give details: There is no expansion of the factory in this location.

Non-compliance:	
1. Description of non-compliance: None observed	Objective evidence observed: <i>(where relevant please add photo numbers)</i>

Observation:	
Description of observation: None observed	Objective evidence observed:

Good Examples observed:

Description of Good Example (GE): None observed	Objective evidence observed:
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1: Freely Chosen Employment

[\(Click here to return to summary of findings\)](#)

ETI

1.1 There is no forced, bonded or involuntary prison labour.

1.2 Workers are not required to lodge "deposits" or their identity papers with their employer and are free to leave their employer after reasonable notice.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

The factory has established written policies and procedures to ensure employment is freely chosen. Below are few of areas were observed during the audit process:

- Workers were not required to submit any original documents or any deposits to the employer.
- Interviewed workers confirmed that they were working voluntarily in the factory.
- Employees did not appear to be under pressure.
- Employees are freely to quit their job as per the law.
- Interviewed workers reported that their wage was paid timely without holding.
- At the time of audit, there was no evidence of bonded or prison labor in the factory. Workers are free to leave the workplace outside of their working hours.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- Personnel File of Employees
- Company regulation
- Resignation document
- Wage record
- Recruitment procedure was established and latest amendment on Oct 10, 2022.

Any other comments: Nil

A: Is there any evidence of retention of original documents, e.g. passports/ID's

☐ Yes

☒ No

A1: If yes, please give details and category of workers affected:

B: Is there any evidence of a loan scheme in operation

☐ Yes

☒ No

B1: If yes, please give details and category of worker affected:

C: Is there any evidence of retention of wages /deposits

☐ Yes

☒ No

	C1: If yes, please give details and category of worker affected:
D: Are there any restrictions on workers' freedom to terminate employment?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No D1: Please describe finding:
E: If any part of the business is UK based or registered there & has a turnover over £36m, is there a published a 'modern day slavery statement'?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not applicable E1: Please describe finding:
F: Is there evidence of any restrictions on workers' freedoms to leave the site at the end of the work day?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No F1: Please describe finding:
G: Does the site understand the risks of forced / trafficked / bonded labour in its supply chain	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not applicable G1: If yes, please give details and category of workers affected: The factory established the forced / trafficked / bonded labour policy on July 12, 2021 and all the policy were posted on the bulletin boards of the factory. The latest training was provided on October 18, 2022 .
H: Is the site taking any steps taking to reduce the risk of forced / trafficked labour?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No H1: Please describe finding: The facility committed to not use forced labour required admin staff to comply to reduce the risk of forced labour. Training program was hold annually for managers and employees. Induction training was hold for new comers.

Non-compliance:	
1. Description of non-compliance: None observed	Objective evidence observed: <i>(where relevant please add photo numbers)</i>

Observation:	
Description of observation: None observed	Objective evidence observed:

Good Examples observed:	
Description of Good Example (GE): None observed	Objective evidence observed:

2: Freedom of Association and Right to Collective Bargaining are Respected

[\(Click here to return to summary of findings\)](#)

[\(Click here to return to Key Information\)](#)

ETI

- 2.1 Workers, without distinction, have the right to join or form trade unions of their own choosing and to bargain collectively.
- 2.2 The employer adopts an open attitude towards the activities of trade unions and their organisational activities.
- 2.3 Workers' representatives are not discriminated against and have access to carry out their representative functions in the workplace.
- 2.4 Where the right to freedom of association and collective bargaining is restricted under law, the employer facilitates, and does not hinder, the development of parallel means for independent and free association and bargaining.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

The Trade Union in the factory had been established under the name Tan Phu Viet Nam JCS – Branch Bac Ninh Trade Union. The chairwoman of the trade union was currently Ms. Duong Thi Xiem / HR Manager who was re-elected by employee vote on November 28, 2017 for the term 2017-2022. At present, there were 100% employees joining in the Trade Union. Each member would contribute 1% of basic wage for Trade Union fees per month.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- Management interview
- Worker interview
- Document review
 - Freedom of Association and Right collective bargaining policy was established on July 12, 2021.
 - CBA registration record. CBA was established on April 26, 2022.

Any other comments: Nil

A: What form of worker representation/union is there on site?	<input checked="" type="checkbox"/> Union (name) Tan Phu Viet Nam JSC – Branch Bac Ninh Trade Union <input type="checkbox"/> Worker Committee <input type="checkbox"/> Other (specify) <input type="checkbox"/> None
B: Is it a legal requirement to have a union?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
C: Is it a legal requirement to have a worker's committee?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

<p>D: Is there any other form of effective worker/management communication channel? (Other than union/worker committee e.g. H&S, sexual harassment)</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>D1: Please give details: Suggestion boxes, hot lines, monthly meeting.</p> <p>D2: Is there evidence of free elections? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>	
<p>E: Does the supplier provide adequate facilities to allow the Union or committee to conduct related business?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>E1: Please give details: The facility provided meeting room for the Union to hold the meeting every 03 months or whenever needed. The latest meeting was conducted on September 17, 2022 and they discussed about productivity increasing, working environment improving ...</p>	
<p>F: Name of union and union representative, if applicable:</p>	<p>The Trade Union in the factory had been established under the name Tan Phu Viet Nam JSC – Branch Bac Ninh. Trade Union. The chairwoman of the trade union was currently Ms. Duong Thi Xiem / HR Manager</p>	<p>F1: Is there evidence of free elections? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p>
<p>G: If there is no union, is there a parallel means of consultation with workers e.g. worker committees?</p>	<p>N/A</p>	<p>G1: Is there evidence of free elections? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A</p>
<p>H: Are all workers aware of who their representatives are?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>The workers were aware that Ms. Duong Thi Xiem / HR Manager was the Trade Union Chairwoman.</p>
<p>I: Were worker representatives freely elected?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>I1: Date of last election: November 28, 2017</p>
<p>J: Do workers know what topics can be raised with their representatives?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>The workers knew what all topics related to working condition, benefits and human rights... could be raised with the representatives.</p>	
<p>K: Were worker representatives/union representatives interviewed?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If Yes, please state how many: 1</p>	
<p>L: Please describe any evidence that union/worker's committee is effective?</p>	<p>The Union had involved in all activities of the factory to ensure the workers' rights.</p>	

Specify date of last meeting; topics covered; how minutes were communicated etc.	The facility provided meeting room for the Union to hold the meeting every 03 months or whenever needed. The latest meeting was conducted on September 17, 2022 and they discussed about productivity increasing, working environment improving ...	
M: Are any workers covered by Collective Bargaining Agreement (CBA)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
If Yes , what percentage by trade Union/worker representation	M1: _100_ % workers covered by Union CBA	M2: _0_ % workers covered by worker rep CBA
M3: If Yes , does the Collective Bargaining Agreement (CBA) include rates of pay?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

Non-compliance:	
1. Description of non-compliance: None observed	Objective evidence observed: <i>(where relevant please add photo numbers)</i>

Observation:	
Description of observation: None observed	Objective evidence observed:

Good Examples observed:	
Description of Good Example (GE): None observed	Objective evidence observed:

3: Working Conditions are Safe and Hygienic

[\(Click here to return to summary of findings\)](#)

[\(Click here to return to Key Information\)](#)

ETI

3.1 A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.

3.2 Workers shall receive regular and recorded Health & Safety training, and such training shall be repeated for new or reassigned workers.

