



Sedex Members Ethical Trade Audit Report

Version 6.1



Audit Details			
Sedex Company Reference: <i>(only available on Sedex System)</i>	ZC1001508	Sedex Site Reference: <i>(only available on Sedex System)</i>	ZS403966200
Business name (Company name):	Nhabe Garment Corporation - JSC		
Site name:	BRANCH OF NHA BE GARMENT CORPORATION -KONTUM GARMENT FACTORY		
Site address:	Km No.3 - National street No.14, Le Loi Ward Kon Tum City Kon Tum Province 580000 VN	Country:	VN
Site contact and job title:	Ms. Le Thi Thuy Ngan / HR Manager		
SMETA Audit Pillars:	<input checked="" type="checkbox"/> Labour Standards	<input checked="" type="checkbox"/> Health and Safety (plus Environment 2-Pillar)	<input checked="" type="checkbox"/> Environment 4-pillar <input checked="" type="checkbox"/> Business Ethics
Date of Audit:	2023-03-02		

Audit Company Name:
Eurofins Southeast Asia

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)			

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 (March 2019) 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.

Auditor Team			
Lead Auditor:	Vuong Thai	APSCA Number:	21700561
Additional Auditors:	Hai Le Quang		
Date of declaration:	2023-03-03		

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.

Site Representation	
Full Name:	Ms. Le Thi Thuy Ngan
Title:	HR Manager
Date of declaration:	2023-03-03
Comments:	Nil

Summary of Findings

Issue <i>(please click on the issue title to go direct to the appropriate audit results by clause)</i>	Area of Non-Conformity		Number of issues			Findings
	ETI	Local Law	NC	Obs	GE	
0A - Universal rights covering UNGP			0	0	0	
0B - Management systems and code implementation			0	0	0	
1 - Freely chosen employment			0	0	0	
2 - Freedom of association and right to collective bargaining are respected			0	0	0	
3 - Working conditions are safe and hygienic	3.1 3.1	§1 §2	2	0	0	NC - ZAF600027287 NC - ZAF600027288
4 - Child labour shall not be used			0	0	0	
5 - Living wages are paid			0	0	0	
6 - Working hours are not excessive			0	0	0	
7 - No discrimination is practiced			0	0	0	
8 - Regular employment is provided			0	0	0	
8A - Subcontracting and homeworking			0	0	0	
9 - No harsh or inhumane treatment is allowed			0	0	0	
10A - Entitlement to work and immigration			0	0	0	
10B2 - Environment 2-pillar			0	0	0	
10B4 - Environment 4-pillar			0	0	0	
10C - Business ethics 4-pillar			0	0	0	

Local Law Issues

Issue	Description
§1	In accordance with Electricity law 28/2004/QH11 dated on December 3, 2004, Article 46. Rights and obligations of electricity-using customers, point 2. The electricity-using customers shall have the following obligations: b) To use electricity safely, thriftily and efficiently; to comply with regulations on management of electricity demands; g) To ensure the technical standards and safety requirements of electrical appliances and Article 57. Safety in use of electricity for production: 1. Organizations and individuals using electricity for production must comply with the regulations on electric safety, regulations and technical standards on electric safety must conform with Vietnamese standards.
§2	In accordance with Decree 136/2020/ND-CP dated on November 24, 2020, Article 5, Point 1a: Regulations, prohibition signs, signage, plans or instruction signs concerning fire prevention, fighting and escape are provided in accordance with fire prevention and fighting regulations and standards or regulations of the Ministry of Public Security. In addition, according to TCVN 2622:1995 Fire prevention and protection for buildings and structures - Design requirements, Emergency route requirements: Point 7.2. The exits from the basement, ground floors must be directly to the outside. Point 7.5: Ways-out must be easily found and paths leading to these ways-out must be clearly indicated by guiding symbols.

Site Details

Site Details		
Company Name	Nhabe Garment Corporation - JSC	
Site Name	BRANCH OF NHA BE GARMENT CORPORATION -KONTUM GARMENT FACTORY	
GPS location (if available)	GPS Address:	Km no.3 – National street no.14, Le Loi Ward, Kon Tum City, Kon Tum Province, Vietnam
	Coordinates:	14.32566, 107.98953
Applicable business and other legally required licence numbers and documents, for example, business license number, liability insurance, any other required government inspections	Business license no. 0300398889-003 issued on April 7, 2005 and latest updated on April 1, 2014 with no expiry/validity date.	
Products/Activities at site, for example, garment manufacture, electricals, toys, grower, cutting, sewing, packing etc	Outerwear, Suits and Waistcoat	
Site description: (Include size, location, and age of site. Also, include structure and number of buildings)	<p>The facility was located at Km no.3 – National street no.14, Le Loi Ward, Kon Tum City, Kon Tum Province, Vietnam. With the total land area of 17,435 square meters, there were 10 buildings being in the visited site as below: - Building no.1 (03-storey building was built in 1995 with area: 1,174 m2) was occupied for office. - Building no.2 (02-storey building was built in 1995 with area: 2,728 m2) in which ground floor was occupied for material warehouse, finished goods warehouse, cutting section, sewing section, marking section, fusing section, inspection section, ironing section and packing section and 01st floor was occupied for sewing section, ironing section and inspection section. - Building no.3 (01-storey building was built in 1995 with area: 1,194 m2) was occupied for canteen. - Building no.4 (01-storey building was built in 2020 with area: 625 m2) was occupied for accessory warehouse. - Building no.5 (01-storey building was built in 1995 with area: 2,240 m2) was occupied for parking area for employee. - Buildings no.6, 7, 8 (01-storey building was built in 1995 with total area: 21,504 m2) was occupied for dormitory for employee. - Building no.9 (01-storey building was built in 1995 with area: 260 m2) was occupied for childcare room. - Building no.10 (01-storey building was built in 1995 with area: 260 m2) was occupied for rest area and clinic room..</p>	

Structure and number of buildings	Building Name:		Office building
	Floor	Description	Remark
	Ground floor	Office	Building was made of brick, concrete and steels
	01st floor	Office	Building was made of brick, concrete and steels
	02nd floor	Office	Building was made of brick, concrete and steels
	Building Name:		Production building
	Floor	Description	Remark
	Ground floor	Material warehouse, finished goods warehouse, cutting section, sewing section, marking section, fusing section, inspection section, ironing section and packing section	Building was made of brick, concrete and steels
	01st floor	Sewing section, ironing section and inspection section	Building was made of brick, concrete and steels
	Building Name:		Canteen
	Floor	Description	Remark
	Ground floor	Canteen	Building was made of brick, concrete and steels
	Building Name:		Warehouse
	Floor	Description	Remark
	Ground floor	Accessory warehouse	Building was made of brick, concrete and steels
	Building Name:		Parking area
	Floor	Description	Remark
	Ground floor	Employee parking area	Building was made of brick, concrete and steels
	Building Name:		Dormitory buildings for employee
	Floor	Description	Remark
Ground floor	Dormitory for employee	Building was made of brick, concrete and steels	

	Building Name:		Childcare room
	Floor	Description	Remark
	Ground floor	Childcare room	Building was made of brick, concrete and steels
	Building Name:		Rest area and clinic room
	Floor	Description	Remark
	Ground floor	Rest area and clinic room	Building was made of brick, concrete and steels
Visible structural integrity issues (large cracks) observed?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: No visible structural integrity issues (large cracks) observed.		
Does the site have a structural engineer evaluation?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: The site has no structural engineer evaluation and no legal requirement in Vietnam.		
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		
Months of peak season			
Process overview	The main products of the facility are Outerwear, Suits and Waistcoat. The main production processes are listed as follows: cutting, sewing, ironing, fusing, inspection and packing. The main machine list submitted by the facility includes: sewing machines, overlock machines, cutting machines, ironing machines, fusing machines, buttoning machines, fabric inspecting machines.		
What form of worker representation is there on site?	<input checked="" type="checkbox"/> Union <input type="checkbox"/> Worker Committee <input type="checkbox"/> Other <input type="checkbox"/> None		
Please give details:	Trade Union of Branch of Nha Be Garment Corporation - Kon Tum Garment Factory		
Is there any night production work at the site?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Are there any on site provided worker accommodation buildings	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:		
Are there any off site provided worker accommodation buildings	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The facility provided three offsite 01-storey building for employees with 34 rooms which was opposite to the facility with 5.4% employees.		

