



# Sedex Members Ethical Trade Audit Report

**Version 6.1**



Audit Details				
Sedex Company Reference: <i>(only available on Sedex System)</i>	ZC408744650	Sedex Site Reference: <i>(only available on Sedex System)</i>	ZS408755000	
Business name (Company name):	VIETNAM FOOD INDUSTRIES JOINT STOCK COMPANY			
Site name:	VIETNAM FOOD INDUSTRIES JOINT STOCK COMPANY			
Site address:	913 Truong Chinh Street, Tay Thanh Ward, Tan Phu District, Ho Chi Minh City, Vietnam Ho Chi Minh 70000 VN	Country:	VN	
Site contact and job title:	Ms. Nguyen Thi Tinh / General Director			
Site phone:	0903853404/+849023322 82	Site e-mail:	hoa.truongthibach@vifo n.com.vn	
SMETA Audit Pillars:	<input checked="" type="checkbox"/> Labour Standards	<input checked="" type="checkbox"/> Health and Safety (plus Environment 2-Pillar)	<input checked="" type="checkbox"/> Environment 4-pillar	<input checked="" type="checkbox"/> Business Ethics
Date of Audit:	2024-01-20			

Audit Company Name:
Benchmarks Company Limited

Audit Conducted By					
Affiliate Audit Company	<input checked="" type="checkbox"/>	Purchaser	<input type="checkbox"/>	Retailer	<input type="checkbox"/>
Brand owner	<input type="checkbox"/>	NGO	<input type="checkbox"/>	Trade Union	<input type="checkbox"/>
Multi-stakeholder	<input type="checkbox"/>	Combined Audit (select all that apply)			

## Audit Content:

(1) A SMETA audit was conducted which included some or all of Labour Standards, Health & Safety, Environment and Business Ethics. The SMETA Best Practice Version 6.1 (March 2019) was applied. The scope of workers included all types at the site e.g. direct employees, agency workers, workers employed by service providers and workers provided by other contractors. Any deviations from the SMETA Methodology are stated (with reasons for deviation) in the SMETA Declaration.

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

### 2-Pillar SMETA Audit

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

### 4-Pillar SMETA

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

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

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

## SMETA Declaration

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

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

Auditor Team			
Lead Auditor:	Binh Thanh Nguyen	APSCA Number:	21703457
Additional Auditors:	Cuong Vo		21700196
	Diem Nguyen		32200889
Date of declaration:	2024-01-20		

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

Site Representation	
Full Name:	Ms. Nguyen Thi Tinh
Title:	General Director
Date of declaration:	2024-01-20
Comments:	<p><i>Any exceptions to this must be recorded here (e.g. different sample size):</i>  <i>Sampled wage records from the past 5 months were provided for review (5 months only since the operation for digital thermometer just started last Sep 2020).</i>  <i>The audit took 2.0 man-days (9AM-6PM per day). Audit time was extended until 8PM due to the extent of documentation; this was agreed upon with the factory representatives</i></p>
	None

## Summary of Findings

Issue <i>(please click on the issue title to go direct to the appropriate audit results by clause)</i>	Area of Non-Conformity		Number of issues			Findings
	ETI	Local Law	NC	Obs	GE	
<u>0A - Universal rights covering UNGP</u>	0.A.1 0.A.2 0.A.3 0.A.4 0.A.5 0.A.6		0	10	0	Obs - ZAF600305992 Obs - ZAF600305993 Obs - ZAF600305994 Obs - ZAF600305995 Obs - ZAF600326655 Obs - ZAF600326656 Obs - ZAF600326657 Obs - ZAF600326658 Obs - ZAF600326659 Obs - ZAF600326660
<u>0B - Management systems and code implementation</u>			0	0	0	
<u>1 - Freely chosen employment</u>			0	0	0	
<u>2 - Freedom of association and right to collective bargaining are respected</u>			0	0	0	
<u>3 - Working conditions are safe and hygienic</u>	3.1 3.1 3.1 3.1 3.1 3.1 3.1 3.1	§1 §2 §3 §4 §5 §6 §7 §8	8	0	0	NC - ZAF600305985 NC - ZAF600305986 NC - ZAF600305987 NC - ZAF600305988 NC - ZAF600326649 NC - ZAF600326650 NC - ZAF600326651 NC - ZAF600326652
<u>4 - Child labour shall not be used</u>			0	0	0	
<u>5 - Living wages are paid</u>			0	0	0	
<u>6 - Working hours are not excessive</u>	6.1 6.1	§9	2	0	0	NC - ZAF600305989 NC - ZAF600326653
<u>7 - No discrimination is practiced</u>			0	0	0	
<u>8 - Regular employment is provided</u>			0	0	0	
<u>8A - Subcontracting and homeworking</u>			0	0	0	
<u>9 - No harsh or inhumane treatment is allowed</u>			0	0	0	
<u>10A - Entitlement to work and immigration</u>			0	0	0	
<u>10B2 - Environment 2-pillar</u>			0	1	0	Obs - ZAF600305997
<u>10B4 - Environment 4-pillar</u>	10.B4.1 0		0	1	0	Obs - ZAF600326654
<u>10C - Business ethics 4-pillar</u>	10.C.8		1	2	0	NC - ZAF600305990 Obs - ZAF600305991 Obs - ZAF600305996

## Local Law Issues

Issue	Description
§1	Circular No: 19/2016/TT-BYT, Article 6. Requirements for first aid kits, ANNEX 4
§2	According to National Technical Regulation QCVN 06:2021/BXD on fire safety of buildings and constructions, Point 3.3 Evacuation route

§3	According to Circular No. 149/2020/TT-BCA On Providing Guidelines For Law On Fire Prevention And Fighting, Law On Amendments To Law On Fire Prevention And Fighting And The Government's Decree No. 136/2020/ND-CP Dated November 24, 2020 Providing Guidelines For A Number Of Articles Of Law On Fire Prevention And Fighting And Law On Amendments To Law On Fire Prevention And Fighting (2021), Art. 5 Ensure evacuation plot plan be marked location of fire alarm, Fire hydrant, emergency contact.
§4	According to Law No. 28/2004/QH11 on Electricity by the National Assembly, Article 57. Safety in use of electricity for production 1. Organizations and individuals using electricity for production must comply with the regulations on electric safety, regulations and technical standards on electric safety must conform with Vietnamese standards.
§5	Law No 06/2007/QH12, Article 28 point 1 (Law on chemical No) (a)
§6	According to Law No. 28/2004/QH11 on Electricity by the National Assembly, Article 57.
§7	According to National Technical Regulation QCVN 06:2021/BXD on fire safety of buildings and constructions, Point 3.3 Evacuation route, 3.3.1
§8	TCVN 2622:1995 , Article 7.5
§9	According to Vietnam Labor Code, No. 45/2019/QH14, dated 20 November 2019, Clause 2 of Article 107.

## Site Details

Site Details		
Company Name	VIETNAM FOOD INDUSTRIES JOINT STOCK COMPANY	
Site Name	VIETNAM FOOD INDUSTRIES JOINT STOCK COMPANY	
GPS location (if available)	GPS Address:	913 Truong Chinh Street, Tay Thanh Ward, Tan Phu District, Ho Chi Minh City, Vietnam
	Coordinates:	10.8227766,106.5942157
Applicable business and other legally required licence numbers and documents, for example, business license number, liability insurance, any other required government inspections	913 Truong Chinh Street, Tay Thanh Ward, Tan Phu District, Ho Chi Minh City, Vietnam.	
Products/Activities at site, for example, garment manufacture, electricals, toys, grower, cutting, sewing, packing etc	Instant Noodles, Soup Noodles.	
Site description: (Include size, location, and age of site. Also, include structure and number of buildings)	The factory occupied around 70,000 square meters with 09 buildings. Most of them were built from 1963	

Structure and number of buildings	<b>Building Name:</b>		Building no.1
	<b>Floor</b>	<b>Description</b>	<b>Remark</b>
	01st floor	Office	Nil
	02nd floor	Office	Nil
	<b>Building Name:</b>		Production Building no.2
	<b>Floor</b>	<b>Description</b>	<b>Remark</b>
	01st floor	Production (Instant noodles)	Nil
	<b>Building Name:</b>		Production Building no.3
	<b>Floor</b>	<b>Description</b>	<b>Remark</b>
	01st floor	Production (Rice)	Nil
	<b>Building Name:</b>		Production Building no.4
	<b>Floor</b>	<b>Description</b>	<b>Remark</b>
	01st floor	Production (Spice)	Nil
	<b>Building Name:</b>		Production Building no.5
	<b>Floor</b>	<b>Description</b>	<b>Remark</b>
	01st floor	Finishing warehouse	Nil
	<b>Building Name:</b>		Production Building no.6
	<b>Floor</b>	<b>Description</b>	<b>Remark</b>
	01st floor	Finishing warehouse (Domestic goods)	Nil
	<b>Building Name:</b>		Production Building no.7
<b>Floor</b>	<b>Description</b>	<b>Remark</b>	
01st floor	Material warehouse (Export goods)	Nil	
<b>Building Name:</b>		Production Building no.8	
<b>Floor</b>	<b>Description</b>	<b>Remark</b>	
01st floor	Material warehouse	Nil	
<b>Building Name:</b>		Building no.9	
<b>Floor</b>	<b>Description</b>	<b>Remark</b>	
01st floor	Canteen	Nil	
Visible structural integrity issues (large cracks) observed?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Nil		
Does the site have a structural engineer evaluation?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Nil		

Site function	<input type="checkbox"/> Agent <input checked="" type="checkbox"/> Factory Processing/Manufacturer <input type="checkbox"/> Finished Product Supplier <input type="checkbox"/> Grower <input type="checkbox"/> Homeworker <input type="checkbox"/> Labour Provider <input type="checkbox"/> Pack house <input type="checkbox"/> Primary Producer <input type="checkbox"/> Service Provider <input type="checkbox"/> Sub-contractor
Months of peak season	Select a month to Select a month
Process overview	The main products produced at site are Foods (instant noodles, Soup Noodles...): Material, Mixing, laminating, cutting, steaming, moulding, frying and packing.
What form of worker representation is there on site?	<input checked="" type="checkbox"/> Union <input type="checkbox"/> Worker Committee <input type="checkbox"/> Other <input type="checkbox"/> None
Please give details:	VIETNAM FOOD INDUSTRIES JOINT STOCK COMPANY Trade Union
Is there any night production work at the site?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Are there any on site provided worker accommodation buildings	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:
Are there any off site provided worker accommodation buildings	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:
Were all site provided accommodation buildings included in this audit	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: There was no accommodation provided for employees.