3.3 Access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage shall be provided.

3.4 Accommodation, where provided, shall be clean, safe, and meet the basic needs of the workers.

3.5 The company observing the code shall assign responsibility for Health & Safety to a senior management representative.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

1. General Health and Safety management.

- The factory had assigned Mr. Ha Huu Quynh/ Technical deputy manager to be responsible for fire safety and occupational Health safety issue of the factory.
- The facility had obtained legal document such as construction permit, approval for firefighting and prevention system from local authority.
- The factory had established the Health and Safety network with 6 members on Apr 1, 2022.
- Health and safety policy and procedures were established in place.
- OHS training was provided to the all workers. The latest OHS training for the workers was provided on Oct 26 & 27, 2022.
- Risk assessment was conducted and reviewed by annually. The latest update was on July 20, 2022.
- Sufficient clean toilets segregated by gender were available at all times to employees.
- Sufficient drinking water is provided for employees and regularly inspected by licensed agent frequently. The latest drinking water check was on Oct 13, 2022.
- There was no serious accident recorded at facility.
- Working environment inspection was conducted annually on Aug 5, 2022.

2. Fire Safety

- There are at least 2 exits from each work area and these were clearly marked.
- Firefighting equipment was adequate installed;
- Evacuation plans are posted at all areas in the facility.
- Fire safety design and final acceptance for firefighting system from the local firefighting police were available for review.
- Firefighting preparedness plan was approved for application on May 20, 2022
- Fire safety system was inspected annually by local authority and the last check was on Nov 11, 2022.
- Internal inspection on firefighting and prevention system regularly.
- Firefighting and prevention team with 62 members was established and trained annually by local fire department, the last conducted on July 04-12, 2022.
- Fire and evacuation drills were organized and recorded annually for both day shift and night shift. The latest evacuation drill was on July 5, 2022.
- Insurance Contract of Fire & Explosion contract and certificate took valid until Mar 25, 2023.

- Lightning system was inspected on Oct 21, 2022
- 3. Electrical safety and machine safety.
 - The electrician in the facility is qualified to inspect and maintenance electrical system in the facility.
 - Warning signs are posted on electrical panel.
 - Machines and equipment have strictly requirement on health and safety such as air-compressors, crane were inspected by licensed agent with effective validation
 - Machines and equipment are inspected and maintenance regularly as per company plan.
- 4. Chemical safety.
 - MSDS was provided for review.
 - Trainings were provided to employees who handle chemicals.
- 5. Medical services
 - There are adequate first aid kits in each production areas.
 - The first aid team with 15 persons was trained annually. The latest training was valid until June 13, 2023.
 - The factory signed contract with Viet Nhat Investment and development medical JSC to take care employees' health.
 - The factory had 1 medical room with 1 medical staff onsite to take care of employee's health.
 - Health check was provided regularly for employees twice per year.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- Construction permit.
- Approval for fire safety and firefighting design.
- Acceptance test of prevention and firefighting system
- The firefighting and evacuation drill records.
- The fire safety training record
- Lightning protection inspection
- Labour Protection Regulation
- Risk assessment for occupational health and safety.
- Workplace environment inspection report
- Training plan of the factory was maintained.
- OHS Training records
- PPE policy and PPE issuing log was maintained.
- Machine and equipment maintenance records were maintained.
- Working environment measurement report
- Machine maintenance records
- Health check records
- Machine operating safety procedures.
- Chemical inventory list
- Material safety data sheets, etc.

Any other comments: Nil

<p>A: Does the facility have general and occupational Health & Safety policies and procedures that are fit for purpose and are these communicated to workers?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No A1: Please give details: The factory established the general Health & Safety and Occupational Health & Safety policies and procedures in place and provided training annually.</p>
<p>B: Are the policies included in workers' manuals?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>

	B1: Please give details: The policies included in worker's manual and posted on the bulletin boards of the factory.
C: Are there any structural additions without required permits/inspections (e.g. floors added)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No C1: Please give details: There was no any structural addition without required permits/inspections.
D: Are visitors to the site informed on H&S and provided with personal protective equipment	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: Please give details: All the visitors were generally informed on H&S and provided with the personal protective equipment.
E: Is a medical room or medical facility provided for workers? If yes, do the room(s) meet legal requirements and is the size/number of rooms suitable for the number of workers.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please give details: It was noted that the factory had the clinic room with 1 medical staff. The medical room had met the legal requirement for medical room in this factory.
F: Is there a doctor or nurse on site or there is easy access to first aider/ trained medical aid?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No F1: Please give details: It was noted that the factory had the clinic room with 1 medical staff. The medical room had met the legal requirement for medical room in this factory.
G: Where the facility provides worker transport - is it fit for purpose, safe, maintained and operated by competent persons e.g. buses and other vehicles?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No G1: Please give details: The workers were living near the factory and they went to work by themselves.
H: Is secure personal storage space provided for workers in their living space and is fit for purpose?	<input type="checkbox"/> Yes <input type="checkbox"/> No H1: Please give details: N/A The factory did not provide the dormitory for the workers.
I: Are H&S Risk assessments are conducted (including evaluating the arrangements for workers doing overtime e.g. driving after a long shift) and are there controls to reduce identified risk?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No I1: Please give details: Based on record review and site observation, it was noted that risk assessment was conducted in the facility annually.
J: Is the site meeting its legal obligations on environmental requirements including required permits for use and disposal of natural resources?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No J1: Please give details: The risk assessment was conducted annually.
K: Is the site meeting its customer requirements on environmental standards, including the use of banned chemicals?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

	K1: Please give details: The factory is meeting its customer requirements on environmental standards, including the use of banned chemicals.
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Non-compliance:	
<p>1. Description of non-compliance:</p> <p><input checked="" type="checkbox"/> NC against ETI <input checked="" type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code:</p> <p>It was noted that the factory had rain shelters between building no 3 and no 4 with total area approximate 240 square meter to store some machine and goods below. However, there was no evidence available to prove that the factory had submitted to the local firefighting police to get their acceptance as per local requirement.</p> <p>Local law: Decree No. 136/2020/ND-CP dated on November 24, 2020, Article 5. Fire safety requirements applicable to facilities. Point e The fire safety and firefighting authority (hereinafter referred to as "firefighting authority") has issued a certificate of design appraisal and design appraisal document (if any) and written approval of fire safety commissioning results for projects and works included in the list in Appendix V enclosed therewith, excluding national defense facilities operating for military purpose and motor vehicles subject to special fire safety requirements manufactured or converted for military purpose by national defense facilities.</p> <p>ETI requirement: 3.1 A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.</p> <p>Recommended corrective action: The factory shall ensure that rain shelters need to get acceptance from local firefighting police about fire safety</p>	<p>Objective evidence observed: (where relevant please add photo numbers)</p> <p>1/ Note during document review, site tour and management confirmation. Refer NC photo #1</p>
<p>2. Description of non-compliance:</p> <p><input checked="" type="checkbox"/> NC against ETI <input checked="" type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code:</p> <p>Per document review and management confirmation noted that Earth Continuity Conductor (ECC) inspecting report was not available for reviewing on the audited date</p> <p>Local law: TCVN 9358:2012: Earth continuity conductor shall be inspected regularly.</p> <p>ETI requirement: 3.1 A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of</p>	<p>2/ Note during document review and management confirmation.</p>

work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.

Recommended corrective action: The factory shall ensure that Earth continuity conductor (ECC) is inspected annually

3. Description of non-compliance:

☒ NC against ETI ☒ NC against Local Law ☐ NC against customer code:

It was noted that 1 out of 2 observed emergency exit doors at blowing section of building no 2 was missing of emergency exit light as legal requirement.

Local law: Art 10.1.6 of Vietnam Standard TCVN 3890:2009, Emergency lights and exit signs are installed at exit doors, corridors, stairs for emergency exit, branching roads on emergency exit routes. Position of emergency lights and exit signs must be ensured that the emergency exit routes are visible and the maximum distance is 30 meters

ETI requirement: 3.1 A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.

Recommended corrective action: The factory shall install emergency exit light for all exit doors as legal requirement.

