

# Compliance Assessment Report



Song Tien Joint Stock Company

06/09/2022 (dd/mm/yyyy)

Assessment Start date: 09/08/2022 (dd/mm/yyyy)

Assessment End date: 10/08/2022 (dd/mm/yyyy)

Assessment Modality: Onsite

Cycle: 8

Report ID: 640

Country: Vietnam

Product type: Sewing or Final Product Assembly

Supplier Name: Song Tien Joint Stock Company

Supplier Address: Binh Tao Hamlet, Trung An Village, My Tho City, Tien Giang Province

The information reflected in this report is based on an onsite, unannounced assessment. This report includes information about this factory's compliance performance at the time of the Better Work assessment. The results are explained in more detail on the following pages. Whenever applicable, Better Work recommends that the report is viewed in combination with other Better Work reports, including advisory services reports and training logs.

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Full list of clusters and compliance points assessed during a Better Work compliance assessment visit.

## Factory Visit Information

The following section includes general information on the factory, on its key strengths, and on the assessment process itself.

### Key Strengths and Process Integrity

Question	Answer
Was any part of the assessment conducted virtually?	No
What is the total number of employee interviews conducted?	46
Provide details about number of employees interviewed	<p>1. Interviewed Trade Union:</p> <ul style="list-style-type: none"> <li>- Union Chairperson: HR staff, female</li> <li>- Union Vice Chairperson: HR staff, male</li> <li>- Union Executive Committee member: Accountant, female</li> </ul> <p>2. Workers interviewed:</p> <ul style="list-style-type: none"> <li>- Number of workers interviewed: 46 workers (26 females / 20 males)</li> <li>- Percentage of total workers: 10.9% (46 out of 423)</li> <li>- Total number of group interviews: 1 group of 3, 1 group of 4, 1 group of 6</li> <li>- Number of individual interviews: 33</li> </ul> <p>3. Interview process:</p> <ul style="list-style-type: none"> <li>- Interview format: Group and individual interview</li> <li>- Interview location: Workplace (individual interviews), meeting room (group interviews)</li> <li>- Worker selection: Workers who appeared to be young, workers from different production areas, workers who are union members and pregnant workers</li> <li>- Workers were open to talk to the assessors.</li> </ul>
Did the Enterprise Advisor(s) conduct an offsite documentation review?	No
1. Cooperativeness of facility	The factory is cooperative in the assessment.
2. Strengths of management practices	<p>The factory provides its employees with several benefits which go beyond the legal requirements, including:</p> <ul style="list-style-type: none"> <li>- high-working-day bonus (up to VND 300,000 per month);</li> <li>- transportation support (up to VND 300,000 per month);</li> <li>- year end bonus;</li> </ul>

	<ul style="list-style-type: none"> <li>- supporting money for workers in difficult cases to build the house;</li> <li>- supporting money for workers in case of having accident;</li> <li>- a gift for female workers on the International Women's day;</li> <li>- a gift for workers on their birthday;</li> <li>- a gift for worker's children on the International Children's day;</li> <li>- money bonus for workers on the Victory's day (30/4), International Labour Day (1/5), National day (2/9), etc.</li> </ul>
<b>3. Any other comments</b>	<p>1. There is a washing facility of Nha Be Garment Corporation - JSC located behind Song Tien JSC's area. This washing facility has its own gate and it is separated partially with Song Tien JSC by a movable fence. According to the factory management, Nha Be Garment Corporation - JSC shares capital stock of Song Tien JSC. This assessment does not cover the washing facility.</p> <p>2. The factory closed its business from 16/7/2021 to 31/10/2021 due to the outbreak of the Covid-19 pandemic. Labor contracts were temporary suspended for this closure period as a result of negotiation between the factory and workers.</p>

### Child Labour

Question	Answer
<b>If yes, please describe what legal documentation or other proof of age are reviewed to verify minimum age requirements and whether copies are maintained:</b>	<p>The factory has a reliable recruitment system to verify the age of workers by first checking their ID cards (original), together with certified CV's and a copy of their family books. The factory also re-checks and confirms this documentation when workers report to work.</p> <p>Documents checked: recruitment procedure, list of workers and 25 workers' profiles</p>

### Discrimination

Question	Answer
<b>Does the facility hire disabled persons in line with legal requirements? (Ref 17858)</b>	No applicable legal requirements

Does the facility require other infection or illness tests (e.g. Hepatitis B) during the hiring process?	No
Does the facility maintain any of the following for workers during and after maternity leave? (SELECT all that apply with a "X" - Not Applicable)	Position, Employment status, Benefits, Wages
Female workers are assigned the same job, with the same terms and conditions as the ones they took before the maternity leave. Documents checked: List of pregnant workers, List of workers who are nursing child(ren) less than 12 months old, Payrolls of July 2021 - June 2022	
How many workers became disabled (for whatever reason)?	0
Does the facility require other infection or illness tests (e.g. Hepatitis B) at any time during employment?	No
Has the facility taken steps to enable workers with infections or illness (other than HIV/AIDS) to retain their work if they were medically able to?	Yes
Are these steps to help workers with infections or illnesses (other than HIV / AIDS) in line with legal requirements?	No applicable legal requirements

### Forced Labour

Question	Answer
Does the facility use prison labor?	No
Do workers keep all of their personal documents (such as birth certificates, passports, work permits and ID cards)?	Yes

### Freedom of Association and Collective Bargaining

Question	Answer
Does the facility have a registered trade union(s) on-site?	Yes
NUMBER of registered trade unions in the facility: (Ref 17872)	1
PERCENTAGE of workers that are trade union members: (Ref 17871)	95
Name of union with the largest membership: (Ref 18071)	Song Tien garment JSC grass root union
Name of the federation or confederation (or both) with which the largest union at the facility is affiliated, if applicable (please indicate whether it is a federation or a confederation in your response): (Ref 18071)	Labour Federation of Tien Giang Province
NUMBER of female union members in the union with the largest membership in the facility (Ref 18071)	327

NUMBER of male union members in the union with the largest membership in the facility (Ref 18071)	152
NUMBER of female union officials in the union with the largest membership in the facility	5
NUMBER of male union officials in the union with the largest membership in the facility	4
Can the trade union(s) freely form and join federations and confederations of their choice without interference? (Ref 2849)	Yes
Is the facility's practice around financial or other support of the union in line with legal requirements? (Ref 1256)	No applicable legal requirements
How many Collective Bargaining Agreements (CBAs) are in effect at the facility? (Ref 17878)	1
Parties to the CBA that covers the greatest number of workers in the workplace: (Ref 4122)	The parties to the CBA are the trade union (represented by the Union Chairperson) and the factory management (represented by the Vice Director of Administration and Human Resource).
PERCENTAGE of workforce covered by the CBA that covers the greatest number of workers in the workplace: (Ref 4124)	100
Duration of the CBA that covers the greatest number of workers in the workplace (provide NUMBER value for duration in months): (Ref 4126)	36
Overview of the issues covered in the CBA that covers the greatest number of workers in the workplace:	The CBA covers the issues related to employment contract implementation, working time and rest time, female employees' rights; wage allowance, and bonus policy; occupational health and safety, other regulations.
How many industrial actions/strikes have occurred? (Ref 17879)	0

### Compensation

Question	Answer
Please select the facility's applicable three letter currency code:	VND
Were withholdings from wages, other than social security, calculated correctly and in line with legal requirements?	Yes
Does the facility collect and forward workers' contributions to any of the following social insurance or social security programs in line with legal requirements? (SELECT all that apply with an "X") (Ref 17934)	Medical, Pension/ Provident fund, Maternity, Unemployment, Work-related injury/ illness/ death
Which of the following facility social insurance contributions (both calculations and types required) are in line with legal requirements? (SELECT all that apply with an "X") (Ref 17934)	Maternity, Unemployment, Work-related injury/ illness/ death, Medical, Pension/ Provident fund