**Audit Parameters**

Time in and time out	Day 1	
	In	08:00
	Out	18:00
Audit type:	PERIODIC	
Was the audit announced?	ANNOUNCED	
Was the Sedex SAQ available for review?	No	
Any conflicting information SAQ/Pre-Audit Info to Audit findings?	No	
Who signed and agreed CAPR	Ms. Nguyen Thi Tinh / General Director	
Is further information available	No	

Audit attendance	Management	Worker Representatives	
	Senior management	Worker Committee representatives	Union representatives
A: Present at the opening meeting?	Yes	No	Yes
B: Present at the audit?	Yes	No	Yes
C: Present at the closing meeting?	Yes	No	Yes
<i>Reason for absence at the opening meeting</i>	The local law did not stipulate about worker representative		
<i>Reason for absence during the audit</i>	The local law did not stipulate about worker representative		
<i>Reason for absence at the closing meeting</i>	The local law did not stipulate about worker representative		

## 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	397	0	0	0	0	0	0	397
Worker numbers - female	600	0	0	0	0	0	0	600
Total	997	0	0	0	0	0	0	997
Number of Workers interviewed - male	21	0	0	0	0	0	0	21
Number of Workers interviewed - female	21	0	0	0	0	0	0	21
Total - interviewed sample size	42	0	0	0	0	0	0	42

Nationalities Structure	
Nationality of Management	Vietnamese
Please list the nationalities of all workers, with the three most common nationalities listed first.	Nationality 1: Vietnamese approx %: 100%
Was this list completed during peak season?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details:
Worker remuneration	Workers on piece rate: 0%
	Paid hourly: 100%
	Salaried: 0%
Payment cycle	Paid daily: 0%
	Paid weekly: 0%
	Paid monthly: 100%
	Other: 0%
	Details for other: All of employees were paid by monthly

Worker Interview Summary	
Were workers aware of the audit?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Were workers aware of the code?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Number of group interviews:	6 groups of 05
Number of individual interviews:	Male: 6 Female: 6
All groups of workers are included in the scope of this audit such as; Direct employees, Casual and agency workers, Workers employed by service providers such as security and catering staff as well as workers supplied by other contractors.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details:
Interviews were done in private and the confidentiality of the interview process was communicated to the workers?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
In general, what was the attitude of the workers towards their workplace?	<input checked="" type="checkbox"/> Favorable <input type="checkbox"/> Non-favourable <input type="checkbox"/> Indifferent
What was the most common worker complaint?	No complaint was identified from worker interview.
What did the workers like the most about working at this site?	Workers feel satisfied with the working environment, number of working and overtime hours, no stressful and their supervisor treat them well. The basic salary is higher than law required, it is increased by period.
Any additional comment(s) regarding interviews:	Nil
Attitude of workers to hours worked:	They satisfied with the working hour schedule of the factory..
Is there any worker survey information available?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:

Attitude of workers:

Totally 42 employees including 21 male employees and 21 female ones from different sections and levels were randomly selected for interview. 12 individuals and 6 groups of 5 was interviewed in confidential and private room without presence, interruption of facility management. They were comfortable and free to share their views on working conditions and management attitude. Through interview with employees, workers were open and comfortable at the interview and they did not appear under pressure during work and during interview process.

Attitude of worker's committee/union reps:

The worker representative was free to share their view with auditor. In special or personal cases, worker could contact directly worker representative for solving individual issues and/ or they could contact directly with company management.

Attitude of managers:

The factory showed co-operative attitude with audit team during audit, they had experience for social compliance audit and they also agreed with auditor for non-conformances explained in closing meeting to take corrective actions.

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

**0A: Compliance Requirements**

0.A.1 Businesses should have a policy, endorsed at the highest level, covering human rights impacts and issues, and ensure it is communicated to all appropriate parties, including its own suppliers.  
 0.A.2 Businesses should have a designated person responsible for implementing standards concerning Human rights  
 0.A.3 Businesses shall identify their stakeholders and salient issues.  
 0.A.4 Businesses shall measure their direct, indirect, and potential impacts on stakeholders (rights holders) human rights.  
 0.A.5 Where businesses have an adverse impact on human rights within any of their stakeholders, they shall address these issues and enable effective remediation.  
 0.A.6 Businesses shall have a transparent system in place for confidentially reporting, and dealing with human rights impacts without fear of reprisals towards the reporter. Note for auditors and readers. This is not a full Human Rights Assessment, but instead a check on the business's implementation of processes to meet their Universal rights covering UNGP responsibilities.

**Current Systems and Evidence Examined**

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

**Current Systems:**

The factory established comprehensive written policies and procedures on human rights as well ETI Based Code in local language and displayed.  
 The factory established company working rules and signed Collective Bargaining Agreement that consistent with Law.  
 The factory established written policies and procedure for dialogue at the workplace and conducted the open dialogue at the workplace once every quarter to hear from what employees need or their complaint and provide feedback in the open manner.  
 Factory has social compliance policies but there was no policy of Universal Rights, neither communication internally and externally, no transparent system for confidentially report, and dealing with human rights impacts without fear of reprisals towards the reporter.

**Evidence examined:**

Factory management representatives admitted that they will study/ research about this policy and establish it in the future.

**Any other comments:**

Nil

Policy statement that expresses commitment to respect human rights?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: There was not a policy statement that expresses commitment to respect human rights.
Are the policies included in workers' manuals?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: There was not a policy statement that expresses commitment to respect human right

Does the business have a designated person responsible for implementing standards concerning Human Rights?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Factory did not have a designated person responsible for implementing standards concerning Human rights
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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Factory did not have a designated person responsible for implementing standards concerning Human rights.
Does the grievance mechanism meet UNGP expectations? (Legitimate, Accessible, Predictable, Equitable, Transparent, Rights-compatible, a source of continuous learning and based on stakeholder engagement)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No The policies related with universal rights cover UNGP was not provided for review.
Does the business demonstrate effective data privacy procedures for workers' information, which is implemented?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: The facility does not have such system.
<b>Measuring Workplace Impact</b>	
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))	Last year 11.0% This year 12.0%
Current % quarterly (90 days) turnover(Number of workers leaving from the first of the 90 day period through to the last day of the 90 day period / [(number of employees on the 1st day of 90 day period + number of employees on the last day of the 90 day period) / 2])	6.5%
Annual % absenteeism(Number of days lost through job absence in the year / [(number of employees on 1st day of the year + number employees on the last day of the year) / 2] * number available workdays in the year)	Last year 7.5% This year 8.0%
Quarterly (90 days) % absenteeism(Number of days lost through job absence in the period / [(Number of employees on 1st of the period + Number of employees on the last day of the period / 2] * Number of available workdays in the month)	2.0%
Are accidents recorded?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Factory's HR staff keeps a record of any accidents (H&S manager will monitor the accident reports).

Annual Number of work related accidents and injuries per 100 workers((Number of work related accidents and injuries * 100) / Number of total workers)	Last year	6.0%
	This year	4.0%
Quarterly (90 days) number of work related accidents and injuries per 100 workers((Number of work related accidents and injuries * 100) / Number of total workers)	1.0%	
Lost day work cases per 100 workers(((Number of lost days due to work accidents and work related injuries * 100) / Number of total workers)	Last year	1.5%
	This year	1.0%
% of workers that work on average more than 48 standard hours / week in the last 6 / 12 months	6 month	0.0%
	12 month	0.0%
% of workers that work on average more than 60 total hours / week in the last 6 / 12 months	6 month	0.0%
	12 month	0.0%

Observation		Evidence
<a href="#">[Back to findings summary]</a>		
<b>Observation</b>		
Status	OPEN	
Reference	ZAF600305992	
Clause	0A - Universal Rights covering UNGP	
Issue Title	684 - No appropriate manager assigned to ensure site respects internationally recognised human rights	
Subcategory	Human rights	
New or carried over?	<input type="checkbox"/> New <input checked="" type="checkbox"/> Carried Over	
Raised by audit	ZAA421619931	
Root cause	<input type="checkbox"/> Training <input type="checkbox"/> System <input type="checkbox"/> Costs <input type="checkbox"/> Lack of workers <input checked="" type="checkbox"/> Other	
Root cause - Other	N/A	
Explanation to the observation	Factory did not have a designated person responsible for implementing standards concerning Human rights.	
Actions	N/A	

Observation		Evidence
<a href="#">[Back to findings summary]</a>		
Observation		
Status	OPEN	
Reference	ZAF600305993	
Clause	0A - Universal Rights covering UNGP	
Issue Title	685 - No / inadequate system to identify relevant stakeholders and assess, prioritise or minimise the negative human rights impact of the site	
Subcategory	Human rights	
New or carried over?	<input type="checkbox"/> New <input checked="" type="checkbox"/> Carried Over	
Raised by audit	ZAA421619931	
Root cause	<input type="checkbox"/> Training <input type="checkbox"/> System <input type="checkbox"/> Costs <input type="checkbox"/> Lack of workers <input checked="" type="checkbox"/> Other	
Root cause - Other	N/A	
Explanation to the observation	Factory did not identify their stakeholders and salient issues.	
Actions	N/A	

Observation		Evidence
<a href="#">[Back to findings summary]</a>		
<b>Observation</b>		
Status	OPEN	
Reference	ZAF600305994	
Clause	0A - Universal Rights covering UNGP	
Issue Title	685 - No / inadequate system to identify relevant stakeholders and assess, prioritise or minimise the negative human rights impact of the site	
Subcategory	Human rights	
New or carried over?	<input type="checkbox"/> New <input checked="" type="checkbox"/> Carried Over	
Raised by audit	ZAA421619931	
Root cause	<input type="checkbox"/> Training <input type="checkbox"/> System <input type="checkbox"/> Costs <input type="checkbox"/> Lack of workers <input checked="" type="checkbox"/> Other	
Root cause - Other	N/A	
Explanation to the observation	Site has not measured their direct, indirect, and potential impacts on stakeholders (rights holders) human rights.	
Actions	N/A	

Observation		Evidence																								
<a href="#">[Back to findings summary]</a>																										
<table border="1"> <thead> <tr> <th colspan="2">Observation</th> </tr> </thead> <tbody> <tr> <td>Status</td> <td>OPEN</td> </tr> <tr> <td>Reference</td> <td>ZAF600305995</td> </tr> <tr> <td>Clause</td> <td>0A - Universal Rights covering UNGP</td> </tr> <tr> <td>Issue Title</td> <td>685 - No / inadequate system to identify relevant stakeholders and assess, prioritise or minimise the negative human rights impact of the site</td> </tr> <tr> <td>Subcategory</td> <td>Human rights</td> </tr> <tr> <td>New or carried over?</td> <td> <input type="checkbox"/> New                             <input checked="" type="checkbox"/> Carried Over                         </td> </tr> <tr> <td>Raised by audit</td> <td>ZAA421619931</td> </tr> <tr> <td>Root cause</td> <td> <input type="checkbox"/> Training                             <input type="checkbox"/> System  <input type="checkbox"/> Costs                             <input type="checkbox"/> Lack of workers  <input checked="" type="checkbox"/> Other                         </td> </tr> <tr> <td>Root cause - Other</td> <td>N/A</td> </tr> <tr> <td>Explanation to the observation</td> <td>Site has not had process to address and enable effective remediation once having an adverse impact on human rights within any of their stakeholders.</td> </tr> <tr> <td>Actions</td> <td>N/A</td> </tr> </tbody> </table>		Observation		Status	OPEN	Reference	ZAF600305995	Clause	0A - Universal Rights covering UNGP	Issue Title	685 - No / inadequate system to identify relevant stakeholders and assess, prioritise or minimise the negative human rights impact of the site	Subcategory	Human rights	New or carried over?	<input type="checkbox"/> New <input checked="" type="checkbox"/> Carried Over	Raised by audit	ZAA421619931	Root cause	<input type="checkbox"/> Training <input type="checkbox"/> System <input type="checkbox"/> Costs <input type="checkbox"/> Lack of workers <input checked="" type="checkbox"/> Other	Root cause - Other	N/A	Explanation to the observation	Site has not had process to address and enable effective remediation once having an adverse impact on human rights within any of their stakeholders.	Actions	N/A	
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Root cause - Other	N/A																									
Explanation to the observation	Site has not had process to address and enable effective remediation once having an adverse impact on human rights within any of their stakeholders.																									
Actions	N/A																									

Observation		Evidence
<a href="#">[Back to findings summary]</a>		
<b>Observation</b>		
Status	OPEN	
Reference	ZAF600326655	
Clause	0A - Universal Rights covering UNGP	
Issue Title	683 - No / inadequate policy in place to respect international human rights standards	
Subcategory	Human rights	
New or carried over?	<input checked="" type="checkbox"/> New <input type="checkbox"/> Carried Over	
Root cause	<input type="checkbox"/> Training <input type="checkbox"/> System <input type="checkbox"/> Costs <input type="checkbox"/> Lack of workers <input checked="" type="checkbox"/> Other	
Root cause - Other	Lack of awareness	
ETI code	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.	
Explanation to the observation	Factory did not have a policy, endorsed at the highest level, covering the universal rights impacts and issues, which to be communicated to all appropriate parties, including its own supplier	
Actions	Factory should ensure to have a policy, endorsed at the highest level, covering the universal rights impacts and issues, which to be communicated to all appropriate parties, including its own supplier	

Observation		Evidence
<a href="#">[Back to findings summary]</a>		
<b>Observation</b>		
Status	OPEN	
Reference	ZAF600326656	
Clause	0A - Universal Rights covering UNGP	
Issue Title	684 - No appropriate manager assigned to ensure site respects internationally recognised human rights	
Subcategory	Human rights	
New or carried over?	<input checked="" type="checkbox"/> New <input type="checkbox"/> Carried Over	
Root cause	<input type="checkbox"/> Training <input type="checkbox"/> System <input type="checkbox"/> Costs <input type="checkbox"/> Lack of workers <input checked="" type="checkbox"/> Other	
Root cause - Other	Lack of awareness	
ETI code	0.A.2 - Businesses should have a designated person responsible for implementing standards concerning Human rights	
Explanation to the observation	Factory did not have a designated person responsible for implementing standards concerning Human rights.	
Actions	Factory should ensure to have a designated person responsible for implementing standards concerning Human rights.	

