



# SMETA Corrective Action Plan Report (CAPR)

Version 6.1



## 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.

## Guidance

The Corrective Action Plan Report summarises the site audit findings and a corrective, and preventative action plan that both the auditor and the site manager believe is reasonable to ensure conformity with the ETI Base Code, Local Laws and additional audited requirements. After the initial audit, the form is used to record actions taken and to categorise the status of the non-compliances.

N.B. observations and good practice examples should be pointed out at the closing meeting as well as discussing non-compliances and corrective actions.

To ensure that good practice examples are highlighted to the supplier and to give a more 'balanced' audit a section to record these has been provided on the CAPR document (see following pages) which will remain with the supplier. They will be further confirmed on receipt of the audit report.

### Root cause (see column 4)

**Root cause refers to the specific procedure or lack of procedure which caused the issue to arise. Before a corrective action can sustainably rectify the situation, it is important to find out the real cause of the non-compliance and whether a system change is necessary to ensure the issue will not arise again in the future.**

**See SMETA BPG Chapter 7 'Audit Execution' for more explanation of "root cause".**

### Next Steps:

1. The site shall request, via Sedex, that the audit body upload the audit report, non-compliances, observations and good examples. If you have not already received instructions on how to do this then please visit the web site [www.sedexglobal.com](http://www.sedexglobal.com).
2. Sites shall action its non-compliances and document its progress via Sedex.
3. Once the site has effectively progressed through its actions then it shall request via Sedex that the audit body verify its actions. Please visit [www.sedexglobal.com](http://www.sedexglobal.com) web site for information on how to do this.
4. The audit body shall verify corrective actions taken by the site by either a "Desk-Top" review process via Sedex or by Follow-up Audit (see point 5).
5. Some non-compliances that cannot be closed off by "Desk-Top" review may need to be closed off via a "1 Day Follow Up Audit" charged at normal fee rates. If this is the case, then the site will be notified after its submission of documentary evidence relating to that non-compliance. Any follow-up audit must take place within twelve months of the initial audit and the information from the initial audit must be available for sign off of corrective action.
6. For changes to wages and hours to be correctly verified it will normally require a follow up site visit. Auditors will generally require to see a minimum of two months wages and hours records, showing new rates in order to confirm changes (note some clients may ask for a longer period, if in doubt please check with the client).

Audit Details			
Sedex Company Reference: <i>(only available on Sedex System)</i>	ZC421965538	Sedex Site Reference: <i>(only available on Sedex System)</i>	ZS421966482
Business name (Company name):	SONG TIEN GARMENT JOINT STOCK COMPANY		
Site name:	Song Tien Joint Stock Company		
Site address:	Binh Tao Hamlet, Trung An Village, My Tho City, Tien Giang Province, Viet Nam My Tho 84100 VN	Country:	VN
Site contact and job title:	Doan Chi Khai (Mr.) / Director		
SMETA Audit Pillars:	<input type="checkbox"/> Labour Standards	<input checked="" type="checkbox"/> Health and Safety (plus Environment 2-Pillar)	<input type="checkbox"/> Environment 4-pillar
			<input type="checkbox"/> Business Ethics
Date of Audit:	2022-12-21		

Audit Company Name:
SGS Vietnam

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 Parameters		
Time in and time out	Day 1	
	In	08:30
	Out	16:30
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	Doan Chi Khai (Mr.) / Director	
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 legal requirement about workers committee representative. There was not any worker's representative in this facility. It is a common practice in Vietnam		
<i>Reason for absence during the audit</i>	Nil		
<i>Reason for absence at the closing meeting</i>	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	
<u>3 - Working conditions are safe and hygienic</u>	3.1 3.1 3.1 3.1	§1 §2 §3 §4	4	0	0	NC - 5f331c9c-b430-4e27-846a-785e8f381246 NC - 6b22067d-c95c-4ff8-9102-19f0d7d11d3f NC - 172a62cd-4a78-44a0-8f2b-5e35bec7605f NC - e4ceecf6-f5af-4b26-8b1d-3a1423af39f2
<u>5 - Living wages are paid</u>	5.2	§5	1	0	0	NC - 9818fe07-77b6-468e-baca-3c2c40b84f54