Does the facility provide in-kind benefits in line with legal requirements?	Yes
Please describe any concerns or difficulties with questions listed in this section:	N/A

### Contracts and Human Resources

Question	Answer
Facility Name (as per business license):	Song Tien Joint Stock Company
Facility Street Address (as per business license):	Binh Tao Hamlet, Trung An Village, My Tho City, Tien Giang Province
Facility City Address (as per business license):	My Tho City
Facility State/Province Address (as per business license):	Tien Giang Province
Facility Zip Code/Postal Code Address (as per business license):	840000
Facility Name (in local language as per business license):	Công Ty Cổ Phần May Sông Tiền
Facility Address (in local language as per business license):	Ấp Bình Tào, Xã Trung An, Thành phố Mỹ Tho, Tỉnh Tiền Giang
Facility Country:	Vietnam
Facility Geolocation Latitude:	N 10
Facility Geolocation Longitude:	E 106
Facility Contact Name:	Doan Le Ngoc Hue
Facility Contact Title:	Ms
Facility Contact Phone #:	+84918461939
Facility Phone #:	+84918461939
Facility Email:	ngoc_hue@songtiengarment.com
Submission Type:	Self-assessment (SA) by facility (only)
Facility Contact Name(s) of who is submitting the self/ or joint-assessment:	Song Tien Joint Stock Company
Facility Contact Email(s) of who is submitting the self/ or joint-assessment:	ngoc_hue@songtiengarment.com
Date of self/ or joint-assessment submission (YYYY-MM-DD):	2022-05-26
Facility is the legal owner of the site:	Yes
Total number of workers: (Ref 17939)	423

Number of male workers: (Ref 13096)	137
Number of full-time workers: (Ref 3928)	423
Number of male full-time workers: (Ref 13028)	137
Number of part-time workers:	0
Number of permanent workers: (Ref 13035)	209
Number of male permanent workers: (Ref 13036)	79
Number of temporary workers: (Ref 13031)	181
Number of male temporary workers: (Ref 13032)	45
Number of agency/contract workers:	0
Number of contract workers who are not part of the production process:	0
Number of foreign migrant workers: (Ref 14268)	0
Number of domestic migrant workers:	0
Number of male domestic migrant workers:	0
Number of workers paid by unit:	233
Number of male workers paid by unit:	103
Number of workers under probation: (Ref 3932)	33
Number of male workers under probation: (Ref 13029)	13
Number of casual workers:	0
Number of male casual workers:	0
Number of workers under the age of 18:	0
Number of workers who are trainees, apprentices or interns: (Ref 9570)	0
Number of workers who are pregnant/breastfeeding:	5
Number of workers with disabilities: (Ref 3950)	0
Number of workers with refugee status/ visa:	0
Number of workers who bring work home or work at home exclusively: (Ref 14270)	0
Number of supervisors: (Ref 15110)	4
Number of male supervisors: (Ref 13034)	3



Number of foreign migrant supervisors:	0
Number of male foreign migrant supervisors:	0
How many nationalities are represented among workers and supervisors at the facility?	1
Nationality #1	Vietnam
Approximate % of workers	100
Approximate % of supervisors	100
How many languages must be spoken by supervisors and management in order to effectively communicate with ALL workers?	1
Primary language spoken at the facility:	Vietnamese
Please provide approximate % of workers who can communicate in the primary language spoken at the facility:	100
Please provide approximate % of supervisors who can communicate in the primary language spoken at the facility:	100
Primary language spoken by facility management:	Vietnamese
Operating license/registration is available and up to date: (Ref 13038)	Yes
Operating License/Registration #:	No 1200481990
How many social / labor audits have taken place?	0
How many still valid independent certification/standard audits has the facility participated in?	1
Type	WRAP - Worldwide Responsible Accredited Production
First Audit Date (YYYY-MM-DD)	2022-01-31
Last Audit Date (YYYY-MM-DD)	2023-01-31
Audit Firm	BCI
Audit Result (if applicable)	certificate Pass
Certification # (if applicable)	Gold
SELECT ALL THAT APPLY WITH A "X": - Other	Apparel
SELECT ALL THAT APPLY WITH A "X": - Apparel	Apparel
SELECT ALL THAT APPLY WITH A "X": - Footwear	Apparel
SELECT ALL THAT APPLY WITH A "X": - Home Textiles	Apparel

<b>SELECT ALL THAT APPLY WITH A "X": - Accessories</b>	Apparel
<b>SELECT ALL THAT APPLY WITH A "X": - Home Furnishings</b>	Apparel
<b>SELECT ALL THAT APPLY WITH A "X": - Hard Goods</b>	Apparel
<b>SELECT ALL THAT APPLY WITH A "X": - Food and Beverage</b>	Apparel
<b>SELECT ALL THAT APPLY WITH A "X": - Personal Care and Beauty Products</b>	Apparel
<b>SELECT ALL THAT APPLY WITH A "X": - Chemical</b>	Sewing or Final Product Assembly
<b>SELECT ALL THAT APPLY WITH A "X": - Printing or Dyeing</b>	Sewing or Final Product Assembly
<b>SELECT ALL THAT APPLY WITH A "X": - Materials Supplier</b>	Sewing or Final Product Assembly
<b>SELECT ALL THAT APPLY WITH A "X": - Trim</b>	Sewing or Final Product Assembly
<b>SELECT ALL THAT APPLY WITH A "X": - Footwear / Leather goods</b>	Sewing or Final Product Assembly
<b>SELECT ALL THAT APPLY WITH A "X": - Sewing or Final Product Assembly</b>	Sewing or Final Product Assembly
<b>SELECT ALL THAT APPLY WITH A "X": - Packaging</b>	Sewing or Final Product Assembly
<b>SELECT ALL THAT APPLY WITH A "X": - Other</b>	Sewing or Final Product Assembly
<b>Does the facility include sandblasting in its processes?</b>	No
<b>Sewing or Final Product Assembly - Casting</b>	Sewing, Packaging, Cutting
<b>Sewing or Final Product Assembly - Labeling</b>	Sewing, Packaging, Cutting
<b>Sewing or Final Product Assembly - Heat Press / Heating and Cooling</b>	Sewing, Packaging, Cutting
<b>Sewing or Final Product Assembly - Priming</b>	Sewing, Packaging, Cutting
<b>Sewing or Final Product Assembly - Embossing</b>	Sewing, Packaging, Cutting
<b>Sewing or Final Product Assembly - Cutting</b>	Sewing, Packaging, Cutting
<b>Sewing or Final Product Assembly - Molding</b>	Sewing, Packaging, Cutting
<b>Sewing or Final Product Assembly - Printing</b>	Sewing, Packaging, Cutting
<b>Sewing or Final Product Assembly - No sew</b>	Sewing, Packaging, Cutting
<b>Sewing or Final Product Assembly - Packaging</b>	Sewing, Packaging, Cutting
<b>Sewing or Final Product Assembly - Gluing</b>	Sewing, Packaging, Cutting
<b>Sewing or Final Product Assembly - Seam Taping</b>	Sewing, Packaging, Cutting
<b>Sewing or Final Product Assembly - Sewing</b>	Sewing, Packaging, Cutting
<b>Sewing or Final Product Assembly - Sundries Application</b>	Sewing, Packaging, Cutting

