



Sedex Members Ethical Trade Audit Report

Version 6.1



Audit Details				
Sedex Company Reference: <i>(only available on Sedex System)</i>	ZC421930155	Sedex Site Reference: <i>(only available on Sedex System)</i>	ZS422315795	
Business name (Company name):	Binh Phuoc Import Export Trading Manufacturing Company Limited			
Site name:	Binh Phuoc Import Export Trading Manufacturing Company Limited.			
Site address:	Hamlet 4, Tan Lap Village, Dong Phu District, Binh Phuoc Province, Vietnam Binh Phuoc 830000 VN	Country:	VN	
Site contact and job title:	Nguyen Thi Thanh Thao / Director			
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:	2023-01-19			

Audit Company Name:
SGS Vietnam

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

Audit 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:	Van Nguyen	APSCA Number:	21704267
Additional Auditors:	Nhi Ngo		
Date of declaration:	2023-01-09		

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:	Nguyen Thi Thanh Thao
Title:	Director
Date of declaration:	2023-01-09
Comments:	Nil

Summary of Findings

Issue <i>(please click on the issue title to go direct to the appropriate audit results by clause)</i>	Area of Non-Conformity		Number of issues			Findings
	ETI	Local Law	NC	Obs	GE	
<u>0A - Universal rights covering UNGP</u>			0	0	0	
<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 3.2 3.2 3.4	§1 §2 §3 §4	5	0	0	NC - ZAF600012499 NC - ZAF600012500 NC - ZAF600012501 NC - ZAF600012502 NC - ZAF600012503
<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>			0	0	0	
<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	0	0	
<u>10B4 - Environment 4-pillar</u>			0	0	0	
<u>10C - Business ethics 4-pillar</u>			0	0	0	

Local Law Issues

Issue	Description
§1	Circular No. 32/2017/TT-BCT dated and valid since December 28, 2017 Article 7. Making of safety data sheets 1. Hazardous chemical producers and importers mentioned in Clause 1 Article 24 of the Decree No. 113/2017/ND-CP shall make safety data sheets including information provided in Appendix No. 9 attached hereto before using or selling chemicals on and take responsibility for contents of safety data sheets. 2. Hazardous chemical producers and importers shall retain safety data sheets of every hazardous chemical in their factories/stores and make sure that all entities relevant to hazardous chemicals are provided with safety data sheets of such hazardous chemicals.
§2	Law on Occupational Safety and Health No. 84/2015/QH13 dated 25 Jun, 2015 valid 01 Jul, 2016, Article 13. Propagation in occupational safety and hygiene, Clause 4.
§3	In accordance with Item b of Clause 2 of Article 6 of the OSH Law; Clause 1 of Article 6 of Circular 04/2014/TT-BLDTBXH

§4	Accordance with Circular 19/2016/TT-BYT dated 30 Jun 2016 valid since 15 Aug 2016, Article 6 provisions on first aid kits and Appendix 4: provisions on bag first aid in the workplace. 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.
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Site Details

Site Details		
Company Name	Binh Phuoc Import Export Trading Manufacturing Company Limited	
Site Name	Binh Phuoc Import Export Trading Manufacturing Company Limited.	
GPS location (if available)	GPS Address:	Hamlet 4, Tan Lap Village, Dong Phu District, Binh Phuoc Province, Vietnam
	Coordinates:	11°24'29.9"N 106°50'29.1"E
Applicable business and other legally required licence numbers and documents, for example, business license number, liability insurance, any other required government inspections	Binh Phuoc Import Export Trading Manufacturing Company Limited has been established in Sept 08, 1999. The business license (no. 3800211407) and located in Hamlet 4, Tan Lap Village, Dong Phu District, Binh Phuoc Province, Vietnam.	
Products/Activities at site, for example, garment manufacture, electricals, toys, grower, cutting, sewing, packing etc	cashew	
Site description: (Include size, location, and age of site. Also, include structure and number of buildings)	Binh Phuoc Import Export Trading Manufacturing Company Limited has been established in Sept 08, 1999. The business license (no. 3800211407) and located in Hamlet 4, Tan Lap Village, Dong Phu District, Binh Phuoc Province, Vietnam and 2.5 hours from Tan Son Nhat airport.	

