




Sedex Members Ethical Trade Audit Report

Version 6.1



Audit Details			
Sedex Company Reference: <i>(only available on Sedex System)</i>	ZC: 1001508	Sedex Site Reference: <i>(only available on Sedex System)</i>	ZS: 1035084
Business name (Company name):	Nha Be Garment Corporation-JSC		
Site name:	Tam Quan Garment Joint Stock Company		
Site address: <i>(Please include full address)</i>	Tam Quan Industrial Zone, Tam Quan Town, Hoai Nhon District, Binh Dinh Province	Country:	Vietnam
Site contact and job title:	Ms. Lam Thi Thoa – Compliance Manager		
Site phone:	02913 620 779	Site e-mail:	Infor@ngoctriseafood.com.vn
SMETA Audit Pillars:	<input checked="" type="checkbox"/> Labour Standards	<input checked="" type="checkbox"/> Health & Safety (plus Environment 2-Pillar)	<input type="checkbox"/> Environment 4-pillar <input type="checkbox"/> Business Ethics
Date of Audit:	27-29 July 2022		

Audit Company Name & Logo: Eurofins CPA 	Report Owner (payer): Nha Be Garment Corporation-JSC
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Audit Conducted By					
Affiliate Audit Company	<input checked="" type="checkbox"/>	Purchaser	<input type="checkbox"/>	Retailer	<input type="checkbox"/>
Brand owner	<input type="checkbox"/>	NGO	<input type="checkbox"/>	Trade Union	<input type="checkbox"/>
Multi-stakeholder	<input type="checkbox"/>	Combined Audit (select all that apply)			

If you have any concerns or queries about this SMETA report or the associated SMETA audit, please contact grievance@sedex.com.

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

Audit Content:

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

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

2-Pillar SMETA Audit

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

4-Pillar SMETA

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

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

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

SMETA Declaration

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

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

Any exceptions to this must be recorded here (e.g. different sample size): None

Lead auditor: Ngoc Lien Pham
Lead auditor APSCA status: RA
Team auditor: N/A
Interviewers: Ngoc Lien Pham

APSCA number: RA21704006
APSCA number: N/A
APSCA number: RA21704006

Report writer: Ngoc Lien Pham
Report reviewer: Alexis Shu

Date of declaration: 29 July 2022

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

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

Summary of Findings

Issue <i>(please click on the issue title to go direct to the appropriate audit results by clause) Note to auditor, please ensure that when issuing the audit report, hyperlinks are retained.</i>	Area of Non-Conformity <i>(Only check box when there is a non-conformity, and only in the box/es where the non-conformity can be found)</i>				Record the number of issues by line*:			Findings <i>(note to auditor, summarise in as few words as possible NCs, Obs and GE)</i>
	ETI Base Code	Local Law	Additional Elements	Customer Code	NC	Obs	GE	
0A Universal Rights covering UNGP			<input type="checkbox"/>	<input type="checkbox"/>		0	0	None observed
0B Management systems and code implementation		<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	1	1	0	<p>Summary of observation finding: 1/ It was noted from document review and management interview; the facility did not communicate ETI code of conduct to their suppliers.</p> <p>Summary of non-compliance finding: 1/ It was noted from the facility tour, the facility did not communicate the ETI code to all employees.</p>
1. Freely chosen Employment	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	0	0	0	None observed
2. Freedom of Association	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	0	0	0	None observed
3. Safety and Hygienic Conditions	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	3	0	0	<p>Summary of non-compliance findings: 1/ It was noted from the facility tour, 02 out of 02 workers working at Boiler area did not wear PPE (earplugs) during operating. Remark: The facility provided PPE (earplugs) to employees with free of charge. 2/ It was noted from the facility tour, 02 out of 06 escape routes were not arrows marked on</p>

									the floor to show the direction to emergency exit doors in emergency cases at material warehouse. 3/ It was noted from the facility tour, 01 out of 01 observed cans chemical (Chloritte) at waste water treatment area were not labelled/ identified.
4	<u>Child Labour</u>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	0	0	0	None observed
5	<u>Living Wages and Benefits</u>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	0	0	0	None observed
6	<u>Working Hours</u>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	0	0	0	None observed
7	<u>Discrimination</u>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	0	0	0	None observed
8	<u>Regular Employment</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0	0	0	None observed
8A	<u>Sub-Contracting and Homeworking</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0	0	0	None observed
9	<u>Harsh or Inhumane Treatment</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0	0	0	None observed
10A	<u>Entitlement to Work</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0	0	0	None observed
10B2	<u>Environment 2-Pillar</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0	0	0	None observed
10B4	<u>Environment 4-Pillar</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	N/A	N/A	N/A	Not applicable. This is 2-pillar audit.
10C	<u>Business Ethics</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	N/A	N/A	N/A	Not applicable. This is 2-pillar audit.

General observations and summary of the site:

This annual audit was conducted by Eurofins Consumer Products Assurance. Three auditors assessed / verified the facility's operations against the ETI Base Code and local legislations on a sampling basis in one day.
At 8:20 Am, the auditors entered the facility then held an opening meeting according to the ETI Code and SMETA guidance. The facility representatives, Ms.

Lam Thi Thoa - Compliance Manager had attended in the opening meeting. They stated that the facility would be cooperative with this audit. The payroll & attendance record of 12 months from July 2021 to June 2022 was provided for reviewing. Randomly sampled 42 employees' payrolls and attendance records from June 2022 (current month), March 2022 (peak month) and January 2022 (non-peak month) for further checking on status of wages and working hours. (42) employees were interviewed, including 20 males and 22 female workers.

- The main product manufactured by the facility is Garments (T-shirt, vest, skirt).
- Overall responsibility for meeting the standards is taken by Ms. Lam Thi Thoa - Compliance Manager.
- The main production processes are listed as follows: Receiving material, cutting, sewing, ironing, inspection, packing. The facility did not use any sub-contractors.
- A total of 1049 employees (202 males and 847 female) are currently working in the facility. There are 876 production employees and 202 non-production employees.
- The youngest worker on site was 18 years old.
- All employees working from Monday to Saturday in one shift from 7:30 to 16:00 with 1-hour break from 11:30 to 12:30 for lunch and rest. Sunday is designed the rest day.
- All employees take 01 day-off in every seven-day period.
- Non-production employees' wages are calculated on monthly basis. Production employee's wages are calculated on piece rate basis. All employees are paid from 10th to 13th of the following month. The minimum basic salary applied in the facility is VND 3,470,000 per month from July 01, 2022; meanwhile, the legal law minimum wage is VND 3,250,000 per month in July 2022. Pay slip in local language is provided to each employee in each payment period.
- Based on the provided time attendance records and payrolls, overtime working was paid correctly. Employees were paid at least 150% rate of standard wage for overtime hours in normal workdays and 200% for overtime hours in rest days, and no overtime hours in public holidays observed.
- As confirmation of facility management, the peak season in the facility from March to July.

NC's summary:

There were non-compliances noted in the areas of "Management systems and code implementation No. 0B" and "Safety and Hygienic Conditions". Details of findings were listed below:

Management systems and code implementation No. 0B

1/ It was noted from the facility tour; the facility did not communicate the ETI code to all employees.

Safety and Hygienic Conditions No. 3:

1/ It was noted from the facility tour, 02 out of 02 workers working at Boiler area did not wear PPE (earplugs) during operating. Remark: The facility provided PPE (earplugs) to employees with free of charge.

2/ It was noted from the facility tour, 02 out of 06 escape routes were not arrows marked on the floor to show the direction to emergency exit doors in emergency cases at material warehouse.

3/ It was noted from the facility tour, 01 out of 01 observed cans chemical (Chloritte) at waste water treatment area were not labelled/ identified.

Observation's summary:

Management systems and code implementation OB:

1/ It was noted from document review and management interview; the facility did not communicate ETI code of conduct to their suppliers.