Sewing or Final Product Assembly - Washing	Sewing, Packaging, Cutting
Sewing or Final Product Assembly - Welding	Sewing, Packaging, Cutting
Sewing or Final Product Assembly - Embroidery	Sewing, Packaging, Cutting
Sewing or Final Product Assembly - Lasting	Sewing, Packaging, Cutting
Facility's monthly volume (unit of measurement):	Unit (piece or pair)
Facility's monthly volume (numerical amount):	10350000000
Facility's monthly capacity (unit of measurement):	Unit (piece or pair)
Facility's monthly capacity (numerical amount):	120000
Please describe how the monthly capacity is calculated (e.g. do you base calculation on regular working hours or include overtime hours):	regular working hours
Has the facility had any rush orders within the last 12 months?	No
Are subcontractors utilized by the facility to complete all or part of the production process? (Ref 9571)	No
Please describe any concerns or difficulties with questions listed in this section:	N/A
Does the facility offer/ participate in any apprenticeship / trainee / internship programs?	Yes
Which of the following apprenticeship / trainee / internship programs does the facility offer/ participate in? (SELECT all that apply with a "X")	Internship program
Which of the following apprenticeship / trainee / internship programs does the facility offer/ participate in? (SELECT all that apply with a "X") - Internship program	Internship program
Which of the following apprenticeship / trainee / internship programs does the facility offer/ participate in? (SELECT all that apply with a "X") - Apprenticeship program	Internship program
Which of the following apprenticeship / trainee / internship programs does the facility offer/ participate in? (SELECT all that apply with a "X") - Trainee program	Internship program
Please describe your internship program:	Internship on mechanics for students from Tien Giang vocational training center.
Are any monetary deposits required of workers upon hire?	No
Are recruitment fees and related costs paid by workers in line with legal requirements? (Ref 17951)	No applicable legal requirements
Are personnel files maintained in line with legal requirements?	No applicable legal requirements

Does the facility follow any of the following practices related to contracts? (SELECT all that apply with a "X") - Signed copies of contracts between the facility and each worker are maintained on file	Signed copies of contracts between the facility and each worker are maintained on file, Copies of contracts are provided to workers, in line with applicable legal requirements, Contracts clearly and accurately state the terms and conditions of employment
Does the facility use fixed-term contracts?	Yes
Has the facility acted against legal requirements by hiring temporary/probationary/trainee/fixed-term contract workers to avoid legal obligations?	No applicable legal requirements
Please describe any concerns or difficulties with questions listed in this section:	N.A
Please describe any concerns or difficulties with questions listed in this section:	N/A
Are legally required workers' representatives (if any) elected and functioning in line with legal requirements?	No applicable legal requirements
Has the facility threatened, intimidated, harassed, punished, terminated or not renewed worker contracts due to their worker representative role or activities?	No
Are there any legally required bipartite committee(s) in place at the facility?	No applicable legal requirements
Please describe any concerns or difficulties with questions listed in this section:	N.A
Please describe any concerns or difficulties with questions listed in this section:	N.A

### Occupational Safety and Health

Question	Answer
Total number of buildings on-site:	6
Number of production buildings on-site:	2
Number of warehouses on-site:	2
Are warehouses within or separate from production buildings?	Warehouses are separate buildings
Number of on-site dormitories:	1
Do workers stay in off-site housing managed or controlled by the facility?	No
Is there an on-site canteen/eating area?	Yes
Are there on-site childcare facilities?	No
Describe any other types of buildings:	N/A

<b>Total Facility Area (m2) - only built premises:</b>	22000
<b>Please enter any additional building related comments here, including age of each facility building:</b>	5 building : 19 age  1 building : 13 age
<b>Facility is in a multi-floor building:</b>	No
<b>Building is shared with other facilities/enterprises:</b>	No
<b>Residential building has been converted into a facility:</b>	No
<b>Residences are located within any facility buildings:</b>	No
<b>Are temperature and ventilation systems maintained in line with legal requirements?</b>	Yes
<b>Is noise level testing performed at the facility?</b>	Yes
<b>Is the facility's practice to test noise levels in line with legal requirements?</b>	Yes
<b>Are the facility's sanitation practices in line with legal requirements?</b>	No applicable legal requirements
<b>Are the facility's waste disposal practices in line with legal requirements?</b>	Yes
This is out of scope for Better Work assessments	
<b>Are waste disposal/discharge permits available and up to date?</b>	Yes
This is out of scope for Better Work assessments	
<b>Are facility doors, exits and stairs in line with legal requirements?</b>	Yes
<b>Is there a written occupational health and safety policy in line with legal requirements?</b>	No applicable legal requirements
<b>How many members are in the OSH committee?</b>	0
<b>How many female members are in the OSH committee?</b>	0
<b>How many employer members are in the OSH committee?</b>	0
<b>How many worker members are in the OSH committee?</b>	0
<b>How many union representatives are in the OSH committee?</b>	0
<b>Is the facility accessible to fire response and emergency response vehicles?</b>	Yes
<b>Does the facility use chemicals and/or hazardous substances?</b>	Yes
<b>Does the facility use laser or radiation producing equipment?</b>	Yes
<b>Is laser and radiation producing equipment in line with legal requirements?</b>	No applicable legal requirements
<b>Does the facility perform any type of "hot work" (i.e. welding, soldering etc.)?</b>	No

Are fuel storage tanks designed and handled in line with legal requirements?	No applicable legal requirements
Do safety warning labels exist on all electrical equipment?	Yes
Are there any instances of unsafe maintenance related to electrical panels / control panels / distribution boards? (SELECT all that apply with a "X")	None of the above
Does the facility comply with legal requirements for any of the following related to first aid? (SELECT all that apply with a "X") - First-aid kits are sufficiently maintained (fully stocked and without expired items)	First aid kits are clearly marked and readily accessible, First-aid kits are sufficiently maintained (fully stocked and without expired items), First-aid kits are sufficient in number, First aid training records are retained, Facility trains a sufficient number of workers in first aid
Does the facility comply with legal requirements for any of the following related to first aid? (SELECT all that apply with a "X") - First aid training records are retained	First aid kits are clearly marked and readily accessible, First-aid kits are sufficiently maintained (fully stocked and without expired items), First-aid kits are sufficient in number, First aid training records are retained, Facility trains a sufficient number of workers in first aid
Number of work-related injuries that resulted in at least three days of absence from work: (Ref T1084)	0
Number of work-related dangerous occurrences in the last 12 months (e.g. collapse, partial collapse, explosions, electrical fire, etc.):	0
Number of commuting injuries in the last 12 months:	0
Number of work-related diseases in the last 12 months:	0

**Does the facility have any of the following measures in place regarding housing/dormitories? (SELECT all that apply with a "X") - Housing/dormitories cooking and storage facilities are in line with applicable legal requirements**

Housing/dormitories having trained security personnel, Housing/dormitories provide provisions for pregnant and nursing mothers, Housing/dormitories are prepared for emergencies in line with applicable legal requirements, Housing/dormitories are protected from fire in line with applicable legal requirements, Dormitories/ rooms, toilet and bathing facilities are marked, and segregated by gender, Housing/dormitories have legally required toilets, showers, sewage and garbage disposal system, Housing/dormitories have free and potable water in line with applicable legal requirements, Housing/dormitories offer workers adequate privacy, Housing/dormitories cooking and storage facilities are in line with applicable legal requirements, Housing/dormitories are protected against disease carrying animals or insects in line with applicable legal requirements, Housing/dormitories are protected against noise in line with applicable legal requirements, Housing/dormitories are protected against heat, cold, and dampness in line with applicable legal requirements, Housing/dormitories are ventilated in line with applicable legal requirements, Housing/dormitories are lit in line with applicable legal requirements, Beds are arranged in tiers not more than two, Housing/dormitories have minimum space dimensions in line with applicable legal requirements, Housing/dormitories provide a separate bed for each worker, Housing/dormitories are clean, Housing/dormitories are separate from the production and warehouse areas (even though they may be in the same compound/industrial park)

Does the facility have any of the following measures in place regarding housing/dormitories? (SELECT all that apply with a "X") - Beds are arranged in tiers not more than two