Structure and number of buildings	Building Name:		Building 1
	Floor	Description	Remark
	1	2044 m2, occupied of raw material warehouse.	Nil
	Building Name:		Building 2
	Floor	Description	Remark
	1	3147.76 m2, occupied of raw material warehouse.	Nil
	Building Name:		Building 3
	Floor	Description	Remark
	1	2555 m2, occupied of raw material warehouse.	Nil
	Building Name:		Building 4
	Floor	Description	Remark
	1	441 m2, occupied of production process	Nil
	Building Name:		Building 5
	Floor	Description	Remark
	1	2448 m2, occupied of Finish good warehouse and production process.	Nil
Building Name:		Building 6	
Floor	Description	Remark	
1	153.72 m2, occupied of head office	Nil	
Visible structural integrity issues (large cracks) observed?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: There were no structural issues observed at site and this is the new establishment factory		
Does the site have a structural engineer evaluation?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Facility has building permit and safety structure assessment as required.		
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	May to July		

Process overview	Storing, drying, size distribution, steaming, separation, drying, peeling, sorting, fumigation, packing and finishing.
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:	Trade Union of Binh Phuoc Import Export Trading Manufacturing Company Limited.
Is there any night production work at the site?	<input type="checkbox"/> Yes <input checked="" 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 were no accommodation facilities provided for employees.

Audit Parameters		
Time in and time out	Day 1	
	In	08:50
	Out	16:30
Audit type:	Full initial	
Was the audit announced?	ANNOUNCED	
Was the Sedex SAQ available for review?	Yes	
Any conflicting information SAQ/Pre-Audit Info to Audit findings?	No	
Who signed and agreed CAPR	Nguyen Thi Thanh Thao / 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 union representative was workers committee representative. There was not any worker's representative in this facility. It is a common practice in Vietnam.		
<i>Reason for absence during the audit</i>	The union representative was workers committee representative. There was not any worker's representative in this facility. It is a common practice in Vietnam.		
<i>Reason for absence at the closing meeting</i>	The union representative was workers committee representative. There was not any worker's representative in this facility. It is a common practice in Vietnam.		

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	34	0	0	0	0	0	0	34
Worker numbers – female	28	0	0	0	0	0	0	28
Total	62	0	0	0	0	0	0	62
Number of Workers interviewed – male	5	0	0	0	0	0	0	5
Number of Workers interviewed – female	5	0	0	0	0	0	0	5
Total – interviewed sample size	10	0	0	0	0	0	0	10

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: 0%
	Salaried: 100%
Payment cycle	Paid daily: 0%
	Paid weekly: 0%
	Paid monthly: 100%
	Other: 0%
	Details for other: N/A

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:	1
Number of individual interviews:	Male: 3 Female: 3
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
What did the workers like the most about working at this site?	None
Any additional comment(s) regarding interviews:	Remark: The audit dated is January 9, 2023 instead of January 19, 2023.
Attitude of workers to hours worked:	Interviewed employees indicated that they were all happy with the current working time (both regular and overtime working hours) and rest day per week.
Is there any worker survey information available?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:

Attitude of workers:

There was total 10 employees randomly being selected among 62 employees (during site observation at both factories and through employee list, payroll, and time records). They were divided into 1 group of 4 plus 6 individuals for interview. Selected sample workers were interviewed during site observation and in a private audit room independently without restriction from factory management. All workers interviewed showed good attitude to their working conditions and management. Most of workers satisfied their working conditions and employment terms. There was not any complaint of workers about the management once interviewed or significant of negative information being identified during the interview process.

Attitude of worker's committee/union reps:

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

Attitude of managers:

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

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:

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

Evidence examined:

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

Any other comments:

None

Policy statement that expresses commitment to respect human rights?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The factory had a human right policy and communicate for all employees.
Are the policies included in workers' manuals?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The factory had provided workers' manuals for all employees.
Does the business have a designated person responsible for implementing standards concerning Human Rights?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Ms. Duong Thuy/ HR manager