Observation		Evidence
<a href="#">[Back to findings summary]</a>		
<b>Observation</b>		
Status	OPEN	
Reference	ZAF600326657	
Clause	0A - Universal Rights covering UNGP	
Issue Title	685 - No / inadequate system to identify relevant stakeholders and assess, prioritise or minimise the negative human rights impact of the site	
Subcategory	Human rights	
New or carried over?	<input checked="" type="checkbox"/> New <input type="checkbox"/> Carried Over	
Root cause	<input type="checkbox"/> Training <input type="checkbox"/> System <input type="checkbox"/> Costs <input type="checkbox"/> Lack of workers <input checked="" type="checkbox"/> Other	
Root cause - Other	Lack of awareness	
ETI code	0.A.3 - Businesses shall identify their stakeholders and salient issues.	
Explanation to the observation	Factory did not identify their stakeholders and salient issues.	
Actions	Factory should ensure to identify their stakeholders and salient issues.	

Observation		Evidence
<a href="#">[Back to findings summary]</a>		
<b>Observation</b>		
Status	OPEN	
Reference	ZAF600326658	
Clause	0A - Universal Rights covering UNGP	
Issue Title	685 - No / inadequate system to identify relevant stakeholders and assess, prioritise or minimise the negative human rights impact of the site	
Subcategory	Human rights	
New or carried over?	<input checked="" type="checkbox"/> New <input type="checkbox"/> Carried Over	
Root cause	<input type="checkbox"/> Training <input type="checkbox"/> System <input type="checkbox"/> Costs <input type="checkbox"/> Lack of workers <input checked="" type="checkbox"/> Other	
Root cause - Other	Lack of awareness	
ETI code	0.A.4 - Businesses shall measure their direct, indirect, and potential impacts on stakeholders (rights holders) human rights.	
Explanation to the observation	Site has not measured their direct, indirect, and potential impacts on stakeholders (rights holders) human rights.	
Actions	Factory should ensure to measure their direct, indirect, and potential impacts on stakeholders (rights holders) human rights.	

Observation		Evidence
<a href="#">[Back to findings summary]</a>		
<b>Observation</b>		
Status	OPEN	
Reference	ZAF600326659	
Clause	0A - Universal Rights covering UNGP	
Issue Title	685 - No / inadequate system to identify relevant stakeholders and assess, prioritise or minimise the negative human rights impact of the site	
Subcategory	Human rights	
New or carried over?	<input checked="" type="checkbox"/> New <input type="checkbox"/> Carried Over	
Root cause	<input type="checkbox"/> Training <input type="checkbox"/> System <input type="checkbox"/> Costs <input type="checkbox"/> Lack of workers <input checked="" type="checkbox"/> Other	
Root cause - Other	Lack of awareness	
ETI code	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.	
Explanation to the observation	Site has not had process to address and enable effective remediation once having an adverse impact on human rights within any of their stakeholders.	
Actions	Factory should ensure to have process to address and enable effective remediation once having an adverse impact on human rights within any of their stakeholders.	

Observation		Evidence
<a href="#">[Back to findings summary]</a>		
<b>Observation</b>		
Status	OPEN	
Reference	ZAF600326660	
Clause	0A - Universal Rights covering UNGP	
Issue Title	685 - No / inadequate system to identify relevant stakeholders and assess, prioritise or minimise the negative human rights impact of the site	
Subcategory	Human rights	
New or carried over?	<input checked="" type="checkbox"/> New <input type="checkbox"/> Carried Over	
Root cause	<input type="checkbox"/> Training <input type="checkbox"/> System <input type="checkbox"/> Costs <input type="checkbox"/> Lack of workers <input checked="" type="checkbox"/> Other	
Root cause - Other	Lack of awareness	
ETI code	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.	
Explanation to the observation	Site did not have a transparent system in place for confidentially reporting and dealing with human rights impacts without fear of reprisals towards the reporter.	
Actions	Site should ensure to have a transparent system in place for confidentially reporting and dealing with human rights impacts without fear of reprisals towards the reporter.	

**OB - Management Systems and code Implementation**  
[Summary of Findings]

**OB: Compliance Requirements**

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

**Current Systems and Evidence Examined**

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

**Current Systems:**

A management representative was assigned to be responsible for engaging requirements (both local laws and ETI Code) to their daily business operations. Relevant so trained to all workforce including: Child labour, force labour, working hours, wage & benefits ... policies.

**Evidence examined:**

Business License, Construction Building permits.  
Company working rules, Collective Bargaining Agreement.  
Company's Code of Conduct, Wage and Benefits Policies, Working hours policy, Health & Safety Regulations, Freedom of Association, Procedure for dialogue at the workplace, Environmental Policies and procedure.

**Any other comments:**

Nil

**Management Systems**

In the last 12 months, has the site been subject to any fines/prosecutions for non-compliance to any regulations?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Based on document review, there's no non-compliance noted.
Do policies and/or procedures exist that reduce the risk of forced labour, child labour, discrimination, harassment & abuse?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: From document review and interaction with facility management it was confirmed that the factory established written policies on forced labour, child labour, discrimination, harassment and abuse that communicated to all employees.
If Yes, is there evidence (an indication) of effective implementation? Please give details.	Observation noted, the workers were found comfortable while doing their work, no sign of any forced labour, child labour, discrimination or harassment and abuse cases had been noted, observed and reported during this audit

<p>Have managers and workers received training in the standards for forced labour, child labour, discrimination, harassment &amp; abuse?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>Document review (Social Compliance Policies and training plan, training records, training materials ...) as well as management &amp; employees interview confirmed that entire employees were trained on facility' Ethical policies.</p>
<p>If Yes, is there evidence (an indication) that training has been effective e.g. training records etc.? Please give details</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>Document review (Social Compliance Policies and training plan, training records, training materials ...)</p>
<p>Does the site have any internationally recognised system certifications e.g. ISO 9000, 14000, OHSAS 18000, SA8000 (or other social audits)?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>HACCP (Certification No.TNV/178/70135,Valid until :March 22, 2025), ISO 9001:2015 (Certification No.HT048/7.22.03, Valid until :July 11, 2025), IFS Food (Certification No.37195, Valid until : April 11, 2024)</p>
<p>Is there a Human Resources manager/department?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>There were 5 peoples working in HR Dept, Ms. Nguyen was HR Manager in charge of HR operation</p>
<p>Is there a senior person /manager responsible for implementation of the code?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>Ms. Nguyen - HR Dept was assigned as person in charge of implementing the Code.</p>
<p>Is there a policy to ensure all worker information is confidential?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>As confirmation by factory representative, all worker information is ensured to be kept confidentially.</p>
<p>Is there an effective procedure to ensure confidential information is kept confidential?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>No such confidential information issue was identified during this audit</p>
<p>Are risk assessments conducted to evaluate policy and procedure effectiveness?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>The risk assessment was available in place.</p>
<p>Does the facility have a process to address issues found when conducting risk assessments, including implementation of controls to reduce identified risks?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>The factory has established a process to address issues found when conducting risk assessments.</p>
<p>Does the facility have a policy/code which require labour standards of its own suppliers?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>The factory has established a policy which require labour standards of its own suppliers.</p>

Land Rights	
Does the site have all required land rights licenses and permissions (see SMETA Measurement Criteria)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The audited site rent land and property of private lessor based on the current valid land lease agreement and till valid. The period of land lease agreement was until 2025.
Does the site have systems in place to conduct legal due diligence to recognize and apply national laws and practices relating to land title?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The factory has land lease that signed with the State which detailing term and condition as well using purpose
Does the site have a written policy and procedures specific to land rights?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The factory established written policy on land rights.
Is there evidence that facility/site compensated the owner/lessor for the land prior to the facility being built or expanded?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The factory has land lease with the State and paid for land fee on yearly.
Does the facility demonstrate that alternatives to a specific land acquisition were considered to avoid or minimize adverse impacts?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The facility just rent the land and building from beginning for it business and production activities based on the repeated valid contracts. The auditee signed contract with service provider for collecting, transportation and treatment wastes generated at site then the site would pay fee to service provider for these activities to protect environment in line with local laws.
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 Please give details: There's no violated evidence noted during audit.

**1 - Freely chosen Employment**  
**[Summary of Findings]**

**1: Compliance Requirements**

- 1.1 There is no forced, bonded or involuntary prison labour.
- 1.2 Workers are not required to lodge "deposits" or their identity papers with their employer and are free to leave their employer after reasonable notice.

**Current Systems and Evidence Examined**

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

**Current Systems:**

The factory set up written policy and procedure on forced labour were available in place.  
The factory set up hiring policy and procedure that clearly prohibited of forced labour in any form.  
The factory established Factory Regulation dated on Jan 14, 2021 that detailing working hours policies, disciplinary steps consistent with law.  
Employee's salaries were paid directly to the workers, during the employment, the facility did not deduct or withhold any money from the employee's monthly salary. No deposit was required upon hiring.

**Evidence examined:**

Employees were free to get out of the site after working hours  
No personal original documents (such as ID, passport, certificate, etc..) were asked to keep by the factory  
Employment was freely chosen  
No fee for recruitment when applying for the job at the site  
Overtimes were performed on voluntary basis  
Hiring procedure  
Resignation records  
Labour contract, employee files.  
Employee interview.

**Any other comments:**

Nil

Is there any evidence of retention of original documents, e.g. passports/ID' (If yes, please give details and category of workers affected)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:
Is there any evidence of a loan scheme in operation (If yes, please give details and category of workers affected)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:
Is there any evidence of retention of wages / deposits (If yes, please give details and category of workers affected)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:
Are there any restrictions on workers' freedom to terminate employment?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Based on company regulation, all term of employee's termination was in compliance with the labour code law.
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 Please give details: Not applicable

<p>Is there evidence of any restrictions on workers' freedoms to leave the site at the end of the work day?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Please give details: Nil</p>
<p>Does the site understand the risks of forced / trafficked / bonded labour in its supply chain</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Applicable</p> <p>Please give details: The factory understood the risks of forced, trafficked, and bonded labour in its supply chain.</p>
<p>Is the site taking any steps taking to reduce the risk of forced / trafficked labour?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details: Based on Forced Labour policy, any form of forced labor act is prohibited from this factory.</p>

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

**2: Compliance Requirements**

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

**Current Systems and Evidence Examined**

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

**Current Systems:**

- The factory established good policies and procedures on Freedom of Association and Collective Bargaining, Policy and Procedures on dialogue at the workplace.
- The Trade union was formed by election on April 07, 2023, Mr. Nguyen Van Chuc- Chairman with Document No. 394/2023/QĐCY-LĐLĐ. Trade Union Representative has access to carry out their representative functions in the workplace without interference from factory Management.
- It was confirmed by Union Chairman, the factory management allowed them to carry out all Union activities without interference.
- Workers were free to join the union without any kinds of discrimination, mistreatment taken. No any other union or worker committee/ organization formed in place. It was the common practice in Vietnam although the laws do not restrict it.