Housing/dormitories having trained security personnel, Housing/dormitories provide provisions for pregnant and nursing mothers, Housing/dormitories are prepared for emergencies in line with applicable legal requirements, Housing/dormitories are protected from fire in line with applicable legal requirements, Dormitories/ rooms, toilet and bathing facilities are marked, and segregated by gender, Housing/dormitories have legally required toilets, showers, sewage and garbage disposal system, Housing/dormitories have free and potable water in line with applicable legal requirements, Housing/dormitories offer workers adequate privacy, Housing/dormitories cooking and storage facilities are in line with applicable legal requirements, Housing/dormitories are protected against disease carrying animals or insects in line with applicable legal requirements, Housing/dormitories are protected against noise in line with applicable legal requirements, Housing/dormitories are protected against heat, cold, and dampness in line with applicable legal requirements, Housing/dormitories are ventilated in line with applicable legal requirements, Housing/dormitories are lit in line with applicable legal requirements, Beds are arranged in tiers not more than two, Housing/dormitories have minimum space dimensions in line with applicable legal requirements, Housing/dormitories provide a separate bed for each worker, Housing/dormitories are clean, Housing/dormitories are separate from the production and warehouse areas (even though they may be in the same compound/industrial park)



<p>Does the facility have any of the following measures in place regarding housing/dormitories? (SELECT all that apply with a "X") - Housing/dormitories are clean</p>	<p>Housing/dormitories having trained security personnel, Housing/dormitories provide provisions for pregnant and nursing mothers, Housing/dormitories are prepared for emergencies in line with applicable legal requirements, Housing/dormitories are protected from fire in line with applicable legal requirements, Dormitories/ rooms, toilet and bathing facilities are marked, and segregated by gender, Housing/dormitories have legally required toilets, showers, sewage and garbage disposal system, Housing/dormitories have free and potable water in line with applicable legal requirements, Housing/dormitories offer workers adequate privacy, Housing/dormitories cooking and storage facilities are in line with applicable legal requirements, Housing/dormitories are protected against disease carrying animals or insects in line with applicable legal requirements, Housing/dormitories are protected against noise in line with applicable legal requirements, Housing/dormitories are protected against heat, cold, and dampness in line with applicable legal requirements, Housing/dormitories are ventilated in line with applicable legal requirements, Housing/dormitories are lit in line with applicable legal requirements, Beds are arranged in tiers not more than two, Housing/dormitories have minimum space dimensions in line with applicable legal requirements, Housing/dormitories provide a separate bed for each worker, Housing/dormitories are clean, Housing/dormitories are separate from the production and warehouse areas (even though they may be in the same compound/industrial park)</p>
<p>Are housing/dormitories in line with all other health and safety legal requirements?</p>	<p>No applicable legal requirements</p>
<p>Are on-site childcare facilities in line with legal requirements?</p>	<p>No applicable legal requirements</p>
<p>Please describe any concerns or difficulties with questions listed in this section:</p>	<p>N.A</p>

### Working Time

Question	Answer
Normal Hours of Operation per day:	8
Number of Shifts and Hours of Operation for each (Normal Operations):	1 shift of 8 hours
Number of Shifts and Hours of Operation for each (Peak Operations):	1 shift of 8 hours

Peak Operation Months:	December, January
Number of regular weekly hours worked at the facility:	48
Number of regular daily hours worked at the facility:	8
Is overtime worked only for reasons permitted by law?	No applicable legal requirements
Did the facility comply with legal requirements to inform and/or get permission from governmental authorities in order to work overtime?	No applicable legal requirements
Are work targets for production (e.g. quota or piece work) in line with legal requirements?	No applicable legal requirements
Number of weekly rest days provided by the facility:	1
Does the facility consult with workers and/or provide a minimum notice period for overtime work and/or changes in rest days?	Yes
Is the facility's practice of consulting with workers and/or notifying them in advance about overtime work and/or changes in rest days in line with legal requirements?	Yes
Does the facility require workers to take paid or unpaid leave when there is less work/production in the facility?	No
Please describe any concerns or difficulties with questions listed in this section:	N/A
Does the facility comply with legal restrictions regarding payment instead of leave?	No applicable legal requirements

**How many work-related accidents have there been in the factory in the last 12 months?**

Question	Answer
Number of work-related injuries that resulted in less than three days of absence from work: (Ref T1084)	0

## Overview of Non-Compliance

The following is an overview of the areas of non-compliance found in the factory during the assessment visit. Better Work uses a comprehensive set of questions, known as the Compliance Assessment Tool (CAT), to assess compliance with core international labour standards and national labour law.

### Working Conditions

#### Compensation

Issue	Noncompliance regarding Wages and Benefits (Ref 17919, 18064)
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#### Social Security and Other Benefits

Issue	Worker and employer contributions to social, health and unemployment insurance funds (Ref 17934)
	Worker and employer contributions to social, health and unemployment insurance funds

#### Wage Information, Use and Deduction

Issue	Payroll records (Ref 17922)
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#### Contracts and Human Resources

Issue	Noncompliance regarding Contracts and Hiring practices (Ref 17950)
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#### Contracting Procedures

Issue	Probationary period
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#### Dialogue, Discipline and Disputes

Issue	Dialogue at the workplace (Ref 17962)
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#### Employment Contracts

Issue	Employment contracts' compliance with the labour law, collective agreement and work rules (Ref 17944)
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## Occupational Safety and Health

### Chemicals and Hazardous Material

Issue	Training workers who work with chemicals and hazardous substances (Ref 17991)
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### Emergency Preparedness

Issue	Fire detection and alarm system [public reporting issue] (Ref 18021)
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### Health Services and First Aid

Issue	Protecting pregnant or nursing workers against safety and health risks (Ref 18016)
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### Worker Protection

Issue	Legally required training on safe machine/equipment operation, including for those subject to strict OSH requirements (Ref 18001, 17999, 17995)
	Installing, grounding (for equipment), and/or maintaining electrical wires, cables, switches, plugs and equipment (e.g. transformer, generator, electrical panel, circuit breakers) (Ref 18002)

## Working Time

### Leave

Issue	Time off for annual leave (Ref 18035)
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### Regular Hours

Issue	Working time records (Ref 17970)
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### Accessible, unobstructed, and/or unlocked emergency exits and escape routes during working hours, including overtime. [Public reporting issue]

Issue	Accessible, unobstructed, and/or unlocked emergency exits or escape routes during working hours, including overtime [public reporting issue] (Ref 18027)
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**First-aid facilities.**

Issue	Onsite medical facilities and staff (Ref 18018)
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**Providing drinking water. [Public reporting issue]**

Issue	Providing drinking water [public reporting issue] (Ref 18012)
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## Detailed Non-Compliance Findings

The following section presents the non-compliance findings recorded during the assessment visit

### Working Conditions

#### Compensation

Issue	Noncompliance regarding Wages and Benefits (Ref 17919, 18064)
Question	Are facility practices out of compliance with any legal requirements not covered elsewhere regarding Wages and Benefits?
Finding	<p>1) Because the factory was late in settling social insurance payment, it led to the fact that the factory did not manage to submit social insurance claims to social insurance agency within 10 days as law requirement. For example, a worker submitted his paternity claim on 14/6/2022 but the factory could only manage to forward the claim to the social insurance on 20/7/2022, 37 days later.</p> <p>Documents checked: Social insurance documents, Social insurance claims log book</p> <p>Legal reference: Social Insurance Law (2014), Arts. 102, 103</p> <p>2) As mentioned on Ref 17909, the contractual wage is used for enrolling to social insurance, however, the assessor noticed that about 90% workers received work-level wages which are accounted for their capacity. According to law requirements, the factory should incorporate both seniority and capacity payments into the calculation of wage-based benefits (e.g. social insurance payments, overtime, paid leave, etc.), therefore, the factory is recommended to also use the work-level wage for enrolling to social insurance.</p> <p>Documents checked: Social insurance documents, Salary calculation regulations, Payrolls of July 2021 - June 2022</p> <p>Legal reference: Labour Code, Art. 90(1); Decree 145/2020/ND-CP, Art. 55(1)(a); Circular 10/2020/TT-BLDTBXH, Art. 3(5)</p>
Legal Reference	Labour Code, Art. 90(1); Social Insurance Law (2014), Arts. 102, 103; Decree 145/2020/ND-CP, Art. 55(1)(a); Circular 10/2020/TT-BLDTBXH, Art. 3(5)