GE

None

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

Site Details

Site Details																				
A: Company Name:	Nha Be Garment Corporation-JSC																			
B: Site name:	Tam Quan Garment Joint Stock Company																			
C: GPS location: (If available)	Tam Quan Industrial Zone, Tam Quan Town, Hoai Nhon District, Binh Dinh Province, Vietnam	Latitude: 14.76754 Longitude: 108.97631																		
D: 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. 4100888925 issued on 11 June 2009, latest update on 23 June 2021 (valid for 50 years).																			
E: Products/Activities at site, for example, garment manufacture, electricals, toys, grower, cutting, sewing, packing etc	Garments																			
F: Site description: (Include size, location, and age of site. Also, include structure and number of buildings)	<p>Tam Quan Garment Joint Stock Company is located at Tam Quan Industrial Zone, Tam Quan Town, Hoai Nhon District, Binh Dinh Province, Vietnam.</p> <p>The main products manufactured by the facility is Garments. This facility has started its operation at the existing location since 2009.</p> <p>In view of the facility, with a total land area of 54,753 sqm in which the construction areas occupied 14,997 square meters, the facility has 5 buildings, with details as below:</p> <table border="1"> <thead> <tr> <th>Building no 1</th> <th>Description</th> <th>Remark, if any</th> </tr> </thead> <tbody> <tr> <td>First floor</td> <td>Material warehouse, sewing section, ironing section, inspection section</td> <td>Cement and mud bricks with metal roof</td> </tr> <tr> <td>Is this a shared building?</td> <td>No</td> <td>N/A</td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th>Building no 2</th> <th>Description</th> <th>Remark, if any</th> </tr> </thead> <tbody> <tr> <td>First floor</td> <td>sewing section, ironing section, inspection section</td> <td>Cement and mud bricks with metal roof</td> </tr> <tr> <td>Is this a shared building?</td> <td>No</td> <td>N/A</td> </tr> </tbody> </table>		Building no 1	Description	Remark, if any	First floor	Material warehouse, sewing section, ironing section, inspection section	Cement and mud bricks with metal roof	Is this a shared building?	No	N/A	Building no 2	Description	Remark, if any	First floor	sewing section, ironing section, inspection section	Cement and mud bricks with metal roof	Is this a shared building?	No	N/A
Building no 1	Description	Remark, if any																		
First floor	Material warehouse, sewing section, ironing section, inspection section	Cement and mud bricks with metal roof																		
Is this a shared building?	No	N/A																		
Building no 2	Description	Remark, if any																		
First floor	sewing section, ironing section, inspection section	Cement and mud bricks with metal roof																		
Is this a shared building?	No	N/A																		

	Building no 3	Description	Remark, if any	
	First floor	Material warehouse, cutting section	Cement and mud bricks with metal roof	
	Is this a shared building?	No	N/A	
	Building no 4	Description	Remark, if any	
	First floor	Finished goods warehouse, packing section	Cement and mud bricks with metal roof	
	Is this a shared building?	No	N/A	
	Building no 5	Description	Remark, if any	
	First floor	Kitchen and eating area	Cement and mud bricks with metal roof	
	Is this a shared building?	No	N/A	
	<p>For below, please add any extra rows if appropriate.</p> <p>F1: Visible structural integrity issues (large cracks) observed? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>F2: Please give details: No any cracks were observed during the audit.</p> <p>F3: Does the site have a structural engineer evaluation? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>F4: Please give details: The site has no structural engineer evaluation</p>			
	G: Site function:	<input type="checkbox"/> Agent <input checked="" type="checkbox"/> Factory Processing/Manufacturer <input type="checkbox"/> Finished Product Supplier <input type="checkbox"/> Grower <input type="checkbox"/> Homeworker <input type="checkbox"/> Labour Provider <input type="checkbox"/> Pack House <input type="checkbox"/> Primary Producer <input type="checkbox"/> Service Provider <input type="checkbox"/> Sub-Contractor		
	H: Month(s) of peak season: (if applicable)	As confirmation of facility management, the peak season in the facility from March to July.		
I: Process overview: (Include products being produced, main)	The main products manufactured by the facility is Garments. The main production processes include receiving material,			

<p>operations, number of production lines, main equipment used)</p>	<p>cutting, sewing, ironing, inspection, packing. There were main equipment: Cutting machines, sewing machines, air compressors, packing machines.</p>
<p>J: What form of worker representation / union is there on site?</p>	<p><input checked="" type="checkbox"/> Union (name) Tam Quan Garment Joint Stock Company <input type="checkbox"/> Worker Committee <input type="checkbox"/> Other (specify) <input type="checkbox"/> None</p>
<p>K: Is there any night production work at the site?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>
<p>L: Are there any on site provided worker accommodation buildings e.g. dormitories</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No L1: If yes, approx. % of workers in on site accommodation</p>
<p>M: Are there any off site provided worker accommodation buildings</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No M1: If yes, approx. % of workers</p>
<p>N: Were all site-provided accommodation buildings included in this audit</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No N1: If no, please give details. N/A since there were no accommodation buildings</p>

Audit Parameters			
A: Time in and time out	A1: Day 1 Time in: 8:20 am A2: Day 1 Time out: 16:20 pm	A3: Day 2 Time in: 8:15 am A4: Day 2 Time out: 16:15 pm	A5: Day 3 Time in: 8:00 am A6: Day 3 Time out: 16:10 pm
B: Number of auditor days used:	3 Man-days (1 auditor * 3 days)		
C: Audit type:	<input checked="" type="checkbox"/> Full Initial <input type="checkbox"/> Periodic <input type="checkbox"/> Full Follow-up <input type="checkbox"/> Partial Follow-Up <input type="checkbox"/> Partial Other If other, please define:		
D: Was the audit announced?	<input type="checkbox"/> Announced <input checked="" type="checkbox"/> Semi – announced: Window detail: 4 weeks from 18 July 2022 to 15 August 2022 <input type="checkbox"/> Unannounced		
E: Was the Sedex SAQ available for review?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, why not		
F: Any conflicting information SAQ/Pre-Audit Info to Audit findings?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes , please capture detail in appropriate audit by clause		
G: Who signed and agreed CAPR (Name and job title)	Ms. Lam Thi Thoa - Compliance Manager		
H: Is further information available (If yes, please contact audit company for details)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
I: Previous audit date:	19-20 August 2021		
J: Previous audit type:	The Initial audit conducted by Bureau Veritas CPS Vietnam		
K: Were any previous audits reviewed for this audit	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A		

Audit attendance	Management	Worker Representatives	
	Senior management	Worker Committee representatives	Union representatives

A: Present at the opening meeting?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
B: Present at the audit?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
C: Present at the closing meeting?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
D: If Worker Representatives were not present please explain reasons why <i>(only complete if no worker reps present)</i>	There is no worker representative in the facility.		
E: If Union Representatives were not present please explain reasons why: <i>(only complete if no union reps present)</i>	N/A		

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	198	0	0	0	0	0	0	198
Worker numbers – female	678	0	0	0	0	0	0	678
Total	876	0	0	0	0	0	0	876
Number of Workers interviewed – male	20	0	0	0	0	0	0	20
Number of Workers interviewed – female	22	0	0	0	0	0	0	22
Total – interviewed sample size	42	0	0	0	0	0	0	42



A: Nationality of Management	Vietnamese	
<p>B: Please list the nationalities of all workers, with the three most common nationalities listed first.</p> <p><i>Please add more nationalities as applicable to site. Add more rows if required.</i></p>	<p>Nationalities:</p> <p>B1: Nationality 1: <u> Vietnamese </u></p> <p>B2: Nationality 2: <u> </u></p> <p>B3: Nationality 3: <u> </u></p>	<p>Was the list completed during peak season?</p> <p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p>If no, please describe how this may vary during peak periods:</p>
C: Please provide more information for the three most common nationalities.	<p>C: approx % total workforce: Nationality 1 <u> 100% </u></p> <p>C1: approx % total workforce: Nationality 2 <u> </u></p> <p>C2: approx % total workforce: Nationality 3 <u> </u></p>	
D: Worker remuneration (management information)	<p>D: <u> 80 </u>% workers on piece rate</p> <p>D1: <u> </u>% hourly paid workers</p> <p>D2: <u> 20 </u>% salaried workers</p> <p>Payment cycle:</p> <p>D3: <u> </u>% daily paid</p> <p>D4: <u> </u>% weekly paid</p> <p>D5: <u> 100 </u>% monthly paid</p> <p>D6: <u> </u>% other</p> <p>D7: If other, please give details</p>	



Worker Interview Summary	
A: Were workers aware of the audit?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
B: Were workers aware of the code?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
C: Number of group interviews: <i>(Please specify number and size of groups. Please see SMETA Best Practice Guidance and Measurement Criteria. If the auditor was not able to follow the BPG, please state within the declaration)</i>	6 group of 5
D: Number of individual interviews <i>(Please see SMETA Best Practice Guidance and Measurement Criteria)</i>	D1: Male: 6 D2: Female: 6
E: All groups of workers are included in the scope of this audit such as; Direct employees, Casual and agency workers, Workers employed by service providers such as security and catering staff as well as workers supplied by other contractors. <i>Note to auditor: please record details of migrant /agency/contractor workers in section 8 – Regular Employment, under Responsible Recruitment</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If no, please give details
F: Interviews were done in private and the confidentiality of the interview process was communicated to the workers?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
G: In general, what was the attitude of the workers towards their workplace?	<input checked="" type="checkbox"/> Favourable <input type="checkbox"/> Non-favourable <input type="checkbox"/> Indifferent
H: What was the most common worker complaint?	None
I: What did the workers like the most about working at this site?	Stable working hours and payment, friendly management.
J: Any additional comment(s) regarding interviews:	None
K: Attitude of workers to hours worked:	Interviewed workers satisfied with the working.
L. Is there any worker survey information available?	
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No L1: If yes, please give details:	
M: Attitude of workers: <i>(Include their attitude to management, workplace, and the interview process. Both positive and negative information should be included) Note: Do not document any information that could put workers at risk</i>	

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

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

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

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

O: Attitude of managers:

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

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

Audit Results by Clause

0A: Universal Rights covering UNGP

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

0.A. Guidance for Observations

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

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

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

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

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

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

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

Current Systems and Evidence Examined

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

Current systems:

- The facility has a human rights policy, and it was posted at the bulletin board.
- Based on documents review, Ms. Lam Thi Thoa - Compliance 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 of human right.

