




# Sedex Members Ethical Trade Audit Report

**Version 6.1**



Audit Details			
Sedex Company Reference: <i>(only available on Sedex System)</i>	ZC: N/A	Sedex Site Reference: <i>(only available on Sedex System)</i>	ZS: N/A
Business name (Company name):	Nam Viet Food & Beverage Co., Ltd		
Site name:	Nam Viet Food & Beverage Co., Ltd		
Site address: <i>(Please include full address)</i>	994/1C, Nguyen Thi Minh Khai Street, Tan Thang Town, Tan Binh District, Di An City, Binh Dung Province	Country:	Vietnam
Site contact and job title:	Bui Thi Duyen Duyen – General Director Assistant		
Site phone:	+84948225005	Site e-mail:	nancy@vinut.com.vn
SMETA Audit Pillars:	<input checked="" type="checkbox"/> Labour Standards	<input checked="" type="checkbox"/> Health & Safety (plus Environment 2-Pillar)	<input checked="" type="checkbox"/> Environment 4-pillar <input checked="" type="checkbox"/> Business Ethics
Date of Audit:	Nov 23, 2020		

<b>Audit Company Name &amp; Logo:</b>    <b>SGS VIETNAM LIMITED</b>	<b>Report Owner (payer):</b> <i>(If paid for by the customer of the site please remove for Sedex upload)</i>  <b>Nam Viet Food &amp; Beverage Co., Ltd</b>
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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)			

## 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):

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

Lead auditor: Vu Duc Quang Cong (Mr.) APSCA number: 21703884

Lead auditor APSCA status: RA

Team auditor: Nguyen Sy Quoc Van (Mr.) APSCA number: 21704267

Le Hoang Bao Long (Mr.) APSCA number: 21704250

Interviewers: Vu Duc Quang Cong (Mr.) APSCA number: 21703884

Report writer: Vu Duc Quang Cong (Mr.); Nguyen Sy Quoc Van (Mr.); Le Hoang Bao Long (Mr.)

Report reviewer: Sushmita Goswami (03.12.2020)

Date of declaration: 23<sup>rd</sup> November 2020

*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 <a href="#">Universal Rights covering UNGP</a>			<input type="checkbox"/>	<input type="checkbox"/>				Nil
0B <a href="#">Management systems and code implementation</a>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				Nil
1. <a href="#">Freely chosen Employment</a>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>				Nil
2. <a href="#">Freedom of Association</a>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>				Nil
3. <a href="#">Safety and Hygienic Conditions</a>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	4			NCs: 1. The factory does not provide emergency eye wash in the chemical room. 2. At least 30 % chemical tank not identified by labelling. 3. Inadequate pest control system. 4. First aid box were not enough 27 items.
4. <a href="#">Child Labour</a>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>				Nil
5. <a href="#">Living Wages and Benefits</a>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>				Nil
6. <a href="#">Working Hours</a>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>				Nil
7. <a href="#">Discrimination</a>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>				Nil

8	Regular Employment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				NC:
8A	Sub-Contracting and Homeworking		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				Nil
9	Harsh or Inhumane Treatment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				Nil
10A	Entitlement to Work		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				Nil
10B2	Environment 2-Pillar		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				Not audit
10B4	Environment 4-Pillar		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				Nil
10C	Business Ethics		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				Nil

General observations and summary of the site:

Site Summary:

- The products manufactured at this site are router parts, wall mount parts, wall charger part and acoustic enclosure part.
- Overall responsibility for meeting the standards is taken by Bui Thi Duyen Duyen (Ms.) – General Director Assistant
- There is a total of 306 workers on site.
- The youngest worker on site was over 19 years old
- Trade Union was established at this factory.
- There is evidence of both male and female in management and among supervisor.
- There was no peak season in the factory.
- Site uses no sub-contractors.
- 26 workers were selected for interviews randomly according to their positions, physical appearance and personnel file records (06 individuals and 4 groups of 5)
- All workers said they were satisfied with their employment at the factory.
- They also said they were able to make suggestions to their supervisors and team leaders and sometimes they had seen these suggestions used.
- 26 Records to show wages and hours were taken per month included Oct 2020, Sep 2020, Nov 2019.
- Standard hours on site were on average 08 hours/day; 48 hours/week; with one-day-off in every 7-day-period. The workers worked in 01 shifts.
- Legal minimum wage was applied at site is VND4.420.000/month since Jan 2020.

*\*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:	Nam Viet Food & Beverage Co., Ltd																
B: Site name:	Nam Viet Food & Beverage Co., Ltd																
C: GPS location: (If available)	GPS Address:	Latitude: 10.940185 Longitude: 106.7672813															
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 number 3702469912 was issued on Jun 03, 2016, and the last revision was on Sep 14, 2020.																
E: Products/Activities at site, for example, garment manufacture, electricals, toys, grower, cutting, sewing, packing etc	Food & Beverage Manufacturing																
F: Site description: (Include size, location, and age of site. Also, include structure and number of buildings)	<p>Nam Viet Food and Beverage Company Limited is located in 994/1C Nguyen Thi Minh Khai Street, Tan Thang Ward, Tan Binh Ward, Di An City, Binh Duong Province, Vietnam, This site has consist only 03 main building, which were described as below</p> <table border="1"> <thead> <tr> <th>Production Building no</th> <th>Description</th> <th>Remark, if any</th> </tr> </thead> <tbody> <tr> <td>Building 1</td> <td>2.325 m2, 01 storey occupied for manufacturing process.</td> <td>Nil</td> </tr> <tr> <td>Building 2</td> <td>675 m2, 01 storey, occupied for warehouse.</td> <td>Nil</td> </tr> <tr> <td>Building 3</td> <td>275m2, 01 storey, occupied for head office.</td> <td>Nil</td> </tr> <tr> <td>Is this a shared building?</td> <td>No</td> <td>Nil</td> </tr> </tbody> </table> <p>For below, please add any extra rows if appropriate.</p> <p>F1: Visible structural integrity issues (large cracks) observed?  <input type="checkbox"/> Yes  <input checked="" type="checkbox"/> No            F2: Please give details: No large cracks were observed.</p> <p>F3: Does the site have a structural engineer evaluation?  <input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No</p> <p>F4: Please give details: Construction permit No. 1468/GPXD - UBND approved on 17 Oct 2016</p>		Production Building no	Description	Remark, if any	Building 1	2.325 m2, 01 storey occupied for manufacturing process.	Nil	Building 2	675 m2, 01 storey, occupied for warehouse.	Nil	Building 3	275m2, 01 storey, occupied for head office.	Nil	Is this a shared building?	No	Nil
Production Building no	Description	Remark, if any															
Building 1	2.325 m2, 01 storey occupied for manufacturing process.	Nil															
Building 2	675 m2, 01 storey, occupied for warehouse.	Nil															
Building 3	275m2, 01 storey, occupied for head office.	Nil															
Is this a shared building?	No	Nil															
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)	N/A
I: Process overview: (Include products being produced, main operations, number of production lines, main equipment used)	Raw material – Mixing – Filling – Pasteurize – Packing - Export
J: What form of worker representation / union is there on site?	<input checked="" type="checkbox"/> Union (name) Grassroot trade union of Nam Viet Food and Beverage Company Limited <input type="checkbox"/> Worker Committee <input type="checkbox"/> Other (specify) <input type="checkbox"/> None
K: Is there any night production work at the site?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
L: Are there any on site provided worker accommodation buildings e.g. dormitories	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No L1: If yes, approx. % of workers in on site accommodation
M: Are there any off site provided worker accommodation buildings	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No M1: If yes, approx. % of workers
N: Were all site-provided accommodation buildings included in this audit	<input type="checkbox"/> Yes <input type="checkbox"/> No N1: If no, please give details N/A

Audit Parameters			
A: Time in and time out	Day 1 Time in: 08:45 Day 1 Time out: 16:30	Day 2 Time in: Day 2 Time out:	Day 3 Time in: Day 3 Time out:
B: Number of auditor days used:	2,5 mandays (3 auditors x 1 day)		
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 checked="" type="checkbox"/> Announced <input type="checkbox"/> Semi – announced: Window detail:    weeks <input type="checkbox"/> Unannounced		
E: Was the Sedex SAQ available for review?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If No, why not: The factory is not Sedex member		
F: Any conflicting information SAQ/Pre-Audit Info to Audit findings?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If <b>Yes</b> , please capture detail in appropriate audit by clause		
G: Who signed and agreed CAPR (Name and job title)	Bui Thi Duyen Duyen – General Director Assistant		
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:	N/A		
J: Previous audit type:	N/A		
K: Were any previous audits reviewed for this audit	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A		