### Social Security and Other Benefits

Issue	Worker and employer contributions to social, health and unemployment insurance funds (Ref 17934)
Question	Does the facility collect and forward workers' contributions to any of the following social insurance or social security programs in line with legal requirements? (SELECT all that apply with an "X") - Other
Finding	<p>Although the factory collected workers' contribution for social insurance cost by deducting their salary every month, it did not forward the contributions to the social insurance agency on time. Specifically:</p> <ul style="list-style-type: none"> <li>- According to the Social Insurance Payment Report issued by the Social Insurance Agency dated 1/8/2022, the factory owed an amount of VND 744,874,804 with the interest amount of VND 10,509,820.</li> <li>- Before that, according to the Social Insurance Payment Report issued by the Social Insurance Agency dated 1/7/2022, the factory owed an amount of VND 1,313,586,963 with the interest amount of VND 21,972,616.</li> <li>- Or, according to the Social Insurance Payment Report issued by the Social Insurance Agency dated 1/6/2022, the factory owed an amount of VND 1,257,835,582 with the interest amount of VND 17,474,191.</li> </ul>

	Documents checked: Social Insurance documents
Legal Reference	Labour Code, Art. 6(2)(d); Social Insurance Law, Arts. 2(1)(a, b), 21, 39(2), 85, 86(1)(a, c); Adjusted Law on Health Insurance, Art. 1(6, 7); Employment Law, Arts. 43, 57; OSH Law, Art. 44(1); Decree 146/2018/ND-CP, Art. 7(1)(a); Decree 44/2017/ND-CP, Art. 3(1); Circular 59/2015/TT-BLDTBXH, Art. 12; Decree 58/2020/ND-CP; Decision 595/QD-BHXH, Arts. 5(1), 7(1)
Issue	Worker and employer contributions to social, health and unemployment insurance funds
Question	Which of the following facility social insurance contributions (both calculations and types required) are in line with legal requirements? (SELECT all that apply with an "X") - Other
Finding	<p>The factory did not settled the contributions to the social insurance agency on time. Specifically:</p> <ul style="list-style-type: none"> <li>- According to the Social Insurance Payment Report issued by the Social Insurance Agency dated 1/8/2022, the factory owed an amount of VND 744,874,804 with the interest amount of VND 10,509,820.</li> <li>- Before that, according to the Social Insurance Payment Report issued by the Social Insurance Agency dated 1/7/2022, the factory owed an amount of VND 1,313,586,963 with the interest amount of VND 21,972,616.</li> <li>- Or, according to the Social Insurance Payment Report issued by the Social Insurance Agency dated 1/6/2022, the factory owed an amount of VND 1,257,835,582 with the interest amount of VND 17,474,191.</li> </ul> <p>Documents checked: Social Insurance documents</p>
Legal Reference	Labour Code, Art. 6(2)(d); Social Insurance Law, Arts. 2(1)(a, b), 21, 39(2), 85, 86(1)(a, c); Adjusted Law on Health Insurance, Art. 1(6, 7); Employment Law, Arts. 43, 57; OSH Law, Art. 44(1); Decree 146/2018/ND-CP, Art. 7(1)(a); Decree 44/2017/ND-CP, Art. 3(1); Circular 59/2015/TT-BLDTBXH, Art. 12(1)(c); Decree 58/2020/ND-CP

## Wage Information, Use and Deduction

Issue	Payroll records (Ref 17922)
Question	Does the facility maintain only one accurate payroll record that is in line with legal requirements?
Finding	<p>No, the factory did not maintain only one accurate payroll record, because:</p> <ol style="list-style-type: none"> <li>1) As mentioned on the Ref 17970, the working time records did not reflect the hours actually worked while the payrolls that the factory showed are prepared basing on such working time records. Specifically, the sewing worker of workshop 1 has received an amount of VND 6,954,369 for May 2022 via bank transfer while the May 2022 payroll stated his amount of VND 4,290,000 only. In addition, the factory did not share any payrolls of August, September and October 2021 for production workers except for office staff because the factory said that no worker worked 3TC while office staff did.</li> <li>2) The payroll records include headings such as the worker's name, employee code, coefficient of basic salary, step of work performed, number of working days and pay, performance support, additional amount, secondment amount, number of overtime hours and pay, high-working-day bonus, transportation support, female support, number of paid leave day and pay, amount for recommendation of new worker, total amount, insurances, actual payment amount. Workers receive salary via bank transfer and get a copy of their pay slips. However, given that the payment for the actual working days (of workers rather than sewing line workers), the additional and secondment amounts (of all workers) was not respectively calculated basing on pieces made or regulated with clear criteria but totally decided by the Management month by month and for each individual worker, the assessor could not confirm either where these amounts come from or whether they are calculated correctly. Workers when being interviewed show low awareness on these additional and secondment amounts.</li> </ol> <p>Documents checked: Salary calculation regulations, Payrolls of July 2021 - June 2022</p>

Legal Reference	Law on Accounting, Arts. 4(1), 6(3), 14(1), 27(3)
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## Contracts and Human Resources

Issue	Noncompliance regarding Contracts and Hiring practices (Ref 17950)
Question	Are facility practices out of compliance with any legal requirements not covered elsewhere regarding Contracts and Hiring Practices?
Finding	<p>The factory is non-compliance regarding temporarily transferring workers to new work but does not ensure at least 3 days advanced notice.</p> <p>Specifically, 4 interviewed workers confirmed that they were transferred to different jobs for 2 days to 1 week without any advance notices. For example, 1 worker was transferred from buttoning to marking, 1 was transfer from sewing to ironing, 1 was transfer from programming to hanging, the other one was transfer from sewing to thread cutting.</p> <p>Documents checked: internal workplace rules, workers' profiles, transferring documents.</p> <p>Legal reference: Labour Code, Arts. 29</p>
Legal Reference	Labour Code, Arts. 52, 53; Decree 145/2020/ND-CP

## Contracting Procedures

Issue	Probationary period
Question	Are probationary (time) periods in line with legal requirements?
Finding	<p>The factory is non-compliance regarding probation time due to the below reasons:</p> <ol style="list-style-type: none"> <li>1. Interviewed workers who worked at the factory since 2022 confirmed that their probation time lasted from 2 to 3 months.</li> <li>2. Workers' contracts reflect that workers had 1 month probation. However, other documents in the workers' profiles such as document checklists, probation evaluation forms were edited in date. There are matches when comparing the unedited date with workers' sharing about their starting date.</li> <li>3. 1 interviewed worker shared his payslip from Apr 2022, however his personal profile and contracts shown that he only started working since mid May 2022.</li> </ol> <p>Documents checked: 25 workers' contract and profiles</p>
Legal Reference	Labour Code, Arts. 24(3), 25

## Dialogue, Discipline and Disputes

Issue	Dialogue at the workplace (Ref 17962)
Question	Are legally required mechanisms for dialogue between the employer and the union(s) in place and functioning in line with legal requirements?