**Evidence examined:**

- Company Collective Bargaining Agreement, company working rules.
- Freedom and Association Policies, Procedure of Dialogue at the workplace
- Union meeting logs and Union activities records.
- Dialogue minutes at the workplace
- Discrimination policies
- List of absent, list of resigned/termination from last 12 months.

**Any other comments:**

Nil

What form of worker representation/union is there on site? (Please add the name of the union or committee in the textbox)	<input checked="" type="checkbox"/> Union <input type="checkbox"/> Worker Committee <input type="checkbox"/> Other <input type="checkbox"/> None
Other details:	VIETNAM FOOD INDUSTRIES JOINT STOCK COMPANY Trade Union
Is it a legal requirement to have a union?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Is it a legal requirement to have a worker's committee?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is there any other form of effective worker/management communication channel? (Other than union/worker committee e.g. H&S, sexual harassment)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Hotline and direct dialog with management.
Is there evidence of free elections?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

Does the supplier provide adequate facilities to allow the Union or committee to conduct related business?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: When needed Union would occupy company meeting room and other facilities.
Name of union and union representative, if applicable:	VIETNAM FOOD INDUSTRIES JOINT STOCK COMPANY Trade Union, Mr. Nguyen Van Chuc - Union Chairman
Is there evidence of free elections?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Applicable
If there is no union, is there a parallel means of consultation with workers e.g. worker committees?	There is union at the facility.
Is there evidence of free elections?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Applicable
Are all workers aware of who their representatives are?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Mr. Nguyen Van Chuc - Union Chairman
Were worker representatives freely elected?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Date of last election:	2023-08-07
Do workers know what topics can be raised with their representatives?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Were worker representatives/union representatives interviewed?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If Yes, please state how many:	1.0
Please describe any evidence that union/worker's committee is effective? Specify date of last meeting; topics covered; how minutes were communicated etc.	Trade union conducted regular meeting once every quarter. Review and subsidise to special case of employees for monthly production bonus. Educate workers regarding company working rules.
Are any workers covered by Collective Bargaining Agreement (CBA)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If Yes, what percentage by trade Union/worker representation	100% workers covered by Union CBA. 100% workers covered by worker rep CBA.
If Yes, does the Collective Bargaining Agreement (CBA) include rates of pay?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

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

**3: Compliance Requirements**

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

**Current Systems and Evidence Examined**

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

**Current Systems:**

**1. General Health and Safety management**

- Factory assigned Ms. Nguyen – HR Manager as well as worker presentative to incharge the health and safety issues in facility.
- The general housekeeping is clean and tidy. The internal cleaning team is in-charge of cleaning and hygiene of whole workshop building.
- The toilet facility was separated for male and female and equipped with clean water, soap and toilet papers.
- Drinking water was tested every year as required by law. The latest testing result was noted on August 28, 2023 (Document No. 230815-007/TTSG) with acceptable result.

**2. Fire Safety**

- Firefighting and prevention preparedness plan at site were approved by fire police service on May 19, 2023.
- The approved project design on safety for fire prevention and fighting dated on August 24, 2005 October 20, 2005, January 19, 2005, April 17, 2009 with Document No. 1019/TD-PCCC (KT), 1021/TD-PCCC (KT), 1267/TD-PCCC (KT), 68/TD-PCCC (KT), 1270/TD-PCCC (KT), 581/TD-PCCC (HDPC).
- The approved acceptance of fire prevention and fighting dated on June 10, 2009, April 06, 2006, April 25, 2006.
- The fire drill was conducted for all employees twice per year. The last fire drill was conducted on November 25, 2023 under the guidance of local firefighting authority with photo records for review.
- The firefighting team of the factory was provided with training on September 24-28, 2022.

**3. Electrical safety**

- All electrical equipment was maintained in good condition such as sockets, plugs, switches.
- There was 01 competent electrician at the site and their training certificate was available for review.

**4. Medical services.**

- The first aid kits were installed in the facility with sufficient first aid supplies.
- The factory has trained on first aiders for 95 workers on December 14, 2023.

**5. Machine safety**

- All machines were installed with safety guards.
- As noted from document review and facility tour, maintenance plans and maintenance records of all machines are available for review.

**Evidence examined:**

<ul style="list-style-type: none"> <li>-Health and safety procedures, instructions and training records.</li> <li>-Accident records.</li> <li>-Firefighting and prevention project, fire drill and firefighting training records.</li> <li>-Drinking water test records.</li> <li>-Maintenance plan and records for machines, firefighting equipment, electricity.</li> <li>-Chemical handling, storage procedures</li> <li>-Machine inspection certificates.</li> <li>-Health and safety policy</li> <li>-Health and safety manual</li> <li>-Health and safety committee minutes</li> <li>-Training records and certificates</li> <li>-Fire equipment maintenance records</li> <li>-Fire drill records</li> <li>-Building structure safety certificate</li> <li>-Trained first aider register</li> <li>-Interviews with workers and H&amp;S committee members</li> <li>-Accident reports</li> <li>-Potable water testing certificates</li> <li>-Interviews with H&amp;S manager</li> </ul>
<b>Any other comments:</b>
Nil

Does the facility have general and occupational Health & Safety policies and procedures that are fit for purpose and are these communicated to workers?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The general Health & Safety and occupational Health & Safety policies was established on September 22, 2022.
Are the policies included in workers' manuals?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: It was included in the facility regulations which was communicated to all workers.
Are there any structural additions without required permits/inspections (e.g. floors added)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Nil
Are visitors to the site informed on H&S and provided with personal protective equipment?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: All visitors were required to wear provided PPE during facility tour.
Is a medical room or medical facility provided for workers?(This section is to list evidence to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate))	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: There are 4 nurses for taking care workers' health as per local law requirement. In additional, the factory signed contract for signed support emergency medical treatment in emergency case with nearby hospital on November 07, 2022 (valid until November 07, 2024.)

<p>Is there a doctor or nurse on site or there is easy access to first aider/ trained medical aid?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>There are 4 nurses for taking care workers' health as per local law requirement. In additional, the factory signed contract for signed support emergency medical treatment in emergency case with nearby hospital on November 07, 2022 (valid until November 07, 2024.)</p>
<p>Where the facility provides worker transport – is it fit for purpose, safe, maintained and operated by competent persons e.g. buses and other vehicles?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Please give details:</p> <p>The facility did not provide transport for worker. Workers came to work by individual moto-bikes.</p>
<p>Is secure personal storage space provided for workers in their living space and is fit for purpose?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Please give details:</p> <p>No dormitory was provided for employees.</p>
<p>Are H&amp;S Risk assessments are conducted (including evaluating the arrangements for workers doing overtime e.g. driving after a long shift) and are there controls to reduce identified risk?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>H&amp;S Risk assessments at workplace were conducted.</p>
<p>Is the site meeting its legal obligations on environmental requirements including required permits for use and disposal of natural resources?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>The microclimate elements at workplaces such as levels of noise, illumination, lighting, temperature, ventilations, hazardous perfume etc. were safely inspected once per year. The current inspection was on December 29, 2023 with Document No. 953/TTKSBT-SKCĐ-MT-BNN</p>
<p>Is the site meeting its customer requirements on environmental standards, including the use of banned chemicals?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Please give details:</p> <p>No such requirements of clients in place and no banned chemicals were used by site</p>

Non-Compliance		Evidence
<a href="#">[Back to findings summary]</a>		
<b>Non-Compliance</b>		
Status	OPEN	
Reference	ZAF600305985	
Clause	3 - Working Conditions are Safe and Hygienic	
Issue Title	289 - First aid box available but contents are missing / contents out of date or otherwise inadequate	
Subcategory	First Aid / Accidents	
New or carried over?	<input type="checkbox"/> New <input checked="" type="checkbox"/> Carried Over	
Raised by audit	ZAA421619931	
Root cause	<input type="checkbox"/> Training <input type="checkbox"/> System <input type="checkbox"/> Costs <input type="checkbox"/> Lack of workers <input checked="" type="checkbox"/> Other	
Root cause - Other	N/A	
Local law issue	Circular No: 19/2016/TT-BYT, Article 6. Requirements for first aid kits, ANNEX 4	
ETI code	3.1 - A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.	
Explanation to the non compliance	During factory tour, auditor noted that there was no any first aid content inside the first aid kit in canteen. According to Circular No: 19/2016/TT-BYT on guidelines for occupational health and safety management, Article 6. Requirements for first aid kits, 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 (27 supplies).	
Follow up method	<input type="checkbox"/> Follow up audit <input checked="" type="checkbox"/> Desktop audit	
Timescale	<input type="checkbox"/> Immediate <input checked="" type="checkbox"/> 30 days <input type="checkbox"/> 60 days <input type="checkbox"/> 90 days <input type="checkbox"/> 120 days <input type="checkbox"/> 180 days <input type="checkbox"/> 365 days <input type="checkbox"/> Other	
Actions	N/A	



Non-Compliance		Evidence
<a href="#">[Back to findings summary]</a>		
<b>Non-Compliance</b>		
Status	OPEN	
Reference	ZAF600305986	
Clause	3 - Working Conditions are Safe and Hygienic	
Issue Title	207 - Isolated occurrence of blocked fire exits	
Subcategory	Fire Safety - Fire exits	
New or carried over?	<input type="checkbox"/> New <input checked="" type="checkbox"/> Carried Over	
Raised by audit	ZAA421619931	
Root cause	<input type="checkbox"/> Training <input type="checkbox"/> System <input type="checkbox"/> Costs <input type="checkbox"/> Lack of workers <input checked="" type="checkbox"/> Other	
Root cause - Other	N/A	
Local law issue	According to National Technical Regulation QCVN 06:2021/BXD on fire safety of buildings and constructions, Point 3.3 Evacuation route	
ETI code	3.1 - A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.	
Explanation to the non compliance	During factory tour, auditor noted that the escape routes at noodle section and spicy section were partially obstructed by materials. According to National Technical Regulation QCVN 06:2021/BXD on fire safety of buildings and constructions, Point 3.3 Evacuation route, 3.3.1 Evacuation routes are continuous and unobstructed passages starting from any point in buildings or construction to outside. Evacuation routes must be lit and presented with directions conforming to TCVN 3890.	
Follow up method	<input type="checkbox"/> Follow up audit <input checked="" type="checkbox"/> Desktop audit	
Timescale	<input type="checkbox"/> Immediate <input checked="" type="checkbox"/> 30 days <input type="checkbox"/> 60 days <input type="checkbox"/> 90 days <input type="checkbox"/> 120 days <input type="checkbox"/> 180 days <input type="checkbox"/> 365 days <input type="checkbox"/> Other	
Actions	N/A	