<p>Does the business have a transparent system in place for confidentially reporting, and dealing with human rights impacts without fear of reprisals towards the reporter?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>It was noted that Complain Handling, Grievance mechanism and Open policies were established, suggestion boxes were arranged at publicity. In addition, no human right violation was noted during this audit. This was confirmed through site observation, document review & employee's interview</p>				
<p>Does the grievance mechanism meet UNGP expectations? (Legitimate, Accessible, Predictable, Equitable, Transparent, Rights-compatible, a source of continuous learning and based on stakeholder engagement)</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>				
<p>Does the business demonstrate effective data privacy procedures for workers' information, which is implemented?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>Document review & management interview indicated that HR Policy and Confidential Procedures were established in written. All personal records were retained in every employee's personal profile. The data privacy was managed and controlled by HR department.</p>				
<p>Measuring Workplace Impact</p>					
<p>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))</p>	<table border="0"> <tr> <td>Last year</td> <td style="text-align: right;">21%</td> </tr> <tr> <td>This year</td> <td style="text-align: right;">22%</td> </tr> </table>	Last year	21%	This year	22%
Last year	21%				
This year	22%				
<p>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])</p>	<p>3%</p>				
<p>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)</p>	<table border="0"> <tr> <td>Last year</td> <td style="text-align: right;">2%</td> </tr> <tr> <td>This year</td> <td style="text-align: right;">2%</td> </tr> </table>	Last year	2%	This year	2%
Last year	2%				
This year	2%				
<p>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)</p>	<p>3%</p>				
<p>Are accidents recorded?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>There were no accidents between 2022 and 2021.</p>				
<p>Annual Number of work related accidents and injuries per 100 workers((Number of work related accidents and injuries * 100) / Number of total workers)</p>	<table border="0"> <tr> <td>Last year</td> <td style="text-align: right;">0%</td> </tr> <tr> <td>This year</td> <td style="text-align: right;">0%</td> </tr> </table>	Last year	0%	This year	0%
Last year	0%				
This year	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)	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	0%
	This year	0%
% of workers that work on average more than 48 standard hours / week in the last 6 / 12 months	6 month	0%
	12 month	0%
% of workers that work on average more than 60 total hours / week in the last 6 / 12 months	6 month	0%
	12 month	0%

0B - Management Systems and code Implementation
[Summary of Findings]

0B: 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:

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

Evidence examined:

- Management interview
- Training records
- Worker interview

Any other comments:

None

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: This was confirmed through document review (local's authority inspection reports / records) as well as management interviews.
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: Relevant written social compliance polices and/or procedures (such as child labour, forced labour, discrimination, harassment & abuse policies) had been established and provided for review during this audit.
If Yes, is there evidence (an indication) of effective implementation? Please give details.	Site observation indicated that social compliance policies and/or procedures had been posted at bulletin board of the facility. There was not any forced labour, child labour, discrimination or harassment and abuse cases had been noted, observed and reported during this audit.

<p>Have managers and workers received training in the standards for forced labour, child labour, discrimination, harassment & abuse?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>During management and workers interview, they aware well about these 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>During management and workers interview, they aware well about these policies.</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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Please give details:</p> <p>None Provided or reported by the management</p>
<p>Is there a Human Resources manager/department?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Ms. Duong Thuy/ HR manager</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>The factory had appointed Ms. Duong Thuy/ HR manager to be in charge of implementation ETI Code of Conduct on its daily business operations</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>A Worker's Confidential Procedure was established in written for HR and others relevant departments to follow.</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>A written Information Confidential Procedure was established. 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>Document review and management interview indicated that, risk assessment to evaluate effective internal policies and procedures conducted yearly.</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>Document review and management interview indicated that the site established a process to address issues found when conducting risk assessments, including implementation of controls to reduce identified risks.</p>
<p>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 had a policy which required 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: Land rights licenses available for review during audit time
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: Reviewing the land rental contract, noted that the factory did follow their use of land as per the commitment on contract as well as legal requirement
Does the site have a written policy and procedures specific to land rights?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: N/A
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: Based on the review of Land rental contract and rental payment release indicated that rental fee had been settled down monthly.
Does the facility demonstrate that alternatives to a specific land acquisition were considered to avoid or minimize adverse impacts?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: N/A
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 was not any evidence of illegal appropriation of land for facility building or expansion

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:

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

Evidence examined:

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

Any other comments:

None

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: None
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: N/A

<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: None</p>
<p>Does the site understand the risks of forced / trafficked / bonded labour in its supply chain</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Applicable</p> <p>Please give details: N/A</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: The factory established a policy and procedure on forced and trafficked labour. It was trained for employees and managers and posted at publicity accordingly.</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:

It was confirmed with management and employee's interviews as well as document review, noted that grievance mechanism, suggestion box records, trade union chairman election and meeting records were available for review. No discrimination was noted between trade and non-trade union employees. Trade union chairwoman – Nguyen Huu Vi linh (Ms.) Accotant manager. Board of Trade union with 3 members were provided with adequate facilities to perform their tasks. Freedom of Association procedure was established in written and well communicated to employees.