## Local Law Issues

Issue	Description
§1	TCVN 3890:2009 Fire protection equipment for construction and building – Providing, installation, inspection, maintenance, valid since 01 Dec, 2009: 10.1.5. The emergency light and exit light should have a redundant power supply to ensure a minimum operation time of at least 2 hours. The emergency light has initial light intensity of 10 lux on average and the minimum light intensity at any point of time along the escape way measured not less than 1 lux. The exit light must be clearly visible to the word "EXIT" or other appropriate word from a minimum distance of 30 meters in normal lighting conditions (300 lux) or upon occurrence of incident (10 lux).
§2	Circular 19/2016/TT-BYT dated 30 Jun 2016 valid since 15 Aug 2016 Article 6 Provisions on first aid kits 1. The first aid kits should be placed in the work area of the workers, in a visible place, easily accessible, with cross symbol. 2. The content and the number of first aid kits carried out as specified in Appendix 4 attached herewith.
§3	Circular 19/2016/TT-BYT Guidelines for Occupational health and safety management, effective date Aug 15, 2016. Article 5. Requirements for first aid and emergency treatment 2. Where poisonous and toxic chemicals or corrosive substances are applied, emergency showers and eyewash stations shall be installed in accessible places inside the workplace and shall be maintained in accordance with manufacturer's manual or regulations of laws (if any).
§4	Law on Chemical (Law No.06/2007/QH12), Article 27. Classification and labeling of chemicals, 1. Organizations and individuals producing or importing chemicals are obliged to classify and label chemicals before using or marketing these chemicals are used or marketed. Decree on labels (Decree No. 43/2017/ND-CP) Article 7. Language, 1. Mandatory information on the label must be written in Vietnamese.
§5	Decree No. 136/2020/ND-CP on providing guidance on the Vietnam Law of firefighting and prevention, Article 34, 3. Team captains and vice captains of grassroots and specialized fire prevention and fighting teams operating under the part-time regime, in addition to being entitled to full salary and other allowances (if any), are also entitled to regular support from payment management agencies and organizations. Based on actual conditions, the head of the agency or organization shall decide the level of support for each title, but not lower than the coefficient of 0.2 regional minimum wage.

## Corrective Action Plan - Non Compliances

Non-Compliance		Evidence
<a href="#">[Back to findings summary]</a>		
<b>Non-Compliance</b>		
Reference	5f331c9c-b430-4e27-846a-785e8f381246	
Clause	3 - Working conditions are safe and hygienic	
Issue Title	210 - Inadequate/ poorly functioning emergency lighting	
Subcategory	Fire Safety - Fire exits	
New or carried over?	<input checked="" type="checkbox"/> New <input type="checkbox"/> Carried Over	
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	Lack of control	
ETI code or local law issue	TCVN 3890:2009 Fire protection equipment for construction and building – Providing, installation, inspection, maintenance, valid since 01 Dec, 2009: 10.1.5. The emergency light and exit light should have a redundant power supply to ensure a minimum operation time of at least 2 hours. The emergency light has initial light intensity of 10 lux on average and the minimum light intensity at any point of time along the escape way measured not less than 1 lux. The exit light must be clearly visible to the word "EXIT" or other appropriate word from a minimum distance of 30 meters in normal lighting conditions (300 lux) or upon occurrence of incident (10 lux).	
Explanation to the non compliance	Based on observation, it was noted that at least 2 emergency lights at stair ways on the 2nd and 3rd floor in production workshop building no.02 had been malfunction when testing during audit date.	
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	
Actions	The factory shall ensure all emergency lights were in good condition in use.	