Audit attendance	Management	Worker Representatives	
	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

<p>D: If Worker Representatives were not present please explain reasons why <i>(only complete if no worker reps present)</i></p>	<p>Factory established Trade Union namely Trade Union of Nam Viet Food &amp; Beverage Co., Ltd. The local law did not stipulate about worker representatives.</p>
<p>E: If Union Representatives were not present please explain reasons why: <i>(only complete if no union reps present)</i></p>	<p>NA</p>

## 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	100	0	0	0	0	0	0	100
Worker numbers – female	206	0	0	0	0	0	0	206
Total	306	0	0	0	0	0	0	306
Number of Workers interviewed – male	08	0	0	0	0	0	0	08
Number of Workers interviewed – female	16	0	0	0	0	0	0	16
Total – interviewed sample size	26	0	0	0	0	0	0	26



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>  100%  </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 <i>(management information)</i>	<p>D: <u>          </u>% workers on piece rate</p> <p>D1: <u>          </u>% hourly paid workers</p> <p>D2: <u>  100%  </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>	4 groups of 5	
D: Number of individual interviews <i>(Please see SMETA Best Practice Guidance and Measurement Criteria)</i>	D1: Male: 3	D2: Female: 3
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?	Working conditions; wage and benefits.	
J: Any additional comment(s) regarding interviews:	None	
K: Attitude of workers to hours worked:	Interviewed employees indicated that they were all happy with the current working time (both regular and overtime working hours) and rest day per week.	
L. Is there any worker survey information available?		
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No L1: If yes, please give details: NA		

**M: Attitude of workers:**

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

There were total 26 employees randomly being selected among 306 employees (during site observation at both factories and through employee list, payroll, and time records). They were divided into 4 groups of 5 plus 6 individuals for interview. Selected sample workers were interviewed during site observation and in a private audit room independently without restriction from factory management

All workers interviewed showed good attitude to their working conditions and management. Most of workers satisfied their working conditions and employment terms. There was not any complaint of workers about the management once interviewed or significant of negative information being identified during the interview process.

**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*

Selected sample employees confirmed during the interview that they were all knew about their Trade Union chairwoman. The trade union chairwoman was freely elected. Good comments were given toward their trade union representatives.

**O: Attitude of managers:**

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

The site's board of management were co-operated during whole audit processes such as: management interview, worker interview, document review, and site observation). Auditors could access all premises of the site and documents, records needed for audit. During the closing meeting, all positive and negative findings were properly communicated to the management. All issues were agreed to be corrected within suitable timeline and signed by.

## 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:

Evidence collected during the document review as well as management interview indicated that factory had a certain awareness of Human Rights. Human Rights policy and/or procedure had been established in written as requirement. Concurrently, no human right violation was noted during this audit.

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

##### Details:

It was noted through site tour, the review of Compliant Handling and Grievance policies / procedures, appointment letter as well as written social compliance policies that the policy and procedure on Universal Rights was established and available for review.

Any other comments: None

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

Yes  
 No

A1: Please give details: The factory had a human right policy and communicate for all employees.

B: Does the business have a designated person responsible for implementing standards concerning Human Rights?

Yes  
 No



	<p>Please give details:          Name: Ms. Do Thi Ngan          Job title: Administration and HR 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: It was noted that Complaint Handling, Grievance mechanism and Open policies were established, suggestion boxes were arranged at publicity. In addition, no human right violation was noted during this audit. This was confirmed through site observation, document review &amp; employee's interview.</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: Document review &amp; management interview indicated that HR Policy and Confidential Procedures were established in written. All personal records were retained in every employee's personal profile. The data privacy was managed and controlled by HR department.</p>

Findings	
<p><b>Finding: Observation</b> <input type="checkbox"/>      <b>Company NC</b> <input type="checkbox"/></p> <p><b>Description of observation:</b> None observed</p> <p><b>Local law or ETI/Additional elements / customer specific requirement:</b></p> <p><b>Comments:</b></p>	<p><b>Objective evidence observed:</b></p>

Good examples observed:	
<p><b>Description of Good Example (GE):</b> None observed</p>	<p><b>Objective Evidence Observed:</b></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: _14,4_ %	A2: This year _9,74_ %
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 <sup>st</sup> day of 90 day period + number of employees on the last day of the 90 day period) / 2]	3%	
C: Annual % absenteeism: Number of days lost through job absence in the year / [(number of employees on 1 <sup>st</sup> day of the year + number employees on the last day of the year) / 2] * number available workdays in the year	C1: Last year: _3,6_ %	C2: This year _2,1_ %
D: Quarterly (90 days) % absenteeism: Number of days lost through job absence in the period / [(Number of employees on 1 <sup>st</sup> of the period + Number of employees on the last day of the period) / 2] * Number of available workdays in the month	8%	
E: Are accidents recorded?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please describe: accidents are recorded.	
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: Number: 0	F2: This year: 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: 0	H2: This year: 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:**

- Satisfactory evidence collected during the document review, site observation as well as management interview confirmed that ETI Code was implemented at the site.
- ETI Code was posted in the factory in local language.
- A management representative was assigned to be responsible for engaging requirements (both local laws and ETI Code) to their daily business operations. Relevant social compliance policies and procedures had been established and communicated with employees at every level such as: Child labour, force labour, working hours, wage & benefits ... policies.

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

Details:

- Management interview
- Training records
- Worker interview

Any other comments: None

**Management Systems:**

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

- Yes
- No

A1: Please give details: This was confirmed through document review (local's authority inspection reports / records) as well as management interviews.

B: Do policies and/or procedures exist that reduce the risk of forced labour, child labour, discrimination, harassment & abuse?

- Yes
- No

B1: Please give details: Relevant written social compliance polices and/or procedures (such as child labour, forced labour, discrimination, harassment & abuse policies) had been

	established and provided for review during this audit.
C: If Yes, is there evidence (an indication) of effective implementation? Please give details.	Site observation indicated that social compliance policies and/or procedures had been posted at bulletin board of the facility. There was not any forced labour, child labour, discrimination or harassment and abuse cases had been noted, observed and reported during this audit.
D: Have managers and workers received training in the standards for forced labour, child labour, discrimination, harassment & abuse?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: Please give details: During management and workers interview, they were well-noted about these policies.
E: If Yes, is there evidence (an indication) that training has been effective e.g. training records etc.? Please give details	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please give details: During management and workers interview, they were well-noted about these policies.
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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No F1: Please give details: FSSC 22000 Certificate No. VN20/00107, valid until May 09, 2023; HACCP Certificate No. VN17/00102, valid until May 09, 2023; EC 834/2007 & 889/2008 Certificate No. C853435EU-1.2020, valid until Sep 14, 2021; USDA NOP Certificate No. C853435NOP-01.2020, valid until Sep 14, 2021;
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: There was a HR department in the facility.
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: The factory had appointed Bui Thi Duyen Duyen (Ms.) – General Director Assistant to be in charge of implementation ETI Code of Conduct on its daily business operations.
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: A Worker's Confidential Procedure was established in written for HR and others relevant departments to follow.

<p>J: Is there an effective procedure to ensure confidential information is kept confidential?</p>	<p><input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No                      J1: Please give details: A written Information Confidential Procedure was established. No such confidential information issue was identified during this audit</p>
<p>K: Are risk assessments conducted to evaluate policy and procedure effectiveness?</p>	<p><input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No                      K1: Please give details: Document review and management interview indicated that, risk assessment to evaluate effective internal policies and procedures conducted yearly.</p>
<p>L: Does the facility have a process to address issues found when conducting risk assessments, including implementation of controls to reduce identified risks?</p>	<p><input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No                      L1: Please give details: Document review and management interview indicated that the site established a process to address issues found when conducting risk assessments, including implementation of controls to reduce identified risks.</p>
<p>M: Does the facility have a policy/code which require labour standards of its own suppliers?</p>	<p><input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No                      M1: Please give details: The factory had a policy which required labour standards of its own suppliers.</p>
<p><b>Land rights</b></p>	
<p>N: Does the site have all required land rights licenses and permissions (see SMETA Measurement Criteria)?</p>	<p><input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No                      N1: Please give details: Factory has land used permit document no. CS08831 issues on 24 Dec 2015.</p>
<p>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?</p>	<p><input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No                      O1: Please give details: Reviewing the land rental contract, noted that the factory did follow their use of land as per the commitment on contract as well as legal requirement</p>
<p>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</p>	<p><input type="checkbox"/> Yes  <input checked="" type="checkbox"/> No                      P1: If yes, how does the company obtain FPIC:</p>
<p>Q: Is there evidence that facility / site compensated the owner/lessor for the land prior to the facility being built or expanded.</p>	<p><input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No</p>

	Q1: Please give details: Based on the review of Land lease contract and rental payment release indicated that rental fee had been settled down.
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: N/A
S: Is There any evidence of illegal appropriation of land for facility building or expansion of footprint.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No S1: Please give details: There was no evidence of illegal appropriation of land for facility building or expansion of footprint.