Evidence examined:

- Suggestion box was posted in place to collect worker's idea, suggestions.
- CBA was established and submitted to authority department on 01 Nov 2022.
- Activities of Trade union established in place satisfied legal requirements (e.g., regular meeting of trade union board, workers conference...).
- Social dialogue meetings at the workplace were conducted as legal requirement.

Any other comments:

None

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:	Grassroot trade union of Binh Phuoc Import Export Trading Manufacturing Company Limited.
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: Suggestion box
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: There was a labour trade union at the facility. It's was operated and being monitored by local superior trade union. Trade union members were provided with a private room, supporting equipment's such as telephone, computer, internet, etc. and allowance to perform their duty properly.
Name of union and union representative, if applicable:	Grassroot trade union of Binh Phuoc Import Export Trading Manufacturing Company Limited and Trade union chairwoman – Nguyen Huu Vi linh (Ms.) Accotant manager
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?	N/A
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: Based on workers interview, it was noted that everyone knew who their representatives were.
Were worker representatives freely elected?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Date of last election:	2017-11-21
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:	3.0
Please describe any evidence that union/worker's committee is effective? Specify date of last meeting; topics covered; how minutes were communicated etc.	Factory conducted dialogue at the workplace between employees or worker's collective representative and employers as legal requirement. The latest time was on Dec 15,2022 with contents regarding to working environment.
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 & Safety management:

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

2. Fire Safety

- Factory had valid fire inspection certificates that were issued by local fire safety police
- Fire system maintenance in monthly by internal
- Lighting system verification record, valid till 06 Jan 2023
- Procedure for inspecting and testing for fire-fighting equipment's was in place. The fire extinguishers were inspected internally once per month. All of them were tested regularly by service authorizer.
- There were at least 02 fire exits from each work area and these were clearly marked
- The "No smoking" signs were posted at production and prohibited areas in factory.
- Per site observation, it was noted that all fire exits, and escaped routes were unlocked and free of obstruction
- Per site observation, auditors noted that all site buildings were maintained in good physical condition.
- Fire drill conduct in yearly as requires of local law.
- Fire extinguishers and fire hose reels are periodically check in monthly

3. Electrical safety

- All electrical equipment was maintained in good condition.
- The electrical wires were installed in fully acceptable condition and adequately protected by isolated material as legal requirement.
- Annual machine maintenance schedule and records were reviewed it was noted that all equipment was regularly maintained as schedule.
- Most of the electricity boxes are posted the warning sign, but some of them are not

4. Medical services

- The factory has 01 medical room
- The factory has a medical contract with the medical centre and Travel distance from factory to medical centre within 15 minutes as legal requirement.
- First aid kits are available from office to production and stand by within the medical rooms as requires of local law

5. Health and safety training

- Per document review, workers and management interview, auditors noted that the factory provided health and safety training as required
- There were trained on occupational health and hygiene as legal requirement.
- Working performance check by external party, date 28/8/2020 by external party
- Risky equipments has registered authority and verified by external party completely

6. Chemical safety operation:


- Chemicals were correctly labelled.
- Material Safety Data Sheets were available and there were hazard diagrams on any chemicals which needed careful handling.
- Workers in the chemical store confirmed that they had been trained on correct handling procedures as well as what to do in an emergency

Evidence examined:

<ul style="list-style-type: none"> -Health and safety policy -Health and safety manual -Health and safety committee minutes -Training records and certificates -Fire equipment maintenance records -Fire drill records -Government licenses and checks on air quality and noise level -Building structure safety certificate -Trained first aider register -Accident reports -Sanitation permit for kitchen -Health certificates for kitchen staff -Chemical list and MSDS for each chemical -Potable water testing certificates -Interviews with H&S manager -Interviews with workers and H&S committee members
<p>Any other comments:</p>
<p>None</p>

<p>Does the facility have general and occupational Health & Safety policies and procedures that are fit for purpose and are these communicated to workers?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>The factory already established a Health & Safety policy which was approved by top management. It was well communicated to relevant employees through orientation and posted on notice board.</p>
<p>Are the policies included in workers' manuals?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>The health and safety policy were included in worker's manual.</p>
<p>Are there any structural additions without required permits/inspections (e.g. floors added)?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Please give details:</p> <p>There was not any structural additions without required permits during 2022.</p>
<p>Are visitors to the site informed on H&S and provided with personal protective equipment?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>Document review and site observation indicated that none of any structural additions without required permit/ license was noted.</p>
<p>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))</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>The factory had provided a medical room and the first aid kits were installed in workplace.</p>
<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> <ul style="list-style-type: none"> - The factory signed the medical service support contract on 05 Oct, 2022 - There were 15 employees trained the first aid knowledge with certificates issued by local medical center on 5 Sep 2022.