Were all site provided accommodation buildings included in this audit

Yes No

Please give details:

Audit Parameters				
Time in and time out	Day 1		Day 2	
	In	08:45	In	08:02
	Out	16:51	Out	15:00
Audit type:	FULL_INITIAL			
Was the audit announced?	SEMI_ANNOUNCED			
Was the Sedex SAQ available for review?	Yes			
Any conflicting information SAQ/Pre-Audit Info to Audit findings?	No			
Who signed and agreed CAPR	Ms. Le Thi Thuy Ngan / HR Manager			
Is further information available	No			

Audit attendance	Management	Worker Representatives	
	Senior management	Worker Committee representatives	Union representatives
A: Present at the opening meeting?	Yes	No	Yes
B: Present at the audit?	Yes	No	Yes
C: Present at the closing meeting?	Yes	No	Yes
<i>Reason for absence at the opening meeting</i>	There was no worker representative in the facility		
<i>Reason for absence during the audit</i>	There was no worker representative in the facility		
<i>Reason for absence at the closing meeting</i>	There was no worker representative in the facility		

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*			Home workers	Total
	Permanent	Temporary	Agency	Permanent	Temporary	Agency		
Worker numbers – male	104	0	0	0	0	0	0	104
Worker numbers – female	520	0	0	0	0	0	0	520
Total	624	0	0	0	0	0	0	624
Number of Workers interviewed – male	14	0	0	0	0	0	0	14
Number of Workers interviewed – female	28	0	0	0	0	0	0	28
Total – interviewed sample size	42	0	0	0	0	0	0	42

Nationalities Structure	
Nationality of Management	Vietnamese
Please list the nationalities of all workers, with the three most common nationalities listed first.	Nationality 1: Vietnamese approx %: 100%
Was this list completed during peak season?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Not applicable. There was no peak season in the facility.
Worker remuneration	Workers on piece rate: 88%
	Paid hourly: 12%
	Salaried: 0%
Payment cycle	Paid daily: 0%
	Paid weekly: 0%
	Paid monthly: 100%
	Other: 0%
	Details for other: Not applicable.

Worker Interview Summary	
Were workers aware of the audit?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Were workers aware of the code?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Number of group interviews:	6 groups of 5 (There were no any COVID-19 patients or history in the facility)
Number of individual interviews:	Male: 4 Female: 8
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.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details:
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
In general, what was the attitude of the workers towards their workplace?	<input checked="" type="checkbox"/> Favorable <input type="checkbox"/> Non-favourable <input type="checkbox"/> Indifferent
What was the most common worker complaint?	None
What did the workers like the most about working at this site?	Wages are always paid on time. The facility management was kind to them. The working environment was comfortable.
Any additional comment(s) regarding interviews:	None
Attitude of workers to hours worked:	Interviewed workers satisfied with the working.
Is there any worker survey information available?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:

Attitude of workers:

Based on the employee interview, it was noted that all employees said they were satisfied with the benefits and compensation of the facility. There was no negative information coming from employees.

Attitude of worker's committee/union reps:

The Trade Union was cooperative and supportive during the audit. Based on the interview with the Trade Union chairwoman, association activities were support by the facility management.

Attitude of managers:

The facility management showed a cooperative and supportive attitude during the audit. Auditors were allowed to visit all places in the facility. All document requested were provided on time. At the closing meeting, all findings were accepted by the facility management.

0A - Universal Rights covering UNGP
[Summary of Findings]

0A: Compliance Requirements

- 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:

- The facility has a human rights policy and it was posted at the bulletin board.
- Based on documents review, Ms. Le Thi Thuy Ngan / HR Manager is responsible for monitoring the implementation of Human rights in the facility.
- The facility has a transparent system in place for confidentially reporting and dealing with human rights impacts without fear of reprisals towards the reporter.
- Based on interviewed employees, all of employees were aware human right.
- All suppliers are required to sign the commitment to follow the human right when signing the business contract with the facility.
- Employees are communicated on the human right on the orientation training and on the annual basis.

Evidence examined:

- Management interview and Employee interview
- Human right policy
- Training record

Any other comments:

None

Policy statement that expresses commitment to respect human rights?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: It stipulates complying with ETI Code and respect human rights.
Are the policies included in workers' manuals?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The policies are included in the workers' manuals.
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: Ms. Le Thi Thuy Ngan / HR Manager

<p>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?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>There was transparent system for confidentially reporting and dealing with human rights impacts without fear of reprisals towards the reporter. It was integrated into written procedure on complaint's handling.</p>				
<p>Does the grievance mechanism meet UNGP expectations? (Legitimate, Accessible, Predictable, Equitable, Transparent, Rights-compatible, a source of continuous learning and based on stakeholder engagement)</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>				
<p>Does the business demonstrate effective data privacy procedures for workers' information, which is implemented?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>All employees' private information such as personal identity information managed by HR Officers. Without permission, nobody can review.</p>				
<p>Measuring Workplace Impact</p>					
<p>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))</p>	<table border="0"> <tr> <td>Last year</td> <td style="text-align: right;">2%</td> </tr> <tr> <td>This year</td> <td style="text-align: right;">1%</td> </tr> </table>	Last year	2%	This year	1%
Last year	2%				
This year	1%				
<p>Current % quarterly (90 days) turnover(Number of workers leaving from the first of the 90 day period through to the last day of the 90 day period / [(number of employees on the 1st day of 90 day period + number of employees on the last day of the 90 day period) / 2])</p>	<p>1%</p>				
<p>Annual % absenteeism(Number of days lost through job absence in the year / [(number of employees on 1st day of the year + number employees on the last day of the year) / 2] * number available workdays in the year)</p>	<table border="0"> <tr> <td>Last year</td> <td style="text-align: right;">0%</td> </tr> <tr> <td>This year</td> <td style="text-align: right;">0%</td> </tr> </table>	Last year	0%	This year	0%
Last year	0%				
This year	0%				
<p>Quarterly (90 days) % absenteeism(Number of days lost through job absence in the period / [(Number of employees on 1st of the period + Number of employees on the last day of the period) / 2] * Number of available workdays in the month)</p>	<p>0%</p>				
<p>Are accidents recorded?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>Accident was recorded by the Health and Safety Committee Representative. Accident records book was made and kept by HR Staff every day. There was no accident in the last 12 months.</p>				
<p>Annual Number of work related accidents and injuries per 100 workers((Number of work related accidents and injuries * 100) / Number of total workers)</p>	<table border="0"> <tr> <td>Last year</td> <td style="text-align: right;">0%</td> </tr> <tr> <td>This year</td> <td style="text-align: right;">0%</td> </tr> </table>	Last year	0%	This year	0%
Last year	0%				
This year	0%				

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%	
Lost day work cases per 100 workers([(Number of lost days due to work accidents and work related injuries * 100) / Number of total workers])	Last year	0%
	This year	0%
% of workers that work on average more than 48 standard hours / week in the last 6 / 12 months	6 month	0%
	12 month	0%
% of workers that work on average more than 60 total hours / week in the last 6 / 12 months	6 month	0%
	12 month	0%

0B - Management Systems and code Implementation
[Summary of Findings]

0B: Compliance Requirements

- 0.B.1 Suppliers are expected to implement and maintain systems for delivering compliance to this Code.
- 0.B.2 Suppliers shall appoint a senior member of management who shall be responsible for compliance with the Code.
- 0.B.3 Suppliers are expected to communicate this Code to all employees.
- 0.B.4 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.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 a sound Ethical Trade system.
- ETI Code of Conduct was posted in local language. Labor regulation was posted at the bulletin board.
- Based on documents review, Ms. Le Thi Thuy Ngan / HR Manager was responsible for monitoring the implementation of ETI Code in the facility.
- Employees were communicated the ETI code on the orientation training and on annual basis.
- The facility has communicated the ETI code to its suppliers.