Finding	<p>The factory issued the Regulations on Grassroots Democracy after consultation with the TU. However the Regulations is in lack of some contents regarding the number of workers' representatives. In fact, the number of workers' representatives (including trade unions representatives) does not meet the law requirement for factory of this size as there are only 8 members instead of at least 14 people. The participants in the dialogue are not made publicly available at the workplace.</p> <p>Documents checked: Regulations on Grassroots Democracy, list of workers' representatives</p>
Legal Reference	Labour Code, Arts. 63, 64; Decree 145/2020/ND-CP, Arts. 37-41, 48

## Employment Contracts

Issue	Employment contracts' compliance with the labour law, collective agreement and work rules (Ref 17944)
Question	Are contracts for all persons who perform work for the facility, both on the premises and offsite, in line with legal requirements?
Finding	<p>Contracts of workers who work in shifts such as security guards and boilers do not specify correctly the working time of them, but states the general working times of other sections. Besides, through randomly checked, assessor found 2 cases of workers who were performing tasks that were different from their job description in their contracts. Specifically, both were operating cutting machines while their contracts put fabric spreading machine/ gluing as jobs need to perform.</p> <p>Documents checked: list of workers, 25 workers' profiles and contracts</p>
Legal Reference	Labour Code, Arts. 15, 18(3)

## Occupational Safety and Health

### Chemicals and Hazardous Material

Issue	Training workers who work with chemicals and hazardous substances (Ref 17991)
Question	Are workers trained on chemical hazards and safe work practices particular to their job assignment in line with legal requirements?
Finding	<p>Maintenance workers who work with machine oil to fix machines were not trained on OSH group 3 for using chemicals at work.</p> <p>Documents check: list of workers, OSH group 3 training list and certificates</p>
Legal Reference	Law on Chemicals, Art. 30; Decree 44/2016/ND-CP; Arts. 17(3), 18(3), 21(1), 25; Decree 113/2017/ND-CP, Section VI; Circular 06/2020/TT-BLĐTBXH

### Emergency Preparedness

Issue	Fire detection and alarm system [public reporting issue] (Ref 18021)
Question	Is the fire detection system in line with legal requirements?

Finding	<p>The factory has installed an automatic fire detection and alarm system, covering mostly the entire workshop. However, when tested by assessor, the system did not work properly. As observed during the assessment, 2 out of 4 smoke detectors in the workshop 1 and 1 out of 3 smoke detectors in inventory material warehouse did not trigger an alarm. Besides, 1 out of 2 sound alarms on floor 2 of manufacturing workshop did not work. It is noted that according to OSH officer, the factory checks, inspects and maintains the fire detection and alarm system regularly.</p> <p>Besides, the factory has the technical room in the 3-floor workshop which has the total cubical volume of around 1.300 m<sup>3</sup> and 10 workers working in the room. However, the factory has added a new ceiling of in this room which also covers all the smoke detectors in the room. Hence there is no smoke detectors in this room.</p> <p>Documents checked: automatic fire detection and alarm system periodic checking minutes</p>
Legal Reference	Law on Fire Prevention and Fire Fighting (2001), Art. 20; TCVN 3890:2009, Art. 6(1)(3), 6(2); TCVN 5738:2000, Art. 4(2, 5), 5(2), 9(1)

### Health Services and First Aid

Issue	Protecting pregnant or nursing workers against safety and health risks (Ref 18016)
Question	Are pregnant and nursing workers protected against safety and health risks in line with legal requirements?
Finding	<p>According to the law requirements, working hours of nursing workers should be shortened an hour besides an hour off for breastfeeding. However, the factory has only arranged 1 hour off for this group of workers. Relevant workers when being interviewed shared that they were arranged to finish the working day one hour earlier than others.</p> <p>It is noted that, at the end of the second assessment day, the factory presented to assessor a list of payment settled in cash for nursing workers in compensation for the second hours off that the workers are entitled to. It is also noted that during the assessment days, workers when being interviewed shared that they received all payments via bank transfer, nothing in cash.</p> <p>Documents checked: Attendance and Payrolls records of July 2021 - June 2022, List of nursing workers</p>
Legal Reference	Labour Code, Arts. 137, 142; Circular 26/2013/TT-BLDTBXH

### Worker Protection

Issue	Legally required training on safe machine/equipment operation, including for those subject to strict OSH requirements (Ref 18001, 17999, 17995)
Question	Do operators/ technicians for machinery, equipment, electrical installations, boiler, lifting equipment, and/or welding have legally required license/ permit/ certification/ training?
Finding	<p>Through randomly check, assessor found 2 workers who were operating hand-held cutting machines were not either trained on OSH group 3 for performing works subject to strict OSH requirement or received a refresher training after 2 years.</p> <p>Documents check: list of workers, OSH group 3 training list and certificates</p>
Legal Reference	OSH Law, Arts. 14, 16(2); Decree 44/2016/ND-CP, Arts. 17(3, 4), 18(3, 4), 21(1), 24(2), 25; Circular 36/2019/TT-BLDTBXH; Circular 06/2020/TT-BLDTBXH; QCVN: 01-2008/BLDTBXH of Decision 64/2008/QD-BLDTBXH, Art. 8(1)(3); QCVN: 01-2008/BLDTBXH, Art. 5(1, 2)

Issue	Installing, grounding (for equipment), and/or maintaining electrical wires, cables, switches, plugs and equipment (e.g. transformer, generator, electrical panel, circuit breakers) (Ref 18002)
Question	Are the following measures in place related to electrical wires, cables, switches, plugs and equipment (e.g. transformer, generator)? (SELECT all that apply with a "X") - Electrical wires, cables, switches, plugs and equipment (e.g. transformer, generator) are in line with legal requirements
Finding	Through observation on assessment days, assessor saw that all industrial fans used in the factory and the paper cutting machine in the technical room were not grounded. It is noted that the factory has made effort in fixing these right on the next day.
Legal Reference	Law on Fire Prevention and Fire Fighting (2001), Art. 5; Law on Electricity, Art. 57; 11 TCN 19-2006; TCXD 394:2007, Arts. 3(2)(2), 4(1)(5)(1); TCVN 9208:2012, Art. 4(2)

## Working Time

### Leave

Issue	Time off for annual leave (Ref 18035)
Question	Which of the following types of leave is the facility not correctly providing workers time off for, as legally required? (SELECT all that apply with a "X") - Annual leave
Finding	<p>The employer provides workers with 14 days of annual leave, plus one more day for every 5 years of experience, as required by law. However, it was found out that a worker who has joined the factory since 2003 was only provided 15 annual leave days in 2021. According to law, she should have had 17 annual leave days.</p> <p>In addition, the factory shared that it settled payment for unused annual leave days in cash but the mentioned worker when being interviewed shared that she has not received any payment in cash for her 14 unused annual leave days of 2021.</p> <p>Documents checked: Sheet of payment of unused annual leave days</p>
Legal Reference	Labour Code, Arts.113, 114; Decree 145/2020/ND-CP, Arts. 65, 66.