<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: No transportation provided for workers. N/A</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: No dormitory was provided for workers. N/A</p>
<p>Are H&S Risk assessments are conducted (including evaluating the arrangements for workers doing overtime e.g. driving after a long shift) and are there controls to reduce identified risk?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details: Per document review and management interview, auditors noted that factory conducted risk assessment at workplace in Jan 2022.</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: The factory did meet the legal requirements on environment. Annual inspection report was made and submitted to local authority.</p>
<p>Is the site meeting its customer requirements on environmental standards, including the use of banned chemicals?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details: List of using chemicals were available on site.</p>

Non-Compliance		Evidence
[Back to findings summary]		
Non-Compliance		
Reference	ZAF600012499	
Clause	3 - Working Conditions are Safe and Hygienic	
Issue Title	230 - No material safety data sheet (MSDS) obtained / available	
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 knowlegde	
Local law issue	Circular No. 32/2017/TT-BCT dated and valid since December 28, 2017 Article 7. Making of safety data sheets 1. Hazardous chemical producers and importers mentioned in Clause 1 Article 24 of the Decree No. 113/2017/ND-CP shall make safety data sheets including information provided in Appendix No. 9 attached hereto before using or selling chemicals on and take responsibility for contents of safety data sheets. 2. Hazardous chemical producers and importers shall retain safety data sheets of every hazardous chemical in their factories/stores and make sure that all entities relevant to hazardous chemicals are provided with safety data sheets of such hazardous chemicals.	
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	Based on site tour and management interviews, it was noted that there was no MSDS posted for some chemical at chemical room as required.	
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	The factory should be posted MSDS at the workplace with local language requirement	
		 Chemical room.jpg

Non-Compliance		Evidence
[Back to findings summary]		
Non-Compliance		
Reference	ZAF600012500	
Clause	3 - Working Conditions are Safe and Hygienic	
Issue Title	146 - Lack of detailed health and safety policy that is communicated to workers	
Subcategory	Health & Safety Management	
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 knowledge	
Local law issue	Law on Occupational Safety and Health No. 84/2015/QH13 dated 25 Jun, 2015 valid 01 Jul, 2016, Article 13. Propagation in occupational safety and hygiene, Clause 4.	
ETI code	3.2 - Workers shall receive regular and recorded Health & Safety training, and such training shall be repeated for new or reassigned workers.	
Explanation to the non compliance	Based on the document review and interviews with workers and management, it was discovered that the facility had an established HSE policy, but it had not been communicated to workers.	
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	The facility shall communicate HSE policy to workers as required.	

Non-Compliance		Evidence
[Back to findings summary]		
Non-Compliance		
Reference	ZAF600012501	
Clause	3 - Working Conditions are Safe and Hygienic	
Issue Title	279 - No / inadequate training in how to use Personal Protective Equipment (PPE)	
Subcategory	Personal Protective Equipment/Clothing	
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 knowledge	
Local law issue	In accordance with Item b of Clause 2 of Article 6 of the OSH Law; Clause 1 of Article 6 of Circular 04/2014/TT-BLDTBXH	
ETI code	3.2 - Workers shall receive regular and recorded Health & Safety training, and such training shall be repeated for new or reassigned workers.	
Explanation to the non compliance	Based on the document review and management interview, it was noted that the factory sufficiently provided PEE equipment for employees. However, the training on how to use PPE for employees was not recorded inadequately	
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	It is recommended that the factory shall provide appropriate PPE training to relevant workers.	