Evidence examined:

1. ETI Code of Conduct posted in local language.
2. Labor regulation is posted at the bulletin board.
3. Assignment letter, social compliance policies and procedures, training document and records.

Any other comments:

None

Management Systems

In the last 12 months, has the site been subject to any fines/prosecutions for non-compliance to any regulations?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Auditors checked this through internet and no fines/prosecutions was noted.
Do policies and/or procedures exist that reduce the risk of forced labour, child labour, discrimination, harassment & abuse?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The facility had the written policies on social corporate responsibility include the policy on forced labor, child labor, discrimination, harassment & abuse.
If Yes, is there evidence (an indication) of effective implementation? Please give details.	There was no child labor in the facility. During document review, worker interview and facility tour, it was noted that youngest workers was 18 years old. There was no reported case of forced labor, discrimination, harassment & abuse.

<p>Have managers and workers received training in the standards for forced labour, child labour, discrimination, harassment & abuse?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>Terms of forced labor, child labor, discrimination, harassment & abuse were regulated in the internal regulation. The internal regulation was communicated to all employees by posting on the bulletin board.</p>
<p>If Yes, is there evidence (an indication) that training has been effective e.g. training records etc.? Please give details</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>During interview with employees and management representative, it was noted that the managers and workers understood the terms of forced labor, child labor, discrimination, harassment & abuse which were regulated in the internal regulation.</p>
<p>Does the site have any internationally recognised system certifications e.g. ISO 9000, 14000, OHSAS 18000, SA8000 (or other social audits)?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Please give details:</p> <p>Not applicable.</p>
<p>Is there a Human Resources manager/department?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>The HR Department is in charged on recruitment, monitoring of working hours, termination process, health & safety and environment.</p>
<p>Is there a senior person /manager responsible for implementation of the code?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>Ms. Le Thi Thuy Ngan / HR Manager was assigned to implement the Code.</p>
<p>Is there a policy to ensure all worker information is confidential?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>Policy was established and stipulate that ensure all worker information is confidential.</p>
<p>Is there an effective procedure to ensure confidential information is kept confidential?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>All employees' private information such as personal identity information managed by HR. Without permission, nobody can review.</p>
<p>Are risk assessments conducted to evaluate policy and procedure effectiveness?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>The risk assessments were conducted to evaluate policy and procedure effectiveness. The latest risk assessment was conducted on December 17, 2022.</p>
<p>Does the facility have a process to address issues found when conducting risk assessments, including implementation of controls to reduce identified risks?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>The facility has a process to address issues found when conducting risk assessments, including implementation of controls to reduce identified.</p>

<p>Does the facility have a policy/code which require labour standards of its own suppliers?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>The facility had a policy/code which required labour standards of its own suppliers.</p>
<p>Land Rights</p>	
<p>Does the site have all required land rights licenses and permissions (see SMETA Measurement Criteria)?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>The facility had all required land rights licenses and permissions.</p>
<p>Does the site have systems in place to conduct legal due diligence to recognize and apply national laws and practices relating to land title?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>The facility had systems in place to conduct legal due diligence to recognize and apply national laws and practices relating to land title.</p>
<p>Does the site have a written policy and procedures specific to land rights?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>The facility had a written policy and procedures specific to land rights.</p>
<p>Is there evidence that facility/site compensated the owner/lessor for the land prior to the facility being built or expanded?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>The facility acquired and used the land according the legal procedure and project's requirement.</p>
<p>Does the facility demonstrate that alternatives to a specific land acquisition were considered to avoid or minimize adverse impacts?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Please give details:</p> <p>The facility did not have plan of land acquisition.</p>
<p>Is there any evidence of illegal appropriation of land for facility building or expansion of footprint?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Please give details:</p> <p>No illegal appropriation of land for facility building or expansion of footprint.</p>

1 - Freely chosen Employment
[Summary of Findings]

1: Compliance Requirements
 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 facility has a policy which prohibits forced labour and this was available for review.
- There was a non-formalized application procedure which stated that workers must present their ID’s for proof of age during the job interview and only copies must be kept in the personnel files and the original given back to the workers.
- No prison labour or forced labour was noted during the audit.
- The terms and conditions of employment in the handbook stated that the workers were free to leave the workplace outside of their working hours.
- All the management staff and security guards were given respective job descriptions which clearly stated their daily duties in compliance with the general concepts of the local laws.
- All selected employees confirmed that they worked at the facility voluntarily and no enforcement to work overtime and the overtime forms were signed by workers before overtime performance.
- Employees are paid by cash from 8th to 12th of the following month. During the employment, the facility did not deduct or withhold any money from the employee’s monthly salary. No deposit was required upon hiring.

Evidence examined:

- Personnel files.
- Resignation records.
- Factory rules.
- Management and worker interview.
- Recruitment policy and announcement.

Any other comments:

None

Is there any evidence of retention of original documents, e.g. passports/ID’ (If yes, please give details and category of workers affected)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:
Is there any evidence of a loan scheme in operation (If yes, please give details and category of workers affected)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:
Is there any evidence of retention of wages / deposits (If yes, please give details and category of workers affected)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:
Are there any restrictions on workers’ freedom to terminate employment?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: There were no any restrictions on worker’s freedom to terminate employment.

<p>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'?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Applicable</p> <p>Please give details: There is no part of the business in UK.</p>
<p>Is there evidence of any restrictions on workers' freedoms to leave the site at the end of the work day?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Please give details: There was no evidence of any restrictions on worker's freedoms to leave the site at the end of the work day.</p>
<p>Does the site understand the risks of forced / trafficked / bonded labour in its supply chain</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Applicable</p> <p>Please give details: The facility has established the policy about forced labour/trafficked/bonded labour. The facility did not use any subcontractors in its supply chain. Therefore, there is no risk of forced/ trafficked/ bonded labour.</p>
<p>Is the site taking any steps taking to reduce the risk of forced / trafficked labour?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details: The facility had recruitment procedure to reduce the risk of forced / trafficked labour.</p>

2 - Freedom of Association and Right to Collective Bargaining are Respected
[Summary of Findings]

2: Compliance Requirements

- 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 of Branch of Nha Be Garment Corporation - Kon Tum Garment Factory has been established on October 2, 2019 with 05 members.
- Based on employee interview, all selected employees said they were given the full rights to join any legal and external associations, and all of them were union members. And they had all rights in wages and benefits and working conditions as others.
- Interviewed workers confirmed that the members of the workers committee had been elected by fellow workers.

Evidence examined:

- Minutes of the meeting.
- Site policy on freedom of association.
- Interview with workers.

Any other comments:

None

What form of worker representation/union is there on site? (Please add the name of the union or committee in the textbox)	<input checked="" type="checkbox"/> Union <input type="checkbox"/> Other	<input type="checkbox"/> Worker Committee <input type="checkbox"/> None
Other details:	Trade Union of Branch of Nha Be Garment Corporation - Kon Tum Garment Factory	
Is it a legal requirement to have a union?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Is it a legal requirement to have a worker's committee?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Is there any other form of effective worker/management communication channel? (Other than union/worker committee e.g. H&S, sexual harassment)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Suggestion box, hotline number	
Is there evidence of free elections?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Does the supplier provide adequate facilities to allow the Union or committee to conduct related business?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Facility supports the Union to conduct related business.	
Name of union and union representative, if applicable:	Trade Union of Branch of Nha Be Garment Corporation - Kon Tum Garment Factory and Ms. Nguyen Thi Thu Hong/ Trade Union Chairwoman.	