4. Description of non-compliance:

☒ NC against ETI ☒ NC against Local Law ☐ NC against customer code:

It was noted that 1 out of 4 observed chemical tank named DO oil at chemical storage was not labelled clearly by Vietnamese chemical label as legal requirement

Local law: Circular no. 32/2017/TT-BCT specifying and providing guidelines for implementation of certain articles of the law on chemicals and the government's decree no. 113/2017/nd-cp dated october 09, 2017 specifying and providing guidelines for implementation of certain articles of the law on chemicals

Article 6. Classification and labeling of chemicals

1. Chemical producers/importers shall classify and label chemicals, take responsibility for results of chemical classification and information shown on chemical labels.

2. Chemicals shall be classified according to rules and technical guidance of Globally Harmonized System of Classification and Labeling of Chemicals (GHS) from Rev. 2 (2007) onwards. General guidance and criteria for chemical classification of GHS are provided in Appendix No. 7 attached hereto.

3/ Note during site tour and management confirmation. Refer NC photo #2

4/ Note during site tour and management confirmation. Refer NC photo #3

ETI requirement: 3.1 A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.

Recommended corrective action: The factory shall ensure all chemical tanks were labelled by Vietnamese chemical label.

Observation:

Description of observation:
Non observed

Objective evidence observed:

Good Examples observed:

Description of Good Example (GE):
Non observed

Objective Evidence Observed:

4: Child Labour Shall Not Be Used

[\(Click here to return to summary of findings\)](#)

[\(Click here to return to Key Information\)](#)

ETI

4.1 There shall be no new recruitment of child labour.

4.2 Companies shall develop or participate in and contribute to policies and programmes which provide for the transition of any child found to be performing child labour to enable her or him to attend and remain in quality education until no longer a child.

4.3 Children and young persons under 18 shall not be employed at night or in hazardous conditions.

4.4 These policies and procedures shall conform to the provisions of the relevant ILO Standards.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

The factory had established an employment policy to prohibit child labour. The factory maintained copy of ID cards in employee files to verify the age of employees. Through observation during the factory tour, it was noted that no child labour presented in factory. Based on checking provided employee files, it was found that the youngest worker was 18 years old (Date of birth on March 13, 2004; Joining date on April 01, 2022)

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

Document checked: The auditors checked factory regulation, collective bargaining agreement, and factory code of conduct (child labour, forced labour, discrimination)

Employee interview: Employee interview: employees at different production sections such as warehouse, blowing, heat pressing, mixing, inspection and packing.

Management interview: HR officer / Trade union representative.

Site observation.

Any other comments: Nil

A: Legal age of employment:	15
B: Age of youngest worker found:	18 years old (Date of birth on March 13, 2004; Joining date on April 01, 2022)
C: Are there children present on the work floor but not working at the time of audit?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

D: % of under 18's at this site (of total workers)	0 %
E: Are workers under 18 subject to hazardous work assignments? (Go to clause 3 – Health and Safety)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No E1: If yes, give details

Non-compliance:	
1. Description of non-compliance: None observed	Objective evidence observed: <i>(where relevant please add photo numbers)</i>

Observation:	
Description of observation: None observed	Objective evidence observed:

Good Examples observed:	
Description of Good Example (GE): None observed	Objective Evidence Observed:

5: Living Wages are Paid

[\(Click here to return to summary of findings\)](#)

[\(Click here to return to Key information\)](#)

ETI

5.1 Wages and benefits paid for a standard working week meet, at a minimum, national legal standards or industry benchmark standards, whichever is higher. In any event wages should always be enough to meet basic needs and to provide some discretionary income.

5.2 All workers shall be provided with written and understandable information about their employment conditions in respect to wages before they enter employment and about the particulars of their wages for the pay period concerned each time that they are paid.

5.3 Deductions from wages as a disciplinary measure shall not be permitted nor shall any deductions from wages not provided for by national law be permitted without the expressed permission of the worker concerned. All disciplinary measures should be recorded.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

The factory applied hourly salary for entire employees.

The salary calculation cycle was from 1st to 30th/31st date of month and salary was paid in full on the 12th of following month via cash and bank transfer. Wage slip was provided to workers at each pay period.

Since January 1, 2020 until July 01, 2022, the legal minimum wage is VND 3,920,000 per month; meanwhile the factory applied basic salary for workers who signed one year labor contract at minimum VND 4,400,000.

Since July 01, 2022, the legal minimum wage is VND 4,160,000 per month; meanwhile the factory applied basic salary for workers who signed one year labor contract at minimum VND 4,660,000

Besides, other allowances are provided to employees as below: Menstruation allowance (1.5 hours of basic wage per month), Childcare allowance (VND 100,000 per month, Transportation allowance (VND 300,000 per month), Housing allowance (VND 500,000 per month), Compliance bonus (VND 600,000 per month), Skill bonus (VND 500,000 ~ 2,500,000 per month) and free meal.

Probation contract within one month was applied for entire employees. Then the definite contract within one year was applied before the indefinite contract was effective.

There were no illegal deductions made from the wages of its workers and no withholdings from the wages are made.

All personnel were provided with personal protective equipment, water at no extra cost to the personnel.

All workers were covered by social insurance program.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- Wage records and time records from Nov 2021 to Oct 2022 were provided to review.

- Internal work rules.
- Wages and benefits policy.
- Wage table.
- Payroll records
- Leave records
- Social insurance and payment receipts
- Labor contracts of selected samples
- Resignation records
- Pay slips of selected samples.
- Employee interview

Any other comments: Nil

Non-compliance:

1. Description of non-compliance:
None observed

Objective evidence observed:
(where relevant please add photo numbers)

Observation:

Description of observation:
None observed

Objective evidence observed:

Good Examples observed:

Description of Good Example (GE):
None observed

Objective Evidence Observed:

Summary Information

Criteria	Local Law (Please state legal requirement)	Actual at the Site (Record site results against the law)	Is this part of a Collective Bargaining Agreement?
A: Standard/Contracted work hours: (Maximum legal and actual required working hours excluding overtime, please state if possible per day, week, and month)	Legal maximum: 8 hours per day; 48 hours per week	A1: 8 hours per day; 48 hours per week	A2: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

B: Overtime hours: (Maximum legal and actual overtime hours, please state if possible per day, week, and month)	Legal maximum: 4 overtime hours per day 300 overtime hours per year 30 overtime hours per month	B1: 0 overtime hour per day 0 hour overtime per week 0 hour overtimes per month	B2: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
C: Wage for standard/contracted hours: (Minimum legal and actual minimum wage at site, please state if possible per hr, day, week, and month)	Legal minimum: In 2020 to June 30, 2022 3,920,000 VND/month In July 2022, 4,160,000 VND/ month	C1: In 2020 to June 30, 2022: 4,400,000 VND/month In July 2022, 4,660,000 VND/ month	C2: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
D: Overtime wage: (Minimum legal and actual minimum overtime wage at site, please state if possible per hr, day, week, and month)	Legal minimum: 150% of basic salary for overtime hours on weekdays 200% of basic salary for overtime hours on rest days 300% of basic salary for overtime hours on holidays	D1: 150% of basic salary for overtime hours on weekdays 200% of basic salary for overtime hours on rest days 300% of basic salary for overtime hours on holidays	D2: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

Wages analysis: (Click here to return to Key Information)		
A: Were accurate records shown at the first request?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
A1: If No , why not?	NA	
B: Sample Size Checked (State number of worker records checked and from which weeks/months – should be current, peak, and random/low. Please see SMETA Best Practice Guidance and Measurement Criteria)	26 samples in October 2022 (most recent month) 26 samples in August 2022 (random month) 26 samples in April 2022 (random month)	
C: Are there different legal minimum wage grades? If Yes , please specify all.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	C1: If Yes , please give details:
D: If there are different legal minimum grades, are all workers graded and paid correctly?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	D1: If No , please give details:
E: For the lowest paid production workers, are wages paid for standard/contracted hours	<input type="checkbox"/> Below legal min <input type="checkbox"/> Meet	E1: Lowest actual wages found: Note: full time employees and please state hour / week / month etc. VND 4,660,000/ month