Non-compliance:	
<p><b>1. Description of non-compliance:</b></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><b>Objective evidence observed:</b>                  (where relevant please add photo numbers)</p>
<b>Local law and/or ETI requirement:</b>	
<b>Recommended corrective action:</b>	

Observation:	
<p><b>Description of observation:</b> None observed</p> <p><b>Local law or ETI requirement:</b></p> <p><b>Comments:</b></p>	<p><b>Objective evidence observed:</b></p>

Good Examples observed:	
<p>Description of Good Example (GE): None observed</p>	<p><b>Objective evidence observed:</b></p>

**1: Freely Chosen Employment**

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**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:**

Forced labour policies & procedures were established in written. Site observation confirmed that no prison or trafficking labour was used. Worker interviewed also indicated that no original ID or identity papers certificates ... were retained by the site. No deposit applied.

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

Details:

- Satisfactory evidence collected through site observation, document review & employee interview indicated that:
- Employees were free to get out of the site after working hours;
- No personal original documents (such as ID, passport, certificate ...) were asked to keep by the factory;
- Employment was freely chosen;
- No fee for recruitment when applying for the job at the site;
- Movement of employees at the facility was not prohibited or limited;
- Employees can access to toilets and potable water
- Overtimes were always performed on voluntary basis;
- The factory did not limit the employees' freedom.

Any other comments: None

<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                  C1: If yes, please give details and category of worker affected:</p>

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 were no any restrictions detected
E: If any part of the business is UK based or registered there & has a turnover over £36m, is there a published a 'modern day slavery statement'?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not applicable E1: Please describe finding:
F: Is there evidence of any restrictions on workers' freedoms to leave the site at the end of the work day?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No F1: Please describe finding: There were no any evidence of any restrictions on workers' freedoms to leave the site at the end of the workday
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 site sent ETI code including non-force policy for their suppliers.
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 factory established a policy and procedure on forced and trafficked labour. It was trained for employees and managers and posted at publicity accordingly.

Non-compliance:	
<b>1. Description of non-compliance:</b> <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law: <input type="checkbox"/> NC against customer code: None observed  <b>Local law and/or ETI requirement</b>  <b>Recommended corrective action:</b>	<b>Objective evidence observed:</b> (where relevant please add photo numbers)

Observation:	
<b>Description of observation:</b> None observed  <b>Local law or ETI requirement:</b>  <b>Comments:</b>	<b>Objective evidence observed:</b>

Good Examples observed:	
<b>Description of Good Example (GE):</b> None observed	<b>Objective evidence observed</b>



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

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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:**

It was confirmed with management and employee interviews as document review that grievance mechanism, suggestion box records, trade union chairwoman election and meeting records were available for review. No discrimination was noted between trade and non-trade union members. Trade union chairwoman was freely elected. Board of Trade union was established on 08 Oct, 2018 with 07 members regarding to Decision No. 17/QĐ-LĐLĐ. Board of Trade union members were provided with adequate facilities to perform their tasks. Freedom of Association procedure was established in written and well communicated to employees. CBA was established on 25 Feb, 2020.

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

Details:

- Per documents review including disciplinary records, promotion records, and dismissal records, etc. and workers interview, confirmed that union's representatives were not discriminated against and accessible to carry out their representative functions in the workplace;
- Collective bargaining agreement was established 25 Feb, 2020;
- Periodical dialogue conducted quarterly. The last time was on 27 Oct, 2020;
- Annual labour conference was conducted on 20 Aug, 2020;
- The workplace dialogues were conducted regularly;
- Board of Trade union committee consist of 07 members, they were freely elected on 08 Oct, 2018;
- Interview with workers' representative members.

Any other comments: None

A: What form of worker representation/union is there on site?

- Union (name) Grassroot level trade union of Nam Viet Foods and Beverage Co., Ltd
- Worker Committee
- Other (specify)
- 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 effective worker/management communication channel? (Other than union/worker committee e.g. H&S, sexual harassment)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No D1: Please give details:  D2: Is there evidence of free elections? <input 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: Please give details: Trade union members were provided with a private room, supporting equipment's such as telephone, computer, internet... Internal meetings were conduct monthly. The last time was on Oct 27, 2020.	
F: Name of union and union representative, if applicable:	Grassroot level trade union of Nam Viet Foods and Beverage Co., Ltd  Nguyen Thi Hong (Ms.) / 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?	N/A	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	
I: Were worker representatives freely elected?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	I1: Date of last election: 08 Oct, 2018
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 <b>Yes</b> , please state how many: 01	
L: Please describe any evidence that union/worker's committee is effective? Specify date of last meeting; topics covered; how minutes were communicated etc.	Workplace dialogues were conducted regularly. Suggestion box was displayed. Opening dialogue policy was recommended.	

M: Are any workers covered by Collective Bargaining Agreement (CBA)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
If <b>Yes</b> , what percentage by trade Union/worker representation	M1: <u>100</u> % workers covered by Union CBA	M2: <u>0</u> % workers covered by worker rep CBA
M3: If <b>Yes</b> , does the Collective Bargaining Agreement (CBA) include rates of pay?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

Non-compliance:	
<b>1. Description of non-compliance:</b> <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code: None observed  <b>Local law and/or ETI requirement:</b>  <b>Recommended corrective action:</b>	<b>Objective evidence observed:</b> (where relevant please add photo numbers)

Observation:	
<b>Description of observation:</b> None observed  <b>Local law or ETI requirement:</b>  <b>Comments:</b>	<b>Objective evidence observed:</b>

Good Examples observed:	
Description of Good Example (GE): None observed	<b>Objective evidence observed:</b>

### 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 & Safety management:

- Observation from factory tour, noted that the general working environment of the facility was clean and in good conditions. Ventilation and temperature were adequate for the production processes.
- There was toilet facility for all male & female workers installed in factory, which was complied with legal law requirement. The workers' toilets provided with clean as well as segregated for men and women.
- PEEs warning signs were posted at related workplaces. PPEs were provided free for workers and workers worn them during working time;
- Relevant policy and factory regulation were posted at bulletin board.
- Regular health check and Occupational health check was provided for all workers on 21 Nov 2020.
- Relevant drinking water the factory has provided drinking water to all employees and all working area, in addition drinking water was tested every 06 months.
- The factory has conducted Monitor harmful elements of the occupational environment as legal requirement and the last was on 21 Sep 2020.

##### 2. Fire Safety

- Factory had valid fire inspection certificates that were issued by local fire safety police fire safety acceptances were issued on 12 Jul 2018 document no. 2143/KD -PCCC.
- The fire prevention plan by local fire safety police dated on 02 Apr 2020
- Fire explosion insurance date on 20 Nov 2020 valid to 20 Nov 2021.
- There were 20 firefighting members who were being provided fire safety training by local fire police on 04 Nov 2020.
- The factory has conducted fire drill once time per year as fire prevention plan by local fire safety police. The last time dated on 29 Oct 2020.
- Procedure for inspecting and testing for fire-fighting equipment's was in place. The fire extinguishers were inspected internally once per month. All of them were tested regularly by service authorizer.
- There were at least 02 fire exits from each work area and these were clearly marked.
- The "No smoking" signs were posted at production and prohibited areas in factory.

- Per site observation, it was noted that all fire exits, and escaped routes were unlocked and free of obstruction.
- Per site observation, auditors noted that all site buildings were maintained in good physical condition.

### 3. Electrical safety

- All electrical equipment was maintained in good condition;
- The electrical wires were installed in fully acceptable condition and adequately protected by isolated material as legal requirement;
- Anti-lighting systems were inspected on April 17,2020, valid to April 17,2021 refer document no. 00127/DCS/05/kD.KV2 with adequate results.
- Annual machine maintenance schedule and records were reviewed it was noted that all equipment was regularly maintained as schedule.