Non-Compliance		Evidence
<a href="#">[Back to findings summary]</a>		
<b>Non-Compliance</b>		
Status	OPEN	
Reference	ZAF600305987	
Clause	3 - Working Conditions are Safe and Hygienic	
Issue Title	215 - Evacuation plan not adequately communicated to workers	
Subcategory	Fire Safety - Fire alarms & Evacuation	
New or carried over?	<input type="checkbox"/> New <input checked="" type="checkbox"/> Carried Over	
Raised by audit	ZAA421619931	
Root cause	<input type="checkbox"/> Training <input type="checkbox"/> System <input type="checkbox"/> Costs <input type="checkbox"/> Lack of workers <input checked="" type="checkbox"/> Other	
Root cause - Other	N/A	
Local law issue	<p>According to Circular No. 149/2020/TT-BCA On Providing Guidelines For Law On Fire Prevention And Fighting, Law On Amendments To Law On Fire Prevention And Fighting And The Government's Decree No. 136/2020/ND-CP Dated November 24, 2020 Providing Guidelines For A Number Of Articles Of Law On Fire Prevention And Fighting And Law On Amendments To Law On Fire Prevention And Fighting (2021), Art. 5 Ensure evacuation plot plan be marked location of fire alarm, Fire hydrant, emergency contact.</p>	
ETI code	<p>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>	
Explanation to the non compliance	<p>During factory tour, auditor noted that the position of fire extinguisher, alarm button, assembly area,... was not marked on the evacuation map. According to Circular No. 149/2020/TT-BCA On Providing Guidelines For Law On Fire Prevention And Fighting, Law On Amendments To Law On Fire Prevention And Fighting And The Government's Decree No. 136/2020/ND-CP Dated November 24, 2020 Providing Guidelines For A Number Of Articles Of Law On Fire Prevention And Fighting And Law On Amendments To Law On Fire Prevention And Fighting (2021), Art. 5 Ensure evacuation plot plan be marked location of fire alarm, Fire hydrant, emergency contact.</p>	

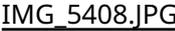
Follow up method	<input type="checkbox"/> Follow up audit <input checked="" type="checkbox"/> Desktop audit	
Timescale	<input type="checkbox"/> Immediate <input checked="" type="checkbox"/> 30 days <input type="checkbox"/> 60 days <input type="checkbox"/> 90 days <input type="checkbox"/> 120 days <input type="checkbox"/> 180 days <input type="checkbox"/> 365 days <input type="checkbox"/> Other	
Actions	N/A	

Non-Compliance		Evidence
<a href="#">[Back to findings summary]</a>		
<b>Non-Compliance</b>		
Status	OPEN	
Reference	ZAF600305988	
Clause	3 - Working Conditions are Safe and Hygienic	
Issue Title	224 - Isolated occurrence of incorrect / damaged insulation in electricals including burnt / damaged wiring and plugs	
Subcategory	Electrical risk	
New or carried over?	<input type="checkbox"/> New <input checked="" type="checkbox"/> Carried Over	
Raised by audit	ZAA421619931	
Root cause	<input type="checkbox"/> Training <input type="checkbox"/> System <input type="checkbox"/> Costs <input type="checkbox"/> Lack of workers <input checked="" type="checkbox"/> Other	
Root cause - Other	N/A	
Local law issue	According to Law No. 28/2004/QH11 on Electricity by the National Assembly, Article 57. Safety in use of electricity for production 1. Organizations and individuals using electricity for production must comply with the regulations on electric safety, regulations and technical standards on electric safety must conform with Vietnamese standards.	
ETI code	3.1 - A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.	
Explanation to the non compliance	During factory tour, auditor noted that there was no safety cover installed inside the electrical panel. According to Law No. 28/2004/QH11 on Electricity by the National Assembly, Article 57. Safety in use of electricity for production 1. Organizations and individuals using electricity for production must comply with the regulations on electric safety, regulations and technical standards on electric safety must conform with Vietnamese standards.	
Follow up method	<input type="checkbox"/> Follow up audit <input checked="" type="checkbox"/> Desktop audit	
Timescale	<input type="checkbox"/> Immediate <input checked="" type="checkbox"/> 30 days <input type="checkbox"/> 60 days <input type="checkbox"/> 90 days <input type="checkbox"/> 120 days <input type="checkbox"/> 180 days <input type="checkbox"/> 365 days <input type="checkbox"/> Other	

Actions	N/A
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Non-Compliance	Evidence																														
<p><a href="#">[Back to findings summary]</a></p>																															
<table border="1" style="width: 100%;"> <thead> <tr> <th colspan="2">Non-Compliance</th> </tr> </thead> <tbody> <tr> <td>Status</td> <td>OPEN</td> </tr> <tr> <td>Reference</td> <td>ZAF600326649</td> </tr> <tr> <td>Clause</td> <td>3 - Working Conditions are Safe and Hygienic</td> </tr> <tr> <td>Issue Title</td> <td>240 - No / inadequate safety measures / anti-explosion measures for chemicals (e.g. no anti-leaking system / secondary container / unbunded)</td> </tr> <tr> <td>Subcategory</td> <td>Chemicals</td> </tr> <tr> <td>New or carried over?</td> <td> <input checked="" type="checkbox"/> New                             <input type="checkbox"/> Carried Over                         </td> </tr> <tr> <td>Root cause</td> <td> <input type="checkbox"/> Training                             <input type="checkbox"/> System  <input type="checkbox"/> Costs                             <input type="checkbox"/> Lack of workers  <input checked="" type="checkbox"/> Other                         </td> </tr> <tr> <td>Root cause - Other</td> <td>Lack of control</td> </tr> <tr> <td>Local law issue</td> <td>Law No 06/2007/QH12, Article 28 point 1 (Law on chemical No) (a)</td> </tr> <tr> <td>ETI code</td> <td>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.</td> </tr> <tr> <td>Explanation to the non compliance</td> <td>During the factory tour, it was noted that no secondary container was provided for chemical bottles (machine oil) in hazardous waste storage.</td> </tr> <tr> <td>Follow up method</td> <td> <input type="checkbox"/> Follow up audit                             <input checked="" type="checkbox"/> Desktop audit                         </td> </tr> <tr> <td>Timescale</td> <td> <input type="checkbox"/> Immediate                             <input checked="" type="checkbox"/> 30 days                             <input type="checkbox"/> 60 days  <input type="checkbox"/> 90 days                             <input type="checkbox"/> 120 days                             <input type="checkbox"/> 180 days  <input type="checkbox"/> 365 days                             <input type="checkbox"/> Other                         </td> </tr> <tr> <td>Actions</td> <td>It is recommended that factory should ensure to provide secondary container for all liquid chemical bottles</td> </tr> </tbody> </table>		Non-Compliance		Status	OPEN	Reference	ZAF600326649	Clause	3 - Working Conditions are Safe and Hygienic	Issue Title	240 - No / inadequate safety measures / anti-explosion measures for chemicals (e.g. no anti-leaking system / secondary container / unbunded)	Subcategory	Chemicals	New or carried over?	<input checked="" type="checkbox"/> New <input type="checkbox"/> Carried Over	Root cause	<input type="checkbox"/> Training <input type="checkbox"/> System <input type="checkbox"/> Costs <input type="checkbox"/> Lack of workers <input checked="" type="checkbox"/> Other	Root cause - Other	Lack of control	Local law issue	Law No 06/2007/QH12, Article 28 point 1 (Law on chemical No) (a)	ETI code	3.1 - A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.	Explanation to the non compliance	During the factory tour, it was noted that no secondary container was provided for chemical bottles (machine oil) in hazardous waste storage.	Follow up method	<input type="checkbox"/> Follow up audit <input checked="" type="checkbox"/> Desktop audit	Timescale	<input type="checkbox"/> Immediate <input checked="" type="checkbox"/> 30 days <input type="checkbox"/> 60 days <input type="checkbox"/> 90 days <input type="checkbox"/> 120 days <input type="checkbox"/> 180 days <input type="checkbox"/> 365 days <input type="checkbox"/> Other	Actions	It is recommended that factory should ensure to provide secondary container for all liquid chemical bottles
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Actions	It is recommended that factory should ensure to provide secondary container for all liquid chemical bottles																														
	 <p><u>IMG_5424.JPG</u></p>																														

Non-Compliance		Evidence
<a href="#">[Back to findings summary]</a>		
<b>Non-Compliance</b>		
Status	OPEN	
Reference	ZAF600326650	
Clause	3 - Working Conditions are Safe and Hygienic	
Issue Title	228 - Unsafe handling of electrical equipment e.g. no rubber mats in front of electricity panels	
Subcategory	Electrical risk	
New or carried over?	<input checked="" type="checkbox"/> New <input type="checkbox"/> Carried Over	
Root cause	<input type="checkbox"/> Training <input type="checkbox"/> System <input type="checkbox"/> Costs <input type="checkbox"/> Lack of workers <input checked="" type="checkbox"/> Other	
Root cause - Other	Lack of control	
Local law issue	According to Law No. 28/2004/QH11 on Electricity by the National Assembly, Article 57.	
ETI code	3.1 - A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.	
Explanation to the non compliance	During factory tour, it was noted that there was no safety cover installed inside the electrical panel.	
Follow up method	<input type="checkbox"/> Follow up audit <input checked="" type="checkbox"/> Desktop audit	
Timescale	<input type="checkbox"/> Immediate <input checked="" type="checkbox"/> 30 days <input type="checkbox"/> 60 days <input type="checkbox"/> 90 days <input type="checkbox"/> 120 days <input type="checkbox"/> 180 days <input type="checkbox"/> 365 days <input type="checkbox"/> Other	
Actions	It is recommended that the factory should ensure the safety cover to be installed inside the electrical panel.	
		 

Non-Compliance		Evidence
<a href="#">[Back to findings summary]</a>		
<b>Non-Compliance</b>		
Status	OPEN	
Reference	ZAF600326651	
Clause	3 - Working Conditions are Safe and Hygienic	
Issue Title	207 - Isolated occurrence of blocked fire exits	
Subcategory	Fire Safety - Fire exits	
New or carried over?	<input checked="" type="checkbox"/> New <input type="checkbox"/> Carried Over	
Root cause	<input type="checkbox"/> Training <input type="checkbox"/> System <input type="checkbox"/> Costs <input type="checkbox"/> Lack of workers <input checked="" type="checkbox"/> Other	
Root cause - Other	Lack of control	
Local law issue	According to National Technical Regulation QCVN 06:2021/BXD on fire safety of buildings and constructions, Point 3.3 Evacuation route, 3.3.1	
ETI code	3.1 - A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.	
Explanation to the non compliance	During factory tour, auditor noted that the escape routes at noodle section were partially obstructed by materials.	
Follow up method	<input type="checkbox"/> Follow up audit <input checked="" type="checkbox"/> Desktop audit	
Timescale	<input type="checkbox"/> Immediate <input checked="" type="checkbox"/> 30 days <input type="checkbox"/> 60 days <input type="checkbox"/> 90 days <input type="checkbox"/> 120 days <input type="checkbox"/> 180 days <input type="checkbox"/> 365 days <input type="checkbox"/> Other	
Actions	It is recommended that the factory should ensure all escape route to be always free from obstruction	
		 

Non-Compliance		Evidence
<a href="#">[Back to findings summary]</a>		
<b>Non-Compliance</b>		
Status	OPEN	
Reference	ZAF600326652	
Clause	3 - Working Conditions are Safe and Hygienic	
Issue Title	209 - Not all emergency exits are properly marked and lighted	
Subcategory	Fire Safety - Fire exits	
New or carried over?	<input checked="" type="checkbox"/> New <input type="checkbox"/> Carried Over	
Root cause	<input type="checkbox"/> Training <input type="checkbox"/> System <input type="checkbox"/> Costs <input type="checkbox"/> Lack of workers <input checked="" type="checkbox"/> Other	
Root cause - Other	Lack of control	
Local law issue	TCVN 2622:1995 , Article 7.5	
ETI code	3.1 - A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.	
Explanation to the non compliance	During the factory tour, it was noted that the floor in the canteen area was not clearly marked.	
Follow up method	<input type="checkbox"/> Follow up audit <input checked="" type="checkbox"/> Desktop audit	
Timescale	<input type="checkbox"/> Immediate <input checked="" type="checkbox"/> 30 days <input type="checkbox"/> 60 days <input type="checkbox"/> 90 days <input type="checkbox"/> 120 days <input type="checkbox"/> 180 days <input type="checkbox"/> 365 days <input type="checkbox"/> Other	
Actions	It is recommended that the floor in the canteen area should be clearly marked.	
		 <b><u>IMG_5386.JPG</u></b>

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

**4: Compliance Requirements**

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

**Current Systems and Evidence Examined**

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

**Current Systems:**

The factory established comprehensive written policy and procedure on child labour.  
The hiring policy and procedure guiding in detail of document requested, age verification during hiring process that prevention child labour practices.  
The factory obtained and retained copy of all personal documents during employment period.  
The factory has monitoring system for hiring, employment and termination.  
The factory has designated Ms. Nguyen – HR Manager to manage hiring process and all labour relation.  
Child labour policy was communicated to all employees, hiring staff, supervisors and all suppliers.