(excluding overtime) below or above the legal minimum?	<input checked="" type="checkbox"/> Above		
F: Please indicate the breakdown of workforce per earnings:	F1: ____% of workforce earning under minimum wage F2: ____% of workforce earning minimum wage F3: __100__% of workforce earning above minimum wage		
G: Bonus Scheme found: Please specify details:	Bonus Scheme found: <i>Note: type of employee (e.g. full time, temp, etc.) and please state which units e.g. /hour /week /month etc.</i> Menstruation allowance (1.5 hours of basic wage per month), Childcare allowance (VND 100,000 per month, Transportation allowance (VND 300,000 per month), Housing allowance (VND 500,000 per month), Compliance bonus (VND 600,000 per month), Skill bonus (VND 500,000 ~ 2,500,000 per month) and free meal.		
H: What deductions are required by law e.g. social insurance? Please state all types:	Social insurance, health insurance, unemployment insurance, union fee		
I: Have these deductions been made?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	I1: Please list all deductions that have been made.	1. Social insurance 2. Health insurance 3. Unemployment insurance 4. Union fee Please describe: Social insurance: 8% of basic salary Health insurance: 1.5 % of basic salary Unemployment insurance: 1% of basic salary Union fee: 1% of basic salary
		I2: Please list all deductions that have not been made.	1. 2. Please describe: N/a
J: Were appropriate records available to verify hours of work and wages?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
K: Were any inconsistencies found? (if yes describe nature)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	K1: Type <input type="checkbox"/> Poor record keeping <input type="checkbox"/> Isolated incident <input type="checkbox"/> Repeated occurrence:	

<p>L: Do records reflect all time worked? (For instance, are workers asked to attend meetings before or after work but not paid for their time)</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No L1: Please give details: Records reflected all overtime and normal time working hours</p>
<p>M: Is there a defined living wage: <i>This is <u>not normally</u> minimum legal wage. If answered yes, please state amount and source of info: Please see SMETA Best Practice Guidance and Measurement Criteria.</i></p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No M1: Please specify amount/time: N/A there was no request to define living wage in Vietnam</p>
<p>M2: If yes, what was the calculation method used.</p>	<p><input type="checkbox"/> ISEAL/Anker Benchmarks <input type="checkbox"/> Asia Floor Wage <input type="checkbox"/> Figures provided by Unions <input type="checkbox"/> Living Wage Foundation UK <input type="checkbox"/> Fair Wear Wage Ladder <input type="checkbox"/> Fairtrade Foundation Other – please give details: N/a</p>
<p>N: Are there periodic reviews of wages? If Yes give details (include whether there is consideration to basic needs of workers plus discretionary income).</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No N1: Please give details: The factory conducted the periodic review of the workers' wages in every year</p>
<p>O: Are workers paid in a timely manner in line with local law?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>P: Is there evidence that equal rates are being paid for equal work:</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No P1: Please give details: Based on provided payroll and time record, worker and management confirmation noted that equal rates are being paid for equal work in the facility</p>
<p>Q: How are workers paid:</p>	<p><input checked="" type="checkbox"/> Cash <input type="checkbox"/> Cheque <input checked="" type="checkbox"/> Bank Transfer <input type="checkbox"/> Other Q1: If other, please explain:</p>

6: Working Hours are not Excessive

[\(Click here to return to summary of findings\)](#)

[\(Click here to return to Key Information\)](#)

ETI

6.1 Working hours must comply with national laws, collective agreements, and the provisions of 6.2 to 6.6 below, whichever affords the greater protection for workers. Sub-clauses 6.2 to 6.6 are based on international labour standards.

6.2 Working hours, excluding overtime, shall be defined by contract, and shall not exceed 48 hours per week.

6.3 All overtime shall be voluntary. Overtime shall be used responsibly, taking into account all the following: the extent, frequency and hours worked by individual workers and the workforce as a whole. It shall not be used to replace regular employment. Overtime shall always be compensated at a premium rate, which is recommended to be not less than 125% of the regular rate of pay.

6.4 The total hours worked in any 7-day period shall not exceed 60 hours, except where covered by clause 6.5 below.

6.5 Working hours may exceed 60 hours in any 7-day period only in exceptional circumstances where **all** of the following are met:

- this is allowed by national law;
- this is allowed by a collective agreement freely negotiated with a workers' organisation representing a significant portion of the workforce;
- appropriate safeguards are taken to protect the workers' health and safety; and
- The employer can demonstrate that exceptional circumstances apply such as unexpected production peaks, accidents or emergencies.

6.6 Workers shall be provided with at least one day off in every 7-day period or, where allowed by national law, 2 days off in every 14-day period.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

- The factory established and registered the internal regulation that including regular working time
- The factory was applying electrical time record machine (fingerprint) to record working hour of employees. The daily working time was 8 hours per day and 48 hours per week from Monday to Saturday. Working time was 04 shifts as below:
 - + Office shift from 08:00am to 04:30pm with 30 minutes break.
 - + 1st Shift: from 06:00 to 14:00 with 30 minutes break
 - + 2st Shift: from 14:00 to 22:00 with 30 minutes break
 - + 3rd Shift: from 22:00 to 06:00 with 45 minutes break
- Female workers who have children who were under 12 months old would be compensated for 60 minutes breast-feeding break.
- There was no overtime observed.
- As per interaction with the facility management, there was no obvious peak and low season in the factory

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- Labor contract of selected samples
- Internal regulation
- Wage record and time record from November 2021 to October 2022 are provided to review and 26 samples from October 2022, August 2022 and April 2022 were selected to review.
- Production record

Any other comments: Nil

Non-compliance:

1. Description of non-compliance:

Non observed

Objective evidence observed:

(where relevant please add photo numbers)

Observation:

Description of observation:

Non observed

Objective evidence observed:

Good Examples observed:

Description of Good Example (GE):

Non observed

Objective Evidence Observed:

Working hours' analysis Please include time e.g. hour/week/month (Go back to Key information)			
Systems & Processes			
A. What timekeeping systems are used: time card etc.	Describe: Finger-print recording system		
B: Is sample size same as in wages section?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No B1: If no, please give details		
C: Are standard/contracted working hours defined in all contracts/employment agreements?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	C1: If NO, please give details including % and which type of workers do NOT have standard hours defined in contracts/employment agreements. Please give details:	
D: Are there any other types of contracts/employment agreements used?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	D1: If YES, please complete as appropriate:	
		<input type="checkbox"/> 0 hrs <input type="checkbox"/> Part time <input type="checkbox"/> Variable hrs <input type="checkbox"/> Other	
		If "Other", Please define:	
		N/a	
E. Do any standard/contracted working hours defined in contracts/employment agreements exceed 48 hours per week?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	E1: If yes , please detail hours, %, types of workers affected and frequency Please give details:	
F: Are workers provided with at least 1 day off in every 7-day-period, or 2 in 14-day-period?	F2: Please select all applicable: <input checked="" type="checkbox"/> 1 in 7 days <input type="checkbox"/> 2 in 14 days <input type="checkbox"/> No If 'No', please explain:	F3: Is this allowed by local law? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
	Maximum number of days worked without a day off (in sample):		
	06 days		