### 4. Medical services

- The factory has 03 nurse staff, Ms. Le Thi Le and Ms. Bui Thi Hau and Mr. Bui Van Phuc. They have medical knowledge and experience. And the factory has a medical contract with the medical centre and Travel distance from factory to medical centre within 30 minutes as legal requirement.
- There were 10 persons of different production sections and shifts being trained the first aid knowledge on 30 Oct 2020 with certificates issued by local medical centre.

### 5. Health and safety training

- Per document review, workers and management interview, auditors noted that the factory provided health and safety training with valid certificates as below:
  - Group I provide training dated on 30 Oct 2020 valid for 02 year.
  - Group II provide training dated on 30 Oct 2020 valid for 02 year.
  - Group III provide training dated on 30 Oct 2020 valid for 02 year.
  - Group IV provide training dated on 30 Oct 2020 valid for 01 year.
  - Group V provide training dated on 30 Oct 2020 valid for 02 year.
  - Group VI provide training dated on 30 Oct 2020 valid for 02 year.There were trained on occupational health and hygiene as legal requirement.
- Per document review, workers and management interview, auditors noted that the factory had 04 forklift, 04 crane, 01 Cold system, 03 air compressors, 01 Boiler with the valid inspection certificates and the operators got the valid safety operation certificate, details of inspection as below:
  - Forklift got the inspection certificate on 11 Aug 2018 valid for 02 year.
  - Crane got the inspection certificate on 11 Aug 2018 valid for 02 year.
  - Boiler got the inspection certificate on 11 Aug 2018 valid for 02 year.
  - 01 Cold system got the inspection certificate on 11 Aug 2018 valid for 02 year.
  - Air Compressors got the inspection certificate on 11 Aug 2018 valid for 02 year.

### 6. Canteen

- The factory management signed catering service contract to provide meals for workers. Catering service company obtained Certificate of Food safety conditions no. 25/ATTP dated on 2 Dec 2010.
- 03 staffs of catering service company were trained on Food safety on 25 Aug 2017 and was provided health check on 21 Nov 2020.

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

#### Details:

- Health and safety policy
- Health and safety manual
- Health and safety committee minutes
- Training records and certificates

- Fire equipment maintenance records
- Fire drill records
- Government licenses and checks on air quality and noise level
- Building structure safety certificate
- Trained first aider register
- Accident reports
- Sanitation permit for kitchen
- Health certificates for kitchen staff
- Chemical list and MSDS for each chemical
- Potable water testing certificates
- Interviews with H&S manager
- Interviews with workers and H&S committee members

Any other comments: None

<p>A: Does the facility have general and occupational Health &amp; 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: Regular health check and Occupational health check was provided for all workers on Oct 16, 2019 and occupational disease on Jun 12,2020.</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: Health &amp; Safety policy was briefly mentioned on worker's manual.</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: No illegal construction works were observed on audit date.</p>
<p>D: Are visitors to the site informed on H&amp;S and provided with personal protective equipment</p>	<p><input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No  D1: Please give details: Visitors and auditors who visited the site were fully informed of H&amp;S requirements. PPE were provided for them before entering the production areas.</p>
<p>E: Is a medical room or medical facility provided for workers?  If yes, do the room(s) meet legal requirements and is the size/number of rooms suitable for the number of workers.</p>	<p><input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No  E1: Please give details: the factory has a medical room provided for worker and They have medical knowledge and experience. And the factory has a medical contract with the medical centre and Travel distance from factory to medical centre within 30 minutes as legal requirement.</p>
<p>F: Is there a doctor or nurse on site or there is easy access to first aider/ trained medical aid?</p>	<p><input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No  F1: Please give details: Based on document review, auditor noted that the factory has 03 nurse staffs</p>
<p>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?</p>	<p><input type="checkbox"/> Yes  <input checked="" type="checkbox"/> No  G1: Please give details: No transportation provided for workers.</p>

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: No dormitory was provided for workers.
I: Are H&S Risk assessments are conducted (including evaluating the arrangements for workers doing overtime e.g. driving after a long shift) and are there controls to reduce identified risk?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No I1: Please give details: Per document review and management interview, auditors noted that factory conducted risk assessment about health and safety at workplace on 02 Jan 2020.
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 factory did meet the legal requirements on environment. Annual inspection report was made and submitted to local authority. The latest workplace monitoring reports were on Jul 13,2019.
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: List of using chemicals were available on site.

**Non-compliance:04**

**1. Description of non-compliance:**

NC against ETI     NC against Local Law     NC against customer code:  
 Based on the factory tour, management interview, Auditor noted that the factory does not provide emergency eye wash in the chemical room. However, the factory has conduct installed eye wash during audit time.

**Local law and/or ETI requirement**

Accordance with Circular 19/2016/TT-BYT, Article 5 Requirements for first aid and emergency treatment Clause 2 Where poisonous and toxic chemicals or corrosive substances are applied, emergency showers and eyewash stations shall be installed in accessible places inside the workplace and shall be maintained in accordance with manufacturer's manual or regulations of laws (if any).

**Recommended corrective action:**

The factory should be provided washing facilities and cleansing materials at the workplace has used hazardous chemicals.

**2. Description of non-compliance:**

NC against ETI     NC against Local Law     NC against customer code:  
 Based on Site observation and management interview, it was noted that at least 30% chemicals at the chemical room that are not identified by labelling (name + hazardous pictograms).

**Local law and/or ETI requirement:**

Law on Chemical No. 06/2007/QH12 dated on Nov 21, 2007 valid since 01 Jul, 2008, Article 27. Classification and labelling 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.

**Objective evidence observed:**

1. Per site observation and management interview - Photo NC 01.

2. Per site observation and management interview - Photo NC 01.

<p>3. Labelling shall be made according to the law and regulations on labelling of goods.</p> <p>4. Hazardous chemicals shall be labelled according to the law and regulations on labelling of goods and the GHS guideline on classification and labelling of hazardous chemicals.</p> <p><b>Recommended corrective action:</b> The factory should be conducted identified chemical items and pasted hazardous chemical containers.</p> <p><b>3. Description of non-compliance:</b>  <input checked="" type="checkbox"/> NC against ETI    <input type="checkbox"/> NC against Local Law    <input type="checkbox"/> NC against customer code:          Based on site observation and management interview, auditor noted that the factory does not have adequate pest control system at dining area.</p> <p><b>Local law and/or ETI requirement:</b>          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><b>Recommended corrective action:</b>          The factory should be conduct pest control system.</p> <p><b>4. Description of non-compliance:</b>  <input type="checkbox"/> NC against ETI    <input checked="" type="checkbox"/> NC against Local Law    <input type="checkbox"/> NC against customer code:          It was noted from site tour that 02 out of 06 selected first aid kits were stocked from 10 to 13 items instead of 27 items as per legal requirement.</p> <p><b>Local law and/or ETI requirement:</b>          Accordance with Circular 19/2016/TT-BYT dated 30 Jun 2016 valid since 15 Aug 2016, Article 6 provisions on first aid kits and Appendix 4: provisions on bag first aid in the workplace.</p> <p>1. First aid kits shall be available in the workplace, at accessible and visible positions, with Red Cross symbol thereof.          2. Quantity of first aid kits and items thereof shall be conformable to Annex 4 hereof.</p> <p><b>Recommended corrective action:</b>          Factory should equip first aid kit with 27 items as local law requirement.</p>	<p>3. Per site observation and management interview.</p> <p>4. Per site observation and management interview – Photo NC04</p>
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Observation:	
<p><b>Description of observation:</b> None observed</p> <p><b>Local law or ETI requirement:</b></p> <p><b>Recommended corrective action:</b></p>	<p><b>Objective evidence observed:</b></p>

**Good Examples observed:**



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Description of Good Example (GE): None observed	<b>Objective Evidence Observed:</b>
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**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:**

- The factory established policy of child labour including remedial action once any incident of child labour identified;
- Procedure of recruitment could ensure how effectiveness of verifying work age of workers was. It has been acknowledged by HR and admin staffs;
- No child labour was noted, observed and or reported during this audit. This was confirmed through site observation, document review & worker interview;

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

Details:

- Personnel file
- Policy and procedure
- List of latest total employees
- Site observation

Any other comments: None

A: Legal age of employment:	15 years old
B: Age of youngest worker found:	Born in Jul 2002, recruited in Nov 2019
C: Are there children present on the work floor but not working at the time of audit?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
D: % of under 18's at this site (of total workers)	0 %
E: Are workers under 18 subject to hazardous work assignments? <a href="#">(Go to clause 3 – Health and Safety)</a>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No E1: If yes, give details

