



Sedex Members Ethical Trade Audit Report

Version 6.1



Audit Details				
Sedex Company Reference: <i>(only available on Sedex System)</i>	ZC410206649	Sedex Site Reference: <i>(only available on Sedex System)</i>	ZS410225971	
Business name (Company name):	Duy Linh Company Limited			
Site name:	DUY LINH COMPANY LIMITED			
Site address:	QUARTER 4, LONG HUNG HAMLET, LONG NGUYEN VILLAGE, BAU BANG TOWN, BINH DUONG PROVINCE BINH DUONG 75950 VN	Country:	VN	
Site contact and job title:	Mr. Vu Duy Linh / Factory Director			
Site phone:	0977009917	Site e-mail:	thanhnga@duylinhcoltd.com	
SMETA Audit Pillars:	<input checked="" type="checkbox"/> Labour Standards	<input checked="" type="checkbox"/> Health and Safety (plus Environment 2-Pillar)	<input checked="" type="checkbox"/> Environment 4-pillar	<input checked="" type="checkbox"/> Business Ethics
Date of Audit:	2024-04-26			

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:	Oanh Hoang	APSCA Number:	21701507
Additional Auditors:	Nguyen Nguyen		21704272
Date of declaration:	2024-04-26		

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:	Mr. Vu Duy Linh
Title:	Factory Director
Date of declaration:	2024-04-26
Comments: <i>Any exceptions to this must be recorded here (e.g. different sample size): Sampled wage records from the past 5 months were provided for review (5 months only since the operation for digital thermometer just started last Sep 2020). The audit took 2.0 man-days (9AM-6PM per day). Audit time was extended until 8PM due to the extent of documentation; this was agreed upon with the factory representatives</i>	
None.	

Summary of Findings

Issue <small>(please click on the issue title to go direct to the appropriate audit results by clause)</small>	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 3.1 3.1 3.1	\$1 \$2 \$3 \$4 \$5	5	0	0	NC - ZAF600461077 NC - ZAF600461078 NC - ZAF600461079 NC - ZAF600461080 NC - ZAF600461081
<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	Vietnam Standard TCVN 2622:1995 on Fire prevention and protection for buildings and structure - Design requirements, Point 7.5: Ways-out must be easily found and paths leading to these ways-out must be clearly indicated by guiding symbols.
\$2	TCVN 13456:2022. Fire Prevention - Incident Lighting Means And Exit Instructions - Design and Installation Requirements, 4.5 Incident lights and safety signs with backup power must ensure a stable and continuous operation time of at least 120 min in case of fire or explosion incidents.
\$3	Vietnam Standard 7435-1:2004 on Fire protection - Portable and wheeled fire extinguishers - Part 1: Selection and Installation, Point 5.5: Fire extinguishers must be mounted on walls or put on unlocked box except wheeled fire extinguishers.

§4	<p>Law No. 28/2004/QH11 on electricity, Article 57. Safety in use of electricity for production. Point 1. Organizations and individuals using electricity for production must comply with the regulations on electric safety, regulations and technical standards on electric safety must conform with Vietnamese standards. 3. The internal transformer stations, high-voltage equipment and transmission lines must be installed and managed according to electric safety regulations and technical standards. 4. Electric equipment must conform to "Vietnamese Standard - Low-Voltage Electric Equipment - General Requirements on Protection against Electric Shocks" and " Vietnamese Standard - Regulations on Earth-Connection and Air-Connection of Electric Equipment" to prevent electric shocks. 5. Electricity transmission lines, electric conductors must be designed and installed to ensure clear and airy production ground, thus avoiding mechanical or chemical impacts with may cause breakdowns. Metal structures of workshops, machinery, metal tubes must not be used as "neutral conductors," except for special cases where separate designs approved by competent state bodies are required. 6. The electric systems in areas where exist inflammables, explosion-prone substances must be designed, installed and used according to this Law. 7. Electric equipment used in minerals exploitation, electric instruments, mobile electric equipment, welding machine, electrolysis, electroplating equipment must conform to the relevant electric safety regulations and technical standards and TCVN 7994-1-2009-Switchgear and low voltage control panel, Article 7.4.2.2.</p>
§5	<p>Decree 14/2014/NĐ-CP, valid since 15 April 2014 Article 5. General requirements for safety in generation, transmission, distribution and use of electricity for production 4. At the operating positions, there must be all procedures: Equipment operation, troubleshooting of electrical incidents; power grid outline, rules of fire prevention and fighting, operation logbook, devices, equipment and means of personal protection, restricted signs, signals and other devices and means under regulation. Circular 31/2014/TT-BTC, valid since 18 November, 2014 Article 14. Classification of electrical safety signs 2. Apart from electrical safety signs as defined in Section 1 of this Article, entities can set up other signs with different contents for internal use and for various tasks.</p>