Is there evidence of free elections?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Applicable
If there is no union, is there a parallel means of consultation with workers e.g. worker committees?	There is no worker committee in the facility.
Is there evidence of free elections?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Applicable
Are all workers aware of who their representatives are?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Ms. Nguyen Thi Thu Hong/ Trade Union Chairwoman
Were worker representatives freely elected?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Date of last election:	2019-10-02
Do workers know what topics can be raised with their representatives?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Were worker representatives/union representatives interviewed?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If Yes, please state how many:	1.0
Please describe any evidence that union/worker's committee is effective? Specify date of last meeting; topics covered; how minutes were communicated etc.	Through interviewing Chairwoman of Trade Union and meeting record, they had a meeting with management in January 2023. The meetings hold 30 minutes, discussion about human rights issues, such as wage, working hours etc.
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	100% workers covered by Union CBA. 0% workers covered by worker rep CBA.
If Yes, does the Collective Bargaining Agreement (CBA) include rates of pay?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

3 - Working Conditions are Safe and Hygienic
[Summary of Findings]

3: Compliance Requirements

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:

<p>1. General Health and Safety management -Ms. Le Thi Thuy Ngan / HR Manager has been assigned to be in charge of health, safety and environment issues in the facility. -The general housekeeping is clean and tidy. The cleaning team with 2 persons are in charge of cleaning and hygiene of whole workshop building. -Clean toilets with 11 toilet rooms for male and 21 toilet rooms for female are provided.</p> <p>2. Fire Safety -The fire drills were conducted for all employees every year. The fire drill was conducted on April 23, 2022 with the local fire police for all employees. -A total of 102 fire extinguishers, 12 fire alarm buttons, 06 fire hose reels, 42 smoke detectors, 06 beam detectors and 02 fire water pumps were installed in the facility. -Warning signs of no smoking and No fire were posted in the facility. -Through facility tour, the evacuation maps are posted at all exit doors of the workshop floor. -Evacuation routes with arrows for direction were painted on the floor in all production sections. -The firefighting equipment and system were inspected every year by local firefighting department. -Based on facility tour and facility management confirmation, it was noted that the evacuation marking was fade on floor of the sewing area at the 01st floor of the production building.</p> <p>3. Electrical safety -There were competent electricians at the site and their training certificates were available for review. -Based on facility tour and facility management confirmation, it was noted that 01 out of 03 electrical panels at the fire pump area did not have inner safety cover for the inside electrical equipment.</p> <p>4. Medical services -The first aid team (80 members) were provided first aid training with certificates on February 24-25, 2022. -12 first aid kits were installed in the facility. -Latest health check was conducted on December 19-21, 2022. -There was no affected case of Covid-19 causing production interruption at the facility. There was no illegal wage deduction due to Covid-19 noted in facility up to audit date. The facility has good practice on protection as well as preventive measure for workers to avoid this pandemic and strictly follows the local authority's directives and regulation.</p> <p>5. Machine safety -All machines were installed with safety guards. -01 air compressor, 01 boiler and 01 lift were certified by the local authority. The air compressor was inspected on February 17, 2023 and validity to February 1, 2024, the boiler was inspected on February 17, 2023 and validity to February 1, 2024 and the lift was inspected on February 17, 2023 and validity to February 1, 2024</p> <p>6. Chemical safety -PPE was provided for employees who work with chemicals. -All chemicals were correctly labelled, provided with secondary containment.</p>
<p>Evidence examined:</p> <ul style="list-style-type: none"> - Health and safety procedures, instructions and training records. - First aid training records, accident records, medical check-up records. - Firefighting and prevention project, fire drill and firefighting training records. - Drinking water test records. - Maintenance plan and records for machines, firefighting equipment, electricity. - Chemical handling, storage procedures - Machine inspection certificates. - Health and safety policy - Health and safety manual - Health and safety committee minutes - Training records and certificates - Fire equipment maintenance records - Fire drill records - Building structure safety certificate - Trained first aider register - Interviews with workers and H&S committee members - Accident reports - Potable water testing certificates - Interviews with H&S manager
<p>Any other comments:</p>


None

<p>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</p> <p>Please give details: The general Health & Safety and occupational Health & Safety policy was established and available for review.</p>
<p>Are the policies included in workers' manuals?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details: During document review and worker's interview, the worker was provided with the employee's manual and the training before working in the facility.</p>
<p>Are there any structural additions without required permits/inspections (e.g. floors added)?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Please give details: There was not any structural additions without required permits in the facility.</p>
<p>Are visitors to the site informed on H&S and provided with personal protective equipment?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details: All visitors were informed on H&S requirement and required to wear provided PPE during facility tour.</p>
<p>Is a medical room or medical facility provided for workers?(This section is to list evidence to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate))</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details: There was a medical room onsite to take care of the employees' health.</p>
<p>Is there a doctor or nurse on site or there is easy access to first aider/ trained medical aid?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details: There were 02 nurses on-site to take care of the employees' health. In addition, The facility has signed the contract KONTUM General Hospital on January 5, 2023 with validity to December 2023.</p>
<p>Where the facility provides worker transport – is it fit for purpose, safe, maintained and operated by competent persons e.g. buses and other vehicles?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Please give details: The facility did not provide workers transport.</p>
<p>Is secure personal storage space provided for workers in their living space and is fit for purpose?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details: Each worker was provided with the locker to keep the personal item.</p>
<p>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?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details: The facility has conducted the risk assessment regularly. The latest assessment was on December 17, 2022 and it was available for review.</p>

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 Please give details: The facility meet all its legal obligations on environmental requirements including required permits for use and disposal of natural resources.
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 Please give details: The facility meets its customer requirements on environmental standards. However, the facility did not use of banned chemicals.

Non-Compliance		Evidence
[Back to findings summary]		
Non-Compliance		
Status	CLOSED	
Reference	ZAF600027287	
Clause	3 - Working Conditions are Safe and Hygienic	
Issue Title	228 - Unsafe handling of electrical equipment e.g. no rubber mats in front of electricity panels	
Subcategory	Electrical risk	
New or carried over?	<input checked="" type="checkbox"/> New <input type="checkbox"/> Carried Over	
Resolved by audit	ZAA600005244	
Root cause	<input type="checkbox"/> Training <input type="checkbox"/> System <input type="checkbox"/> Costs <input type="checkbox"/> Lack of workers <input checked="" type="checkbox"/> Other	
Root cause - Other	Lacking health and safety control	
Local law issue	In accordance with Electricity law 28/2004/QH11 dated on December 3, 2004, Article 46. Rights and obligations of electricity-using customers, point 2. The electricity-using customers shall have the following obligations: b) To use electricity safely, thriftily and efficiently; to comply with regulations on management of electricity demands; g) To ensure the technical standards and safety requirements of electrical appliances and Article 57. Safety in use of electricity for production: 1. Organizations and individuals using electricity for production must comply with the regulations on electric safety, regulations and technical standards on electric safety must conform with Vietnamese standards.	
ETI code	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.	
Explanation to the non compliance	Based on facility tour and facility management confirmation, it was noted that 01 out of 03 electrical panels at the fire pump area did not have inner safety cover for the inside electrical equipment.	
Follow up method	<input type="checkbox"/> Follow up audit <input checked="" type="checkbox"/> Desktop audit	
Timescale	<input type="checkbox"/> Immediate <input checked="" type="checkbox"/> 30 days <input type="checkbox"/> 60 days <input type="checkbox"/> 90 days <input type="checkbox"/> 120 days <input type="checkbox"/> 180 days <input type="checkbox"/> 365 days <input type="checkbox"/> Other	
		
		82. Finding - The electrical panel did not have inner safety cover.jpg

<p>Actions</p>	<p>It is recommended that the facility should ensure the electrical panels to be equipped inner safety cover for the inside electrical equipment as local law requirement.</p>	
<p>Additional comments</p>	<p>The factory has reinstalled the safety cover for the electrical cabinet Desktop Review on March 23, 2023:</p> <p>Based on provided evidence:</p> <p>The electrical panel at the fire pump area was equipped with the inner safety cover for the inside electrical equipment.</p>	