### Regular Hours

Issue	Working time records (Ref 17970)
Question	Does the facility maintain only one accurate set of working hour records that is in line with legal requirements?
Finding	<p>The factory does not maintain only one accurate set of working hour records, because:</p> <ol style="list-style-type: none"> <li>1. A sewing worker of workshop 1 had attendance records starting from 14/5/2022 as his joining date, however, there were evidences that he had worked and received salary for the full months of both April and May 2022.</li> <li>2. In June 2022, a sewing worker of workshop 2 who had attendance records of 26 working days and 23 overtime hours (equivalent to a total of 231 hours worked) made 88,835 pieces. However, according to the technological process provided by the factory, the assessor found out that in order to make such 88,835 pieces, the worker should need at least 336 hours assuming that her productivity is at 100% all the time and the short break time is not counted. As such, the assessor supposes that at least 105 working hours of the worker were not showed on the working hour records provided.</li> </ol>

	<p>3. Some workers when being interviewed shared that they used to work overtime after 6:00pm and on Sundays, however, the working hours records that the factory provided to assessor showed that workers worked until 6:00pm latest and there was no one working on Sunday.</p> <p>4. Some workers when being interviewed shared that there were about 20 workers working 3 onsite (3TC) in Aug - Oct 2021, however, there was no attendance record for that period showed. The factory representatives said that the factory closed during Mid-July until end of October 2021.</p> <p>Documents checked: Attendance and payroll records of July 2021 to June 2022, Technological process documents</p>
Legal Reference	Civil Code (2015), Art. 3(3); Law on Accounting (2015), Arts. 3(8), 5(3), 13(1), 26(3)

**Accessible, unobstructed, and/or unlocked emergency exits and escape routes during working hours, including overtime. [Public reporting issue]**

Issue	Accessible, unobstructed, and/or unlocked emergency exits or escape routes during working hours, including overtime [public reporting issue] (Ref 18027)
Question	Are all emergency exits accessible, unobstructed and unlocked during working hours (including overtime) and lead to a place of safety?
Finding	As observed on assessment days, emergency exits in the material warehouse, production warehouse and manufacturing workshop are obstructed with materials, carton boxes and shelves during working hours.
Legal Reference	Decree 167/2013/ND-CP, Art. 38(2)(a), (5); (QCVN 06:2021/BXD, Art. 3(3)(1, 5)

**First-aid facilities.**

Issue	Onsite medical facilities and staff (Ref 18018)
Question	Are on-site medical facilities/clinic(s) and staff in line with legal requirements?
Finding	<p>The factory has more than 400 workers but has only 1 physician instead of 1 doctor/ physician and 1 intermediate-level medical staff as law required for factory of this side. It is noted that the physician is granted a training certificate on OSH under Group 5.</p> <p>It is noted that the factory has not signed a contract with a medical facility to provide services in case of emergency.</p> <p>Documents checked: physician degree and training certificate OSH group 5</p>
Legal Reference	Law on Medical Examination and Treatment, Art. 45; OSH Law, Art. 73; Decree 39/2016/ND-CP, Art. 37(1, 3, 5); Decree 109/2016/ND-CP, Arts. 22(15), 25, 26, 39; Decree 140/2018/ND-CP, Art. 1(6, 10)

**Providing drinking water. [Public reporting issue]**

Issue	Providing drinking water [public reporting issue] (Ref 18012)
Question	Does the facility provide workers with potable drinking water in line with legal requirements?

Finding	<p>The facility provides workers with potable drinking water and conducts regular tests on water quality. However the testing only covered biological indicators and not physical-chemical indicators, as required by law.</p> <p>Document checked: drinking water tests</p>
Legal Reference	<p>Circular 19/2016/TT-BYT, Appendix 1; QCVN 01:2009/BYT of Circular 04/2009/TT-BYT; Circular 41/2018/TT-BYT</p>

## Additional Information

This section of the report contains additional information on areas NOT found to be in noncompliance, including on certain issues that require findings in all assessments regardless of their compliance status.

### Child Labour

#### Child Labourers

Question	Are any workers under the legal minimum age for employment? (Ref 17827)
Finding	<p>The assessors did not see any workers who appeared to be under the age of 15 during the factory observation. A review of factory records and workers' profiles confirmed that all workers are over the age of 15.</p> <p>Documents checked: recruitment policy and procedure, list of all workers, personnel profiles of 25 workers</p>
Legal Reference	ILO Convention 138; Labour Code, Arts. 3, 8, 145; Circular 09/2020/TT-BLĐTBXH

### Discrimination

Question	Are facility practices out of compliance with any legal requirements not covered elsewhere regarding Discrimination in Worker Treatment?
Finding	<p>It is noted that:</p> <p>1) pregnant workers were deducted high-working-days bonus when taking leave for prenatal check-up. For example, in June 2022, a pregnant worker who got high performance bonus and had full attendance except 1 day off for prenatal check up, instead of being entitled the high-working-days bonus at VND 300,000, she only got the rate that is applied for those who do not have full attendance of VND 100,000 only.</p> <p>2) female workers who took maternity leave got amount of year end bonus (13th month salary) less than others because their maternity leave of 6 months were not counted as working month for calculation the bonus.</p> <p>These practices had disproportionate impact on female workers and thus had negative effect on equality of opportunity or treatment in employment. Better Work recommends that the factory should eliminate such indirect discriminatory factor from the policy.</p> <p>Better Work advisor will follow up this issue during the advisory process.</p> <p>Documents checked: List of pregnant workers, List of workers who are nursing child(ren) less than 12 months old, Payrolls of June 2021 to July 2022</p>
Legal Reference	ILO Conventions 111, 183; Recommendation 191; Labour Code, Arts. 3(8), 8, 137, 140

### Freedom of Association and Collective Bargaining

#### Collective Bargaining

Question	Has the facility not implemented any of the provisions in the CBAs? (Ref 17902)
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Finding	<p>It is noted that the CBAs mentioned the complimentary bonus for workers who were former soldiers every 22th Dec. However due to Covid 19, the factory did not provide this bonus for these workers in 2021. The factory is recommended to pay attention to and implement all agreed provisions of the CBAs.</p> <p>Documents checked: CBAs, list of workers who were former soldiers</p>
Legal Reference	ILO Convention 98: Labour Code, Art. 78

## Compensation

### Minimum Wages/Piece Rate Wages

Question	Do full-time production workers receive AT LEAST the legal minimum wage (and/or wage required by contract, CBA, or other agreement) for all regular hours worked? (Ref 17909)
Finding	<p>Since 3rd January 2021, the factory has applied 3 different rates for payment:</p> <p>1) contractual wage at VND 4,429,600 per month as the lowest, used for calculating social insurance and paid leave days.</p> <p>2) work-level wage at VND 4,500,000 per month as the lowest, used for calculating (i) pieces wage compensation in case pieces wage earned less than work-level wage; (ii) overtime hours payment in addition to the pieces made in overtime hours , (iii) high-working-day bonus and (iv) transportation support.</p> <p>3) technological rate at VND 6.5 per second as the lowest (equivalent to VND 4,867,200 for 26 working days with 8 working hours a day), used for calculating pieces wage.</p> <p>Both rates are higher than the regional minimum wage of VND 3,920,000.</p> <p>All workers are paid by piece rate. If their monthly piece rate wage is lower than the work-level wage, they will be paid at work-level wage. Documents checked: Salary calculation regulations, Payrolls of July 2021 - June 2022</p>
Legal Reference	Labour Code, Art. 91(1); Decree 90/2019/ND-CP; Decree 145/2020/ND-CP, Arts. 54(1), 55(1)

### Premium pay

Question	Does the facility provide workers with compensatory time off in line with legal requirements? (Ref 18034)
Finding	<p>According to the attendance records showed by the factory, the workers have not worked any Sundays since the last 12 months although workers when being interviewed shared that they used to work on Sundays as mentioned on Ref 17970.</p> <p>Documents checked: Attendance and Payrolls records of July 2021 - June 2022</p>
Legal Reference	Labour Code, Art. 111

## Contracts and Human Resources

### Contracting Procedures

Question	Is the facility's apprenticeship / training / internship program in line with all legal requirements? (Ref 17952)
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Finding	<p>It is noted that the factory receives 5 students from Tien Giang vocational training centre to practice mechanics at the factory for 1 month, from 1 Aug to 31 Aug 22, one of whom were born on 13 Sep 2004. In addition, during factory observation, assessor saw 1 student working at buttoning preparation section who claimed that he has performed this task for a week. The factory could only provide an introduction letter from the vocational centre but not any agreement related to the tasks these students need to perform or daily practicing schedule. The factory is recommended to develop the agreement with the vocational training centre and closely monitor the age/ tasks/ working time of these students.</p> <p>Documents checked: list of vocational training students, introduction letter from vocational training centre.</p>
Legal Reference	Labour Code, Arts. 60(2), 61, 62; Decree 139/2006/ND-CP, Arts. 10(3), 16, 17