Site Details

Site Details		
Company Name	Duy Linh Company Limited	
Site Name	DUY LINH COMPANY LIMITED	
GPS location (if available)	GPS Address:	Quarter 4, Long Hung Hamlet, Long Nguyen Village, Bau Bang Town, Binh Duong Province, Vietnam.
	Coordinates:	Latitude: 11.171332, Longitude: 106.581017
Applicable business and other legally required licence numbers and documents, for example, business license number, liability insurance, any other required government inspections	Business License No. 3700691809 issued on Feb 14, 2006 and last updated on March 09, 2023 by Department of Planning and Investment of Binh Duong Province.	
Products/Activities at site, for example, garment manufacture, electricals, toys, grower, cutting, sewing, packing etc	Cashew nut	
Site description: (Include size, location, and age of site. Also, include structure and number of buildings)	The factory of Duy Linh Co., Ltd was located at Group 4, Long Hung Hamlet, Long Nguyen Commune, Bau Bang District, Binh Duong Province, which took about 1.5 hours to travel from HCMC downtown. The total area was 14.649m2, consist of 5 main building, described as below	

Structure and number of buildings	Building Name:		Workshop 1
	Floor	Description	Remark
	Ground floor	1.500m2, 01 storey, occupied for manufacturing.	nil
	Building Name:		Warehouse 1
	Floor	Description	Remark
	Ground floor	4.442m2, 01 storey, occupied for raw material warehouse	nil
	Building Name:		Workshop 2 and office
	Floor	Description	Remark
	Ground floor	1.500m2, 01 storey, occupied for manufacturing, office and finished goods warehouse.	nil
	Building Name:		Warehouse 2
	Floor	Description	Remark
	Ground floor	1.500m2, 01 storey, occupied for raw material warehouse	nil
	Building Name:		Warehouse 3
	Floor	Description	Remark
	Ground floor	1.500m2, 01 storey, occupied for raw material warehouse.	nil
	Building Name:		Warehouse 4
	Floor	Description	Remark
	Ground floor	2.700 m2, 01 storey, occupied for raw material warehouse.	nil
Visible structural integrity issues (large cracks) observed?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: There was no large cracks observed		
Does the site have a structural engineer evaluation?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: There was no such evaluation		

Site function	<input type="checkbox"/> Agent <input type="checkbox"/> Finished Product Supplier <input type="checkbox"/> Homeworker <input type="checkbox"/> Pack house <input type="checkbox"/> Service Provider	<input checked="" type="checkbox"/> Factory Processing/Manufacturer <input type="checkbox"/> Grower <input type="checkbox"/> Labour Provider <input type="checkbox"/> Primary Producer <input type="checkbox"/> Sub-contractor
Months of peak season	Select a month to Select a month	
Process overview	1./ Products being produced: Cashew nut 2./ Production processes: Raw cashew nut → Steaming → Splitting → Classifying → Packing → Finished products. 3./ Production lines: 01-full-production line 4./ Main equipment used: X-Ray machine, steaming machines, Splitting machines, forklifts, boilers, etc.	
What form of worker representation is there on site?	<input checked="" type="checkbox"/> Union <input type="checkbox"/> Other	<input type="checkbox"/> Worker Committee <input type="checkbox"/> None
Please give details:	Grass-rooted Trade Union of Duy Linh Company	
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: No accommodation building provided for all employees.	