Non-Compliance		Evidence
[Back to findings summary]		
Non-Compliance		
Status	CLOSED	
Reference	ZAF600027288	
Clause	3 - Working Conditions are Safe and Hygienic	
Issue Title	214 - No evacuation plan or designated emergency exit route	
Subcategory	Fire Safety - Fire alarms & Evacuation	
New or carried over?	<input checked="" type="checkbox"/> New <input type="checkbox"/> Carried Over	
Resolved by audit	ZAA600005244	
Root cause	<input type="checkbox"/> Training <input type="checkbox"/> System <input type="checkbox"/> Costs <input type="checkbox"/> Lack of workers <input checked="" type="checkbox"/> Other	
Root cause - Other	Lacking health and safety control	
Local law issue	In accordance with Decree 136/2020/ND-CP dated on November 24, 2020, Article 5, Point 1a: Regulations, prohibition signs, signage, plans or instruction signs concerning fire prevention, fighting and escape are provided in accordance with fire prevention and fighting regulations and standards or regulations of the Ministry of Public Security. In addition, according to TCVN 2622:1995 Fire prevention and protection for buildings and structures - Design requirements, Emergency route requirements: Point 7.2. The exits from the basement, ground floors must be directly to the outside. Point 7.5: Ways-out must be easily found and paths leading to these ways-out must be clearly indicated by guiding symbols.	
ETI code	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.	
Explanation to the non compliance	Based on facility tour and facility management confirmation, it was noted that the evacuation marking was fade on floor of the sewing area at the 01st floor of the production building.	
Follow up method	<input type="checkbox"/> Follow up audit <input checked="" type="checkbox"/> Desktop audit	
Timescale	<input type="checkbox"/> Immediate <input checked="" type="checkbox"/> 30 days <input type="checkbox"/> 60 days <input type="checkbox"/> 90 days <input type="checkbox"/> 120 days <input type="checkbox"/> 180 days	
		 <p>83. Finding - The evacuation marking was fade on floor of the sewing area.jpg</p>

	<input type="checkbox"/> 365 days <input type="checkbox"/> Other	
Actions	It is recommended that the facility should ensure to mark aisles and arrows clearly for all evacuation routes in the facility.	
Additional comments	<p>The factory has redrawn the exit line Desktop Review on March 23, 2023:</p> <p>Based on provided evidence:</p> <p>The evacuation markings on floor of the sewing area at the 01st floor of the production building were marked clearly.</p>	

4 - Child Labour Shall Not Be Used
[Summary of Findings]

- 4: Compliance Requirements
- 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:

- Personnel files with labour contract for all selected employees were available for review.
- The facility required all applicants to present their original ID cards, family books, residence records, national voting cards and birth certificates as age verification documents and maintain photocopy of records reviewed on their personnel files.
- Each employment application contained date of birth, ID. number and the duly date signed and employee's signature.
- During this audit, 42 employees were selected from different sections as the sample for interviews.
- Based from facility tour, document review and employees' interviews, the youngest worker was 18 years old.

Evidence examined:

- Personnel files of all workers including copies of birth certificate, identity card, application letter
- Latest list of employees
- Anti-child labor policy
- Recruitment procedure and announcement

Any other comments:

None

Legal age of employment:	16
Age of youngest worker found:	18
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
Percentage of under 18's at this site (of total workers)	0%
Are workers under 18 subject to hazardous work assignments?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Not applicable. There was no workers under 18 years old in the facility.

5 - Living Wages are Paid
[Summary of Findings]

5: Compliance Requirements

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.

Current Systems:

-Employees' wages are calculated based on monthly rate for non-production employees and piece rate for production employees. Employees are paid by cash from 8th to 12th of the following month. The pay-slip in local language is distributed together with each payment period to each employee.

-All employees are 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.

-Employees are paid at 150% of wage for normal overtime (if any).

-The 14 days of annual leave is sufficiently provided to all direct production employees and 12 days of annual leave is sufficiently provided indirectly production employees in the year.

-Total eleven (11) holidays are provided and paid to all employees in the year.

-The sick and maternity leave allowance is paid correctly to all employees in timely basic.

-The severance allowance, wages and entitled benefits have been paid correctly to the resigned employees in compliance with local law.

-The maternity leave of 6 months was provided to all female pregnant employees with full pay.

Evidence examined:

- Approved wage scale.

- The payrolls and attendance records from February 2022 to January 2023 (12 months).

- Annual leave records from February 2022 to January 2023 (12 months).

- Leave applicant records from February 2022 to January 2023 (12 months).

- Employee files and labour contracts of selected employees

Any other comments:

None

Summary Information

Criteria	Local Law	Actual at the Site	Is this part of a Collective Bargaining Agreement?
Standard/Contracted work hours: (Maximum legal and actual required working hours excluding overtime, please state if possible per day, week, and month)	Legal Maximum Per Day: 8.0 Per Week: 48.0 Per Month: 208.0	Actual Per Day: 8.0 Per Week: 48.0 Per Month: 208.0	YES
Overtime hours: (Maximum legal and actual overtime hours, please state if possible per day, week, and month)	Legal Maximum Per Day: 4.0 Per Week: null Per Month: 40.0	Actual Per Day: 1.0 Per Week: 6.0 Per Month: 32.0	YES

Wage for standard/contracted hours: (Minimum legal and actual minimum wage at site, please state if possible per hr, day, week, and month)	Legal Maximum Per Day: 140000.0 Per Week: 840000.0 Per Month: 3640000.0	Actual Per Day: 158200.0 Per Week: 949200.0 Per Month: 4113200.0	YES
Overtime wage: (Minimum legal and actual minimum overtime wage at site, please state if possible per hr, day, week, and month)	Legal Maximum Per Day: 150.0 Per Week: null Per Month: null	Actual Per Day: 150.0 Per Week: 0.0 Per Month: 0.0	YES
Wages Analysis:			
Were accurate records shown at the first request?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
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)	42 selected samples in January 2023 (current month) 42 selected samples in October 2022 (sample month) 42 selected samples in April 2022 (sample month)		
Are there different legal minimum wage grades? If Yes, please specify all.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
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"/> Not Applicable Please give details:		
For the lowest paid production workers, are wages paid for standard/contracted hours (excluding overtime) below or above the legal minimum?	<input type="checkbox"/> Below legal min <input type="checkbox"/> Meet <input checked="" type="checkbox"/> Above		
Lowest actual wages found: Note: full time employees and please state hour / week / month etc.	100% total workforce were earning above minimum wage (VND 3,640,000)		
Please indicate the breakdown of workforce per earnings	0% of workforce earning under minimum wage 0% of workforce earning minimum wage 100% of workforce earning above minimum wage		
Bonus Scheme found: Please specify details:	Bonus Scheme found:- Telephone allowance: VND 100,000/month - Petrol allowance: VND 170,000/ month - Other allowance: VND 500,000/ month Note: type of employee (e.g. full time, temp, etc.) and please state which units e.g. /hour /week /month etc.		
What deductions are required by law e.g. social insurance? Please state all types:	Employees should pay and be deducted from their monthly salary for insurance such as Social insurance: 8%, Health insurance: 1.5% and Unemployment insurance: 1% (total 10.5%).		
Have these deductions been made?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Please list all deductions that have been made.	1. Social insurance 2. Medical insurance 3. Unemployment insurance		
Please list all deductions that have not been made.	None		
Were appropriate records available to verify hours of work and wages?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Were any inconsistencies found? (if yes describe nature)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		

<p>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</p> <p>Please give details:</p> <p>During worker's interview, they confirmed that they were paid according with the working time in facility.</p>
<p>Is there a defined living wage: This is not normally minimum legal wage. If answered yes, please state amount and source of info: Please see SMETA Best Practice Guidance and Measurement Criteria.</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Please give details:</p>
<p>If yes, what was the calculation method used.</p>	<p><input type="checkbox"/> ISEAL/Anker Benchmarks <input type="checkbox"/> Asia Floor Wage</p> <p><input type="checkbox"/> Figures provided by Unions <input type="checkbox"/> Living Wage Foundation UK</p> <p><input type="checkbox"/> Fair Wear Wage Ladder <input type="checkbox"/> Fairtrade Foundation</p> <p><input type="checkbox"/> Other – please give details:</p>
<p>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</p> <p>Please give details:</p> <p>During documents review, workers' interviews and confirmation of facility management, it was noted that the facility reviewed the wage of the employees in compliant with the local law.</p>
<p>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>Is there evidence that equal rates are being paid for equal work:</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>Through factory rules review, payroll records review and employees' interviews, it was confirmed that equal rates are being paid for equal work.</p>
<p>How are workers paid:</p>	<p><input checked="" type="checkbox"/> Cash <input type="checkbox"/> Cheque</p> <p><input type="checkbox"/> Bank Transfer <input type="checkbox"/> Other</p>

6 - Working Hours are not Excessive
[Summary of Findings]

6: Compliance Requirements

- 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:
- 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 normal working hours of all employees are six (6) days a week and 48 hours per week and Sunday is designated as rest day. The normal workweek is from Monday to Saturday. The working hour is from 7:30 am to 16:30 pm with break time is 11:15 am to 12:00 pm or 11:40 am to 12:25 pm.