Non-Compliance		Evidence
<a href="#">[Back to findings summary]</a>		
<b>Non-Compliance</b>		
Reference	6b22067d-c95c-4ff8-9102-19f0d7d11d3f	
Clause	3 - Working conditions are safe and hygienic	
Issue Title	289 - First aid box available but contents are missing / contents out of date or otherwise inadequate	
Subcategory	First Aid / Accidents	
New or carried over?	<input checked="" type="checkbox"/> New <input type="checkbox"/> Carried Over	
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	Lack of control	
ETI code or local law issue	Circular 19/2016/TT-BYT dated 30 Jun 2016 valid since 15 Aug 2016 Article 6 Provisions on first aid kits 1. The first aid kits should be placed in the work area of the workers, in a visible place, easily accessible, with cross symbol. 2. The content and the number of first aid kits carried out as specified in Appendix 4 attached herewith.	
Explanation to the non compliance	Per site observation and management interview, it was noted that 01 first aid boxes at sewing line in production area building no.01 were inadequate missing neck splints, arm splints, thigh splints, forearm splints as legal requirement.	
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	
Actions	Factory should ensure providing adequate first aid items for production area as legal requirement.	

Non-Compliance		Evidence
<a href="#">[Back to findings summary]</a>		
<b>Non-Compliance</b>		
Reference	172a62cd-4a78-44a0-8f2b-5e35bec7605f	
Clause	3 - Working conditions are safe and hygienic	
Issue Title	242 - No / inadequate eye wash / shower station in hazardous environments including chemical areas	
Subcategory	Chemicals	
New or carried over?	<input checked="" type="checkbox"/> New <input type="checkbox"/> Carried Over	
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	Lack of control	
ETI code or local law issue	Circular 19/2016/TT-BYT Guidelines for Occupational health and safety management, effective date Aug 15, 2016. Article 5. Requirements for first aid and emergency treatment 2. Where poisonous and toxic chemicals or corrosive substances are applied, emergency showers and eyewash stations shall be installed in accessible places inside the workplace and shall be maintained in accordance with manufacturer's manual or regulations of laws (if any).	
Explanation to the non compliance	Per site observation, it was noted that factory have not installed eyes wash station at wastewater treatment plant where using Clorin chemical.	
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	
Actions	Factory should provide eyes wash station for chemical using area.	

Non-Compliance		Evidence
<a href="#">[Back to findings summary]</a>		
<b>Non-Compliance</b>		
Reference	e4ceecf6-f5af-4b26-8b1d-3a1423af39f2	
Clause	3 - Working conditions are safe and hygienic	
Issue Title	233 - Hazardous chemicals are stored unlabelled or labelling is incorrect	
Subcategory	Chemicals	
New or carried over?	<input checked="" type="checkbox"/> New <input type="checkbox"/> Carried Over	
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	lack of monitoring	
ETI code or local law issue	Law on Chemical (Law No.06/2007/QH12), Article 27. Classification and labeling of chemicals, 1. Organizations and individuals producing or importing chemicals are obliged to classify and label chemicals before using or marketing these chemicals are used or marketed. Decree on labels (Decree No. 43/2017/ND-CP) Article 7. Language, 1. Mandatory information on the label must be written in Vietnamese.	
Explanation to the non compliance	Based on the site observation, it was noted that at least Clorin chemicals can in the wastewater treatment plan not displayed with proper the Vietnamese label.	
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	
Actions	The factory shall label all chemical bottles sufficiently with safety precaution in Vietnamese.	