Non-compliance:	
<p><b>1. Description of non-compliance:</b>  <input type="checkbox"/> NC against ETI    <input type="checkbox"/> NC against Local Law    <input type="checkbox"/> NC against customer code:                      None observed</p> <p><b>Local law and/or ETI requirement:</b></p> <p><b>Recommended corrective action:</b></p>	<p><b>Objective evidence observed:</b>                      (where relevant please add photo numbers)</p>

Observation:	
<p><b>Description of observation:</b> None observed</p> <p><b>Local law or ETI requirement:</b></p> <p><b>Comments:</b></p>	<p><b>Objective evidence observed:</b></p>

Good Examples observed:	
<p>Description of Good Example (GE): None observed</p>	<p><b>Objective Evidence Observed:</b></p>

**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:**

- The legal minimum wage applied for this site was VND4.420.000/month in 2020.
- Wage slip was provided to individual workers at the payment salary. Factory applied monthly salary for all employees. The salary calculation cycle was from the 26<sup>th</sup> of last month to 25<sup>th</sup> of current month and salary was paid in full on the 05<sup>th</sup> of following month for employees by cash and bank transfer. Wage slip was provided to workers at each pay period. Since Sep 2020, the employees received salary via bank transfer;
- Extra allowances: Diligence allowance of VND200.000/month; childcare allowance of VND100.000/baby/month for workers who having baby under 6 years old; housing allowance of VND500.000/month and petrol allowance of VND300.000/month;
- Wage scale was submitted to authority department on
- No inconsistencies were noted during this audit.

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

Details:

Payrolls and time records of 12 months (from Nov 2019 to Oct 2020) were provided for review. Wage was paid correctly. Payslip was provided for employees during the pay period. No inconsistencies were noted during this audit.

- Document review
- Worker interview
- Local and national laws
- Wages and benefits policy

**Non-compliance:**

**1. Description of non-compliance:**

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

None observed

**Objective evidence observed:**

*(where relevant please add photo numbers)*

<b>Local law and/or ETI requirement:</b>	
<b>Recommended corrective action:</b>	

<b>Observation:</b>	
<b>Description of observation:</b> None observed <b>Local law or ETI requirement:</b> <b>Comments:</b>	<b>Objective evidence observed:</b>

<b>Good Examples observed:</b>	
<b>Description of Good Example (GE):</b> None observed	<b>Objective Evidence Observed:</b>

### 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: 48 working hours per week	A1: 08 working hours per day 48 working hours per 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: - 04 overtime hours/day - 30 overtime hours/month	B1: - 1,5 hours/day - 27 overtime hours/month	B2: <input checked="" type="checkbox"/> Yes <input 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: Since Jan 2020: VND4.420.000/month	C1: Since Jan 2020: VND4.729.400/month	C2: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
D: Overtime wage: <i>(Minimum legal and actual minimum overtime wage at site, please state if possible per hr, day, week, and month)</i>	Legal minimum: * Dayshift: - Normal day: 150% - Rest day: 200%	D1: * Dayshift: - Normal day: 150% - Rest day: 200%	D2: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

	- Holiday: 300%  * Nightshift: - Normal day: 200% or 210% - Rest day: 270% - Holiday: 390%	- Holiday: 300%  * Nightshift: - Normal day: 200% or 210% - Rest day: 270% - Holiday: 390%	
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<b>Wages analysis:</b> <a href="#">(Click here to return to Key Information)</a>	
A: Were accurate records shown at the first request?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
A1: If <b>No</b> , why not?	N/A
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>	26 samples in Oct 2020 (current month); 26 samples in Sep 2020 (random month); 26 samples in Nov 2019 (random month);
C: Are there different legal minimum wage grades? If <b>Yes</b> , please specify all.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No C1: If <b>Yes</b> , please give details:
D: If there are different legal minimum grades, are all workers graded and paid correctly?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A D1: If <b>No</b> , please give details:
E: For the lowest paid production workers, are wages paid for standard/contracted hours (excluding overtime) below or above the legal minimum?	<input type="checkbox"/> Below legal min <input type="checkbox"/> Meet <input checked="" type="checkbox"/> Above E1: Lowest actual wages found: <i>Note: full time employees and please state hour / week / month etc.</i>
F: Please indicate the breakdown of workforce per earnings:	F1: ___% of workforce earning under minimum wage F2: ___% of workforce earning minimum wage F3: _100_% of workforce earning above minimum wage
G: Bonus Scheme found: Please specify details:	Bonus Scheme found: <i>Note: type of employee (e.g. full time, temp, etc.) and please state which units e.g. /hour /week /month etc.</i> Diligence allowance of VND200.000/month; Childcare allowance of VND100.000/baby/month for workers who having baby under 6 years old; Housing allowance of VND500.000/month; Petrol allowance of VND300.000/month;
H: What deductions are required by law e.g. social insurance? Please state all types:	Social insurance; Health insurance; Unemployed insurance;

		Trade union fee;	
I: Have these deductions been made?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	I1: Please list all deductions that <b>have</b> been made.	Social insurance 8% of basic wage; Health insurance 1,5% of basic wage; Unemployed insurance 1% of basic wage; Trade union fee: VND40.000/month;  Please describe:
		I2: Please list all deductions that <b>have not</b> been made.	1. 2.  Please describe:
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:		
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:		
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: annually		

<p>O: Are workers paid in a timely manner in line with local law?</p>	<p><input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No</p>
<p>P: Is there evidence that equal rates are being paid for equal work:</p>	<p><input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No  P1: Please give details:</p>
<p>Q: How are workers paid:</p>	<p><input checked="" type="checkbox"/> Cash  <input type="checkbox"/> Cheque  <input checked="" type="checkbox"/> Bank Transfer  <input type="checkbox"/> Other  Q1: If other, please explain:</p>



**6: Working Hours are not Excessive**

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

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

**ETI**

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

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

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

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

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

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

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

**Current Systems and Evidence Examined**

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

**Current systems:**

Through employees' interview, overtime is voluntary.

- The factory provided hours and wages records from Nov 2019 to Oct 2020 for review.
- There are 01 shifts at the facility from 07:30 to 11:00 and from 12:00 to 16:30. In events of OT, the employee would work until 18:00
- The records were reviewed against production records and security records to verify actual working hours.

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

Details:

- 12 months payrolls and time records were provided from Nov 2019 to Oct 2020. The records were reviewed against production records, canteen records, and security records to verify actual working hours.

<ul style="list-style-type: none"> <li>- All workers were provided labours contract with regular working hours per month, wages and benefits.</li> <li>- Through employees' interview, it was noted that all overtime was voluntary.</li> <li>- 26 samples in Nov 2019, 26 samples in Sep 2020, 26 samples in Oct 2020 were selected for review.</li> <li>- Document review</li> <li>- Worker interview</li> <li>- Local and national laws</li> <li>- Working hours, Wages and benefits policy</li> </ul> <p>Any other comments: Nil</p>
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Non-compliance:	
<p><b>1. Description of non-compliance:</b>  <input type="checkbox"/> NC against ETI    <input type="checkbox"/> NC against Local Law    <input type="checkbox"/> NC against customer code:                  None observed</p> <p><b>Local law and/or ETI requirement:</b></p> <p><b>Recommended corrective action:</b></p>	<p><b>Objective evidence observed:</b>                  (where relevant please add photo numbers)</p>

Observation:	
<p><b>Description of observation:</b> None observed</p> <p><b>Local law or ETI requirement:</b></p> <p><b>Comments:</b></p>	<p><b>Objective evidence observed:</b></p>

Good Examples observed:	
<p>Description of Good Example (GE): None observed</p>	<p><b>Objective Evidence Observed:</b></p>

Working hours' analysis	
Please include time e.g. hour/week/month ( <a href="#">Go back to Key information</a> )	
Systems & Processes	
A. What timekeeping systems are used: time card etc.	Describe: fingerprint machine
B: Is sample size same as in wages section?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No B1: If no, please give details