Audit Parameters			
Time in and time out	Day 1		
	In	08:45	
	Out	15:00	
Audit type:	PERIODIC		
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	Mr. Vu Duy Linh / Factory Director		
Is further information available	No		

Audit attendance	Management	Worker Representatives	
		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	41	0	0	0	0	0	0	41
Worker numbers – female	47	0	0	0	0	0	0	47
Total	88	0	0	0	0	0	0	88
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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: N/A. No peak season.	
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:	None.

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:	4 employees (1 group of 4)
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?	There was no complaint of workers. They were satisfied with working condition and salary.
What did the workers like the most about working at this site?	Compensation payment.
Any additional comment(s) regarding interviews:	None.
Attitude of workers to hours worked:	Workers were willing to share their opinions during interview. They were aware of local law and regulation.
Is there any worker survey information available?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:

Attitude of workers:

There were total 10 employees randomly being selected; they were interviewed in 1 group of 4 and 6 individuals. All workers interviewed showed good attitude to their working conditions and management. Most of workers satisfied their working conditions and employment terms.

Attitude of worker's committee/union reps:

Trade Union members are satisfied with their attitude to management and working conditions.

Attitude of managers:

Management co-operated with audit team during audit day. Auditors were supported by management to access all premises, documents, records and workers. During the closing meeting, all positive and negative findings were properly communicated and agreed by the management.

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:

Details: It was noted through site tour, the review of Complaint 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?

☒ Yes ☐ No

Please give details:

The factory had a human right policy and communicate for all employees.

Are the policies included in workers' manuals?

☒ Yes ☐ No

Please give details:

Human right policy is included in workers' manuals.

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

☒ Yes ☐ No

Please give details:

Name: Tran Thi Thanh Nhung/Job title: HR Supervisor

Measuring Workplace Impact

Annual Number of work related accidents and injuries per 100 workers((Number of work related accidents and injuries * 100) / Number of total workers)	Last year	0.0%
	This year	0.0%
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)	0.0%	
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	0.0%
	This year	0.0%
% of workers that work on average more than 48 standard hours / week in the last 6 / 12 months	6 month	0.0%
	12 month	0.0%
% of workers that work on average more than 60 total hours / week in the last 6 / 12 months	6 month	0.0%
	12 month	0.0%

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:

Details:
-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?

☐ Yes ☒ No

Please give details:

There was no fines/ prosecutions for non-compliance to any regulations

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

☒ Yes ☐ No

Please give details:

Relevant written social compliance policies 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.

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.

Have managers and workers received training in the standards for forced labour, child labour, discrimination, harassment & abuse?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Management and workers were aware well about these policies.
If Yes, is there evidence (an indication) that training has been effective e.g. training records etc.? Please give details	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Management and workers were aware well about these policies.
Does the site have any internationally recognised system certifications e.g. ISO 9000, 14000, OHSAS 18000, SA8000 (or other social audits)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: - BRC site code 4310128, expired on May 23, 2025. - ISO 9001:2015 valid till Feb 26, 2025.
Is there a Human Resources manager/department?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Ms. Phan Thi Thanh Phuong/ HR supervisor
Is there a senior person /manager responsible for implementation of the code?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The factory had appointed Ms. Tran Thi Thanh Nhung/ HR supervisor to oversee implementation ETI Code of Conduct on its daily business operations
Is there a policy to ensure all worker information is confidential?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: A Worker's Confidential Procedure was established in written for HR and others relevant departments to follow.
Is there an effective procedure to ensure confidential information is kept confidential?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: A written Information Confidential Procedure was established. No such confidential information issue was identified during this audit.
Are risk assessments conducted to evaluate policy and procedure effectiveness?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Risk assessment to evaluate effective internal policies and procedures conducted yearly.
Does the facility have a process to address issues found when conducting risk assessments, including implementation of controls to reduce identified risks?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The facility established a process to address issues found when conducting risk assessments, including implementation of controls to reduce identified risks.
Does the facility have a policy/code which require labour standards of its own suppliers?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The factory had a policy which required labour standards of its own suppliers.