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

Details:

- Human right policy
- Training record
- Employee interview

Any other comments: Nil

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

Yes

No

A1: Please give details: It stipulates complying with ETI Code and respect human rights

<p>B: Does the business have a designated person responsible for implementing standards concerning Human Rights?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No B1: Please give details: Name: Ms. Lam Thi Thoa Job title: Compliance Manager</p>
<p>C: Does the business have a transparent system in place for confidentially reporting, and dealing with human rights impacts without fear of reprisals towards the reporter?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No C1: Please give details: The facility has a transparent system in place for confidentially reporting and dealing with human rights impacts without fear of reprisals towards the reporter.</p>
<p>D: Does the grievance mechanism meet UNGP expectations? (Legitimate, Accessible, Predictable, Equitable, Transparent, Rights-compatible, a source of continuous learning and based on stakeholder engagement)</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: If no, please give details:</p>
<p>E: 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 E1: Please give details: Workers' information was kept by HR department confidential; all documents and procedures should be controlled strictly.</p>

Findings		
<p>Finding: Observation <input type="checkbox"/> Company NC <input type="checkbox"/></p> <p>Description of observation: None observed</p> <p>Local law or ETI/Additional elements / customer specific requirement: Not applicable</p> <p>Comments: Not applicable</p>		<p>Objective evidence observed: Not applicable</p>

Good examples observed:	
<p>Description of Good Example (GE): None observed</p>	<p>Objective Evidence Observed: Not applicable</p>

Measuring Workplace Impact

Workplace Impact		
A: Annual worker turnover: Number of workers leaving in last 12 months as a % of average total number of workers on site over the year (annual worker turnover)	A1: Last year: 2021 __12__ %	A2: This year: 2022 __6__ %
B: Current % quarterly (90 days) turnover: Number of workers leaving from the first day of the 90 days period through to the last day of the 90 day period / [(number of employees on the 1 st day of 90 day period + number of employees on the last day of the 90 day period) / 2]	4 %	
C: Annual % absenteeism: Number of days lost through job absence in the year / [(number of employees on 1 st day of the year + number employees on the last day of the year) / 2] * number available workdays in the year	C1: Last year: 2021 __0__ %	C2: This year: 2022 __0__ %
D: Quarterly (90 days) % absenteeism: Number of days lost through job absence in the period / [(Number of employees on 1 st of the period + Number of employees on the last day of the period) / 2] * Number of available workdays in the month	0%	
E: Are accidents recorded?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please describe: Accident was recorded by HR Department.	
F: Annual Number of work related accidents and injuries per 100 workers: [(Number of work related accidents and injuries * 100) / Number of total workers]	F1: Last year: 2021 Number: 0	F2: This year: 2022 Number: 0
G: Quarterly (90 days) number of work related accidents and injuries per 100 workers: [(Number of work related accidents and injuries * 100) / Number of total workers]	0	
H: Lost day work cases per 100 workers: [(Number of lost days due to work accidents and work related injuries * 100) / Number of total workers]	H1: Last year: 2021 0	H2: This year: 2022 0
I: % of workers that work on average more than 48 standard hours / week in the last 6 / 12 months:	I1: 6 months __0__ % workers	I2: 12 months __0__ % workers
J: % of workers that work on average more than 60 total hours / week in the last 6 / 12 months:	J1: 6 months __0__ % workers	J2: 12 months __0__ % workers

0B: Management system and Code Implementation

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

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

Current Systems and Evidence Examined

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

Current systems:

- The facility has a sound Ethical Trade system.
- Based on document review, Ms. Lam Thi Thoa - Compliance Manager is responsible for monitoring the implementation of ETI Code in the facility.

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

Details:

1. Labor regulation is posted at the bulletin board.
2. Assignment letter, social compliance policies and procedures.

Any other comments: Nil

Management Systems:

<p>A: In the last 12 months, has the site been subject to any fines/prosecutions for non-compliance to any regulations?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No A1: Please give details: No fines or prosecutions were occurred in the past 12 months.</p>
<p>B: Do policies and/or procedures exist that reduce the risk of forced labour, child labour, discrimination, harassment & abuse?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No B1: Please give details: The facility has the policy on social responsibility include the policy on forced labor, child labor, discrimination, harassment & abuse.</p>
<p>C: If Yes, is there evidence (an indication) of effective implementation? Please give details.</p>	<p>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>
<p>D: Have managers and workers received training in the standards for forced labour, child labour,</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>

discrimination, harassment & abuse?	D1: Please give details: The facility did not communicate the ETI code to all employees.
E: If Yes, is there evidence (an indication) that training has been effective e.g. training records etc.? Please give details	<input type="checkbox"/> Yes <input type="checkbox"/> No E1: Please give details: Not applicable. No training was provided for workers.
F: Does the site have any internationally recognised system certifications e.g. ISO 9000, 14000, OHSAS 18000, SA8000 (or other social audits). Please detail (Number and date).	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No F1: Please give details: No such certificate in the facility.
G: Is there a Human Resources manager/department? If Yes, please detail.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No G1: Please give details: The HR Department is in charged on recruitment, monitoring of working hours, termination process, health, safety and environment. Accounting department were in charge of remaining issues.
H: Is there a senior person / manager responsible for implementation of the code	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No H1: Please give details: Ms. Lam Thi Thoa - Compliance Manager
I: Is there a policy to ensure all worker information is confidential?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No I1: Please give details: Policy stipulate that ensure all worker information is confidential
J: Is there an effective procedure to ensure confidential information is kept confidential?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No J1: Please give details: All employees' private information such as personal identity information managed by HR. Without permission, nobody can review.
K: Are risk assessments conducted to evaluate policy and procedure effectiveness?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No K1: Please give details: The risk assessments were conducted to evaluate policy and procedure effectiveness on 26 February 2022.
L: Does the facility have a process to address issues found when conducting risk assessments, including implementation of controls to reduce identified risks?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No L1: Please give details: The facility has a process to address issues found when conducting risk assessments, including implementation of controls to reduce identified risks
M: Does the facility have a policy/code which require labour standards of its own suppliers?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No M1: Please give details: The facility did not communicate ETI code of conduct to their

	suppliers.
Land rights	
N: Does the site have all required land rights licenses and permissions (see SMETA Measurement Criteria)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No N1: Please give details: The factory had all required land rights licenses and permissions.
O: Does the site have systems in place to conduct legal due diligence to recognize and apply national laws and practices relating to land title?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No O1: Please give details: The factory had systems in place to conduct legal due diligence to recognize and apply national laws and practices relating to land title.
P: Does the site have a written policy and procedures specific to land rights. If yes, does it include any due diligence the company will undertake to obtain free, prior and informed consent, (FPIC) even if national/local law does not require it	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No P1: If yes, how does the company obtain FPIC: The factory had a written policy and procedures specific to land rights.
Q: Is there evidence that facility / site compensated the owner/lessor for the land prior to the facility being built or expanded.	<input type="checkbox"/> Yes <input type="checkbox"/> No Q1: Please give details: Not applicable.
R: Does the facility demonstrate that alternatives to a specific land acquisition were considered to avoid or minimize adverse impacts?	<input type="checkbox"/> Yes <input type="checkbox"/> No R1: Please give details: Not applicable
S: Is There any evidence of illegal appropriation of land for facility building or expansion of footprint.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No S1: Please give details: No evidence found

Non-compliance:

1. Description of non-compliance:

NC against ETI/Additional Elements NC against Local Law
 NC against customer code:

It was noted from the facility tour, the facility did not communicate the ETI code to all employees.

Local law and/or ETI requirement:

According to ETI Management system and Code Implementation No. 0.B.4 Suppliers are expected to communicate this Code to all employees.

Recommended corrective action:

It is recommended that the facility should communicate ETI code to all employees.

Objective evidence observed:

Document review and confirmation of facility management

Observation:

Description of observation:

It was noted from document review and management interview; the facility did not communicate ETI code of conduct to their suppliers.

Local law or ETI requirement:

According to ETI Management system and Code Implementation No 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.

Comments:

It is recommended that the facility should communicate ETI code of conduct to their suppliers.