- There is no peak season in the facility.
- Employees worked overtime voluntarily.
- Based on the provided payrolls and time records, the working hours were noted as following:
 - In January 2023: Average working hours per week were 48 hours. Maximum working hours per week were 54 hours (48 normal hours + 6 overtime hours).
 - In October 2022: Average working hours per week were 48 hours. Maximum working hours per week were 54 hours (48 normal hours + 6 overtime hours).
 - In April 2022: Average working hours per week were 48 hours. Maximum working hours per week were 54 hours (48 normal hours + 6 overtime hours).

Evidence examined:

- Employee interview
- Management interview
- Local and national laws
- Facility policy on working hours
- Time records from February 2022 to January 2023 (12 months).
- Pay slips with recorded hours all workers interviewed
- Workers contracts
- Quality and production records to cross check hours
- Daily production records
- Security logbooks

Any other comments:

None

Working hours' analysis

Systems & Processes

What timekeeping systems are used?	Fingerprint recording system
------------------------------------	------------------------------

Is sample size same as in wages section?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details:
Are standard/contracted working hours defined in all contracts/employment agreements? (If no, please give details including % and which type of workers do NOT have standard hours defined in contracts/employment agreements.)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Are there any other types of contracts/employment agreements used?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Do any standard/contracted working hours defined in contracts/employment agreements exceed 48 hours per week? (If yes, please detail hours, %, types of workers affected and frequency.)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are workers provided with at least 1 day off in every 7-day-period, or 2 in 14-day-period?	<input checked="" type="checkbox"/> 1 in 7 days <input type="checkbox"/> 2 in 14 days <input type="checkbox"/> No (please explain)
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):	6
Standard/Contracted Hours worked	
Were standard working hours over 48 hours per week found? (If yes, % of workers & frequency)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No % of workers: null% Frequency:
Any local waivers/local law or permissions which allow averaging/annualised hours for this site? (If yes, please give details.)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Overtime Hours worked	
Actual overtime hours worked in sample (State per day/week/month)	- 1 hour per day, 6 hours per week and 17.5 hours per month in January 2023 - 1 hour per day, 6 hours per week and 32 hours per month in October 2022 - 1 hour per day, 6 hours per week and 25 hours per month in April 2022
Combined hours (standard or contracted + overtime hours = total) over 60 found?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: The maximum working hours per week are 54 hours.
Approximate percentage of total workers on highest overtime hours:	12%
Is overtime voluntary? (Please detail evidence e.g. Wording of contract / employment agreement / handbook / worker interviews / refusal arrangements)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Conflicting Information Please give details: Based on labor contract review and worker interview, overtime is voluntary.
Overtime premium	

<p>Are the correct legal overtime premiums paid? (Please give details of normal day overtime premium as a % of standard wages)</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A – there is no legal requirement to OT premium</p> <p>Please give details: - 150% of normal wage on regular day time - 215% on regular night time - 200% of normal wage for rest day - 400% of normal wage for holiday</p>
<p>Is overtime paid at a premium?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Employees are paid at the rate of 150% for overtime working hours.</p>
<p>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.</p>	<p><input type="checkbox"/> No <input type="checkbox"/> Consolidated pay <input type="checkbox"/> Collective Bargaining agreements</p> <p><input checked="" type="checkbox"/> Other</p>
<p>Please give details</p>	<p>Not applicable. The facility paid at least 150% for overtime on normal days.</p>
<p>If more than 60 total hours per week and this is legally allowed, are there other considerations? Please complete the boxes where relevant. (Please explain any checked boxes above e.g. detail of consolidated pay / CBA or Other)</p>	<p><input type="checkbox"/> Overtime is voluntary <input type="checkbox"/> Onsite Collective bargaining allows 60+ hours/week is voluntary <input type="checkbox"/> Safeguards are in place to protect worker's health and safety</p> <p><input type="checkbox"/> Site can demonstrate exceptional circumstances <input checked="" type="checkbox"/> Other reasons (please specify)</p>
<p>Please give details</p>	<p>N/A. The maximum working hours per week are 54 hours.</p>
<p>Please explain any checked boxes above e.g. detail of consolidated pay / CBA or other</p>	<p>N/A</p>
<p>Is there evidence that overtime hours are being used for extended periods to make up for labour shortages or increased order volumes?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>
<p>If sufficient workers cannot be hired, are new working time arrangements explored to ensure that overtime is the exception rather than the rule?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>

7 - No Discrimination is Practiced
[Summary of Findings]

7: Compliance Requirements

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:

- Based on interviewed employees and management, there is no evidence of any discriminatory practices based on the race, religion, age, nationality, social association, sexual orientation, gender or disability.
- During the audit, all selected employees confirmed they were treated with respect and dignity.
- No worker was required to do the examination of the hepatitis B virus and HIV.
- Policy on non-discrimination was available for review.
- Gender divisions did not exist in the factory; both female and male workers were distributed in all types of work.
- There was an internal grievance process, and all interviewed workers were aware of the grievance channels in case they encountered any discrimination cases.
- There was no evidence of sexual harassment.

Evidence examined:

- The hiring and termination procedure and leave application records.
- Payrolls.
- Training records.
- Attendance records.
- Termination records.

Any other comments:

None

Gender breakdown of Management + Supervisors (Include as one combined group)	Male: 60%	Female: 40%
Number of women who are in skilled or technical roles (e.g. where specific qualifications are needed i.e. machine engineer / laboratory analyst)	4	
Is there any evidence of discrimination based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation?	<input type="checkbox"/> Hiring <input type="checkbox"/> Promotion	<input type="checkbox"/> Compensation <input type="checkbox"/> Termination or retirement <input type="checkbox"/> Access to training <input checked="" type="checkbox"/> No evidence of discrimination found
Please give details	There was no evidence of discrimination found.	
Professional Development		
What type of training and development are available for workers?	Health safety, fire drill, first aid, internal/ external training to increase skill (if any).	
Are HR decisions e.g. promotion, training, compensation based on objective, transparent criteria? (If no, please provide details)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

8 - Regular Employment Is Provided
[Summary of Findings]

8: Compliance Requirements

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:

- Based on reviewed documents and interviewed employees, all employees were interviewed and hired directly by the facility. They were given an orientation training on the facility rules and regulations including labour issues, wages and benefits, working time, and health and safety. Labour contract was signed by both employee and employer after employee's probation period was passed.
- All workers were not required to sign blank papers, resignation letter, etc.

Evidence examined:

- The hiring and termination practices.
- Personal files.
- Payroll records were provided for review.

Any other comments:

None

Responsible Recruitment

All Workers

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"/> Same as actual conditions	<input checked="" type="checkbox"/> Understood by workers
Did workers pay any fees, taxes, deposits or bonds for the purpose of recruitment/placement? (If yes, please describe details and specific category(ies) of workers affected)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

Migrant Workers

Type of work undertaken by migrant workers:	No migrant workers were used by the facility.
---	---

Please give details about recruitment agencies for migrant workers:	Number of (in country) recruitment agencies used: 0 Number of (outside of local country) recruitment agencies used: 0
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 checked="" type="checkbox"/> No Please give details: No migrant workers were used by the facility.
Is there any observation on this finding?	None
Are any migrant workers in skilled, technical or management roles? (This should include all migrant workers including permanent workers, temporary and/or seasonal workers)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Non-employee workers	
Recruitment Fees	
Are there any fees?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
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.)	
Number of agencies used (average):	0
Please provide the names of agencies if applicable	Not applicable. The facility did not have agency workers.
Were agency workers' age / pay / hours included within the scope of this audit?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Were sufficient documents for agency workers available for review?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is there a legal contract agreement with all agencies?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Not applicable. The facility did not have agency workers.
Does the site have a system for checking labour standards of agencies?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Not applicable. The facility did not have agency workers
Contractors (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.)	
Any contractors on site?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: There was no contractors on site.
Do all contractor workers understand their terms of employment?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: There was no contractors on site.