Standard/Contracted Hours worked		
G: Were standard working hours over 48 hours per week found?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	G1: If yes, % of workers & frequency: N/a
H: Any local waivers/local law or permissions which allow averaging/annualised hours for this site?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	H1: If yes, please give details: N/a
Overtime Hours worked		
I: Actual overtime hours worked in sample (State per day/week/month)	Highest OT hours: In October 2022: 0 OT hours/day 0 OT hours/week 0 OT hours/month In August 2022: 0 OT hours/day 0 OT hours/week 0 OT hours/month In April 2022: 0 OT hours/day 0 OT hours/week 0 OT hours/month	
J: Combined hours (standard or contracted + overtime hours = total) over 60 found? Please give details:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
K: Approximate percentage of total workers on highest overtime hours:	___0___%	
L: Is overtime voluntary?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Conflicting Information	L1: Please detail evidence e.g. Wording of contract / employment agreement / handbook / worker interviews / refusal arrangements: Overtime working hour was conducted based on employees' voluntary, employees could refuse overtime working without any penalty.
Overtime Premiums		

M: Are the correct legal overtime premiums paid?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A – there is no legal requirement to OT premium	M1: Please give details of normal day overtime premium as a % of standard wages: 150% of basic salary for overtime hours on weekdays 200% of basic salary for overtime hours on rest days 300% of basic salary for overtime hours on holidays
N: Is overtime paid at a premium?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	N1: If yes, please describe % of workers & frequency: 100% workers get overtime paid at a premium every month period. 150% of basic salary for overtime hours on weekdays 200% of basic salary for overtime hours on rest days 300% of basic salary for overtime hours on holidays
O: If the site pays less than 125% OT premium and this is allowed under local law, are there other considerations? Please complete the boxes where relevant.	<input type="checkbox"/> No <input type="checkbox"/> Consolidated pay (May be standard wages above minimum legal wage, with no/low overtime premium) <input type="checkbox"/> Collective Bargaining agreements <input type="checkbox"/> Other N/A	
	O1: Please explain any checked boxes above e.g. detail of consolidated pay / CBA or Other	
	N/a	
P: If more than 60 total hours per week and this is legally allowed, are there other considerations? Please complete the boxes where relevant.	<input type="checkbox"/> Overtime is voluntary <input type="checkbox"/> Onsite Collective bargaining allows 60+ hours/week <input type="checkbox"/> Safeguards are in place to protect worker's health and safety <input type="checkbox"/> Site can demonstrate exceptional circumstances <input type="checkbox"/> Other reasons (please specify) N/a	
	P1: Please explain any checked boxes above e.g. detail of consolidated pay / CBA or other:	
	N/a	
Q: Is there evidence that overtime hours are being used for extended periods to make up for labour shortages or increased order volumes?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Q1: If yes, please give details:	
R: If sufficient workers cannot be hired, are new working time arrangements explored to ensure that overtime is	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

the exception rather than the rule.	
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7: No Discrimination is Practiced

[\(Click here to return to summary of findings\)](#)

ETI

7.1 There is no discrimination in hiring, compensation, access to training, promotion, termination or retirement based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

- Factory had discrimination policy established and had been communicated to all employees.
- No case of discrimination based on gender, race, religion etc. in hiring, compensation, access to training, promotion, termination or retirement.
- Workers interviews confirmed that they receive equal pay for equal work.
- Interviewed employees confirmed that there was no pregnancy testing as a condition of employment or continued employment in the facility. All pregnant women employees are given their right to motherhood and provided with legally mandated benefits.
- Gender divisions for benefits did not exist in the facility; both female and male employees were equally distributed in all types of work.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- Sampled employee personal files
- Wage record
- List of employees
- Site observation
- Employee interviews

Any other comments: Nil

A: Gender breakdown of Management + Supervisors (Include as one combined group)	A1: Male: __50__ % A2: Female __50__ %
B: Number of women who are in skilled or technical roles e.g. where specific qualifications are needed i.e. machine engineer / laboratory analyst:	0
C: Is there any evidence of discrimination based on race, caste, national origin, religion, age, disability,	<input type="checkbox"/> Hiring <input type="checkbox"/> Compensation <input type="checkbox"/> Access to training

gender, marital status, sexual orientation, union membership or political affiliation?:	<input type="checkbox"/> Promotion <input type="checkbox"/> Termination or retirement <input checked="" type="checkbox"/> No evidence of discrimination found C1: Please give details: No evidence of discrimination based on caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation was found
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Professional Development	
A: What type of training and development are available for workers?	Training on health and safety, fire safety, first aid, skills, etc.

B: Are HR decisions e.g. promotion, training, compensation based on objective, transparent criteria?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If no, please give details:
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Non-compliance:	
1. Description of non-compliance: None observed	Objective evidence observed: <i>(where relevant please add photo numbers)</i>

Observation:	
Description of observation: None observed	Objective evidence observed:

Good Examples observed:	
Description of Good Example (GE): None observed	Objective Evidence Observed:

8: Regular Employment Is Provided

[\(Click here to return to summary of findings\)](#)

[\(Click here to return to Key Information\)](#)

ETI

8.1 To every extent possible work performed must be on the basis of recognised employment relationship established through national law and practice.

8.2 Obligations to employees under labour or social security laws and regulations arising from the regular employment relationship shall not be avoided through the use of labour-only contracting, sub-contracting, or home-working arrangements, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment, nor shall any such obligations be avoided through the excessive use of fixed-term contracts of employment.

Additional Elements: Responsible Recruitment

8.3 Suppliers have full understanding of the entire recruitment process and assess all labour recruiters and intermediaries against legal and/or ethical requirements.

8.4 There are effective management systems in place to identify and monitor the hiring and management of all migrant workers, contract workers, agency workers, temporary or casual labour. The supplier shall implement processes to enable adequate control over agencies with regards the above points and related legislation.

8.5 Employment agencies must only supply workers registered with them.

8.6 Workers pay no recruitment fee at any stage of the recruitment process.

8.7 Worker contracts accurately reflect the agreed payment and terms in the recruitment process and are understood and signed by workers.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

- All employees were recruited by the facility directly. No labor agency was used to hire employees. No temporary schemes or home employee was identified by the auditors.
- No subcontractors were used.
- All employees had received copies of signed labor contracts.
- Workers pay no recruitment fee at any stage of the recruitment process

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- Labour contract.
- Personnel file
- Recruitment policy and procedure
- Production record and production process flowchart
- List of employees in the facility

Any other comments: Nil

Non-compliance:	
1. Description of non-compliance: None observed	Objective evidence observed: <i>(where relevant please add photo numbers)</i>

Observation:	
Description of observation: None observed	Objective evidence observed:

Good Examples observed:	
Description of Good Example (GE): None observed	Objective Evidence Observed:

Responsible Recruitment

All Workers	
A: Were all workers presented with terms of employment at the time of recruitment, did they understand them and are they same as current conditions?	<input checked="" type="checkbox"/> Terms & Conditions presented <input checked="" type="checkbox"/> Understood by workers <input checked="" type="checkbox"/> Same as actual conditions A1: If any are unchecked, please describe finding and specific category(ies) of workers affected:
B: Did workers' pay any fees, taxes, deposits or bonds for the purpose of recruitment/placement?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No B1: If yes, please describe details and specific category(ies) of workers affected:
C: If yes, check all that apply:	<input type="checkbox"/> Recruitment / hiring fees <input type="checkbox"/> Service fees <input type="checkbox"/> Application costs <input type="checkbox"/> Recommendation fees <input type="checkbox"/> Placement fees <input type="checkbox"/> Administrative, overhead or processing fees <input type="checkbox"/> Skills tests <input type="checkbox"/> Certifications <input type="checkbox"/> Medical screenings <input type="checkbox"/> Passports/ID's <input type="checkbox"/> Work / resident permits <input type="checkbox"/> Birth certificates <input type="checkbox"/> Police clearance fees <input type="checkbox"/> Any transportation and lodging costs after employment offer <input type="checkbox"/> Any transport costs between work place and home <input type="checkbox"/> Any relocation costs after commencement of employment <input type="checkbox"/> New hire training / orientation fees <input type="checkbox"/> Medical exam fees <input type="checkbox"/> Deposit bonds or other deposits <input type="checkbox"/> Any other non-monetary assets <input type="checkbox"/> Other – C1: If other, please give details: N/A
D: If any checked, give details:	N/A