Objective evidence observed:

Document review and confirmation of facility management

Good Examples observed:

Description of Good Example (GE):

None observed

Objective evidence observed:

Not applicable

1: Freely Chosen Employment

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

ETI

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

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

Current Systems and Evidence Examined

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

Current systems:

- The factory has a policy which prohibits forced labor and this was available for review.
- There was a non-formalized application procedure which states 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 labor or forced labor is noted during the audit.
- The terms and conditions of employment in the handbook state that the workers are free to leave the workplace outside of their working hours.
- All the management staff and security guards are given respective job descriptions which clearly stated their daily duties in compliance with the general concepts of the local laws.
- All 42 selected employees confirmed that they worked at the facility voluntarily and no enforcement to work overtime and the overtime forms are signed by workers before overtime performance.
- Employee's salaries are paid on from 10th to 13th of every month by cash. During the employment, the facility did not deduct or withhold any money from the employee's monthly salary. No deposit is required upon hiring.

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

Details:

- Personnel files
- Resignation records
- Factory rules
- Management and worker interview
- Contracts for security guards
- Recruitment policy and announcement

Any other comments: Nil

<p>A: Is there any evidence of retention of original documents, e.g. passports/ID's</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No A1: If Yes please give details and category of workers affected</p>
<p>B: Is there any evidence of a loan scheme in operation</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No B1: If yes please give details and category of worker affected</p>
<p>C: Is there any evidence of retention of wages /deposits</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>

	C1: If yes please give details and category of worker affected
D: Are there any restrictions on workers' freedom to terminate employment?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No D1: Please describe finding: There was no any restrictions on workers' freedom to terminate employment.
E: If any part of the business is UK based or registered there & has a turnover over £36m, is there a published a 'modern day slavery statement'?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not applicable E1: Please describe finding: Nil
F: Is there evidence of any restrictions on workers' freedoms to leave the site at the end of the work day?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No F1: Please describe finding: There was no evidence of any restrictions on workers' freedoms to leave the site at the end of the work day.
G: Does the site understand the risks of forced / trafficked / bonded labour in its supply chain	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not applicable G1: If yes please give details and category of workers affected: The facility did not use any subcontractors in its supply chain. Therefore, there is no risk of forced / trafficked / bonded labour
H: Is the site taking any steps taking to reduce the risk of forced / trafficked labour?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No H1: Please describe finding: The facility had recruitment procedure to reduce the risk of forced / trafficked labour

Non-compliance:

<p>1. Description of non-compliance:</p> <input type="checkbox"/> NC against ETI/Additional Elements <input type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code: None observed	<p>Objective evidence observed: Not applicable</p>
<p>Local law and/or ETI requirement: Not applicable</p>	
<p>Recommended corrective action: Not applicable</p>	

Observation:

<p>Description of observation: None observed</p> <p>Local law or ETI requirement: Not applicable</p> <p>Comments: Not applicable</p>	<p>Objective evidence observed: Not applicable</p>
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Good Examples observed:

Description of Good Example (GE):

None observed

Objective evidence observed:

Not applicable

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

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

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ETI

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

Current Systems and Evidence Examined

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

Current systems:

- The Trade Union of Tam Quan Garment Joint Stock Company was established on been updated on 11 November 2019 with 13 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 worker's committee had been elected by fellow workers.
 - Collective bargaining agreement was established on 18 May 2021.

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

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

Any other comments: Nil

A: What form of worker representation/union is there on site?	<input checked="" type="checkbox"/> Union (name) Trade Union of Tam Quan Garment Joint Stock Company <input type="checkbox"/> Worker Committee <input type="checkbox"/> Other (specify) <input type="checkbox"/> None
B: Is it a legal requirement to have a union?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
C: Is it a legal requirement to have a worker's committee?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
D: Is there any other form of	<input checked="" type="checkbox"/> Yes

effective worker/management communication channel? (Other than union/worker committee e.g. H&S, sexual harassment)	<input type="checkbox"/> No D1: Describe: Suggestion box, hotline number Is there evidence of free elections? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
E: 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 E1: Details: Facility support the Union to conduct related business	
F: Name of union and union representative, if applicable:	Trade Union of Viet Shrimp Corporation / Ms. Nguyen Thi Tiep-Trade Union Chairwoman	F1: Is there evidence of free elections? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
G: If there is no union, is there a parallel means of consultation with workers e.g. worker committees?	No worker committee in the facility.	G1: Is there evidence of free elections? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A
H: Are all workers aware of who their representatives are?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Ms. Nguyen Thi Tiep- Trade Union Chairwoman
I: Were worker representatives freely elected?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	I1: Date of last election: 18 May 2022
J: Do workers know what topics can be raised with their representatives?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
K: Were worker representatives/union representatives interviewed?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If Yes , please state how many: One person of the Trade Union representative - The Trade Union chairwoman was interviewed.	
L: Please describe any evidence that union/worker's committee is effective? Specify date of last meeting; topics covered; how minutes were communicated etc.	The Union would hold the meeting monthly within at least 50 minutes per time. Topics covered: Summarize of recent month's activities and plan for the next month Summary of recent month's occupational safety and health activities Feedback comments The meeting minutes was posted at the bulletin board for all employees to read. The last meeting record was on 24 March 2022.	
M: Are any workers covered by Collective Bargaining Agreement (CBA)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
If Yes , what percentage by trade Union/worker representation	<u>100</u> % workers covered by Union CBA	<u>0</u> % workers covered by worker rep CBA
M3: If Yes , does the Collective Bargaining Agreement (CBA)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

include rates of pay?

Non-compliance:

1. Description of non-compliance:

NC against ETI/Additional Elements

NC against Local Law

NC against customer code:

None observed

Objective evidence observed:

Not applicable

Local law and/or ETI requirement:

Not applicable

Recommended corrective action:

Not applicable

Observation:

Description of observation:

None observed

Objective evidence observed:

Not applicable

Local law or ETI requirement:

Not applicable

Comments:

Not applicable

Good Examples observed:

Description of Good Example (GE):

None observed

Objective evidence observed:

Not applicable

3: Working Conditions are Safe and Hygienic

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ETI

- 3.1 A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.
- 3.2 Workers shall receive regular and recorded Health & Safety training, and such training shall be repeated for new or reassigned workers.
- 3.3 Access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage shall be provided.
- 3.4 Accommodation, where provided, shall be clean, safe, and meet the basic needs of the workers.
- 3.5 The company observing the code shall assign responsibility for Health & Safety to a senior management representative.

Current Systems and Evidence Examined

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

Current systems:

- 1. General Health and Safety management
 - Ms. Lam Thi Thoa - Compliance 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 10 persons are in charge of cleaning and hygiene of whole workshop building.
- 2. Fire Safety
 - The fire drill is conducted for all employees every year. The last drill was on 18 April 2022.
 - From the general observation, the factory equipped with fire protection system: fire extinguishers, fire hydrant, fire pump machine, fire alarm point. Auditor required to check fire alarm system and fire extinguisher, all of them worked properly.
 - 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 each workshop floor.
 - The firefighting equipment and system were inspected every year by local firefighting department.
- 3. Electrical safety
 - There were 4 competent electricians at the site and their training certificates were available for review.
- 4. Medical services
 - The first aid team (50 members) were provided first aid training with certificates on 08 April 2022.
 - Latest health check was conducted every six months for all employees and the latest was on 15-16 April 2022.
 - The facility has two nurses to take care health of employees in emergency cases.
- 5. Machine safety
 - All machines were installed with safety guards.
 - 04 air compressors were inspected by local authority and validity to 01 March 2024.
 - 01 Forklift were inspected by local authority and validity to 01 March 2024.
 - 01 Boiler were inspected by local authority and validity to 01 March 2024.

6. Chemical safety

- MSDS in local language for chemical was available in chemical storage area.
- PPE was provided for employees who work with chemicals.
- Secondary containment was provided for all chemicals.

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

Details:

- Health and safety procedures, instructions and training records.
- Medical logbook and accident records, medical check-up records.
- Firefighting and prevention project, fire drill and firefighting training 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

Any other comments: Nil

<p>A: Does the facility have general and occupational Health & Safety policies and procedures that are fit for purpose and are these communicated to workers?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No A1: Please give details: The general Health & Safety and occupational Health & Safety policy was established and available for review.</p>
<p>B: Are the policies included in workers' manuals?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No B1: 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>C: Are there any structural additions without required permits/inspections (e.g. floors added)?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No C1: Please give details: There was no structural additions without required permits/inspections</p>
<p>D: 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 D1: Please give details: All visitors were required to wear provided PPE during facility tour.</p>
<p>E: Is a medical room or medical facility provided for workers? If yes, do the room(s) meet legal</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please give details: The facility has medical room with two nurses to take care health of employees and meet the law</p>

requirements and is the size/number of rooms suitable for the number of workers.	requirement.
F: Is there a doctor or nurse on site or there is easy access to first aider/ trained medical aid?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No F1: Please give details: The first aid team (50 members) were provided first aid training with certificates on 08 April 2022.
G: Where the facility provides worker transport - is it fit for purpose, safe, maintained and operated by competent persons e.g. buses and other vehicles?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No G1: Please give details: The facility did not provide worker transport.
H: Is secure personal storage space provided for workers in their living space and is fit for purpose?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H1: Please give details: Not applicable. There was no dormitory for workers provided in the facility.
I: Are H&S Risk assessments are conducted (including evaluating the arrangements for workers doing overtime e.g. driving after a long shift) and are there controls to reduce identified risk?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No I1: Please give details: The facility has conducted the risk assessment regularly. The last assessment was on 26 February 2022 and it was available for review.
J: Is the site meeting its legal obligations on environmental requirements including required permits for use and disposal of natural resources?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No J1: Please give details: The facility has obtained the environment protection commitment report, environment protection commitment approval and acceptance check.
K: Is the site meeting its customer requirements on environmental standards, including the use of banned chemicals?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No K1: Please give details: The facility does not use any banned chemicals

Non-compliance:

1. Description of non-compliance:

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

It was noted from the facility tour, 02 out of 02 workers working at Boiler area did not wear PPE (earplugs) during operating.