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: Certification of land right and house ownership No. CS06331 issued on Aug 22, 2011.
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: there was a system in place.
Does the site have a written policy and procedures specific to land rights?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The factory had a policy in place to ensure the compliance of land right
Is there evidence that facility/site compensated the owner/lessor for the land prior to the facility being built or expanded?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The facility has been compensated for land right prior to the facility buildings being built.
Does the facility demonstrate that alternatives to a specific land acquisition were considered to avoid or minimize adverse impacts?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: There was a system in place
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 no illegal expansion of facility buildings

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:

Details:

-Satisfactory evidence collected through site observation; document review & employee interview indicated that:

- Employees were free to get out of the site after working hours;
- No personal original documents (such as ID, passport, certificate ...) were asked to keep by the factory;
- Employment was freely chosen;
- No fee for recruitment when applying for the job at the site;
- Movement of employees at the facility was not prohibited or limited;
- Employees can access to toilets and potable water
- Overtimes were always performed on voluntary basis;
- The factory 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: There was no restrictions on workers' freedom to terminate employment.
If any part of the business is UK based or registered there & has a turnover over £36m, is there a published a 'modern day slavery statement?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Applicable Please give details: Not applicable.

Is there evidence of any restrictions on workers' freedoms to leave the site at the end of the work day?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: There was no evidence of restrictions on workers' freedoms to leave the site at the end of the workday.
Does the site understand the risks of forced / trafficked / bonded labour in its supply chain	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Applicable Please give details: Not Applicable.
Is the site taking any steps taking to reduce the risk of forced / trafficked labour?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Facility had established the forced labour policy and communicate this policy to all employees. Management committed to no forced labour in this facility.

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 chairman – Ms. Ta Thi Thanh Nga/ QA Manager was freely elected on Mar 28, 2023. 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:

Details:

- The Grassroot Trade Union was established in Mar 28, 2023
- Suggestion box was posted in place to collect worker's idea, suggestions.
- CBA was established and submitted to authority department on March 25, 2024.
- 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 once a year 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"/> Other	<input type="checkbox"/> Worker Committee <input type="checkbox"/> None
Other details:	Grass-rooted Trade Union of Duy Linh Co., Ltd	
Is it a legal requirement to have a union?	<input type="checkbox"/> Yes <input checked="" 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 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:	Grassroots Trade Union of Duy Linh Company/Ms. Ta Thi Thanh Nga / QA 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. Trade Union is only a worker's representative. There was no other worker committee.
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: Trade Union is only a worker's representative. There was no other worker committee. Workers are aware their Trade Union Chairwoman.
Were worker representatives freely elected?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of last election:	null
Do workers know what topics can be raised with their representatives?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Were worker representatives/union representatives interviewed?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If Yes, please state how many:	2.0
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.
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. 0% 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
- Lighting system verification record, valid till Mar 07 2025.
- Procedure for inspecting and testing for fire-fighting equipment's was in place.
- There were at least 02 fire exits from each work area.
- 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.

3. Electrical safety

- Annual machine maintenance schedule and records were reviewed it was noted that all equipment was regularly maintained as schedule.

- All the electricity boxes are posted with the warning sign.

4. Medical services

- The factory has a medical contract with the medical centre and Travel distance from factory to medical centre within 30 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 Mar 15, 2024 by external party
- Risky equipments has been verified by external party.