## Employment Contracts

Question	Do workplace rules comply with legal requirements? (Ref 17947)
Finding	<p>It is noted that the latest workplace rules was developed in May 2021 with some amendments to fit 2019 labour law requirements. However, it still lacks of some contents such as scenarios of temporarily transfer workers and the person authorised for handling labour discipline. The factory is recommended to review and add these missing contents into the workplace rules.</p> <p>Documents checked: 2021 internal workplace rules</p>
Legal Reference	Labour Code, Arts. 118(2), 119(2), 121; Decree 145/2020/ND-CP, Art. 69(2)

Question	Do all persons who perform work for the facility, both on the premises and offsite, have a contract? (Ref 17946)
Finding	<p>All workers have contracts. Unskilled workers receive a 6-day probationary contract, while other workers receive a 30-day probationary contract. After their probationary period, workers are given two 12-month fixed term contracts, followed by an indefinite term employment contract.</p> <p>Documents checked: list of workers, 25 workers' profiles and contracts</p>
Legal Reference	Labour Code, Arts. 13, 14(2)

## Occupational Safety and Health

### Health Services and First Aid

Question	Are health checks of workers conducted in line with legal requirements? (Ref 18015)
Finding	<p>The factory provides free periodic health checks for all of its workers, as required by law. Gynecology health checks were included in the regular checks for all female workers. The 2 latest health checks were organized in Dec 2021 and Jul 2022 for all workers.</p> <p>Documents checked: health check records 2021, 2022.</p>
Legal Reference	OSH Law, Art. 21(1, 2); Circular 14/2013/TT-BYT, Art. 6(3); Circular 11/2020/TT-BLDTBXH



## OSH Management Systems

Question	Does the facility comply with legal requirements regarding qualified OSH staff? (Ref 17983)
Finding	<p>The factory has 1 full-time OSH officer assigned with experience and authority to be responsible for OSH issues at the factory. The officer was trained and granted training certificate on OSH of group 2. Moreover, she has been performing technical work with more than 5 years of working experience in the same production sector.</p> <p>Documents checked: Decision to assign safety unit in charge of OSH, OSH training certificate and personal profile of OSH officer, risk assessment.</p>
Legal Reference	OSH Law, Arts. 14(1), 72, 75; Decree 39/2016/ND-CP, Arts. 36, 38; Decree 44/2016/ND-CP, Arts. 17(2), 18(2), 21(1), 24(1), 25

## Working Time

### Overtime

Question	Are all overtime working hours in line with legal limits? (Ref 17973, 17974, 17975)
Finding	<p>According to the working hours records that the factory showed to assessors:</p> <ol style="list-style-type: none"> <li>1. The factory complies with the daily overtime limit of 4 hours. Workers have worked from 0 to 1.5 hours of overtime per day during the period from July 2021 to June 2022. On average, workers have worked 3 overtime hours per week. The highest weekly overtime hours were 9 hours in March 2022 by sewing workers.</li> <li>2. The factory complies with the monthly overtime limit of 40 or 60 hours for the period before and after 1st April 2022 respectively. Workers have worked on average 12 hours of overtime per month during the period from July 2021 to June 2022. The highest monthly overtime hours were 38.5 hours in March 2022 by sewing workers.</li> <li>3. The factory complies with the yearly overtime limit of 300 hours. In 2021, workers have worked overtime on average of 132 hours and a maximum of 211 hours by an ironing worker. From January to June 2022, workers have worked overtime on average of 122 hours and a maximum of 187.5 by a sewing worker.</li> </ol> <p>Documents checked: Attendance records of July 2021 - June 2022, Accumulative overtime data of 2021 and 2022</p> <p>P/S - Report readers are reminded of information mentioned on Ref 17970.</p>
Legal Reference	Labour Code, Art. 107; Decree 145/2020/ND-CP, Arts. 60, 80(3)

### Regular Hours

Question	Do regular working hours exceed legal requirements? (Ref 17968)
Finding	<p>The factory's regular working hours do not exceed 10 hours per day or 48 hours per week. It operates from Monday to Saturday and its standard working hours are from 7:30 am to 4:30 pm for all workers, with an hour break for lunch either from 11:30 am to 12:30 pm or from 12:00 noon to 1:00 pm. Since the factory operates 6 days per week, with 8 hours per day for its regular working hours, there are 48 hours in a regular week.</p> <p>Documents checked: Internal work rules, Attendance records of June 2021 - July 2022</p>
Legal Reference	Labour Code, Art. 105

### Periodic emergency drills. [Public reporting issue]

Question	Does the facility conduct regular emergency drills for all workers in line with legal requirements? (Ref 18028)
Finding	<p>The employer conducts at least one emergency drill per year. The recent fire drill with the participation of the local fire police department was conducted in Jun 2022. The internal evacuation drill was held in Nov 2021. Workers involved in the planned fire scenario participated in the drill with fire police.</p> <p>Documents checked: Fire drill records</p>
Legal Reference	Decree 46/2012/ND-CP, Art. 1(6)(7); Circular 149/2020/TT-BCA, Art.10(1)

### Providing workers with personal protective clothing and equipment.

Question	Are workers provided with Personal Protective Equipment (PPE) in line with legal requirements? (Ref 17994)
Finding	<p>The employer provides workers who are exposed to occupational safety and health hazards with all free necessary personal protective clothing and equipment (PPE). Metal gloves are provided for cutters; goggles, carbon masks, gloves, and aprons are provided for print mixing workers; dust masks for all workers; gloves, goggles, earplugs, aprons, carbon masks and protective shoes for boiler workers; gloves and goggles for maintenance workers; helmets, insulated gloves and insulated shoes for electricians; helmets and safety belt for open-forklift operators. PPE is renewed as required.</p> <p>Documents checked: PPE policy, PPE logbook.</p>
Legal Reference	OSH Law, Arts. 16(3), 23; Circular 04/2014/TT-BLDTBXH

## Better Work Clusters and Compliance Points

Better Work carries out factory assessments to monitor compliance with international core labour standards and national labour law, and where national law either fails to address or lacks clarity around a relevant issue regarding conditions at work, according to benchmarks established by Better Work based on international labour standards and good practices. Better Work organizes reporting into eight areas of labour standards, also known as clusters. Four of the clusters are international core labour standards, based on fundamental rights at work and four are based on national labour law relating to working conditions. As such, factory assessments aim to monitor compliance with these areas.

**Core labour standards:** Adopted in 1998, the ILO Declaration on Fundamental Principles and Rights at Work commits Member States to respect and promote principles and rights in four categories, whether or not they have ratified the relevant Conventions. These categories are: freedom of association and the effective recognition of the right to collective bargaining, the elimination of forced labour, the abolition of child labour, and the elimination of discrimination in respect of employment and occupation. The relevant ILO Conventions from which the 1998 Declaration derives—29, 87, 98, 105, 100, 111, 138, and 182— provide the framework for assessing non-compliance in the core labour standards clusters across all Better Work country programmes.

**National labour law:** The four other clusters monitor compliance with standards primarily set by national law, so they vary from country to country. This set consists of compensation, contracts and human resources, occupational safety and health, and working time.

Each of the eight clusters is divided into its key components, known as "compliance points". Each of these compliance points contains specific questions that may vary from country to country. Better Work's Global Compliance Assessment Tool (CAT) is available at <https://betterwork.org/blog/portfolio/better-works-global-compliance-assessment-tool/>