Remark: The facility provided PPE (earplugs) to employees with free of charge.

Local law and/or ETI requirement:

In accordance with Vietnam Law on occupational safety and hygiene (Law No. 84/2015/QH13), Article 23. Personal protective equipment, 1. Every employee who does dangerous or harmful works shall be adequately provided with personal protective equipment by the employer and he/she is required to use it during the course of work.

In accordance with 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

Objective evidence observed:

Facility tour and refer to photo NC1

<p>injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.</p> <p>Recommended corrective action: It is recommended that the facility should ensure to conduct the training to boiler worker and ensure that all workers shall be wore PPE (earplugs) during operation.</p>	
<p>2. Description of non-compliance: <input checked="" type="checkbox"/> NC against ETI <input checked="" type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code: It was noted from the facility tour, 02 out of 06 escape routes were not arrows marked on the floor to show the direction to emergency exit doors in emergency cases at material warehouse.</p> <p>Local law and/or ETI requirement In accordance with Vietnam Standard TCVN 2622:1995 on Fire prevention and protection for buildings and structure - Design requirements, Point 7.5: Ways-out must be easily found and paths leading to these ways-out must be clearly indicated by guiding symbols.</p> <p>In accordance with 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.</p> <p>Recommended corrective action: It is recommended that the facility should ensure the escape route and arrow to be marked on the floor to show the direction to emergency exit doors at material warehouse.</p>	<p>Objective evidence observed: Facility tour and refer to photo NC2</p>
<p>3. Description of non-compliance: <input checked="" type="checkbox"/> NC against ETI <input checked="" type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code: It was noted from the facility tour, 01 out of 01 observed cans chemical (Chloritte) at waste water treatment area were not labelled/ identified.</p> <p>Local law and/or ETI requirement In accordance with 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.</p> <p>In accordance with 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.</p>	<p>Objective evidence observed: Facility tour and refer to photo NC3</p>

Recommended corrective action:

It is recommended that the chemical containers shall be identified with content labels as well as safety warning labels.

Observation:

Description of observation:

None observed

Local law or ETI requirement:

Not applicable

Recommended corrective action:

Not applicable

Objective evidence observed:

Not applicable

Good Examples observed:

Description of Good Example (GE):

None observed

Objective Evidence Observed:

Not applicable

4: Child Labour Shall Not Be Used

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ETI

- 4.1 There shall be no new recruitment of child labour.
- 4.2 Companies shall develop or participate in and contribute to policies and programmes which provide for the transition of any child found to be performing child labour to enable her or him to attend and remain in quality education until no longer a child.
- 4.3 Children and young persons under 18 shall not be employed at night or in hazardous conditions.
- 4.4 These policies and procedures shall conform to the provisions of the relevant ILO Standards.

Current Systems and Evidence Examined

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

Current systems:

- Personnel files with labour contract for all selected employees are 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 on facility tour, document review and employee interview, there was no employee less than 18 years of age working in the facility.

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

Details:

- 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: Nil

A: Legal age of employment:	15 years old
B: Age of youngest worker found:	18 years old
C: Are there children present on the work floor but not working at the time of audit?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
D: % of under 18's at this site (of total workers)	0 %
E: Are workers under 18 subject to	<input type="checkbox"/> Yes

hazardous work assignments? (Go to clause 3 – Health and Safety)	<input checked="" type="checkbox"/> No E1: If yes, give details
---	--

Non-compliance:

1. Description of non-compliance: <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code: None observed Local law and/or ETI requirement: Not applicable Recommended corrective action: Not applicable	Objective evidence observed: Not applicable
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Observation:

Description of observation: None observed Local law or ETI requirement: Not applicable Comments: Not applicable	Objective evidence observed: Not applicable
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Good Examples observed:

Description of Good Example (GE): None observed	Objective Evidence Observed: Not applicable
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5: Living Wages are Paid

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

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

ETI

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

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

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

Current Systems and Evidence Examined

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

Current systems:

- All employees are paid cash from 10th to 13th 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.
- 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 ten (10) 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 – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- Approved wage scale
- Annual leave records from July 2021 to June 2022
- Leave applicant records from July 2021 to June 2022
- Severance payment record from July 2021 to June 2022
- Social security payment records from July 2021 to June 2022
- Employee files and labour contracts of 42 selected employees.

Any other comments: Nil

Non-compliance:

1. Description of non-compliance:

Objective evidence

<input type="checkbox"/> NC against ETI code: None observed Local law and/or ETI requirement: Not applicable Recommended corrective action: Not applicable	<input type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer	observed: Not applicable
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Observation:	
Description of observation: None observed Local law or ETI requirement: Not applicable Comments: Not applicable	Objective evidence observed: Not applicable

Good Examples observed:	
Description of Good Example (GE): None observed	Objective Evidence Observed: Not applicable

Summary Information

Criteria	Local Law <i>(Please state legal requirement)</i>	Actual at the Site <i>(Record site results against the law)</i>	Is this part of a Collective Bargaining Agreement?
A: Standard/Contracted work hours: <i>(Maximum legal and actual required working hours excluding overtime, please state if possible per day, week, and month)</i>	Legal maximum: 8 hours per day 48 hours per week	A1: 8 hours/day 48 hours/week	A2: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
B: Overtime hours: <i>(Maximum legal and actual overtime hours, please state if possible per day, week, and month)</i>	Legal maximum: 4 hours per day 40 hours per month in 2022 and 60 hours per month from April 2022.	B1: 3.5 hours per day, 9 hours per week, 39.5 hours per month	B2: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
C: Wage for standard/contracted hours: <i>(Minimum legal and actual minimum wage at site, please state if possible per hr, day, week, and month)</i>	Legal minimum: VND 3,250,000 per month.	C1: VND 3,470,000 per month	C2: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

<p>D: Overtime wage: <i>(Minimum legal and actual minimum overtime wage at site, please state if possible per hr, day, week, and month)</i></p>	<p>Legal minimum: 150% of normal wage for overtime on workdays; 200% of normal wage for overtime on rest days; 300% of normal wage for overtime on holidays</p>	<p>D1: 150% of normal wage for overtime on workdays; 200% of normal wage for overtime on rest days; 300% of normal wage for overtime on holidays</p>	<p>D2: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>
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<p style="text-align: center;">Wages analysis: (Click here to return to Key Information)</p>	
<p>A: Were accurate records shown at the first request?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>A1: If No, why not?</p>	<p>NA</p>
<p>B: Sample Size Checked <i>(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)</i></p>	<p>42 selected samples in June 2022 (current month) 42 selected samples in March 2022 (peak month) 42 selected samples in January 2022 (non-peak month)</p>
<p>C: Are there different legal minimum wage grades? If Yes, please specify all.</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>C1: If Yes, please give details:</p>
<p>D: If there are different legal minimum grades, are all workers graded and paid correctly?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A</p> <p>D1: If No, please give details:</p>
<p>E: For the lowest paid production workers, are wages paid for standard/contracted hours (excluding overtime) below or above the legal minimum?</p>	<p><input type="checkbox"/> Below legal min <input type="checkbox"/> Meet <input checked="" type="checkbox"/> Above</p> <p>E1: Lowest actual wages found: <i>Note: full time employees and please state hour / week / month etc.</i> VND 3,470,000 per month</p>
<p>F: Please indicate the breakdown of workforce per earnings:</p>	<p>F1: ___% of workforce earning under minimum wage F2: ___% of workforce earning minimum wage F3: _100___% of workforce earning above minimum wage</p>
<p>G: Bonus Scheme found: Please specify details:</p>	<p>Bonus Scheme found: Childcare allowance: VND 50,000 per month <i>Note: type of employee (e.g. full time, temp, etc.) and please state which units e.g. /hour /week /month etc.</i></p>
<p>H: What deductions are required by law e.g. social insurance? Please state all types:</p>	<p>Social insurance: 8%, Health insurance: 1.5% and Unemployment insurance: 1% (total 10.5%)</p>