8A - Sub-Contracting and Homeworking
[Summary of Findings]

8A: Compliance Requirements

- 8.A.1 There should be no sub-contracting unless previously agreed with the main client.
- 8.A.2 Systems and processes should be in place to manage sub-contracting, homeworking and external processing.

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:

- A site tour showed that it was noted that production processes were done by the facility.
- There were no subcontractors and home worker used by the facility.

Evidence examined:

- Site tour (Calculation on total production and estimated capacity).
- Materials in/out records.
- Management interview.
- Worker interview.

Any other comments:

None

Summary of sub-contracting – if applicable

Is there any sub-contracting at this site? Yes No

Summary of homeworking – if applicable

Is homeworking used at this site? Yes No

9 - No Harsh or Inhumane Treatment is Allowed
[Summary of Findings]

9: Compliance Requirements
 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.
 9.2 companies should provide access to a confidential grievance mechanism for all 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:

- Based on the documentation review, it was noted that the facility management had established a disciplinary procedure for workers' misbehavior which included oral warning, written warning and finally termination and the site, had developed a training program for all employees on the procedure. Interviewed workers confirmed that workers were aware of the disciplinary procedure.
- There was an internal process for grievance which a grievance box was installed in the workshop, where workers could report any grievances anonymously (harassment, bullying, discrimination etc.), any received complaint will be handled by management, without any reprisal for the worker in question. This system was installed, and most of workers were aware of it.
- Through the facility management and employees' interview, it was noted that no case of abuse or discipline was happened in the facility.

Evidence examined:

- The policy on non-harassment & abuse and related procedure.
- Training records.
- Procedure on grievance handling and related records.

Any other comments:

None

<p>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 3rd party?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>Any violations of Labour standards and H&S violations of Labour standards and H&S or any other grievances can be reported to the Trade Union representative or the local authority on labour. There were suggestion boxes installed in the workshops, toilet areas for reporting any violations of Labour standards and H&S or any other grievances to a 3rd party.</p>
<p>If yes, are workers aware of these channels and have access? Please give details.</p>	<p>During interview with employees and Trade Union representative, it was noted that the workers know how to report violations of Labour standards and H&S or any other grievances.</p>
<p>If yes, what type of mechanism is used e.g. hotline, whistle blowing mechanism, comment box etc. Please give details.</p>	<ul style="list-style-type: none"> - Suggestion box - Verbal exchange - Email - Hotline number
<p>Which of the following groups is there a grievance mechanism in place for?</p>	<p><input checked="" type="checkbox"/> Worker <input type="checkbox"/> Communities</p> <p><input type="checkbox"/> Suppliers <input type="checkbox"/> Other</p>

Please provide grievance mechanism details	There is an internal process for grievance which a grievance box was installed in the workshop, where workers can report any grievances anonymously (harassment, bullying, discrimination etc.), any received complaint will be handled by management, without any reprisal for the worker in question. This system was installed, and most of workers knew about this.
Are there any open disputes?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:
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 Please give details:
Is there a published and transparent disciplinary procedure?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details:
If yes, are workers aware of these the disciplinary procedure?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details:
Does the disciplinary procedure allow for deductions from wages (fines) for disciplinary purposes (see wages section)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:

10A - Entitlement to Work and Immigration
[Summary of Findings]

10A: Compliance Requirements

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

10.A.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:

- Per document review, facility management representation and worker interview, all workers in the facility was Vietnamese.
- All workers had the proper legal rights to work in this region.
- The youngest age was 18 years old.
- All of them were recruited directly by the facility and no agency was involved in facility's recruitment processes.
- No agency staff or foreign worker was used by the facility.

Evidence examined:

- Hiring procedure
- Personnel files
- Workers interview

Any other comments:

None

10B4 - Environment 4–Pillar
[Summary of Findings]

10B4: Compliance Requirements

- 10.B4.1 Businesses as a minimum must meet the requirements of local and national laws related to environmental standards.
- 10.B4.2 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.
- 10.B4.3 Businesses shall be aware of their end client’s environmental standards/code requirements
- 10.B4.4 Suppliers should have an environmental policy, covering their environmental impact, which is communicated to all appropriate parties, including its own suppliers.
- 10.B4.5 Suppliers shall be aware of the significant environmental impact of their site and its processes.
- 10.B4.6 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).
- 10.B4.7 Businesses shall make continuous improvements in their environmental performance.
- 10.B4.8 Businesses shall have available for review any environmental certifications or any environmental management systems documentation
- 10.B4.9 Businesses should have a nominated individual responsible for co–ordinating the site’s efforts to improve environmental performance.
- 10B4: Guidance for Observations
- 10.B4.10 Suppliers should have completed the appropriate section of the SAQ and made it available to the auditor.
- 10.B4.11 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:

- Working environment monitoring was conducted on December 7, 2022.
- Environment protection commitment report was approved on October 23, 2009.
- Registration of hazardous waste was on March 27, 2014.
- Based on the facility tour, it is observed that general housekeeping in the production areas are in good conditions and organizations.
- Based on interviewed employees, all of employees satisfied with the environmental conditions of the facility.

Evidence examined:

- Policy on environment protection.
- Energy & water bills.
- Workers and management interview.
- Facility observation.

Any other comments:

None

Environmental Analysis

Is there a manager responsible for Environmental issues (Name and Position):	Ms. Le Thi Thuy Ngan / HR Manager
--	-----------------------------------

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 Please give details: The facility has conducted a risk assessment on the environmental impact of the site, including implementation of controls to reduce identified risks.
Does the site have a recognised environmental system certification such as ISO 14000 or equivalent?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: No such certification onsite.
Does the site have an Environmental policy?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If yes, is it publicly available?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
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 Please give details: Waste classification at the source, turn off electricity if not needed.
Does the site have a Biodiversity policy?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is there any other sustainability systems present such as Chain of Custody, Forest Stewardship Council (FSC), Marine Stewardship Council (MSC) etc.?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: No such certification onsite.
Have all legally required permits been shown?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Environment protection commitment report was approved on October 23, 2009.
Is there a documentation process to record hazardous chemicals used in the manufacturing process?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Applicable Please give details: There is no hazardous chemical being used in the facility.
Is there a system for managing client's requirements and legislation in the destination countries regarding environmental and chemical issues?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Ms. Le Thi Thuy Ngan is in charge of checking client's requirements and legislation regarding environmental every month.
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 Please give details: Turn off electricity if not needed
Facility has evidence of waste recycling and is monitoring volume of waste that is recycled.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: The facility did not have evidence of waste recycling and is monitoring volume of waste that is recycled.

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 Please give details: The facility has a system in place for accurately measuring and monitoring consumption of key utilities of water, energy and natural resources that follows recognized protocols or standard.	
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 Please give details: The facility checked all sub-Contracting agencies or business partners operating on the premises have appropriate permits and licenses and are conducting business in line with environmental expectations of the facility.	
Usage/Discharge analysis		
Criteria	Previous year: 2022	Current year: 2023
Electricity Usage: Kw/hrs	913000	113334
Renewable Energy Usage: Kw/hrs	0	0
Gas Energy Usage: Kw/hrs	1686	144
Has site completed any carbon Footprint Analysis?	No	No
If Yes, please state result		
Water Sources	Underground water	Underground water
Water Volume Used	10465	1295
Water Discharged	After wastewater being treated, it was discharged into industrial wastewater system	After wastewater being treated, it was discharged into industrial wastewater system
Water Volume Discharged	7804	1036
Water Volume Recycled	0	0
Total waste produced	10246	322
Total hazardous waste produced	204	8
Waste to recycling	0	0
Waste to landfill	0	0
Waste to other	0	0
Total Product Produced	1180235	130000

10C - Business Ethics – 4-Pillar Audit
[Summary of Findings]

10C: Compliance Requirements
 10.C.1 Businesses shall conduct their business ethically without bribery, corruption, or any type of fraudulent Business Practice.
 10.C.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.
 10.C.3 Where it is a legal requirement, businesses must be able to demonstrate that they comply with all fiscal legislative requirements.
 10.C.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.
 10.C.5 Businesses should have a Business Ethics policy, covering bribery, corruption, or any type of fraudulent Business Practice,
 10.C.6 Businesses should have a designated person responsible for implementing standards concerning Business Ethics
 10.C.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
 10.C.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.
 10.C.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 Business Ethics policy concerning bribery, corruption, or unethical Business Practice was issued on January 4, 2023. The facility was conducted a training for all employees to clearly understand about the Business Ethics policy.
- The facility has a transparent system in place for confidentially reporting and dealing with unethical Business Practices without fear of reprisals towards the reporter.
- The supplier forbids all means of bribery, corruption or ethical issues in the operation of the supplier.
- The facility was assigned Ms. Le Thi Thuy Ngan / HR Manager is responsible person for Business Practices, integrity/ ethical issues
- The facility issued the procedure to control and handle of grievances. There were 2 feedback channels that allow employees to report integrity/ ethical issues including suggestion boxes and directly.