**Evidence examined:**

Company Regulation date on February 24, 2021  
Company policy on Child Labour dated on Oct 2, 2021 and Hiring Procedure which was listed in company regulation dated on February 24, 2021.  
Employee list.  
Personnel files of 42 selected employees.  
Employees interview.

**Any other comments:**

Nil

Legal age of employment:	15
Age of youngest worker found:	18
Are there children present on the work floor but not working at the time of audit?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Percentage of under 18's at this site (of total workers)	0.0%
Are workers under 18 subject to hazardous work assignments?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Nil

**5 - Living Wages are Paid**  
**[Summary of Findings]**

**5: Compliance Requirements**

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

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

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

**Current Systems and Evidence Examined**

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

**Current Systems:**

- Records of time attendance and payrolls of past 12 months from Jan. 2023 to Dec. 2023 were available for review. It was randomly selected 42 samples in Dec. 2023 (current month), Sep 2023 (random month) and May 2023 (random month).
- The legal minimum wage was VND 4,680,000/month applied since July 01, 2022 while the lowest minimum wage paid to production workers at VND 5,070,000/ month for all workers.
- Payment calculation period was from 1st to end date of month (30th or 31st). Workers were paid by monthly rate once per month by bank transfer (Vietinbank) on 5th of coming month.
- The 7th month-pregnant female workers and mother nursing child under 12 months of age were provided 60 minutes off earlier per day with full pay. During pregnant period, pregnant female workers had the right to see doctors without salary deduction for their prenatal check.

**Evidence examined:**

- Internal regulation approved by the authorized service/department.
- Policies on compensations and benefits, working time.
- Records of time attendance and payrolls of past 12 months.
- Records of contribution on Social Security Fund.
- Probationary contracts and fixed term employment contracts.
- Records of annual leave monitor and un-used annual payments.
- Records of resignation, disciplinary, allowance payments;
- Allowance payment records

**Any other comments:**

None

**Summary Information**

Criteria	Local Law	Actual at the Site	Is this part of a Collective Bargaining Agreement?
Standard/Contracted work hours: (Maximum legal and actual required working hours excluding overtime, please state if possible per day, week, and month)	Legal Maximum Per Day: 8.0 Per Week: 48.0 Per Month: null	Actual Per Day: 8.0 Per Week: 48.0 Per Month: 216.0	YES
Overtime hours: (Maximum legal and actual overtime hours, please state if possible per day, week, and month)	Legal Maximum Per Day: 4.0 Per Week: null Per Month: 40.0	Actual Per Day: 4.0 Per Week: 10.0 Per Month: 48.0	YES

Wage for standard/contracted hours: (Minimum legal and actual minimum wage at site, please state if possible per hr, day, week, and month)	Legal Maximum Per Day: null Per Week: null Per Month: 4680000.0	Actual Per Day: 195000.0 Per Week: 1170000.0 Per Month: 5070000.0	NO
Overtime wage: (Minimum legal and actual minimum overtime wage at site, please state if possible per hr, day, week, and month)	Legal Maximum Per Day: null Per Week: null Per Month: null	Actual Per Day: 55038.0 Per Week: 330230.0 Per Month: 330230.0	NO
<b>Wages Analysis:</b>			
Were accurate records shown at the first request?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Sample Size Checked (State number of worker records checked and from which weeks/months – should be current, peak, and random/low. Please see SMETA Best Practice Guidance and Measurement Criteria)	42 sample sizes randomly selected from: May 2023 (Normal production month) Sep 2023 (Normal Production month) Dec 2023 (Most recent month)		
Are there different legal minimum wage grades? If Yes, please specify all.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
If there are different legal minimum grades, are all workers graded and paid correctly?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Applicable Please give details:		
For the lowest paid production workers, are wages paid for standard/contracted hours (excluding overtime) below or above the legal minimum?	<input type="checkbox"/> Below legal min <input type="checkbox"/> Meet <input checked="" type="checkbox"/> Above		
Lowest actual wages found: Note: full time employees and please state hour / week / month etc.	VND 5,070,000/ month		
Please indicate the breakdown of workforce per earnings	0.0% of workforce earning under minimum wage 0.0% of workforce earning minimum wage 100.0% of workforce earning above minimum wage		
Bonus Scheme found: Please specify details:	Bonus Scheme found:None Note: type of employee (e.g. full time, temp, etc.) and please state which units e.g. /hour /week /month etc.		
What deductions are required by law e.g. social insurance? Please state all types:	10.5% contract salary was compulsory deducted to pay Social Insurance, Health Insurance and Unemployment Insurance.		
Have these deductions been made?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Please list all deductions that have been made.	1. Social insurance: 8% of basic wage. 2. Health Insurance: 1.5% of basic wage. 3. Un-employment insurance: 1% of basic wage.		
Please list all deductions that have not been made.	None		
Were appropriate records available to verify hours of work and wages?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Were any inconsistencies found? (if yes describe nature)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		

<p>Do records reflect all time worked? (For instance, are workers asked to attend meetings before or after work but not paid for their time)</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>Pay slip was provided to all workers during monthly pay. The worker interview stated if there is any discrepancy between their working time and the payroll, they will report to their supervisor, but so far no complaint was raised concerning the payment for their working time.</p>
<p>Is there a defined living wage: This is not normally minimum legal wage. If answered yes, please state amount and source of info: Please see SMETA Best Practice Guidance and Measurement Criteria.</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Please give details:</p>
<p>If yes, what was the calculation method used.</p>	<p><input type="checkbox"/> ISEAL/Anker Benchmarks <input type="checkbox"/> Asia Floor Wage</p> <p><input type="checkbox"/> Figures provided by Unions <input type="checkbox"/> Living Wage Foundation UK</p> <p><input type="checkbox"/> Fair Wear Wage Ladder <input type="checkbox"/> Fairtrade Foundation</p> <p><input type="checkbox"/> Other – please give details:</p>
<p>Are there periodic reviews of wages? If Yes give details (include whether there is consideration to basic needs of workers plus discretionary income).</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>Review wage scheme annually based on the minimum wage set by the government, the latest was in Dec 2023.</p>
<p>Are workers paid in a timely manner in line with local law?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>Is there evidence that equal rates are being paid for equal work:</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>Based on the salary scales submitted to the local labor department, all salary scheme was based on job title not based on gender. From the payroll records, no different of basic salary between females and males workers.</p>
<p>How are workers paid:</p>	<p><input type="checkbox"/> Cash <input type="checkbox"/> Cheque</p> <p><input checked="" type="checkbox"/> Bank Transfer <input type="checkbox"/> Other</p>

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

**6: Compliance Requirements**

- 6.1 Working hours must comply with national laws, collective agreements, and the provisions of 6.2 to 6.6 below, whichever affords the greater protection for workers. Sub-clauses 6.2 to 6.6 are based on international labour standards.
- 6.2 Working hours, excluding overtime, shall be defined by contract, and shall not exceed 48 hours per week.
- 6.3 All overtime shall be voluntary. Overtime shall be used responsibly, taking into account all the following: the extent, frequency and hours worked by individual workers and the workforce as a whole. It shall not be used to replace regular employment. Overtime shall always be compensated at a premium rate, which is recommended to be not less than 125% of the regular rate of pay.
- 6.4 The total hours worked in any 7-day period shall not exceed 60 hours, except where covered by clause 6.5 below.
- 6.5 Working hours may exceed 60 hours in any 7-day period only in exceptional circumstances where all of the following are met:
- 6.6 Workers shall be provided with at least one day off in every 7-day period or, where allowed by national law, 2 days off in every 14-day period.

**Current Systems and Evidence Examined**

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

**Current Systems:**

- The employees worked in three shifts: The first shift (from 6:00-14:00 including 30 minutes for rest and eating); The second shift (from 14:00-22:00 including 30 minutes for rest and eating); The third shift (from 22:00-6:00 including 45 minutes for rest and eating)
- The regular working time for office was 8 hours per day (from 08:00-17:00 including 01 hour for rest and lunch from 12:00-13:00) and 6 days in a week (from Monday to Saturday). Sunday was weekly rest day.
- The maximum overtime was 4 hours per day, 10 hours per week and 48 hours per month. They have not worked on rest-days and holidays.

**Evidence examined:**

- Internal regulation approved by the authorized service/department.
- Policies on compensations and benefits, working time.
- Records of time attendance and payrolls of past 12 months from Jan 2023 to Dec 2023 were available for review. It was randomly selected 42 samples in Dec 2023 (current month), Sep 2023 (random month) and May 2023 (random month).
- Labor contracts.
- Records of annual leave monitor and un-used annual payments.
- Records of resignation, disciplinary, allowance payments;

**Any other comments:**

None

**Working hours' analysis**

**Systems & Processes**

What timekeeping systems are used?      Fingerprint recording system

Is sample size same as in wages section?       Yes     No

Please give details:

Are standard/contracted working hours defined in all contracts/employment agreements? (If no, please give details including % and which type of workers do NOT have standard hours defined in contracts/employment agreements.)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Are there any other types of contracts/employment agreements used?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Do any standard/contracted working hours defined in contracts/employment agreements exceed 48 hours per week? (If yes, please detail hours, %, types of workers affected and frequency.)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are workers provided with at least 1 day off in every 7-day-period, or 2 in 14-day-period?	<input checked="" type="checkbox"/> 1 in 7 days <input type="checkbox"/> 2 in 14 days <input type="checkbox"/> No (please explain)
Is this allowed by local law?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Maximum number of days worked without a day off (in sample):	6
<b>Standard/Contracted Hours worked</b>	
Were standard working hours over 48 hours per week found? (If yes, % of workers & frequency)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No % of workers: null% Frequency:
Any local waivers/local law or permissions which allow averaging/annualised hours for this site? (If yes, please give details.)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Overtime Hours worked</b>	
Actual overtime hours worked in sample (State per day/week/month)	Highest OT hours: -May 2023: 4 hours per day, 10 hours per week, 42 hours per month -Sep 2023: 4 hours per day, 10 hours per week, 40 hours per month -Dec 2023: 4 hours per day, 10 hours per week, 48 hours per month
Combined hours (standard or contracted + overtime hours = total) over 60 found?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Maximum weekly working hours was 58 hours.
Approximate percentage of total workers on highest overtime hours:	17.0%
Is overtime voluntary? (Please detail evidence e.g. Wording of contract / employment agreement / handbook / worker interviews / refusal arrangements)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Conflicting Information Please give details: Employment agreement and Worker interviews. The term has been listed in the Factory Regulation and Working hours and Rest Policies.
<b>Overtime premium</b>	