I: Have these deductions been made?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	I1: Please list all deductions that have been made.	1. Social insurance 2. Medical insurance 3. Unemployment insurance Please describe: Compulsory insurances.
		I2: Please list all deductions that have not been made.	1. 2. Please describe: NA
J: Were appropriate records available to verify hours of work and wages?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
K: Were any inconsistencies found? (if yes describe nature)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	K1: Type <input type="checkbox"/> Poor record keeping <input type="checkbox"/> Isolated incident <input type="checkbox"/> Repeated occurrence:	
L: Do records reflect all time worked? (For instance, are workers asked to attend meetings before or after work but not paid for their time)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	L1: Please give details: All the records reflect all time worked.	
M: Is there a defined living wage: <i>This is <u>not normally</u> minimum legal wage. If answered yes, please state amount and source of info: Please see SMETA Best Practice Guidance and Measurement Criteria.</i>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	M1: Please specify amount/time: NA	
M2: If yes, what was the calculation method used.	<input type="checkbox"/> ISEAL/Anker Benchmarks <input type="checkbox"/> Asia Floor Wage <input type="checkbox"/> Figures provided by Unions <input type="checkbox"/> Living Wage Foundation UK <input type="checkbox"/> Fair Wear Wage Ladder <input type="checkbox"/> Fairtrade Foundation Other – please give details:		
N: Are there periodic reviews of wages? If Yes give details (include whether there is consideration to basic needs of workers plus discretionary income).	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	N1: Please give details: 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	
O: Are workers paid in a timely manner in line with local law?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
P: Is there evidence that equal rates are being paid for equal work:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	P1: Please give details: Through factory rules review, payroll records review and employees' interviews, it was confirmed that equal	

	rates are being paid for equal work.
Q: How are workers paid:	<input checked="" type="checkbox"/> Cash <input type="checkbox"/> Cheque <input type="checkbox"/> Bank Transfer <input type="checkbox"/> Other Q1: If other, please explain

6: Working Hours are not Excessive

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

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

ETI

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

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

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

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

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

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

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

Current Systems and Evidence Examined

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

Current systems:

- The regular working time is eight (8) hours per day and six (6) days per week.
- As confirmation of facility management, the peak season in the facility from March to July.
- Employees worked overtime voluntarily.
- There is no inconsistency found amongst time records, production records and security records.
- Based on the provided payrolls and time records, the working hours were noted as following:
 In June 2022 (current month): Average working hours per week for the 42 selected samples were 48 hours. Maximum working hours per week were 57 hours (48 normal hours + 9 overtime hours).
 In March 2022 (peak month): Average working hours per week for the 42 selected samples were 48 hours. Maximum working hours per week were 57 hours (48 normal hours + 9 overtime hours).
 In January 2022 (non-peak month): Average working hours per week for the 42 selected samples were 48 hours. Maximum working hours per week were 57 hours (48 normal hours + 9 overtime hours)

Evidence examined – to support system description (Documents examined & relevant comments. Include

renewal/expiry date where appropriate):

Details:

- Employee interview
- Management interview
- Local and national laws
- Factory policy on working hours
- Workers contracts
- Quality and production records to cross check hours
- Clinic records
- Daily production records
- Security logbooks

Any other comments: Nil

Non-compliance:

1. Description of non-compliance:

NC against ETI NC against Local Law NC against customer

code:

None observed

Local law and/or ETI requirement:

Not applicable

Recommended corrective action:

Not applicable

Objective evidence

observed:

Not applicable

Observation:

Description of observation:

None observed

Local law or ETI requirement:

Not applicable

Comments:

Not applicable

Objective evidence

observed:

Not applicable

Good Examples observed:

Description of Good Example (GE):

None observed

Objective Evidence

Observed:

Not applicable

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

G: Were standard working hours over 48 hours per week found?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	G1: If yes, % of workers & frequency: N/A
H: Any local waivers/local law or permissions which allow averaging/annualised hours for this site?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	H1: If yes, please give details: N/A
Overtime Hours worked		
I: Actual overtime hours worked in sample (State per day/week/month)	Highest OT hours: - 3 hours per day, 9 hours per week and 32.5 hours per month in June 2022. - 3.5 hours per day, 9 hours per week and 39.5 hours per month in March 2022. - 3.5 hours per day, 9 hours per week and 33.5 hours per month in January 2022.	
J: Combined hours (standard or contracted + overtime hours = total) over 60 found? Please give details:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>The maximum weekly working hours were 57.</i>	
K: Approximate percentage of total workers on highest overtime hours:	__70__%	
L: Is overtime voluntary?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Conflicting Information	<i>L1: Please detail evidence e.g. Wording of contract / employment agreement / handbook / worker interviews / refusal arrangements:</i>
Overtime Premiums		
M: Are the correct legal overtime premiums paid?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A – there is no legal requirement to OT premium	<i>M1: Please give details of normal day overtime premium as a % of standard wages:</i> Employees are paid at the rate of 150% for overtime normal days, 200% on rest day and 300% on holidays.
N: Is overtime paid at a premium?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<i>N1: If yes, please describe % of workers & frequency:</i> All workers and they would like to work overtime if need
O: If the site pays less than 125% OT premium and this is allowed under local law, are there other considerations? Please complete the boxes where relevant.	<input type="checkbox"/> No <input type="checkbox"/> Consolidated pay (May be standard wages above minimum legal wage, with no/low overtime premium) <input type="checkbox"/> Collective Bargaining agreements <input type="checkbox"/> Other N/A O1: Please explain any checked boxes above e.g. detail of consolidated pay / CBA or Other	

	<p>Workers are paid at the rate of 150% for overtime working hours on normal days, 200% on rest day and 300% on holidays.</p>
<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.</p>	<p> <input type="checkbox"/> Overtime is voluntary <input type="checkbox"/> Onsite Collective bargaining allows 60+ hours/week <input type="checkbox"/> Safeguards are in place to protect worker's health and safety <input type="checkbox"/> Site can demonstrate exceptional circumstances <input type="checkbox"/> Other reasons (please specify) </p> <p>P1: Please explain any checked boxes above e.g. detail of consolidated pay / CBA or other:</p> <p>N/A</p>
<p>Q: 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 Q1: If yes, please give details: N/A </p>
<p>R: 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

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

ETI

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

Current Systems and Evidence Examined

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

Current systems:

- 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 42 selected employees confirmed they are treated with respect and dignity.
- All 42 selected employees also emphasized that they are treated by their employer, supervisors and co-employees with respect and dignity.
- No worker was required to do the examination of the hepatitis B virus and HIV.
- Anti-discrimination procedure on hiring, compensation, promotion and access to training are available during the audit.
- 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 – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- The hiring and termination procedure leave application records and employee handbook.
- Payrolls
- Training records
- Time recording records
- Termination records

Any other comments: Nil

A: Gender breakdown of Management + Supervisors (Include as one combined group)	A1: Male: <u> 20 </u> % A2: Female <u> 80 </u> %
B: Number of women who are in skilled or technical roles e.g. where specific qualifications are needed i.e. machine engineer / laboratory analyst:	5
C: Is there any evidence of	<input type="checkbox"/> Hiring

discrimination based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation?:	<input type="checkbox"/> Compensation <input type="checkbox"/> Access to training <input type="checkbox"/> Promotion <input type="checkbox"/> Termination or retirement <input checked="" type="checkbox"/> No evidence of discrimination found C1: Please give details:
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Professional Development

A: What type of training and development are available for workers?	Health and safety training was provided annually.
---	---

B: Are HR decisions e.g. promotion, training, compensation based on objective, transparent criteria?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If no, please give details:
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Non-compliance:	
1. Description of non-compliance: <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code: None observed Local law and/or ETI requirement: Not applicable Recommended corrective action: Not applicable	Objective evidence observed: Not applicable

Observation:	
Description of observation: None observed Local law or ETI requirement: Not applicable Comments: Not applicable	Objective evidence observed: Not applicable

Good Examples observed:	
Description of Good Example (GE): None observed	Objective Evidence Observed: Not applicable

8: Regular Employment Is Provided

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

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

ETI

8.1 To every extent possible work performed must be on the basis of recognised employment relationship established through national law and practice.
 8.2 Obligations to employees under labour or social security laws and regulations arising from the regular employment relationship shall not be avoided through the use of labour-only contracting, sub-contracting, or home-working arrangements, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment, nor shall any such obligations be avoided through the excessive use of fixed-term contracts of employment.

Additional Elements: Responsible Recruitment

8.3 Suppliers have full understanding of the entire recruitment process and assess all labour recruiters and intermediaries against legal and/or ethical requirements.
 8.4 There are effective management systems in place to identify and monitor the hiring and management of all migrant workers, contract workers, agency workers, temporary or casual labour. The supplier shall implement processes to enable adequate control over agencies with regards the above points and related legislation.
 8.5 Employment agencies must only supply workers registered with them.
 8.6 Workers pay no recruitment fee at any stage of the recruitment process.
 8.7 Worker contracts accurately reflect the agreed payment and terms in the recruitment process and are understood and signed by workers.

Current Systems and Evidence Examined

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

Current systems:

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

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

Details:

- The hiring and termination practices (not formalized)
- Personal files
- Payroll records were provided for review.