Non-Compliance		Evidence
[Back to findings summary]		
Non-Compliance		
Reference	ZAF600012502	
Clause	3 - Working Conditions are Safe and Hygienic	
Issue Title	330 - Sanitary facilities are insufficient for the size of the site (e.g. the number of toilets or hand basins is insufficient for the number of workers)	
Subcategory	Hygiene Facilities & Housekeeping	
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 knowledge	
ETI code	3.4 - Accommodation, where provided, shall be clean, safe, and meet the basic needs of the workers.	
Explanation to the non compliance	Based on site tour and management interview, it was noted that 01 out of 02 toilet section were no toilet paper and soap as required	
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	The facility shall provide toilet paper and soap as required	

Non-Compliance		Evidence
[Back to findings summary]		
Non-Compliance		
Reference	ZAF600012503	
Clause	3 - Working Conditions are Safe and Hygienic	
Issue Title	289 - First aid box available but contents are missing / contents out of date or otherwise inadequate	
Subcategory	First Aid / Accidents	
New or carried over?	<input checked="" type="checkbox"/> New <input type="checkbox"/> Carried Over	
Root cause	<input type="checkbox"/> Training <input type="checkbox"/> System <input type="checkbox"/> Costs <input type="checkbox"/> Lack of workers <input checked="" type="checkbox"/> Other	
Root cause - Other	Lack of knowledge	
Local law issue	Accordance with Circular 19/2016/TT-BYT dated 30 Jun 2016 valid since 15 Aug 2016, Article 6 provisions on first aid kits and Appendix 4: provisions on bag first aid in the workplace. 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.	
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	Based on site tour and management interview, it was noted that the first aid boxes were not enough 27 items as required.	
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	The facility shall provide enough 27 items as required.	
		 First aid box.jpg

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

Evidence examined:

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

Any other comments:

None

Legal age of employment:	15
Age of youngest worker found:	19
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%
Are workers under 18 subject to hazardous work assignments?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: N/A

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:

-Wage policy was established and followed properly. Compulsory insurance scheme was provided employees as legal requirement. The legal minimum wage applied for this site was VND 4,160,000 per month since Jul 01,2022.
 -The site applied product salary rate wage for all employees. The salary was paid before 10th of following month for employees by bank tranfer.
 -Wage slip was provided to individual workers at the payment salary.
 -Extra allowances: diligent allowance VND 200,000 per month etc...

Evidence examined:

Payrolls and time records of the most recent 12 months were provided for review (from Dec 2021 to Nov 2022). Wage was paid correctly. Payslip was provided for employees during the pay period. No inconsistencies were noted during this audit.

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: null Per Month: 216.0	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: 2.0 Per Week: 8.0 Per Month: 29.0	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: 4160000.0	Actual Per Day: 0.0 Per Week: 0.0 Per Month: 4160000.0	YES

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: 0.0 Per Week: 0.0 Per Month: 870000.0	YES
Wages Analysis:			
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)	10 10 samples in Nov 2022 (Current month) 10 samples in Sep 2022 (Random month) 10 samples in May 2022 (Random month)		
Are there different legal minimum wage grades? If Yes, please specify all.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Since Jul 1, 2022, Region 2: VND 4,160,000		
If there are different legal minimum grades, are all workers graded and paid correctly?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> 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.	In 2022: VND 4,445,000		
Please indicate the breakdown of workforce per earnings	0% of workforce earning under minimum wage 0% of workforce earning minimum wage 100% of workforce earning above minimum wage		
Bonus Scheme found: Please specify details:	Bonus Scheme found: Diligent allowance: 200,000 vnd/month 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:	Social insurance: 8% of monthly basic wage Health insurance: 1.5 % of monthly basic wage Unemployed insurance: 1% of monthly basic wage Trade union fee: 1% of monthly basic wage		
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 monthly basic wage 2. Health insurance: 1.5 % of monthly basic wage 3. Unemployed insurance: 1% of monthly basic wage 4. Trade union fee: 1% of monthly basic wage		
Please list all deductions that have not been made.	N/A		
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		
Do records reflect all time worked? (For instance, are workers asked to attend meetings before or after work but not paid for their time)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Records reflect all time worked.		

<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 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 <input type="checkbox"/> Figures provided by Unions <input type="checkbox"/> Living Wage Foundation UK <input type="checkbox"/> Fair Wear Wage Ladder <input type="checkbox"/> Fairtrade Foundation <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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:</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 Please give details: Based on wage scale, wage & benefits requires and calculating formula review.</p>
<p>How are workers paid:</p>	<p><input type="checkbox"/> Cash <input type="checkbox"/> Cheque <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:

- Through employees' interview, overtime is voluntary.
- The factory provided hours and wages records from Dec 2021 to Nov 2022 for review.
- The factory applied fingerprint system to record employees' working hours on daily basis with detailed time in and time out.
- The site's regular working hours is 48 hours per week, from Monday to Saturday.
- Worker' salary was paid before 10th of each month by transfer by bank transfer. Payslips were provided for employees at the payment period.
- Employees were entitled to take day off in 7-day period on Sunday.
- The records were reviewed against production records and security records to verify actual working hours.