<p>Are the correct legal overtime premiums paid? (Please give details of normal day overtime premium as a % of standard wages)</p>	<p><input checked="" type="checkbox"/> Yes   <input type="checkbox"/> No   <input type="checkbox"/> N/A – there is no legal requirement to OT premium</p> <p>Please give details: 100 % of selected samples were paid at 150% for overtime wage for overtime hours on weekdays, in compliant with local laws</p>
<p>Is overtime paid at a premium?</p>	<p><input checked="" type="checkbox"/> Yes   <input type="checkbox"/> No</p> <p>100 % of selected samples of 3 sample months were paid at 150% for overtime wage for overtime hours on weekdays, in compliant with local laws every month.</p>
<p>If the site pays less than 125% OT premium and this is allowed under local law, are there other considerations? Please complete the boxes where relevant.</p>	<p><input type="checkbox"/> No                      <input type="checkbox"/> Consolidated pay                      <input type="checkbox"/> Collective Bargaining agreements</p> <p><input checked="" type="checkbox"/> Other</p>
<p>Please give details</p>	<p>N/A . The site paid more than 125% OT premium. 100 % of selected samples were paid at 150% for overtime wage for overtime hours on workdays in compliant with local laws.</p>
<p>If more than 60 total hours per week and this is legally allowed, are there other considerations? Please complete the boxes where relevant. (Please explain any checked boxes above e.g. detail of consolidated pay / CBA or Other)</p>	<p><input type="checkbox"/> Overtime is voluntary                      <input type="checkbox"/> Onsite Collective bargaining allows 60+ hours/week is voluntary                      <input type="checkbox"/> Safeguards are in place to protect worker's health and safety</p> <p><input type="checkbox"/> Site can demonstrate exceptional circumstances                      <input checked="" type="checkbox"/> Other reasons (please specify)</p>
<p>Please give details</p>	<p>N/A. The maximum working hours was 58 hours per week</p>
<p>Please explain any checked boxes above e.g. detail of consolidated pay / CBA or other</p>	<p>N/A. The maximum working hours was 58 hours per week</p>
<p>Is there evidence that overtime hours are being used for extended periods to make up for labour shortages or increased order volumes?</p>	<p><input type="checkbox"/> Yes   <input checked="" type="checkbox"/> No</p>
<p>If sufficient workers cannot be hired, are new working time arrangements explored to ensure that overtime is the exception rather than the rule?</p>	<p><input checked="" type="checkbox"/> Yes   <input type="checkbox"/> No</p>

Non-Compliance		Evidence
<a href="#">[Back to findings summary]</a>		
<b>Non-Compliance</b>		
Status	OPEN	
Reference	ZAF600305989	
Clause	6 - Working Hours are not Excessive	
Issue Title	480 - Overtime is not used responsibly i.e. extent, frequency and level of hours worked by individual workers and / or whole workforce are excessive	
Subcategory	Overtime	
New or carried over?	<input type="checkbox"/> New <input checked="" type="checkbox"/> Carried Over	
Raised by audit	ZAA421619931	
Root cause	<input type="checkbox"/> Training <input type="checkbox"/> System <input type="checkbox"/> Costs <input type="checkbox"/> Lack of workers <input checked="" type="checkbox"/> Other	
Root cause - Other	N/A	
ETI code	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.	
Explanation to the non compliance	<p>During document review, employees and management interview, auditor noted that the employees' monthly overtime exceeded 40 hours per month, as below description: - 07/42 samples worked overtime from 42 to 43 hours per month, found in Nov 2022 - 04/ 42 samples worked overtime from 42 - 43 hours per month, found in June 2022. According to Vietnam Labor Code, No. 45/2019/QH14, dated 20 November 2019, Clause 2 of Article 107, a) overtime work must be accepted by the worker, b) the overtime hours of the employee shall not exceed 50% of a normal working hours in 01 day, in case of application of working regulation on weekly basis, the total normal working hours and the overtime hours shall not exceed 12 hours in a day, the total overtime hours shall not exceed 40 hours in a month, total overtime hours shall not exceed 200 hours in a year.</p>	
Follow up method	<input checked="" type="checkbox"/> Follow up audit <input type="checkbox"/> Desktop audit	
Timescale	<input type="checkbox"/> Immediate <input type="checkbox"/> 30 days <input checked="" type="checkbox"/> 60 days <input type="checkbox"/> 90 days <input type="checkbox"/> 120 days <input type="checkbox"/> 180 days <input type="checkbox"/> 365 days <input type="checkbox"/> Other	
Actions	N/A	

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<p><a href="#">[Back to findings summary]</a></p>																															
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**7 - No Discrimination is Practiced**  
**[Summary of Findings]**

**7: Compliance Requirements**

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

**Current Systems and Evidence Examined**

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

**Current Systems:**

The factory has established written anti-discrimination policies date on Oct 10, 2021.  
The hiring policy and procedures are also prohibited of discrimination when hiring  
The factory has designated Ms. Nguyen The Khanh Linh – HR Manager to monitor the enforcement of company policy on discrimination.  
The factory established training program and conduct the training to all employees prior to hire and refresh training as well.  
The factory provided the hot line and suggestion boxes with grievance procedure that worker could raise their concerned without fears.  
Recruitment notification posted at the security gate house did not mention anything concerning age and gender.  
There was no negative evidence of discrimination in employment, promotion, compensation, welfare, dismissal and retirement found.  
The management knew the requirement of non-discrimination

**Evidence examined:**

Company regulation  
The hiring and termination procedure.  
Leave application and termination records.  
Attendance and payroll records.  
Training records.  
Management and worker interview

**Any other comments:**

Nil

Gender breakdown of Management + Supervisors (Include as one combined group)	Male: 30.0%	Female: 70.0%	
Number of women who are in skilled or technical roles (e.g. where specific qualifications are needed i.e. machine engineer / laboratory analyst)	42		
Is there any evidence of discrimination based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation?	<input type="checkbox"/> Hiring  <input type="checkbox"/> Promotion	<input type="checkbox"/> Compensation  <input type="checkbox"/> Termination or retirement	<input type="checkbox"/> Access to training  <input checked="" type="checkbox"/> No evidence of discrimination found
Please give details	Nil		
<b>Professional Development</b>			

What type of training and development are available for workers?	All employees are provided with induction training on the facility regulations, policies and procedures. After that, they are trained on technical aspects on the job during the 30-days probation training and evaluated after the training. If they passed, they are assigned to work on that job. If they did not pass, they are assigned on other easier job.
Are HR decisions e.g. promotion, training, compensation based on objective, transparent criteria? (If no, please provide details)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

**8 - Regular Employment Is Provided**  
**[Summary of Findings]**

**8: Compliance Requirements**

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

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

**Additional Elements: Responsible Recruitment**

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

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

8.5 Employment agencies must only supply workers registered with them.

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

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

**Current Systems and Evidence Examined**

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

**Current Systems:**

The factory had documented disciplinary rules and communicates to all workers. And the disciplinary rules were fair, reasonable and they met law requirements.

Work performed was on the basis of recognized employment relationship established through national law and practice.

The workers are given orientation on the facility rules and regulations including labour issues, wages and benefits, working time and Health and Safety.

The factory signs labour contracts with workers within 30 days after probation period.

No homework was arranged, no apprenticeship schemes were practiced in this factory.

**Evidence examined:**

Company working rules, Company Collective Bargaining Agreement

Hiring procedure, training records.

Employees list, termination list.

Personal files, labour contracts.

Disciplines records.

**Any other comments:**

Nil

**Responsible Recruitment**

**All Workers**

Were all workers presented with terms of employment at the time of recruitment, did they understand them and are they same as current conditions?

Terms & Conditions presented

Understood by workers

Same as actual conditions

Did workers pay any fees, taxes, deposits or bonds for the purpose of recruitment/placement? (If yes, please describe details and specific category(ies) of workers affected)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Migrant Workers</b>	
Type of work undertaken by migrant workers:	There was no migrant worker found during audit day
Please give details about recruitment agencies for migrant workers:	Number of (in country) recruitment agencies used: 0 Number of (outside of local country) recruitment agencies used: 0
Are migrant workers' voluntary deductions (such as for remittances) confirmed in writing by the worker and is evidence of the transaction supplied by the facility to the worker?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: There was no migrant worker found during audit day
Is there any observation on this finding?	There was no migrant worker found during audit day
Are any migrant workers in skilled, technical or management roles? (This should include all migrant workers including permanent workers, temporary and/or seasonal workers)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Non-employee workers</b>	
<b>Recruitment Fees</b>	
Are there any fees?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Agency Workers (if applicable) (Workers sourced from a local agent who are not directly paid by the site, but paid by the agency. Usually the agencies are paid by the site and the wages of the individual workers are paid by the agency.)</b>	
Number of agencies used (average):	0
Please provide the names of agencies if applicable	0
Were agency workers' age / pay / hours included within the scope of this audit?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Were sufficient documents for agency workers available for review?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is there a legal contract agreement with all agencies?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Nil
Does the site have a system for checking labour standards of agencies?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Nil
<b>Contractors (Contractors in this context are generally individuals who supply several workers to a site. Usually the contractors are paid by the site and the wages of the workers are paid by the contractor. Common terms include, gang bosses, labor provider.)</b>	
Any contractors on site?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Nil

Do all contractor workers understand their terms of employment?

Yes  No

Please give details:

Nil

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

**8A: Compliance Requirements**

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

**Current Systems and Evidence Examined**

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

**Current Systems:**

- A site tour showed that it was noted that all production processes were presented in the facility.  
- There was no subcontract record found during the site tour and document review.

**Evidence examined:**

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

**Any other comments:**

Nil

**Summary of sub-contracting – if applicable**

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

**Summary of homeworking – if applicable**

Is homeworking used at this site?     Yes     No



<p>Are there any open disputes?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:</p>
<p>Does the site encourage its business partners (e.g. suppliers) to provide individuals and communities with access to effective grievance mechanisms (e.g. helplines or whistle blowing mechanism)</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details:</p>
<p>Is there a published and transparent disciplinary procedure?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details:</p>
<p>If yes, are workers aware of these the disciplinary procedure?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details:</p>
<p>Does the disciplinary procedure allow for deductions from wages (fines) for disciplinary purposes (see wages section)?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:</p>

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

**10A: Compliance Requirements**

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

**Current Systems and Evidence Examined**

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

**Current Systems:**

The factory did not have migrant worker.  
The factory had written comprehensive human rights policies, hiring policy that guiding the rights to choose the job voluntary by worker.  
The factory has designated HR Manager, Trade Union to monitor the implementation of company's policies.

**Evidence examined:**

Employee list  
Personal files  
Company policy.  
Employee interview.

**Any other comments:**

Nil

**10B2 - Environment 2-Pillar**  
**[Summary of Findings]**

**10B2: Compliance Requirements**

10.B2.1 Suppliers must comply with the requirements of local and international laws and regulations including having necessary permits.

10.B2.2 The supplier should be aware of and comply with their end clients' environmental requirements.

Note for auditors and readers, this is not a full environmental assessment but a check on basic systems and management approach.

**Current Systems and Evidence Examined**

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

**Current Systems:**

**Evidence examined:**

**Any other comments:**

Observation		Evidence																								
<a href="#">[Back to findings summary]</a>																										
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Actions	N/A																									

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

**10B4: Compliance Requirements**

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

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

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

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

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

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

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

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

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

**10B4: Guidance for Observations**

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

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

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

**Current Systems and Evidence Examined**

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

**Current Systems:**

- The factory obtained report on environmental monitoring and approval since January 23, 2013 with Document No. 127/QĐ-TNMT-CCBVM
- The environment monitoring report was conducted every 03 months. The last the environment monitoring report was conducted on January 15, 2024.
- The factory obtained owners hazardous waste registration on December 10, 2012 with Document No. 79.001907.T.
- The water waste from kitchen operation was treated by internal system and tested local authority before releasing to the river outsource as permission from local authoriser.
- The facility had detailed plan for industrial waste, living waste and medical waste in the facility premise. The solid, inclusive industrial wastes and live wastes were collected daily to a separate waste room and taken out by a contracted company- Moi Truong Do Thi Vietnam Co., Ltd with the contract signed on September 16, 2023 with Document No. 4138/HĐ.MTĐT-NH/23.4.VX.
- The management showed their commitment to comply with all laws on environment through written policy, stipulation, and arrangements.