Any other comments: Nil

Non-compliance:

<p>1. Description of non-compliance: <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code: None observed</p> <p>Local law and/or ETI requirement: Not applicable</p> <p>Recommended corrective action: Not applicable</p>	<p>Objective evidence observed: Not applicable</p>
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Observation:	
<p>Description of observation: None observed</p> <p>Local law or ETI requirement: Not applicable</p> <p>Comments: Not applicable</p>	<p>Objective evidence observed: Not applicable</p>

Good Examples observed:	
<p>Description of Good Example (GE): None observed</p>	<p>Objective Evidence Observed: Not applicable</p>

Responsible Recruitment

All Workers	
<p>A: Were all workers presented with terms of employment at the time of recruitment, did they understand them and are they same as current conditions?</p>	<p><input checked="" type="checkbox"/> Terms & Conditions presented <input checked="" type="checkbox"/> Understood by workers <input checked="" type="checkbox"/> Same as actual conditions</p> <p>A1: If any are unchecked, please describe finding and specific category(ies) of workers affected:</p>
<p>B: Did workers' pay any fees, taxes, deposits or bonds for the purpose of recruitment/placement?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>B1: If yes, please describe details and specific category(ies) of workers affected:</p>

C: If yes, check all that apply:	<input type="checkbox"/> Recruitment / hiring fees <input type="checkbox"/> Service fees <input type="checkbox"/> Application costs <input type="checkbox"/> Recommendation fees <input type="checkbox"/> Placement fees <input type="checkbox"/> Administrative, overhead or processing fees <input type="checkbox"/> Skills tests <input type="checkbox"/> Certifications <input type="checkbox"/> Medical screenings <input type="checkbox"/> Passports/ID's <input type="checkbox"/> Work / resident permits <input type="checkbox"/> Birth certificates <input type="checkbox"/> Police clearance fees <input type="checkbox"/> Any transportation and lodging costs after employment offer <input type="checkbox"/> Any transport costs between work place and home <input type="checkbox"/> Any relocation costs after commencement of employment <input type="checkbox"/> New hire training / orientation fees <input type="checkbox"/> Medical exam fees <input type="checkbox"/> Deposit bonds or other deposits <input type="checkbox"/> Any other non-monetary assets <input type="checkbox"/> Other – C1: If other, please give details:
D: If any checked, give details:	None

Migrant Workers:			
<i>The term "migrant worker" refers to a person who is engaged or has been engaged in a remunerated activity in a country of which they are not a national or permanent resident or has purposely migrated on a temporary basis to another in-country region to seek and engage in a remunerated activity</i>			
A: Type of work undertaken by migrant workers:	No migrant workers were used by the facility.		
B: Please give details about recruitment agencies for migrant workers:	B1: Total number of (in country recruitment agencies) used: Not applicable B2: Total number of (outside of local country) recruitment agencies used: Not applicable		
C: Are migrant workers' voluntary deductions (such as for remittances) confirmed in writing by the worker and is evidence of the transaction supplied by the facility to the worker?	<table border="1" style="width: 100%;"> <tr> <td style="width: 50%;"> <input type="checkbox"/> Yes <input type="checkbox"/> No C1: Please describe finding: Not applicable </td> <td style="width: 50%;"> <input type="checkbox"/> Yes <input type="checkbox"/> No C1: Please describe finding: Not applicable </td> </tr> </table>	<input type="checkbox"/> Yes <input type="checkbox"/> No C1: Please describe finding: Not applicable	<input type="checkbox"/> Yes <input type="checkbox"/> No C1: Please describe finding: Not applicable
<input type="checkbox"/> Yes <input type="checkbox"/> No C1: Please describe finding: Not applicable	<input type="checkbox"/> Yes <input type="checkbox"/> No C1: Please describe finding: Not applicable		
D: Are Any migrant workers in skilled, technical, or management roles <i>Migrant Workers (this should include all migrant workers including permanent workers, temporary and/or seasonal workers)</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No D1: If yes, number and example of roles: Not applicable		

NON-EMPLOYEE WORKERS

Recruitment Fees:	
A: Are there any fees?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
B: If yes, check all that apply:	<input type="checkbox"/> Recruitment / hiring fees <input type="checkbox"/> Service fees <input type="checkbox"/> Application costs <input type="checkbox"/> Recommendation fees <input type="checkbox"/> Placement fees <input type="checkbox"/> Administrative, overhead or processing fees <input type="checkbox"/> Skills tests <input type="checkbox"/> Certifications <input type="checkbox"/> Medical screenings <input type="checkbox"/> Passports/ID's <input type="checkbox"/> Work / resident permits <input type="checkbox"/> Birth certificates <input type="checkbox"/> Police clearance fees <input type="checkbox"/> Any transportation and lodging costs after employment offer <input type="checkbox"/> Any transport costs between work place and home <input type="checkbox"/> Any relocation costs after commencement of employment <input type="checkbox"/> New hire training / orientation fees <input type="checkbox"/> Medical exam fees <input type="checkbox"/> Deposit bonds or other deposits <input type="checkbox"/> Any other non-monetary assets <input type="checkbox"/> Other B1 – If other, please give details:
C: If any checked, give details:	Not applicable

Agency Workers (if applicable) <i>(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.)</i>	
A: Number of agencies used (average):	A1: Names if available: The facility did not have agency workers
B: Were agency workers' age / pay / hours included within the scope of this audit?	<input type="checkbox"/> Yes <input type="checkbox"/> No
C: Were sufficient documents for agency workers available for review?	<input type="checkbox"/> Yes <input type="checkbox"/> No
D: Is there a legal contract / agreement with all agencies?	<input type="checkbox"/> Yes <input type="checkbox"/> No D1: Please give details: Not applicable
E: Does the site have a system for checking labour standards of	<input type="checkbox"/> Yes <input type="checkbox"/> No

agencies? If yes, please give details.	E1: Please give details: Not applicable
---	---

Contractors:	
<i>Note: contractors in this context are generally individuals who supply several workers to a site. Usually the contractors are paid by the site and the wages of the workers are paid by the contractor. Common terms include, gang bosses, labor provider,</i>	
A: Any contractors on site?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No A1: If yes, how many contractors are present, please give details:
B: If Yes , how many workers supplied by contractors?	Not applicable
C: Do all contractor workers understand their terms of employment?	<input type="checkbox"/> Yes <input type="checkbox"/> No C1: Please describe finding: Not applicable
D: If Yes , please give evidence for contractor workers being paid per law:	Not applicable

8A: Sub-Contracting and Homeworking

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

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

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

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

Note to auditor on homeworking:

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

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

Current Systems and Evidence Examined

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

Current systems:

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

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

Details:

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

Non-compliance:

1. Description of non-compliance:

- NC against ETI/Additional Elements NC against Local Law
- NC against customer code:
None observed

Objective evidence observed:

Not applicable

Local law and/or ETI /Additional Elements requirement:

Not applicable

Recommended corrective action:

Not applicable

Observation:

Description of observation:

None observed

Objective evidence observed:

<p>Local law or ETI/Additional elements requirement: Not applicable</p> <p>Comments: Not applicable</p>	Not applicable
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Good Examples observed:	
Description of Good Example (GE): None observed	Objective Evidence Observed: Not applicable

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

Summary of homeworking – if applicable <input checked="" type="checkbox"/> Not Applicable please x			
A: If homeworking is being used, is there evidence this has been agreed with the main client?	<input type="checkbox"/> Yes <input type="checkbox"/> No A1: If Yes , summarise details:		
B: Number of homeworkers	B1: Male:	B2: Female:	Total:
C: Are homeworkers employed direct or through agents?	<input type="checkbox"/> Directly <input type="checkbox"/> Through Agents		C1: If through agents, number of agents:

<p>D: Is there a site policy on homeworking?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>E: How does the site ensure worker hours and pay meet local laws for homeworkers?</p>	
<p>F: What processes are carried out by homeworkers?</p>	
<p>G: Do any contracts exist for homeworkers?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>G1: Please give details:</p>
<p>H: Are full records of homeworkers available at the site?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>

9: No Harsh or Inhumane Treatment is Allowed
[\(Click here to return to summary of findings\)](#)

ETI

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

Additional elements:

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

<p>A: Are there published, anonymous and/or open channels available for reporting any violations of Labour standards and H&S or any other grievances to a 3rd party?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No A1: Please give details: 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. Suggestion boxes were installed in the workshop for reporting any violations of Labour standards and H&S or any other grievances to a 3rd party.</p>
<p>B: 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>C: If yes, what type of mechanism is used e.g. hotline, whistle blowing mechanism, comment box etc. Please give details.</p>	<p>Five (5) suggestion boxes Verbal exchange Trade Union discussion</p>
<p>D: Which of the following groups is there a grievance mechanism in place for?</p>	<p><input checked="" type="checkbox"/> Workers <input type="checkbox"/> Communities <input type="checkbox"/> Suppliers <input type="checkbox"/> Other D1: Please give details: There is an internal process for grievance which a grievance box were 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.</p>
<p>E: Are there any open disputes?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No E1: If yes, please give details</p>
<p>F: Does the site encourage its business partners (e.g. suppliers) to provide individuals and communities with access to effective grievance mechanisms (e.g. helplines or whistle blowing mechanism)</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No F1: If no, please give details</p>

G: Is there a published and transparent disciplinary procedure?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No G1: If no, please explain
H: If yes, are workers aware of these the disciplinary procedure?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No H1: If no, please give details
I: Does the disciplinary procedure allow for deductions from wages (fines) for disciplinary purposes (see wages section)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No I1: If yes, please give details

Current Systems and Evidence Examined

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

Current systems:

- Based on the documentation review, it was noted that the factory management had established a disciplinary procedure for workers' misbehaviour which included oral warning, written warning and finally termination and the site, had developed a training program for all employees on the procedure. Worker interview confirmed that workers were aware of the disciplinary procedure, management interview, document review, and workers interview, there was a policy on Harsh Treatment.
- 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.
- No deduction from wage and benefits is made because of any reason.
- Through the facility management and employees' interview, it is noted that no case of abuse or discipline was happened in the facility and the disciplinary procedure of the facility was verbally warning and employees signed a slip to confirm they had understood the procedure.