<p>C: Are standard/contracted working hours defined in <b>all</b> contracts/employment agreements?</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<p>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:</p>				
<p>D: Are there any other types of contracts/employment agreements used?</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<p>D1: If YES, please complete as appropriate:</p> <table border="1" data-bbox="687 528 1489 591"> <tr> <td><input type="checkbox"/> 0 hrs</td> <td><input type="checkbox"/> Part time</td> <td><input type="checkbox"/> Variable hrs</td> <td><input type="checkbox"/> Other</td> </tr> </table> <p>If "Other", Please define:</p>	<input type="checkbox"/> 0 hrs	<input type="checkbox"/> Part time	<input type="checkbox"/> Variable hrs	<input type="checkbox"/> Other
<input type="checkbox"/> 0 hrs	<input type="checkbox"/> Part time	<input type="checkbox"/> Variable hrs	<input type="checkbox"/> Other			
<p>E. Do any standard/contracted working hours defined in contracts/employment agreements exceed 48 hours per week?</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<p>E1: If <b>yes</b>, please detail hours, %, types of workers affected and frequency Please give details:</p>				
<p>F: Are workers provided with at least 1 day off in every 7-day-period, or 2 in 14-day-period?</p>	<p>F2: Please select all applicable:</p> <input type="checkbox"/> 1 in 7 days <input checked="" type="checkbox"/> 2 in 14 days <input type="checkbox"/> No If 'No', please explain:	<p>F3: Is this allowed by local law?</p> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No				
<p>Maximum number of days worked without a day off (in sample):</p>		<p>12 days</p>				
<p><b>Standard/Contracted Hours worked</b></p>						
<p>G: Were standard working hours over 48 hours per week found?</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<p>G1: If yes, % of workers &amp; frequency: N/A</p>				
<p>H: Any local waivers/local law or permissions which allow averaging/annualised hours for this site?</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<p>H1: If yes, please give details: N/A</p>				
<p><b>Overtime Hours worked</b></p>						
<p>I: Actual overtime hours worked in sample (State per day/week/month)</p>	<p>Highest OT hours: 1,5 hours/day; 06 hours/week; 27 hours/month.</p>					

J: Combined hours (standard or contracted + overtime hours = total) over 60 found? Please give details:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
K: Approximate percentage of total workers on highest overtime hours:	_40_%	
L: Is overtime voluntary?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Conflicting Information	L1: Please detail evidence e.g. Wording of contract / employment agreement / handbook / worker interviews / refusal arrangements:
<b>Overtime Premiums</b>		
M: Are the correct legal overtime premiums paid?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A – there is no legal requirement to OT premium	M1: Please give details of normal day overtime premium as a % of <b>standard</b> wages: Normal workday: 150% Days off: 200% National Public Holiday: 300%
N: Is overtime paid at a premium?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	N1: If yes, please describe % of workers & frequency: 100%
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 checked="" 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	
	O1: Please explain any checked boxes above e.g. detail of consolidated pay / CBA or Other	
	The lowest OT wage rate is 150%	
P: If more than 60 total hours per week and this is legally allowed, are there other considerations? Please complete the boxes where relevant.	<input type="checkbox"/> <b>Overtime is voluntary</b> <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)	
	P1: Please explain any checked boxes above e.g. detail of consolidated pay / CBA or other:	
	N/A	
Q: Is there evidence that overtime hours are being	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

<p>used for extended periods to make up for labour shortages or increased order volumes?</p>	<p>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 checked="" type="checkbox"/> Yes <input 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:**

- Policy on non-discrimination performance was established in place.
- No evidence of discrimination based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or politics was found.
- The facility explicitly prohibited mandatory pregnancy testing as a condition of employment or continued employment.
- The employees were paid of the same job and seniority with the same rate irrespective of gender, age, or other issues.

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

Details: Reviewing recruitment documents, Payrolls and time records, Disciplinary records confirmed that 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.

Any other comments: None

A: Gender breakdown of Management + Supervisors (Include as one combined group)	A1: Male: _10_ % A2: Female_90_ %
B: Number of women who are in skilled or technical roles e.g. where specific qualifications are needed i.e. machine engineer / laboratory analyst:	10
C: Is there any evidence of discrimination based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation?:	<input type="checkbox"/> Hiring <input type="checkbox"/> 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: N/A

**Professional Development**

A: What type of training and development are available for workers? Initial and refresh training

B: Are HR decisions e.g. promotion, training, compensation based on objective, transparent criteria?  Yes  No  
If no, please give details:

**Non-compliance:**

**1. Description of non-compliance:**  
 NC against ETI     NC against Local Law     NC against customer code:  
 None observed

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

**Local law and/or ETI requirement:**

**Recommended corrective action:**

**Observation:**

**Description of observation:** None observed

**Local law or ETI requirement:**

**Comments:**

**Objective evidence observed:**

**Good Examples observed:**

**Description of Good Example (GE):** None observed

**Objective Evidence Observed:**

**8: Regular Employment Is Provided**

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

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

**ETI**

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

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

**Additional Elements: Responsible Recruitment**

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

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

8.5 Employment agencies must only supply workers registered with them.

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

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

**Current Systems and Evidence Examined**

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

**Current systems:**

The site management understood legal law requirements regarding employment process and contribution of social insurance. No agency or temporary worker found in audit days. Worker contracts accurately reflect terms in the recruitment process. It was understood and signed by both workers and management. One copy of labour contract was kept by workers through interview. However, some personnel files did not have appendix of labour contract when having a change in basic wage.

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

Details:

- The factory applied maximum 30 days of training period for workers. After that, workers signed indefinite labour contracts. There were no seasonal/contract workers working in factory as of the audit time.
- The factory provided social insurance for workers after finished probation period, which was complied with legal law requirement.
- The payment records of the contribution to the insurance fund were available for review. And records to showed that employees receive the benefits of the insurance program such as sick leave, pregnant check, and maternity leave were available. In addition, the factory settled social insurance fee to local social insurance department till Oct 2020.

Any other comments: None



**Non-compliance: 01**

**1. Description of non-compliance:**

NC against ETI     NC against Local Law     NC against customer code:  
 Based on personnel files review of 26 samples, management and worker interview, auditor noted that labour contract of 08 out of 26 samples don't state the term of labour contract. It just states that "Type of labour contract: Definite term labour contract"

**Local law and/or ETI requirement:**

Vietnam labour Code No. 10/2012/QH13; Article 23. Contents of a labour contract

1. A labour contract must have the following principal contents:
- a/ Name and address of the employer or the lawful representative of the employer;
  - b/ Full name, date of birth, gender, residence address, identity card number or other lawful documents of the employee;
  - c/ Job and workplace;
  - d/ Term of the labour contract;
  - e/ Wage, form of wage payment, deadline for wage payment, wage-based allowances and other additional payments;
  - f/ Regimes for promotion and wage raise;
  - g/ Working time, rest time;
  - h/ Labour protection equipment for the employee;
  - i/ Social insurance and health insurance;
  - j/ Training, retraining and occupational skill improvement.

**Recommended corrective action:**

The employer shall define clearly the term of labour contract.

**Objective evidence observed:**

*(where relevant please add photo numbers)*  
 Documents review and management interview

**Observation:**

**Description of observation:** None observed

**Local law or ETI requirement:**

**Comments:**

**Objective evidence observed:**

**Good Examples observed:**

Description of Good Example (GE): None observed

**Objective Evidence Observed:**

**Responsible Recruitment**

**All Workers**

A: Were all workers presented with terms of employment at the time

- Terms & Conditions presented
- Understood by workers

<p>of recruitment, did they understand them and are they same as current conditions?</p>	<p><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: Based on personnel files review of 26 samples, management and worker interview, auditor noted that labour contract of 08 out of 26 samples don't state the term of labour contract. It just states that "Type of labour contract: Definite term labour contract"</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>
<p>C: If yes, check all that apply:</p>	<p><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 –</p> <p>C1: If other, please give details: N/A</p>
<p>D: If any checked, give details:</p>	<p>N/A</p>

<p><b>Migrant Workers:</b></p> <p><i>The term "migrant worker" refers to a person who is engaged or has been engaged in a remunerated activity in a country of which they are not a national or permanent resident or has purposely migrated on a temporary basis to another in-country region to seek and engage in a remunerated activity</i></p>	
<p>A: Type of work undertaken by migrant workers:</p>	<p>N/A No migrant worker at site</p>
<p>B: Please give details about recruitment agencies for migrant workers:</p>	<p>B1: Total number of (in country recruitment agencies) used:  B2: Total number of (outside of local country) recruitment agencies used:</p>

<p>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?</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No <p>C1: Please describe finding:</p>	<p>C2: Observations:</p>
<p>D: Are Any migrant workers in skilled, technical, or management roles</p> <p><i>Migrant Workers (this should include all migrant workers including permanent workers, temporary and/or seasonal workers)</i></p>	<input type="checkbox"/> Yes <input type="checkbox"/> No <p>D1: If yes, number and example of roles:</p>	

### NON-EMPLOYEE WORKERS

<b>Recruitment Fees:</b>	
<p>A: Are there any fees?</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<p>B: If yes, check all that apply:</p>	<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 <p>B1 – If other, please give details: N/A</p>
<p>C: If any checked, give details:</p>	<p>NA</p>

<p align="center"><b>Agency Workers (if applicable)</b>  <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></p>	
<p>A: Number of agencies used (average):</p>	<p>A1: Names if available: N/A          The factory did not use agency worker</p>

B: Were agency workers' age / pay / hours included within the scope of this audit?	<input type="checkbox"/> Yes <input type="checkbox"/> No
C: Were sufficient documents for agency workers available for review?	<input type="checkbox"/> Yes <input type="checkbox"/> No
D: Is there a legal contract / agreement with all agencies?	<input type="checkbox"/> Yes <input type="checkbox"/> No  D1: Please give details:
E: Does the site have a system for checking labour standards of agencies? If yes, please give details.	<input type="checkbox"/> Yes <input type="checkbox"/> No  E1: Please give details:

<b>Contractors:</b> <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 <b>Yes</b> , how many workers supplied by contractors?	
C: Do all contractor workers understand their terms of employment?	<input type="checkbox"/> Yes <input type="checkbox"/> No C1: Please describe finding:
D: If <b>Yes</b> , please give evidence for contractor workers being paid per law:	

**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:**

No sub-contractors or home workers were used by the facility.