Migrant Workers:	
<p><i>The term "migrant worker" refers to a person who is engaged or has been engaged in a remunerated activity in a country of which they are not a national or permanent resident or has purposely migrated on a temporary basis to another in-country region to seek and engage in a remunerated activity</i></p>	
A: Type of work undertaken by migrant workers:	N/A. No migrant workers in the factory
B: Please give details about recruitment agencies for migrant workers:	B1: Total number of (in country recruitment agencies) used:

	B2: Total number of (outside of local country) recruitment agencies used:	
C: Are migrant workers' voluntary deductions (such as for remittances) confirmed in writing by the worker and is evidence of the transaction supplied by the facility to the worker?	<input type="checkbox"/> Yes <input type="checkbox"/> No C1: Please describe finding:	C2: Observations:
D: Are Any migrant workers in skilled, technical, or management roles <i>Migrant Workers (this should include all migrant workers including permanent workers, temporary and/or seasonal workers)</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No D1: If yes, number and example of roles:	

NON-EMPLOYEE WORKERS

Recruitment Fees:	
A: Are there any fees?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
B: If yes, check all that apply:	<input type="checkbox"/> Recruitment / hiring fees <input type="checkbox"/> Service fees <input type="checkbox"/> Application costs <input type="checkbox"/> Recommendation fees <input type="checkbox"/> Placement fees <input type="checkbox"/> Administrative, overhead or processing fees <input type="checkbox"/> Skills tests <input type="checkbox"/> Certifications <input type="checkbox"/> Medical screenings <input type="checkbox"/> Passports/ID's <input type="checkbox"/> Work / resident permits <input type="checkbox"/> Birth certificates <input type="checkbox"/> Police clearance fees <input type="checkbox"/> Any transportation and lodging costs after employment offer <input type="checkbox"/> Any transport costs between work place and home <input type="checkbox"/> Any relocation costs after commencement of employment <input type="checkbox"/> New hire training / orientation fees <input type="checkbox"/> Medical exam fees <input type="checkbox"/> Deposit bonds or other deposits <input type="checkbox"/> Any other non-monetary assets <input type="checkbox"/> Other B1 – If other, please give details: N/A
C: If any checked, give details:	N/A

Agency Workers (if applicable)	
(workers sourced from a local agent who are not directly paid by the site, but paid by the agency, Usually the agencies are paid by the site and the wages of the individual workers are paid by the agency.)	
A: Number of agencies used (average):	A1: Names if available: N/A – No agency workers were used at factory.
B: Were agency workers' age / pay / hours included within the scope of this audit?	<input type="checkbox"/> Yes <input type="checkbox"/> No
C: Were sufficient documents for agency workers available for review?	<input type="checkbox"/> Yes <input type="checkbox"/> No
D: Is there a legal contract / agreement with all agencies?	<input type="checkbox"/> Yes <input type="checkbox"/> No D1: Please give details:
E: Does the site have a system for checking labour standards of agencies? If yes, please give details.	<input type="checkbox"/> Yes <input type="checkbox"/> No E1: Please give details:

Contractors:	
Note: contractors in this context are generally individuals who supply several workers to a site. Usually the contractors are paid by the site and the wages of the workers are paid by the contractor. Common terms include, gang bosses, labor provider,	
A: Any contractors on site?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No A1: If yes, how many contractors are present, please give details: There was 2 contractors onsite provided service as below: <ol style="list-style-type: none"> Security contractor: Name: BSK security service JSC Address: T2-62 Huu Nghi road, Vsip Bac Ninh urban areas and services, Phu Chan ward, Tu Son city, Bac Ninh province, Viet Nam. Catering service: Name: Vinh Hoa international JSC Address: No 29 group 33, hamlet 639, Hoang Hoa Tham road, Vinh Phuc ward, Ba Dinh district, Ha Noi city, Viet Nam

B: If Yes , how many workers supplied by contractors?	There were 8 outsourced security guards and 5 outsourced canteen staff.
C: Do all contractor workers understand their terms of employment?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No C1: Please describe finding:
D: If Yes , please give evidence for contractor workers being paid per law:	Per document review such as labour contract, pay roll and time record noted that outsourced security guards and canteen staff were paid above minimum wage and in line with legal requirement.

8A: Sub-Contracting and Homeworking

[\(Click here to return to summary of findings\)](#)

[\(Click here to return to Key Information\)](#)

8A.1 There should be no sub-contracting unless previously agreed with the main client.

8A.2 Systems and processes should be in place to manage sub-contracting, homeworking and external processing.

Note to auditor on homeworking:

Report on whether it is direct or via agents. How many workers, relationship with site and what control systems are in place.

Note to auditor on subcontracting: auditor should use this section for subcontractors of part made or wholly made finished goods, this section should not be used for raw material manufacturers unless instructed otherwise by customers

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

The factory was not using any subcontractor or home workers for any of their processes. There was policies and procedures established on sub-contracting and home working.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- Policy on not using sub-contractor and home workers.
- All processes were present in the factory.

Non-compliance:

1. Description of non-compliance:

None observed

Objective evidence observed:

(where relevant please add photo numbers)

Observation:

Description of observation:

None observed

Objective evidence observed:

Good Examples observed:

Description of Good Example (GE): None observed	Objective Evidence Observed:
--	---------------------------------

Summary of sub-contracting – if applicable	
<input checked="" type="checkbox"/> Not Applicable please x	
A: Has the auditor made a simple calculation to compare capacity with workers' work load in order to identify possible unrecorded work or undeclared sub-contracting	<input type="checkbox"/> Yes <input type="checkbox"/> No A1: Please describe:
B: If sub-contractors are used, is there evidence this has been agreed with the main client?	<input type="checkbox"/> Yes <input type="checkbox"/> No B1: If Yes , summarise details:
C: Number of sub-contractors/agents used:	
D: Is there a site policy on sub-contracting?	<input type="checkbox"/> Yes <input type="checkbox"/> No D1: If Yes , summarise details:
E: What checks are in place to ensure no child labour is being used and work is safe?	

Summary of homeworking – if applicable			
<input checked="" type="checkbox"/> Not Applicable please x			
A: If homeworking is being used, is there evidence this has been agreed with the main client?	<input type="checkbox"/> Yes <input type="checkbox"/> No A1: If Yes , summarise details:		
B: Number of homeworkers	B1: Male:	B2: Female:	Total:
C: Are homeworkers employed direct or through agents?	<input type="checkbox"/> Directly <input type="checkbox"/> Through Agents		C1: If through agents, number of agents:
D: Is there a site policy on homeworking?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
E: How does the site ensure worker hours and pay meet local laws for homeworkers?			