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

Details:

- The relevant policy on prevention of harassment and abuse
- Training records
- Internal grievance procedure documentation

Any other comments: Nil

Non-compliance:

<p>1. Description of non-compliance: <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code: None observed</p> <p>Local law and/or ETI requirement: Not applicable</p> <p>Recommended corrective action: Not applicable</p>	<p>Objective evidence observed: Not applicable</p>
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Observation:	
<p>Description of observation: None observed</p> <p>Local law or ETI requirement: Not applicable</p> <p>Comments: Not applicable</p>	<p>Objective evidence observed: Not applicable</p>

Good Examples observed:	
<p>Description of Good Example (GE): None observed</p>	<p>Objective Evidence Observed: Not applicable</p>

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

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

Additional Elements

10A.1 Only workers with a legal right to work shall be employed or used by the supplier.
 10A.2 All workers, including employment agency staff, must be validated by the supplier for their legal right to work by reviewing original documentation.

Current Systems and Evidence Examined

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

Current systems:

- Per document review, facility management representation and worker interview, all workers in the facility were Vietnamese, there were around 70% employees that were from located facility area, and 30% were from other provinces.
- 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 – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- Hiring procedure
- Personnel files

Any other comments: Nil

Non-compliance:

1. Description of non-compliance:

- NC against ETI/Additional Elements NC against Local Law
 NC against customer code:
 None observed

Objective evidence observed:
 Not applicable

Local law and/or ETI /Additional Elements requirement:

Not applicable

Recommended corrective action:

Not applicable

Observation:

<p>Description of observation: None observed</p> <p>Local law or ETI/Additional Elements requirement: Not applicable</p> <p>Comments: Not applicable</p>	<p>Objective evidence observed: Not applicable</p>
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<p>Good examples observed:</p>	
<p>Description of Good Example (GE): None observed</p>	<p>Objective Evidence Observed: Not applicable</p>

10. Other issue areas 10B2: Environment 2–Pillar

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

To be completed for a 2–Pillar SMETA Audit, and remove the following page which is 10B4 environment 4 pillar

10B2.1 Suppliers must comply with the requirements of local and international laws and regulations including having necessary permits.
 10B2.2 The supplier should be aware of and comply with their end clients' environmental requirements.
 Note for auditors and readers, this is not a full environmental assessment but a check on basic systems and management approach.

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 facility tour, it is observed that general housekeeping in the production areas are in good conditions and organizations.
- Environment policy was established.
- All wastes including production, living and hazardous wastes are separated in storage and collected weekly by the authorized waste collector service.
- The air emissions and wastewater were inspected every 6 months with the most recent inspection on February 25, 2022 with satisfactory results.
- The Environment Impact Assessment was approved by local authority on April 23, 2013 and still valid.
- Based on interviewed employees, all of employees satisfied with the environmental conditions of the facility.

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

Details:

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

Any other comments: Nil

Non-compliance:

<p>1. Description of non-compliance: <input type="checkbox"/> NC against ETI/Additional Elements <input type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code: None observed</p> <p>Local law and/or ETI /Additional Elements requirement: Not applicable</p> <p>Recommended corrective action: Not applicable</p>	<p>Objective evidence observed: Not applicable</p>
--	--

Observation:	
<p>Description of observation: None observed</p> <p>Local law or ETI/Additional Elements requirement: Not applicable</p> <p>Comments: Not applicable</p>	<p>Objective evidence observed: Not applicable</p>

Good examples observed:	
<p>Description of Good Example (GE): None observed</p>	<p>Objective Evidence Observed: Not applicable</p>

Other findings

Other Findings Outside the Scope of the Code
None

Community Benefits
<i>(Please list below any specific community benefits that the site management stated that they were involved in, for example, HIV programme, education, sports facilities)</i>
None

Appendix 1

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

Not Applicable please x

Photo Form Non-compliance Photos

<p>2022-07-27 10:47</p>	<p>2022-07-27 11:06</p>	<p>2022-07-27 10:55</p>
<p>NC1: 02 out of 02 workers working at Boiler area did not wear PPE (earplugs) during operating.</p>	<p>NC 2: 02 out of 06 escape routes were not arrows marked on the floor.</p>	<p>NC 3: 01 out of 01 observed cans chemical (Chloritte) at waste water treatment area were not labelled/ identified.</p>
















Observation Photo














None	None	None
N/A	N/A	N/A

GE Photo

None	None	None
N/A	N/A	N/A

General Photos

 <p>2022-07-27 10:01</p>	 <p>2022-07-27 10:01</p>	 <p>2022-07-27 10:01</p>
<p>Facility name</p>	<p>Facility main gate</p>	<p>Facility overview</p>
 <p>2022-07-27 10:09</p>	 <p>2022-07-27 11:03</p>	 <p>2022-07-27 11:24</p>
<p>Security guard at main gate</p>	<p>Parking area for employees</p>	<p>Material warehouse</p>
 <p>2022-07-27 10:19</p>	 <p>2022-07-27 10:08</p>	 <p>2022-07-27 11:30</p>
<p>Cutting section</p>	<p>Sewing section</p>	<p>Ironing section</p>
 <p>2022-07-27 11:24</p>	 <p>2022-07-27 11:30</p>	 <p>2022-07-27 11:10</p>
<p>Inspection section</p>	<p>Packing section</p>	<p>Finished goods warehouse</p>
 <p>2022-07-27 11:28</p>	 <p>2022-07-27 11:10</p>	 <p>2022-07-27 11:28</p>
<p>Evacuation map</p>	<p>Smoke detector</p>	<p>Emergency exit door</p>

 <p>2022-07-27 11:28</p>	 <p>2022-07-27 11:14</p>	 <p>2022-07-27 11:17</p>
<p>Aisle was marked with evacuation marking</p>	<p>Fire alarm button</p>	<p>Testing the emergency light & exit sign</p>
 <p>2022-07-27 11:22</p>	 <p>2022-07-27 11:22</p>	 <p>2022-07-27 11:28</p>
<p>Electrical wiring box with warning sign posted</p>	<p>Electrical wiring box with inner cover</p>	<p>Fire extinguisher operation instruction</p>
 <p>2022-07-27 11:25</p>	 <p>2022-07-27 11:06</p>	 <p>2022-07-27 10:27</p>
<p>Fire extinguisher</p>	<p>Fire extinguisher was inspected by internal team</p>	<p>Fire extinguisher was maintained by authorized department</p>
 <p>2022-07-27 10:12</p>	 <p>2022-07-27 10:27</p>	 <p>2022-07-27 10:39</p>
<p>Fire hose reel</p>	<p>No-smoking sign</p>	<p>No fire sign</p>
 <p>2022-07-27 10:19</p>	 <p>2022-07-27 10:32</p>	 <p>2022-07-27 11:25</p>
<p>Hand washing area and drinking area</p>	<p>First aid kit</p>	<p>Suggestion box</p>

 <p>2022-07-27 10:08</p>	 <p>2022-07-27 11:03</p>	 <p>2022-07-27 10:59</p>
<p>Air-compressors area</p>	<p>Chemicals storage area</p>	<p>MSDS posted</p>
 <p>2022-07-27 10:59</p>	 <p>2022-07-27 10:32</p>	 <p>2022-07-27 10:18</p>
<p>Hazardous waste warehouse</p>	<p>Kitchen</p>	<p>Eating area</p>
 <p>2022-07-27 11:29</p>	 <p>2022-07-27 11:25</p>	 <p>2022-07-27 11:29</p>
<p>Workers adequate wore provided PPEs during working hours</p>	<p>ETI COC was posted</p>	<p>Clinic room</p>



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

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

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

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

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