Non-Compliance		Evidence
<a href="#">[Back to findings summary]</a>		
<b>Non-Compliance</b>		
Reference	9818fe07-77b6-468e-baca-3c2c40b84f54	
Clause	5 - Living wages are paid	
Issue Title	448 - Payment in kind (e.g. payment of wages in goods or services instead of cash) as part of wages is in excess of legal limits	
Subcategory	Payment of Wages	
New or carried over?	<input checked="" type="checkbox"/> New <input type="checkbox"/> Carried Over	
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	Lack of awareness of legal requirements and of code requirements.	
ETI code or local law issue	Decree No. 136/2020/ND-CP on providing guidance on the Vietnam Law of firefighting and prevention, Article 34, 3. Team captains and vice captains of grassroots and specialized fire prevention and fighting teams operating under the part-time regime, in addition to being entitled to full salary and other allowances (if any), are also entitled to regular support from payment management agencies and organizations. Based on actual conditions, the head of the agency or organization shall decide the level of support for each title, but not lower than the coefficient of 0.2 regional minimum wage.	
Explanation to the non compliance	Based on document review, workers, and management interviews, it was noted that the Captain and Vice-Captain of the Firefighting Team received from VND 447,000 to 596,000 instead of VND 832,000 per month responsible allowance in 2022 as legal requirements.	
Follow up method	<input checked="" type="checkbox"/> Follow up audit <input type="checkbox"/> Desktop audit	
Timescale	<input type="checkbox"/> Immediate <input type="checkbox"/> 30 days <input checked="" 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	
Actions	The factory shall ensure that the captain and Vice-Captain of Firefighting Team receive sufficiently responsible allowance as legal requirements.	

## 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:	Ngoc Bui	APSCA Number:	21701509
Additional Auditors:	Hanh Nguyen Nhan Nguyen Thi Thuy		
Date of declaration:	2022-12-21		

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:	Doan Chi Khai (Mr.)
Title:	Director
Date of declaration:	2022-12-21
Comments:	Nil

## Guidance on Root Cause

### Explanation of the Root Cause Column

If a non-compliance is to be rectified by a corrective action which will also prevent the non-compliance re-occurring, it is necessary to consider whether a system change is required.

Understanding the root cause of the non-compliance is essential if a site is to prevent the issue re-occurring.

The root cause refers to the specific activity/ procedure or lack of activity /procedure which caused the non-compliance to arise. Before a corrective action can rectify the situation, it is important to find out the real cause of the non-compliance and whether a system change is necessary to ensure the issue will not arise again in the future.

Since this is a new addition, it is not a mandatory requirement to complete this column at this time. We hope to encourage auditors and sites to think about Root Causes and where they are able to agree, this column may be used to describe their discussion.

### **Some examples of finding a “root cause”**

#### Example 1

Where excessive hours have been noted the real reason for these needs to be understood, whether due to production planning, bottle necks in the operation, insufficient training of operators, delays in receiving trims, etc.

#### Example 2

A non-compliance may be found where workers are not using PPE that has been provided to them. This could be the result of insufficient training for workers to understand the need for its use; a lack of follow-up by supervisors aligned to a proper set of factory rules or the fact that workers feel their productivity (and thus potential earnings) is affected by use of items such as metal gloves.

#### Example 3

A site uses fines to control unacceptable behaviour of workers.

International standards (and often local laws) may require that workers should not be fined for disciplinary reasons.

It may be difficult to stop fines immediately as the site rules may have been in place for some time, but to prevent the non-compliance re-occurring it will be necessary to make a system change.

The symptom is fines, but the root cause is a management system which may break the law. To prevent the problem re-occurring it will be necessary to make a system change for example the site could consider a system which rewards for good behaviour

Only by understanding the underlying cause can effective corrective actions be taken to ensure continuous compliance.

The site is encouraged to complete this section so as to indicate their understanding of the issues raised and the actions to be taken.



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)**

[http://www.surveymonkey.com/s.aspx?sm=riPsbE0PQ52ehCo3lnq5lw\\_3d\\_3d](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)**

[http://www.surveymonkey.com/s.aspx?sm=d3vYsCe48fre69DRgIY\\_2brg\\_3d\\_3d](http://www.surveymonkey.com/s.aspx?sm=d3vYsCe48fre69DRgIY_2brg_3d_3d)

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