F: What processes are carried out by homeworkers?	
G: Do any contracts exist for homeworkers?	<input type="checkbox"/> Yes <input type="checkbox"/> No G1: Please give details:
H: Are full records of homeworkers available at the site?	<input type="checkbox"/> Yes <input type="checkbox"/> No

9: No Harsh or Inhumane Treatment is Allowed

[\(Click here to return to summary of findings\)](#)

ETI

9.1 Physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation shall be prohibited.

Additional elements:

9.2 companies should provide access to a confidential grievance mechanism for all workers

A: Are there published, anonymous and/or open channels available for reporting any violations of Labour standards and H&S or any other grievances to a 3 rd party?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No A1: Please give details: Direct: Regularly meeting, directly meeting with trade union representative and compliance officer. Indirect: Bulletin board, grievance and suggestion boxes.
B: If Yes , are workers aware of these channels and have access? Please give details.	Yes. Interviewed employees confirmed that they can express their complaint and suggestion by grievance box.
C: If yes, what type of mechanism is used e.g. hotline, whistle blowing mechanism, comment box etc. Please give details.	Suggestion boxes, hotline phone number, direct meeting channel.
D: Which of the following groups is there a grievance mechanism in place for?	<input checked="" type="checkbox"/> Workers <input type="checkbox"/> Communities <input type="checkbox"/> Suppliers <input type="checkbox"/> Other D1: Please give details: The grievance mechanism was established on and posted on the bulletin boards of the factory to inform workers about the grievance mechanism.
E: Are there any open disputes?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No E1: If yes, please give details: N/A
F: Does the site encourage its business partners (e.g. suppliers) to provide individuals and communities with access to effective grievance mechanisms (e.g. helplines or whistle blowing mechanism)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No F1: If no, please give details
G: Is there a published and transparent disciplinary procedure?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No G1: If no, please explain The site encourages its business partners to provide individuals and communities for effective grievance mechanisms.
H: If yes, are workers aware of these the disciplinary procedure?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No H1: If no, please give details

I: Does the disciplinary procedure allow for deductions from wages (fines) for disciplinary purposes (see wages section)?

☐ Yes
☒ No

II: If yes, please give details

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is /are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

- All interviewed employees are aware on disciplinary procedure of the factory.
- Through audit process, no indicator to show that the facility engages or support physical harassment, mental harassment, abuse & threat, and any types of sexual harassment in the facility.
- Interviewed employees confirmed that they were well treated by their supervisor, manager, etc. in the factory and there is no harsh & inhumane treatment in the facility.
- No deduction from wage and benefit was made due to any reason.
- Through the facility management and employees' interview, it is noted that no case of abuse or discipline was happened in the facility

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- No harassment and abused policy
- Disciplinary procedure
- Disciplinary records
- Grievance records
- Worker interview
- Management interview

Any other comments: Nil

Non-compliance:

1. Description of non-compliance:

None observed

Objective evidence observed:

(where relevant please add photo numbers)

Observation:

Description of observation:

None observed

Objective evidence observed:

Good Examples observed:	
Description of Good Example (GE): None observed	Objective Evidence Observed:

10. Other Issue areas: 10A: Entitlement to Work and Immigration

[\(Click here to return to NC-table\)](#)

Additional Elements

10A.1 Only workers with a legal right to work shall be employed or used by the supplier.

10A.2 All workers, including employment agency staff, must be validated by the supplier for their legal right to work by reviewing original documentation.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

From document review and interaction with factory management and employee interview, it was noted that all employees in the factory are local resident.

- No migrant worker is recruited by the factory
- All employees had the proper legal rights to work in this region
- All of them were recruited directly by the factory and no agency was involved in factory's recruitment processes

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- Recruitment procedure
- Personnel files
- Employee and management interview

Any other comments: Nil

Non-compliance:

1. Description of non-compliance:

None observed

Objective evidence observed:

(where relevant please add photo numbers)

Observation:

Description of observation:

None observed

Objective evidence observed:

Good examples observed:	
Description of Good Example (GE): None observed	Objective Evidence Observed:

10. Other issue areas 10B4: Environment 4–Pillar

[\(Click here to return to summary of findings\)](#)

To be completed for a 4–Pillar SMETA Audit and remove the previous page which is 10B2 environment 2 pillar

B.4. Compliance Requirements

10B4.1 Businesses as a minimum must meet the requirements of local and national laws related to environmental standards.

10B4.2 Where it is a legal requirement, businesses must be able to demonstrate that they have the relevant valid permits including for use and disposal of resources e.g. water, waste etc.

10B4.3 Businesses shall be aware of their end client's environmental standards/code requirements

10B4.4 Suppliers should have an environmental policy, covering their environmental impact, which is communicated to all appropriate parties, including its own suppliers.

10B4.5 Suppliers shall be aware of the significant environmental impact of their site and its processes.

10B4.6 The site should measure its impacts, including continuous recording and regular reviews of use and discharge of natural resources e.g. energy use, water use (see 4–pillar audit report and audit checks for details).

10B4.7 Businesses shall make continuous improvements in their environmental performance.

10B4.8 Businesses shall have available for review any environmental certifications or any environmental management systems documentation

10B4.9 Businesses should have a nominated individual responsible for co–ordinating the site's efforts to improve environmental performance.

B4. Guidance for Observations

10B4.10 Suppliers should have completed the appropriate section of the SAQ and made it available to the auditor.

10B4.11 Has the site recently been subject to (or pending) any fines/prosecutions for noncompliance to environmental regulations.

Note for auditors and readers. This environment section is intended to take not more than 0.25 auditor days. It is an assessment only and the main requirement is to establish whether a site is meeting applicable environmental laws and/or has any certifications or environmental management systems in place. Following this assessment, the client/supplier may decide a full environmental audit is required (see also best practice guidance/environment and guidance for auditor)

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

- Environmental policy is established by the facility
- The facility appointed Mr. Nguyen Van Hoa/ HR officer for environmental management to be responsible for environment protection implementation in the facility.
- The facility obtained approval for environment impact assessment from local authority.
- The facility signed contract with license contractors (Thuan Thanh Environmental JSC) to treat living waste and production waste and hazardous waste as per the law.
- The facility conducted regular environmental monitoring report to monitor air emission, wastewater emission every 03 months, the latest was on Aug 19, 2022.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- Environment policy

- Approval of Environment impact assessment report
- Contract of hazardous waste collection, transportation and treatment
- Waste monitoring record

Non-compliance:

1. Description of non-compliance:

None observed

Objective evidence observed:

(where relevant please add photo numbers)

Observation:

Description of observation:

None observed

Objective evidence observed:

Good examples observed:

Description of Good Example (GE):

None observed

Objective Evidence Observed:

Environmental Analysis <i>(Site declaration only – this has not been verified by auditor. Please state units in all cases below.)</i>	
A: Is there a manager responsible for Environmental issues (Name and Position):	Mr. Nguyen Van Hoa/ HR officer to be responsible for environmental management and environment protection implementation in the facility.
B: Has the site conducted a risk assessment on the environmental impact of the site, including implementation of controls to reduce identified risks?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No B1: Please give details: The factory had risk assessment on the environmental impact annually, including implementation of controls to reduce identified risks. The environmental impact assessment was approved by authorized department
C: Does the site have a recognised environmental system certification such as ISO 14000 or equivalent? Please give details.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No C1: Please give details: The factory have not obtained recognised environmental system certification such as ISO 14000 or equivalent
D: Does the site have an Environmental policy? <i>(For guidance, please see Measurement criteria)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: If yes, is it publicly available? The environmental policy was established and publicly available in production area.
E: If yes, does it address the key impacts from their operations and their commitment to improvement?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please give details: The environmental policy was established with sufficient information such as covering its Environmental impacts and clearly communicated to relevant parties.
F: Does the site have a Biodiversity policy? <i>(For guidance, please see Measurement criteria)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
G: Is there any other sustainability systems present such as Chain of Custody, Forest Stewardship Council (FSC), Marine Stewardship Council (MSC) etc.? Please give details. <i>(For guidance, please see Measurement criteria)</i>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No G1: Please give details: No other sustainability systems present
H: Have all legally required permits been shown? Please give details.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No H1: Please give details: - Environment impact assessment report - Register of hazardous waste generator
I: Is there a documentation process to record hazardous chemicals used in the manufacturing process?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A I1: Please give details: The facility has established the documentation process to record hazardous chemicals used in the manufacturing process.
J: Is there a system for managing client's requirements and legislation in the destination	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