Evidence examined:

Through employees and management interview, reviewing factory's policy on working hours, workers contracts, quality, and production records to cross check hours.

Any other comments:

None

Working hours' analysis

Systems & Processes

What timekeeping systems are used?	Fingerprint machine
Is sample size same as in wages section?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> 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
Standard/Contracted Hours worked	
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
Overtime Hours worked	
Actual overtime hours worked in sample (State per day/week/month)	2 hours per day 8 hours per week 29 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: Working hours was not over 60 hours.
Approximate percentage of total workers on highest overtime hours:	20%
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: Verify through employment agreement, worker interviews
Overtime premium	
Are the correct legal overtime premiums paid? (Please give details of normal day overtime premium as a % of standard wages)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A – there is no legal requirement to OT premium Please give details: 150% for normal day 200% for rest day 300% for holyday
Is overtime paid at a premium?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No All selected employees were confirmed that overtime working was in voluntary by registration on a form provided by team leader few days in advance. If employees agree then they should sign off on the form, if not they could freely refuse without any punishment.

<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 checked="" type="checkbox"/> No <input type="checkbox"/> Consolidated pay <input type="checkbox"/> Collective Bargaining agreements</p> <p><input type="checkbox"/> Other</p>
<p>Please give details</p>	<p>N/A</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 checked="" 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>The facility does not exceed over 60 hours per week.</p>
<p>Please explain any checked boxes above e.g. detail of consolidated pay / CBA or other</p>	<p>N/A</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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>

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:

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

Evidence examined:

Reviewing recruitment documents, Payrolls and time records, Disciplinary records confirmed that there is no discrimination in hiring, compensation, access to training, promotion, termination or retirement based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.

Any other comments:

None

Gender breakdown of Management + Supervisors (Include as one combined group)	Male: 30%	Female: 70%
Number of women who are in skilled or technical roles (e.g. where specific qualifications are needed i.e. machine engineer / laboratory analyst)	1	
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 checked="" type="checkbox"/> No evidence of discrimination found
Please give details	N/A	
Professional Development		
What type of training and development are available for workers?	All workers are given H&S training. females as well as males are trained o become supervisors and managers Workers were provided health and safety, fire drill, first aid training	
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 site management understood legal law requirements regarding employment process and contribution of social insurance. No agency or temporary worker found in audit days. Worker contracts accurately reflect the agreed payment and terms in the recruitment process and were understood and signed by workers. One copy of labour contract was kept by workers.

Evidence examined:

-The factory applied 6 days of probation period for all workers. After that, workers signed 02 definite labour contracts (12 months) then they became permanent workers. There were no seasonal/contract workers working in factory as of the audit time.
 -The factory provided social insurance for workers after finished probation period, which was complied with legal law requirement.
 -The payment records of the contribution to the insurance fund were available for review. And records to showed that employees receive the benefits of the insurance program such as sick leave, pregnant check, and maternity leave were available. In addition, the factory settled social insurance fee to local social insurance department.

Any other comments:

None

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?	<input checked="" type="checkbox"/> Terms & Conditions presented	<input checked="" type="checkbox"/> Understood by workers
	<input checked="" type="checkbox"/> 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	

Migrant Workers	
Type of work undertaken by migrant workers:	There were no migrant workers on site.
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 were no migrant workers on site.
Is there any observation on this finding?	N/A
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
Non-employee workers	
Recruitment Fees	
Are there any fees?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
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.)	
Number of agencies used (average):	0
Please provide the names of agencies if applicable	N/A
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: N/A
Does the site have a system for checking labour standards of agencies?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: N/A
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.)	
Any contractors on site?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: There were no contractors on site.
Do all contractor workers understand their terms of employment?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: N/A

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:

No subcontractor was used in the factory

Evidence examined:

N/A

Any other comments:

N/A

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

9 - No Harsh or Inhumane Treatment is Allowed
[Summary of Findings]

9: Compliance Requirements
 9.1 Physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation shall be prohibited.
 9.2 companies should provide access to a confidential grievance mechanism for all 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 has clear policy to prohibit all harsh or inhuman treatment activities.
 -Suggestion boxes together with clear grievance documented policy were provided to workers to report any harsh or inhuman treatment activities.
 -No evidence of harassment / abuse / inhumane treatment was identified through any records in place.
 -No evidence of harsh or inhumane treatment occurred in place. It was confirmed during site observation and employees, trade union representative interview.
 -Factory regulation, disciplinary practices documents were reviewed and noted that no physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation were found in place.