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

**If any processes are sub-contracted – please populate below boxes**

Process Subcontracted	Process 1	Process 2
Name of factory		
Address		
Process Subcontracted	Process 3	Process 4
Name of factory		
Address		
Process Subcontracted	Process 5	Process 6
Name of factory		
Address		

Details: N/A

**Non-compliance:**

**1. Description of non-compliance:**

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

**Local law and/or ETI /Additional Elements requirement:**

**Recommended corrective action:**

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

Observation:	
<b>Description of observation:</b> None observed <b>Local law or ETI/Additional elements requirement:</b> <b>Comments:</b>	<b>Objective evidence observed:</b>

Good Examples observed:	
<b>Description of Good Example (GE):</b> None observed	<b>Objective Evidence Observed:</b>

Summary of sub-contracting – if applicable	
<input checked="" type="checkbox"/> Not Applicable please x	
<b>A:</b> 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 <b>A1:</b> Please describe:
<b>B:</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 <b>B1:</b> If <b>Yes</b> , summarise details:
<b>C:</b> Number of sub-contractors/agents used:	
<b>D:</b> Is there a site policy on sub-contracting?	<input type="checkbox"/> Yes <input type="checkbox"/> No <b>D1:</b> If <b>Yes</b> , summarise details:
<b>E:</b> 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			
<b>A:</b> If homeworking is being used, is there evidence this has been agreed with the main client?	<input type="checkbox"/> Yes <input type="checkbox"/> No <b>A1:</b> If <b>Yes</b> , summarise details:		
<b>B:</b> Number of homeworkers	<b>B1:</b> Male:	<b>B2:</b> Female:	<b>Total:</b>
<b>C:</b> Are homeworkers employed direct or through agents?	<input type="checkbox"/> Directly <input type="checkbox"/> Through Agents		<b>C1:</b> If through agents, number of agents:

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

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

**ETI**

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

Additional elements:

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

<p>A: Are there published, anonymous and/or open channels available for reporting any violations of Labour standards and H&amp;S or any other grievances to a 3<sup>rd</sup> party?</p>	<p><input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No  A1: Please give details: There is suggestion box, and workers can contact to compliance staff any time for reporting grievances.</p>
<p>B: If <b>Yes</b>, are workers aware of these channels and have access? Please give details.</p>	<p>Yes, Workers aware well that they could raise their comments through suggestion boxes which were posed at workshop, mail address and Open-Door policy.</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>Suggestion boxes, email and open-door policy.</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: Suggestion boxes and direct meeting with trade union representatives to be resolved any grievance, said the workers interviewed and management representative interviewed. Besides, email and Open-Door policy were applied.</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 type="checkbox"/> Yes  <input checked="" type="checkbox"/> No   F1: If no, please give details</p>
<p>G: Is there a published and transparent disciplinary procedure?</p>	<p><input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No   G1: If no, please explain</p>
<p>H: If yes, are workers aware of these the disciplinary procedure?</p>	<p><input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No   H1: If no, please give details</p>
<p>I: Does the disciplinary procedure allow for deductions from wages (fines) for</p>	<p><input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No</p>



disciplinary purposes (see wages section)?	11: If yes, please give details
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**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 clear policy to prohibit all harsh or inhuman treatment activities.
- Suggestion boxes together with clear grievance documented policy were provided to workers to report any harsh or inhuman treatment activities.
- No evidence of harassment / abuse / inhumane treatment was identified through any records in place.
- No evidence of hash or inhumane treatment occurred in place. It was confirmed during site observation and employees, trade union representative interview.
- Factory regulation, disciplinary practices documents were reviewed and noted that no physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation were found in place.

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

Details: Review the relevant policy on prevention of harassment and abuse; Internal grievance procedure documentation; Training records

Any other comments: None

**Non-compliance:**

<p><b>1. Description of non-compliance:</b></p> <p><input type="checkbox"/> NC against ETI    <input type="checkbox"/> NC against Local Law    <input type="checkbox"/> NC against customer code:</p> <p>None observed</p> <p><b>Local law and/or ETI requirement:</b></p> <p><b>Recommended corrective action:</b></p>	<p><b>Objective evidence observed:</b></p> <p><i>(where relevant please add photo numbers)</i></p>
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**Observation:**

<p><b>Description of observation:</b> None observed</p> <p><b>Local law or ETI requirement:</b></p> <p><b>Comments:</b></p>	<p><b>Objective evidence observed:</b></p>
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**Good Examples observed:**

<p><b>Description of Good Example (GE):</b> None observed</p>	<p><b>Objective Evidence Observed:</b></p>
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**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:**

All workers were Vietnamese and employees were employed complying with laws. The employees' original ID cards were reviewed during interview to cross check. No agencies were used.

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

Details: Workers profile and factory regulation review confirmed that all workers were not entitle with any legal or civil dispute. During recruitment period, employees were required to submit a complete document set. The documents were reviewed against the original documents. Copy of these original documents was kept in the workers files. No employment agency was used in place. No employment agency was used in place.

Any other comments: None

**Non-compliance:**

**1. Description of non-compliance:**

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

**Local law and/or ETI /Additional Elements requirement:**

**Recommended corrective action:**

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

**Observation:**

**Description of observation:** None observed

**Local law or ETI/Additional Elements requirement:**

**Comments:**

**Objective evidence observed:**

**Good examples observed:**

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Description of Good Example (GE): None observed	<b>Objective Evidence Observed:</b>
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**10. Other issue areas 10B4: Environment 4–Pillar**

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

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

**B.4. Compliance Requirements**

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

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

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

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

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

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

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

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

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

**B4. Guidance for Observations**

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

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

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

**Current Systems and Evidence Examined**

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

**Current systems:**

- Based on the facility tour, it is observed that general housekeeping in the production areas are in good conditions and organizations. All wastes including production, living and hazardous wastes were separated in storage;
- Environment protection project approval No. 1262/UBND-KT was issued by Binh Duong Province People’s Committee on 25 May, 2018;
- Water supply contract No. 2017.020753/HĐ-CN was signed in 2016 valid till 2021;
- Environment protection policy included environmental targets was signed by top management and communicated to all employees;
- Environmental monitoring report was conducted annually. The last time was on Dec, 2019;
- The contract of collecting, transport, treating and disposal of domestic waste and normal industrial waste valid till 01 Mar, 2021;
- The contract of collecting, transport, treating and disposal of hazardous waste No. 1698-RNH/HĐ-KT/17, valid till 04 Dec, 2020.