countries regarding environmental and chemical issues?	J1: Please give details: The factory has established the environment policy. The factory has also assigned who was in charge local requirement and client's standards.	
K: Facility has reduction targets in place for environmental aspects e.g. water consumption and discharge, waste, energy and green-house gas emissions:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No K1: Please give details: The facility had established the reduction targets in place for environment aspect such as saving energy, water, reduce waste, improve wastewater quality.	
L: Facility has evidence of waste recycling and is monitoring volume of waste that is recycled.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No L1: Please give details: There were records to monitor volume of waste recycling.	
M: Does the facility have a system in place for accurately measuring and monitoring consumption of key utilities of water, energy and natural resources that follows recognised protocols or standards?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No M1: Please give details: There were records to measure and monitor consumption of water, waste water and electric, gas.	
N: Has the facility checked that any Sub-Contracting agencies or business partners operating on the premises have the appropriate permits and licences and are conducting business in line with environmental expectations of the facility?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No N1: Please give details: The facility did check agencies or business partners operating on the premises have the appropriate permits and licences and are conducting business in line with environmental expectations of the facility	
Usage/Discharge analysis		
Criteria	Previous year: Please state period: 2021	Current Year: Please state period: Jan to Nov 2022
Electricity Usage: Kw/hrs	8,713,000	8,376,680
Renewable Energy Usage: Kw/hrs	N/a	N/a
Gas Usage: Kw/hrs	1,640	1,381
Has site completed any carbon Footprint Analysis?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If Yes , please state result	N/a	N/a
Water Sources: Please list all sources e.g. lake, river, and local water authority.	Local water authority	Local water authority
Water Volume Used: (m³)	87,187	73,907
Water Discharged: Please list all receiving waters/recipients.	Domestic wastewater	Domestic wastewater

Water Volume Discharged: (m ³)	3,000	3,500
Water Volume Recycled: (m ³)	N/a	N/a
Total waste Produced (please state units)	3,437.5 kg	4,820.5 kg
Total hazardous waste Produced: (please state units)	410.5 kg	367.5 kg
Waste to Recycling: (please state units)	N/a	N/a
Waste to Landfill: (please state units)	3,027 kg	4,453 kg
Waste to other: (please give details and state units)	N/a	N/a
Total Product Produced (please state units)	4,969,000 kg	5,586,987

10C: Business Ethics – 4-Pillar Audit

[\(Click here to return to summary of findings\)](#)

To be completed for a 4-Pillar SMETA Audit

10C. Compliance Requirements

10C.1 Businesses shall conduct their business ethically without bribery, corruption, or any type of fraudulent Business Practice.

10C.2 Businesses as a minimum must meet the requirements of local and national laws related to bribery, corruption, or any type of fraudulent Business Practices.

10C.3 Where it is a legal requirement, businesses must be able to demonstrate that they comply with all fiscal legislative requirements.

10C.4 Businesses shall have access to a transparent system in place for confidentially reporting, and dealing with unethical Business Ethics without fear of reprisals towards the reporter.

10C.5 Businesses should have a Business Ethics policy, covering bribery, corruption, or any type of fraudulent Business Practice,

10C.6 Businesses should have a designated person responsible for implementing standards concerning Business Ethics

10C.7 Suppliers should ensure that the staff whose job roles carry a higher level of risk in the area of ethical Business Practice e.g. sales, purchasing, logistics are trained on what action to take in the event of an issue arising in their area.

10C. Guidance for Observations

10C.8 Businesses should communicate their Business Ethics policy, covering bribery, corruption, or any type of fraudulent Business Practice to all appropriate parties, including its own suppliers.

10C.9 Has the site recently been subject to (or pending) any fines/prosecutions for non-compliance to Business Ethics regulations. If so is there evidence that sustainable corrective actions have been implemented

Note for auditors and readers. This Business Ethics section is intended to take not more than 0.25 auditor days. It is an assessment not an audit.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is /are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

- The policy of anti-bribery and corruption was established.
- Commitment on business ethic was established by the facility.
- There were many ways for the facility to identify the ethical issues in the facility, including feedbacks of employees through hot lines and suggestion boxes, and highly classified email.
- Employees including purchasing staff were not received training on Business Practice policy
- No bribery, corruption cases or any type of fraudulent Business Practices was reported in the factory.
- The factory did not communicate the Business Ethic requirements covering bribery, corruption to the business partners for understanding and implementation.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- Business ethic policy
- Anti-bribery policy

- The procedure for monitoring and controlling of integrity in the facility.
- Training record on business ethic

Any other comments: Nil

Non-compliance:

1. Description of non-compliance:

None observed

Objective evidence observed:

(where relevant please add photo numbers)

Observation

Description of observation:

None observed

Objective evidence observed:

Good examples observed:

Description of Good Example (GE):

None observed

Objective Evidence Observed:

A: Does the facility have a Business Ethics Policy and is the policy communicated and applied internally, externally or both, as appropriate?

- ☒ Internal Policy
☒ Policy for third parties including suppliers

A1: Please give details: Nil

B: Does the site give training to relevant personnel (e.g. sales and logistics) on business ethics issues?

- ☒ Yes
☐ No

B1: Please give details: Orientation and refresher training.

C: Is the policy updated on a regular (as needed) basis?

- ☒ Yes
☐ No

C1: Please give details: The policy was reviewed and update if needed

D: Does the site require third parties including suppliers to complete their own business ethics training

- ☒ Yes
☐ No

D1: Please give details: It was included in the commitment of the third parties when sign the service contract with the factory.

Other findings

Other Findings Outside the Scope of the Code
Nil

Community Benefits (Please list below any specific community benefits that the site management stated that they were involved in, for example, HIV programme, education, sports facilities)
Nil

Appendix 1

Comparison between ETI code and Customer's Supplier's Code. Any areas where a site complies with the Customer's Supplier Code, but not with the ETI code are discussed at the audit close out meeting and recorded on the CAPR. Note to supplier "for this customer it may not be necessary to complete corrective actions where NC's DO NOT meet the ETI code, but DO meet your customer's code. If the audit is shared with other customers who work to the ETI code or an equivalent international standard, corrective actions will be necessary."

☒ Not Applicable please x

Photo Form

Factory name	Factory main gate	Factory overview
Material storage	Mixing section	Heat pressing section
Blowing section	Inspection section	Packing section
Finished goods storage	Parking lot	Time record machine

		
Suggestion box	Notice board	Canteen area
		
Drinking water	Toilet was separated by gender	Toilet room
		
First aid kit	Medical room	Chemical storage
		
MSDS at chemical storage	Eyewash station	Electrical panel with warning sign

		
<p>Electrical panel with inner safety cover</p>	<p>Hazardous waste storage</p>	<p>Non-hazardous waste storage</p>
		
<p>Air compressor area</p>	<p>Warning sign</p>	<p>Fire alarm center</p>
		
<p>Fire pump station</p>	<p>Fire alarm call point</p>	<p>Exit sign</p>
		
<p>Emergency exit light</p>	<p>Smoke detector</p>	<p>Fire hose reel</p>

<p>Fire extinguisher</p>	<p>Evacuation map</p>	<p>NC photo #1: Rain shelters had not been submitted to the local firefighting police to get their acceptance as per local requirement.</p>
		<p>Nil</p>
<p>NC photo #2: Emergency exit doors at blowing section of building no 2 was missing of emergency exit light</p>	<p>NC photo #3: Chemical tank named DO oil at chemical storage was not labelled clearly by Vietnamese chemical label</p>	<p>Nil</p>



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You can leave feedback by following the appropriate link to our questionnaire:

[Click here for Buyer \(A\) & Buyer/Supplier \(A/B\) members:](#)

http://www.surveymonkey.com/s.aspx?sm=riPsbE0PQ52ehCo3Inq5lw_3d_3d

[Click here for Supplier \(B\) members:](#)

http://www.surveymonkey.com/s.aspx?sm=d3vYsCe48fre69DRgIY_2brg_3d_3d

[Click here for Auditors:](#)

<https://www.surveymonkey.co.uk/r/BRTVCKP>