Evidence examined:

- Business Practices policy
- Training records

Any other comments:

None

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

Please give details:

The supplier forbids all means of bribery, corruption or ethical.

<p>Does the site give training to relevant personnel (e.g. sales and logistics) on business ethics issues?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details: The training was provided to relevant personnel (e.g. sales and logistics) on business ethics issues.</p>
<p>Is the policy updated on a regular (as needed) basis?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details: Business Ethics Policy was reviewed as needed by the facility management.</p>
<p>Does the site require third parties including suppliers to complete their own business ethics training</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details: The facility has communicated the Business Ethic to its suppliers.</p>

Attachments



1. Facility name.jpg



2. Facility main gate.jpg



3. Facility overview.jpg



4. Security room at main gate.jpg



5. Parking area for employees.jpg



6. Accessory warehouse.jpg



7. Material warehouse.jpg



8. Cutting section.jpg



9. Marking section.jpg



10. Fusing section.jpg



11. Sewing section.jpg



12. Ironing section.jpg



13. Inspection section.jpg



14. Packing section.jpg



15. Finished goods warehouse.jpg



16. Assembly point.jpg



17. Smoke detector.jpg



18. Beam detector.jpg



19. Fire alarm control panel.jpg



20. Fire alarm button.jpg



21. Fire alarm control panel testing onsite.jpg



22. Fire extinguishers.jpg



23. Fire extinguisher in good condition.jpg



24. Fire hose reel and fire hydrant.jpg



25. Evacuation map.jpg



26. Fire pump area.jpg



27. Monthly internal inspection record for the firefighting equipment.jpg



28. Exit sign and emergency light.jpg



29. Emergency light testing onsite.jpg



30. Open outward emergency exit door.jpg



31. No smoking panel.jpg



32. Dangerous warning sign.jpg



33. No fire panel.jpg



34. Fire extinguisher testing onsite.jpg



35. Fire hose testing onsite.jpg



36. Firefighting regulation.jpg



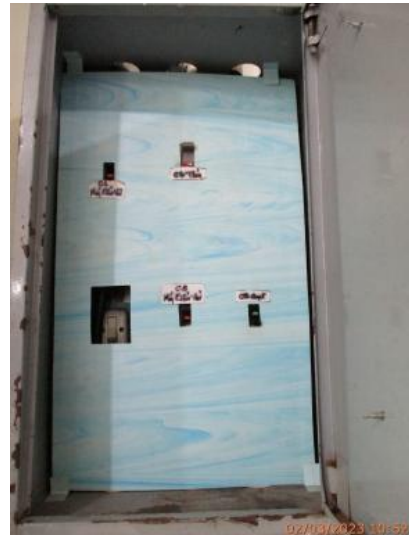
37. Evacuation route.jpg



38. Facility regulation.jpg



39. Electrical panel with dangerous warning sign posted.jpg



40. Electrical panel with inner safety cover.jpg



41. Health and safety warning sign.jpg



42. First aid kit.jpg



43. Suggestion box.jpg



44. Waste area.jpg



45. Air compressor area.jpg



46. Boiler area.jpg



47. Toilet was separated by gender.jpg



48. Hand washing area at toilet with soap.jpg



49. Toilet room.jpg



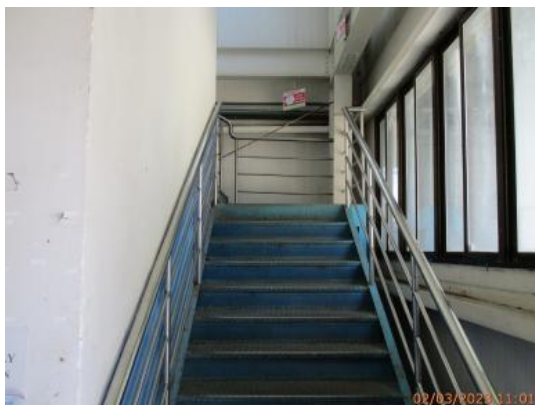
50. Chemical storage area.jpg



51. MSDS posted.jpg



52. Emergency light equipped at the stairwell.jpg



53. Stairwell with both handrails.jpg



54. Fire extinguisher using instruction.jpg



55. Worker at cutting section worn adequate the provided PPEs while working.jpg



56. PPE warning sign.jpg



57. Worker worn adequate the provided PPEs.jpg



58. Needle guard was put in use.jpg



59. Pulley guard was equipped for sewing machine.jpg



60. Fire escaping instruction in case of fire emergency.jpg



61. Hotline number.jpg



62. Eye guard was equipped.jpg



63. Electrical wire in good condition.jpg



64. Time recording system.jpg



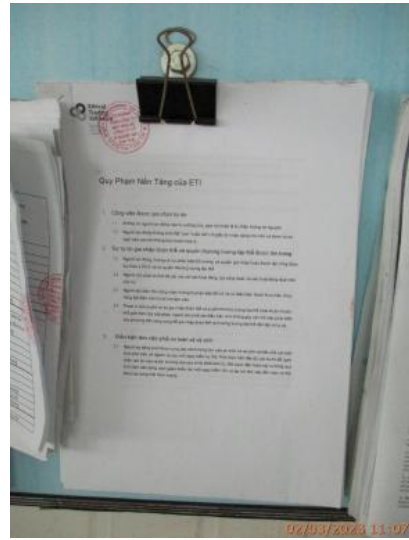
65. Covid-19 poster.jpg



66. Drinking water.jpg



67. Bulletin board.jpg



68. ETI code posted.jpg



69. Emergency stop button in local language.jpg



70. Eye wash equipment.jpg



71. Locker for employee.jpg



72. Canteen.jpg



73. Clinic room.jpg



74. Dormitory for employee - entrance.jpg



75. Dormitory for employee - Dormitory regulation.jpg



76. Dormitory for employee - overview.jpg



77. Dormitory for employee - entertainment area.jpg



78. Dormitory for employee - room.jpg



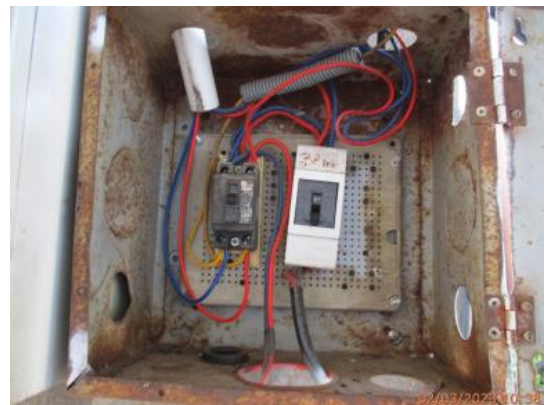
79. Dormitory for employee - fire extinguisher.jpg



80. Dormitory for employee - first aid kit.jpg



81. Childcare room.jpg



82. Finding - The electrical panel did not have inner safety cover.jpg



83. Finding - The evacuation marking was fade on floor of the sewing area.jpg



For more information visit: [Sedexglobal.com](https://www.sedexglobal.com)

Your feedback on your experience of the SMETA audit you have observed is extremely valuable. It will help to make improvements to future versions.

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=riPsbE0PQ52ehCo3lnq5lw_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>