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

**Details:**

- Environmental policy;
  - Environment impact assessment;
  - Environmental monitoring report;
  - Domestic and hazardous waste collecting contracts;
  - Wastewater treatment contract;
  - Energy bills;
  - Water bills;
  - Worker and management interview;
  - Site tour;
- Any other comments: None

**Non-compliance:**

**1. Description of non-compliance:**

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

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

**Local law and/or ETI/Additional Elements requirement:**

**Recommended corrective action:**

**Observation:**

**Description of observation:** None observed

**Local law or ETI/Additional elements requirements:**

**Comments:**

**Objective evidence observed:**

**Good examples observed:**

Description of Good Example (GE): None observed

**Objective Evidence Observed:**

<b>Environmental Analysis</b> <i>(Site declaration only – this has not been verified by auditor. Please state units in all cases below.)</i>	
A: Is there a manager responsible for Environmental issues (Name and Position):	Bui Thi Duyen Duyen (Ms.) – General Director Assistant
B: Has the site conducted a risk assessment on the environmental impact of the site, including implementation of controls to reduce identified risks?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No B1: Please give details: The facility conducted environmental impact evaluation regarding to environmental impact evaluation procedure No. NV-QT-04.
C: Does the site have a recognised environmental system certification such as ISO 14000 or equivalent? Please give details.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No C1: Please give details: There was no recognised environmental system certification.
D: Does the site have an Environmental policy? <i>(For guidance, please see Measurement criteria)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: If yes, is it publicly available? The environmental policy No. NV-CS-15 was established on 01 Sep, 2020.
E: If yes, does it address the key impacts from their operations and their commitment to improvement?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please give details: the key impacts and commitment to comply with national requirements or standards for pollutant discharge were mentioned. 1. Power consumption - target to reduce electricity use by 5% compared to 2019 2. Hazardous waste generation – to classify waste thoroughly at every department 3. Conventional waste generation - target to reduce stationery by 5% compared to 2019 4. Water consumption - target to reduce water use by 15% compared to 2019
F: Does the site have a Biodiversity policy? <i>(For guidance, please see Measurement criteria)</i>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
G: Is there any other sustainability systems present such as Chain of Custody, Forest Stewardship Council (FSC), Marine Stewardship Council (MSC) etc.? Please give details. <i>(For guidance, please see Measurement criteria)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No G1: Please give details: - FSSC 22000 Certificate No. VN20/00107, valid until May 09, 2023; - HACCP Certificate No. VN17/00102, valid until May 09, 2023; - EC 834/2007 & 889/2008 Certificate No. C853435EU-1.2020, valid until Sep 14, 2021; - USDA NOP Certificate No. C853435NOP-01.2020, valid until Sep 14, 2021;
H: Have all legally required permits been shown? Please give details.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No H1: Please give details: All legally required permits were provided.

I: Is there a documentation process to record hazardous chemicals used in the manufacturing process?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A I1: Please give details: There was no hazardous chemicals used in the manufacturing.
J: Is there a system for managing client's requirements and legislation in the destination countries regarding environmental and chemical issues?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No J1: Please give details: The facility identified legal and interested parties requirements through list of applicable requirements
K: Facility has reduction targets in place for environmental aspects e.g. water consumption and discharge, waste, energy and green-house gas emissions:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No K1: Please give details: The facility established reduction targets annually, such as: water and electric.
L: Facility has evidence of waste recycling and is monitoring volume of waste that is recycled.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No L1: Please give details: There was no waste recycling operations onsite.
M: Does the facility have a system in place for accurately measuring and monitoring consumption of key utilities of water, energy and natural resources that follows recognised protocols or standards?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No M1: Please give details: The facility accurate measured and monitored volume of keys utilities of water and electric
N: Has the facility checked that any Sub-Contracting agencies or business partners operating on the premises have the appropriate permits and licences and are conducting business in line with environmental expectations of the facility?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No N1: Please give details: The facility checked that any Sub-Contracting agencies or business partners operating on the premises have the appropriate permits and licences and are conducting business in line with environmental expectations of the facility

**Usage/Discharge analysis**

Criteria	Previous year: Please state period: ____2019____	Current Year: Please state period: _01 – 10/2020__
Electricity Usage: Kw/hrs	1.336.966	2.036.837
Renewable Energy Usage: Kw/hrs	N/A	N/A
Gas Usage: Kw/hrs	N/A	N/A
Has site completed any carbon Footprint Analysis?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If <b>Yes</b> , please state result		
Water Sources: Please list all sources e.g. lake, river, and local water authority.	<ul style="list-style-type: none"> <li>Local water authority</li> </ul>	<ul style="list-style-type: none"> <li>Local water authority</li> </ul>
Water Volume Used: (m <sup>3</sup> )	81.294	81.366

Water Discharged: <i>Please list all receiving waters/recipients.</i>	• Area domestic drainage pipes	• Area domestic drainage pipes
Water Volume Discharged: <i>(m<sup>3</sup>)</i>	81.294	81.366
Water Volume Recycled: <i>(m<sup>3</sup>)</i>	N/A	N/A
Total waste Produced <i>(please state units)</i>	Not provided	Not provided
Total hazardous waste Produced: <i>(please state units)</i>	721 kg	1710 kg
Waste to Recycling: <i>(please state units)</i>	N/A	N/A
Waste to Landfill: <i>(please state units)</i>	N/A	N/A
Waste to other: <i>(please give details and state units)</i>	N/A	N/A
Total Product Produced <i>(please state units)</i>	29.304,24 tons	27.329,53 tons



**10C: Business Ethics – 4-Pillar Audit**

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

To be completed for a 4-Pillar SMETA Audit

**10C. Compliance Requirements**

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

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

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

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

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

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

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

**10C. Guidance for Observations**

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

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

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

**Current Systems and Evidence Examined**

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

**Current systems:**

The factory manager was the designated person responsible for implementing standards concerning business ethics and site practices were conducted without any anti-corruption or bribery. The factory established a business ethics policy which was communicated to workers through posters and training. The factory had received and read the business ethics policy of the auditor/ audit company. There is an internal grievance process which is an anonymous email address, please see clause 9.

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

Details: The factory business ethics policy including

- Bribery
- Anti-corruption
- Training records
- Workers handbook

Any other comments: None

Non-compliance:	
<p><b>1. Description of non-compliance:</b></p> <p><input type="checkbox"/> NC against ETI/Additional Elements      <input type="checkbox"/> NC against Local</p> <p><input type="checkbox"/> NC against customer code: Non observed</p> <p><b>Local law and/or ETI/Additional Elements requirement:</b></p> <p><b>Recommended corrective action:</b></p>	<p><b>Objective evidence observed:</b> <i>(where relevant please add photo numbers)</i></p>

Observation	
<p><b>Description of observation:</b> Non observed</p> <p><b>Local law or ETI/Additional elements requirement:</b></p> <p><b>Comments:</b></p>	<p><b>Objective evidence observed:</b></p>

Good examples observed:	
<p>Description of Good Example (GE): Non observed</p>	<p><b>Objective Evidence Observed:</b></p>

<p>A: Does the facility have a Business Ethics Policy and is the policy communicated and applied internally, externally or both, as appropriate?</p>	<p><input checked="" type="checkbox"/> Internal Policy <input type="checkbox"/> Policy for third parties including suppliers</p> <p>A1: Please give details: The factory has policy on the need to avoid bribes and fraudulent practices.</p>
<p>B: Does the site give training to relevant personnel (e.g. sales and logistics) on business ethics issues?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>B1: Please give details: All workers were provided training on business ethics issues</p>
<p>C: Is the policy updated on a regular (as needed) basis?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>C1: Please give details: Examined each year by HR department and adjusted if needed</p>
<p>D: Does the site require third parties including suppliers to complete their own business ethics training</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>D1: Please give details: The factory representative confirmed that the factory did not use any sub-contracting agencies in their manufacturing process.</p>

Other findings

<b>Other Findings Outside the Scope of the Code</b>
Nil

<b>Community Benefits</b> <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>
Nil

## Appendix 1

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

Not Applicable please x










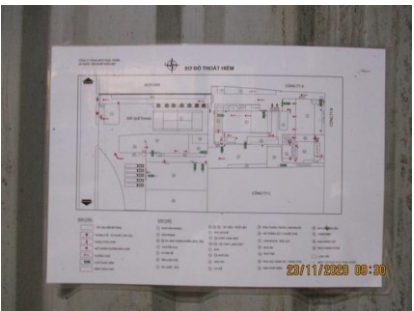


## Photo Form


### NC Photos

		<p>Nil</p>
<p>NC 01: No emergency eye wash and labelling for chemical tank and</p>	<p>NC 04: First aid box were not enough 27 items</p>	

### GE Photos

<p>Factory name</p>	<p>Main Gate</p>	<p>Factory overview</p>
<p>Raw material warehouse</p>	<p>Production process</p>	<p>Production process</p>

		
<p>Production process</p>	<p>Finish good warehouse</p>	<p>Automatic fire alarm central</p>
		
<p>Fire hose reel system</p>	<p>Fire extinguishers</p>	<p>Fire pump</p>
		
<p>Fire alarm - 1</p>	<p>Fire alarm - 2</p>	<p>15. Emergency light and exit sign.</p>
		
<p>Evacuation map</p>	<p>Suggestion box</p>	<p>Time attendance machine</p>

		
<p>Dining area</p>	<p>Information board</p>	<p>Locker for employees</p>



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

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

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

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