Evidence examined:

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

Any other comments:

None

Are there published, anonymous and/or open channels available for reporting any violations of Labour standards and H&S or any other grievances to a 3rd party?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: There is suggestion box, and workers can contact to compliance staff any time for reporting grievances.
If yes, are workers aware of these channels and have access? Please give details.	Workers aware well that they could raise their comments through suggestion boxes which were posed at workshop, mail address and Open-Door policy.
If yes, what type of mechanism is used e.g. hotline, whistle blowing mechanism, comment box etc. Please give details.	Suggestion boxes, email and open-door policy.
Which of the following groups is there a grievance mechanism in place for?	<input checked="" type="checkbox"/> Worker <input type="checkbox"/> Communities <input type="checkbox"/> Suppliers <input type="checkbox"/> Other
Please provide grievance mechanism details	Suggestion boxes and direct meeting with trade union representatives to be resolved any grievance, said the workers interviewed and management representative interviewed. Besides, email and Open-Door policy were applied.
Are there any open disputes?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:

<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:

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

Evidence examined:

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

Any other comments:

None

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 environment protection plan was approved by local authority as required
- Hazardous waste management report is conducted annually.
- The contract of collecting, transport, treating and disposal of hazardous waste was signed on Dec 17, 2022 valid 1 year.
- The factory had conducted environment monitoring measurement quarterly. The latest report was on 5 dec 2022, the results meet legal requirements.
- The factory established written policy and procedure for environmental protection for it business activities.

Evidence examined:

- EIA;
- Environmental monitoring report.
- Industrial and hazardous waste collecting contracts
- Owner registration of hazardous waste.
- Wastewater treatment contract.
- Worker and management interview.
- Site tour.

Any other comments:

None

Environmental Analysis

Is there a manager responsible for Environmental issues (Name and Position):	Mr. Phan Thanh Binh- Environmental staff
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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: Environmental risk assessment was conducted on Jan 2022
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: N/A
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: Waste, wastewater, Noise, etc.
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: N/A
Have all legally required permits been shown?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Environmental Protection Plan.
Is there a documentation process to record hazardous chemicals used in the manufacturing process?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Applicable Please give details: There was no hazardous chemical found in the facility on audit date.
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: There was policy and procedure, person in charge well know legal and client's requirements.
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: It was set annual
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: N/A
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: Monitoring report is followed and met legal requirements.

Has the facility checked that any Sub-Contracting agencies or business partners operating on the premises have the appropriate permits and licences and are conducting business in line with environmental expectations of the facility?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Environment subcontract is collected, transferred, treated waste. All of them are adequate and appropriate permits and licences.	
Usage/Discharge analysis		
Criteria	Previous year: 2022	Current year: 2023
Electricity Usage: Kw/hrs	1059745	0
Renewable Energy Usage: Kw/hrs	0	0
Gas Energy Usage: Kw/hrs	0	0
Has site completed any carbon Footprint Analysis?	No	No
If Yes, please state result		
Water Sources	local water authority	local water authority
Water Volume Used	645201	0
Water Discharged	The city's treatment system	The city's treatment system
Water Volume Discharged	405224	0
Water Volume Recycled	0	0
Total waste produced	14113	0
Total hazardous waste produced	302	0
Waste to recycling	0	0
Waste to landfill	0	0
Waste to other	0	0
Total Product Produced	1000000 Ton	0

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

Evidence examined:

The factory business ethics policy including
 - Bribery
 - Anti-corruption
 - Training records
 - Worker's handbook

Any other comments:

None

Does the facility have a Business Ethics Policy and is the policy communicated and applied internally, externally or both, as appropriate?

- Internal Policy
- Policy for third parties including suppliers

Please give details:

The factory has policy on the need to avoid bribes and fraudulent practices.

<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 workers were provided training on business ethics issues</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: Examined each year by HR department and adjusted if needed</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: The factory has sent a letter to confirm the request of third parties, including suppliers, to complete their own business ethics training.</p>

Attachments



FA2300005-SMETA 4P- BINH PHUOC
CASHEW_Photo.pdf



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