**Evidence examined:**

- Policy on environmental protection, environmental impact assessment report, waste discharge management policy, waste chemical management policy, etc.
- Agreement with legal service for collecting, transport, and treatment of hazardous wastes.
- Environmental protection acceptance approval, air emission test report.
- Logs of wastes collecting and transport.
- Permit for releasing the wastewater to the wastewater system of industrial park.
- Worker interview

<b>Any other comments:</b>
Nil

Environmental Analysis	
Is there a manager responsible for Environmental issues (Name and Position):	Ms. Nguyen – HR Manager
Has the site conducted a risk assessment on the environmental impact of the site, including implementation of controls to reduce identified risks?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Environment aspect identification and impact assessment conducted and update in place.
Does the site have a recognised environmental system certification such as ISO 14000 or equivalent?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Nil
Does the site have an Environmental policy?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If yes, is it publicly available?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If yes, does it address the key impacts from their operations and their commitment to improvement?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The top management showed commitment to compliance with local legal about environment and have plan to reduce hazardous waste and wastewater.
Does the site have a Biodiversity policy?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is there any other sustainability systems present such as Chain of Custody, Forest Stewardship Council (FSC), Marine Stewardship Council (MSC) etc.?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Nil
Have all legally required permits been shown?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: <ul style="list-style-type: none"> <li>•The factory obtained report on environmental monitoring and approval since January 23, 2013 with Document No. 127/QĐ-TNMT-CCBVMT</li> <li>•The environment monitoring report was conducted every 03 months. The last the environment monitoring report was conducted on January 15, 2024.</li> <li>•The factory obtained owners hazardous waste registration on December 10, 2012 with Document No. 79.001907.T.</li> <li>•The water waste from kitchen operation was treated by internal system and tested local authority before releasing to the river outsource as permission from local authoriser.</li> <li>•The facility had detailed plan for industrial waste, living waste and medical waste in the facility premise. The solid, inclusive industrial wastes and live wastes were collected daily to a separate waste room and taken out by a contracted company- Moi Truong Do Thi Vietnam Co., Ltd with the contract signed on September 16, 2023 with Document No. 4138/HĐ.MTĐT-NH/23.4.VX.</li> </ul>

Is there a documentation process to record hazardous chemicals used in the manufacturing process?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Applicable Please give details: Hazardous waste registration and kept in/out records of chemical.	
Is there a system for managing client's requirements and legislation in the destination countries regarding environmental and chemical issues?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Ms. Nguyen The Khanh Linh – HR Manager was responsible for managing client's requirements and legislation in the destination countries regarding environmental and chemical issues.	
Facility has reduction targets in place for environmental aspects e.g. water consumption and discharge, waste, energy and green-house gas emissions:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Reduce water consumption (1%), waste consumption (2%) and Energy (3%) in the year of 2024	
Facility has evidence of waste recycling and is monitoring volume of waste that is recycled.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Nil	
Does the facility have a system in place for accurately measuring and monitoring consumption of key utilities of water, energy and natural resources that follows recognised protocols or standards?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Based on the bills provided by the suppliers and factory recorded the figures in monthly.	
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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Nil	
Usage/Discharge analysis		
Criteria	Previous year: 2023	Current year: 2024
Electricity Usage: Kw/hrs	9500000	0
Renewable Energy Usage: Kw/hrs	0	0
Gas Energy Usage: Kw/hrs	16032	0
Has site completed any carbon Footprint Analysis?	No	No
If Yes, please state result		
Water Sources	<ul style="list-style-type: none"> <li>•From local authority</li> <li>•Under ground water</li> </ul>	<ul style="list-style-type: none"> <li>•From local authority</li> <li>•Under ground water</li> </ul>
Water Volume Used	312349	0

Water Discharged	Wastewater was connected and treated by Wastewater treatment system before releasing outside	Wastewater was connected and treated by Wastewater treatment system before releasing outside
Water Volume Discharged	239750	0
Water Volume Recycled	0	0
Total waste produced	216000	0
Total hazardous waste produced	380	0
Waste to recycling	0	0
Waste to landfill	0	0
Waste to other	0	0
Total Product Produced	34,102 tons	0

Observation		Evidence
<a href="#">[Back to findings summary]</a>		
<b>Observation</b>		
Status	OPEN	
Reference	ZAF600326654	
Clause	10B4 - Environment 4-Pillar	
Issue Title	610 - Environmental section of the Sedex SAQ not completed	
Subcategory	General Environmental Permits, & Management systems	
New or carried over?	<input checked="" type="checkbox"/> New <input type="checkbox"/> Carried Over	
Root cause	<input type="checkbox"/> Training <input type="checkbox"/> System <input type="checkbox"/> Costs <input type="checkbox"/> Lack of workers <input checked="" type="checkbox"/> Other	
Root cause - Other	Lack of awareness	
ETI code	10.B4.10 - Suppliers should have completed the appropriate section of the SAQ and made it available to the auditor.	
Explanation to the observation	The factory did not complete the appropriate section of the SAQ and made it available to the auditor.	
Actions	It is recommended that factory should ensure to complete the SAQ before the auditing	

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

**10C: Compliance Requirements**

- 10.C.1 Businesses shall conduct their business ethically without bribery, corruption, or any type of fraudulent Business Practice.
  - 10.C.2 Businesses as a minimum must meet the requirements of local and national laws related to bribery, corruption, or any type of fraudulent Business Practices.
  - 10.C.3 Where it is a legal requirement, businesses must be able to demonstrate that they comply with all fiscal legislative requirements.
  - 10.C.4 Businesses shall have access to a transparent system in place for confidentially reporting, and dealing with unethical Business Ethics without fear of reprisals towards the reporter.
  - 10.C.5 Businesses should have a Business Ethics policy, covering bribery, corruption, or any type of fraudulent Business Practice,
  - 10.C.6 Businesses should have a designated person responsible for implementing standards concerning Business Ethics
  - 10.C.7 Suppliers should ensure that the staff whose job roles carry a higher level of risk in the area of ethical Business Practice e.g. sales, purchasing, logistics are trained on what action to take in the event of an issue arising in their area.
- 10C: Guidance for Observations**
- 10.C.8 Businesses should communicate their Business Ethics policy, covering bribery, corruption, or any type of fraudulent Business Practice to all appropriate parties, including its own suppliers.
  - 10.C.9 Has the site recently been subject to (or pending) any fines/prosecutions for non-compliance to Business Ethics regulations. If so is there evidence that sustainable corrective actions have been implemented

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

**Current Systems and Evidence Examined**

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

**Current Systems:**

The factory established written anti-corruption policies and displayed. Document has established, then updated on Oct 02, 2021  
All management, supervisors and employees received training on Company's Anti-corruption policy once upon hired.  
The company policy is enforced by Company working rules.

**Evidence examined:**

- Company policies and procedure
- Company regulation
- Inspection reports from Government
- External assessment reports
- Internal assessment reports
- Training records
- Employee interview and interaction with facility management

**Any other comments:**

Nil

<p>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>Please give details: The factory had comprehensive written policies on Business Ethics and displayed. The factory had communicated his policies to third parties and suppliers and obtained commitment from suppliers and third parties.</p>
<p>Does the site give training to relevant personnel (e.g. sales and logistics) on business ethics issues?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details: All relevant individual, supervisors, sales and logistics staff were proper trained once upon hired and on yearly.</p>
<p>Is the policy updated on a regular (as needed) basis?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details: On yearly company had management reviewed and updated if any policy or procedure that should be.</p>
<p>Does the site require third parties including suppliers to complete their own business ethics training</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details: As per supplier control procedure, the factory required third parties and suppliers to comply with company's business ethics policy, by non-conflict interested item in the business contract.</p>

Non-Compliance		Evidence
<a href="#">[Back to findings summary]</a>		
<b>Non-Compliance</b>		
Status	OPEN	
Reference	ZAF600305990	
Clause	10C - Business Ethics – 4-Pillar Audit	
Issue Title	659 - Policy and procedures to prevent or avoid bribery, corruption and other unethical business practices have not been communicated to employees in higher risk positions such as management, finance, purchasing and logistics	
Subcategory	BE - Systems to manage compliance	
New or carried over?	<input type="checkbox"/> New <input checked="" type="checkbox"/> Carried Over	
Raised by audit	ZAA421619931	
Root cause	<input type="checkbox"/> Training <input type="checkbox"/> System <input type="checkbox"/> Costs <input type="checkbox"/> Lack of workers <input checked="" type="checkbox"/> Other	
Root cause - Other	N/A	
ETI code	10.C.8 - Businesses should communicate their Business Ethics policy, covering bribery, corruption, or any type of fraudulent Business Practice to all appropriate parties, including its own suppliers.	
Explanation to the non compliance	During document review and management interview, auditor noted that except the item of conflict interest noted on business contract with business partner, there was no evidence of communicating the ethic policy to the business partners shown for review. According to ETI Base Code, clause 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.	
Follow up method	<input type="checkbox"/> Follow up audit <input checked="" type="checkbox"/> Desktop audit	
Timescale	<input type="checkbox"/> Immediate <input type="checkbox"/> 30 days <input checked="" type="checkbox"/> 60 days <input type="checkbox"/> 90 days <input type="checkbox"/> 120 days <input type="checkbox"/> 180 days <input type="checkbox"/> 365 days <input type="checkbox"/> Other	
Actions	N/A	

Observation		Evidence
<a href="#">[Back to findings summary]</a>		
<b>Observation</b>		
Status	OPEN	
Reference	ZAF600305991	
Clause	10C - Business Ethics – 4-Pillar Audit	
Issue Title	658 - Lack of detailed Business Ethics policy concerning bribery, corruption or unethical business practices (e.g. fraud, tax evasion, political interest, anti-competitive practices, extortion or money laundering, etc.)	
Subcategory	BE - Systems to manage compliance	
New or carried over?	<input type="checkbox"/> New <input checked="" type="checkbox"/> Carried Over	
Raised by audit	ZAA421619931	
Root cause	<input type="checkbox"/> Training <input type="checkbox"/> System <input type="checkbox"/> Costs <input type="checkbox"/> Lack of workers <input checked="" type="checkbox"/> Other	
Root cause - Other	N/A	
Explanation to the observation	Factory did not have a policy, endorsed at the highest level, covering the universal rights impacts and issues, which to be communicated to all appropriate parties, including its own supplier	
Actions	N/A	

Observation		Evidence
<a href="#">[Back to findings summary]</a>		
<b>Observation</b>		
Status	OPEN	
Reference	ZAF600305996	
Clause	10C - Business Ethics – 4-Pillar Audit	
Issue Title	667 - No confidential whistleblowing procedure in place	
Subcategory	BE - Grievance Mechanisms	
New or carried over?	<input type="checkbox"/> New <input checked="" type="checkbox"/> Carried Over	
Raised by audit	ZAA421619931	
Root cause	<input type="checkbox"/> Training <input type="checkbox"/> System <input type="checkbox"/> Costs <input type="checkbox"/> Lack of workers <input checked="" type="checkbox"/> Other	
Root cause - Other	N/A	
Explanation to the observation	Site has not had a transparent system in place for confidentially reporting and dealing with human rights impacts without fear of reprisals towards the reporter.	
Actions	N/A	

## Attachments



ZAA600043038 BMSZ014024-01B VIETNAM FOOD INDUSTRIES JOINT STOCK COMPANY January 20, 2024 Signed CAP.pdf



ZAA600043038 BMSZ014024-01B VIETNAM FOOD INDUSTRIES JOINT STOCK COMPANY Periodic Jan 20, 2024 Photo Form(4P).pdf



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