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:


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

Any other comments:



nil

Does the facility have general and occupational Health & Safety policies and procedures that are fit for purpose and are these communicated to workers?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The general Health & Safety and occupational Health & Safety policy was established and available for review.
Are the policies included in workers' manuals?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: During the documentary review and the worker interviews, we noted that workers were provided with the employee's manual and the training before working in the facility.
Are there any structural additions without required permits/inspections (e.g. floors added)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: No structural additions in facility.
Are visitors to the site informed on H&S and provided with personal protective equipment?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: All visitors were required to wear provided PPE during the facility tour
Is a medical room or medical facility provided for workers?(This section is to list evidence to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate))	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Based on site observation, worker and management interview, It was noted that the first aid kits were provided with 27 items.
Is there a doctor or nurse on site or there is easy access to first aider/ trained medical aid?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: There was first aid team who was trained first aid knowledge and certificates issued by local medical centre
Where the facility provides worker transport – is it fit for purpose, safe, maintained and operated by competent persons e.g. buses and other vehicles?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: The facility did not provide transportation.
Is secure personal storage space provided for workers in their living space and is fit for purpose?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: There was no dormitory for workers
Are H&S Risk assessments are conducted (including evaluating the arrangements for workers doing overtime e.g. driving after a long shift) and are there controls to reduce identified risk?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The factory had performed risk assessments covering most of all jobs and areas.
Is the site meeting its legal obligations on environmental requirements including required permits for use and disposal of natural resources?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The legal permit was reviewed


Is the site meeting its customer requirements on environmental standards, including the use of banned chemicals?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The facility does not use any banned chemicals
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Actions	The factory should ensure that fire extinguishers are put off the floor.																																				
Additional comments	The factory ensure that fire extinguishers are put on shelf. Desktop review on May 17, 2024: Closed. Based on evidence submitted by the factory, it was																																				

	noted that fire extinguishers are put on shelf as legal requirements.	
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Non-Compliance		Evidence																							
[Back to findings summary]																									
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Explanation to the non compliance	Based on site observation, It was noted that 3 out of 5 electric boxes checked were not installed with inner covers.		
Follow up method	<input type="checkbox"/> Follow up audit <input checked="" type="checkbox"/> Desktop audit		
Timescale	<input type="checkbox"/> Immediate <input checked="" type="checkbox"/> 30 days <input type="checkbox"/> 60 days <input type="checkbox"/> 90 days <input type="checkbox"/> 120 days <input type="checkbox"/> 180 days <input type="checkbox"/> 365 days <input type="checkbox"/> Other		
Actions	The factory should ensure to provide the inner covers for electric boxes.		
Additional comments	1. Installed with inner cover for electrical boxes 2. Check periodically to ensure that inner cover of electrical boxes are in good condition Desktop review on May 17, 2024: Closed. Based on evidence submitted by the factory, it was noted that electrical panels are installed inner cover as legal requirements.		

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Actions	The factory should ensure to provide adequate electric warning at electric control panels.	
Additional comments	1. Attach safety warning signs to electrical boxes with missing labels 2. Check periodically to ensure that safety warning signs of electrical boxes are in good condition Desktop review on May 17, 2024: Closed. Based on evidence submitted by the factory, it was noted that electric boxes were labeled with safety warning signs.	

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:

-Factory had established a policy of no child labour and communicated this policy to all related employee.
-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:

Details:

-Personnel file

-Policy and procedure

-List of latest total employees

-Management and worker interview

-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)	0.0%
Are workers under 18 subject to hazardous work assignments?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: The youngest employees was older than 18 years old when recruited.

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 4,680,000 per month since Jul 2022 until now. The factory has applied at least VND 5,010,000 per months during and after probation time which is higher than legal requirements.
- The site applied time-based rate wage for all employees. The salary calculation cycle was from 1st to end of the month and salary was fully paid on 10th of following month for employees by cash.
- Wage slip was provided to individual workers at the payment salary.
- Extra allowances: Transportation allowance (VND 500,000 per month), Housing allowance (VND 500,000 per month), meal allowance (VND 30,000 per meal), ...
- Overtime wage was properly paid as 150% for normal overtime, 200% for weekly rest-day and 300% for holiday. Overtime rate per hours were properly calculated according to local law.

Evidence examined:

Details:

- Payment policy and internal labour regulation.
- Wage scales.
- Payrolls and time records of the most recent 12 months were provided for review (from April 2023 to March 2024).
- Payment order
- Payslip was provided for employees during the pay period.
- No inconsistencies were noted during this audit.
- Management and worker interview.

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: 10.0 Per Week: 48.0 Per Month: null	Actual Per Day: 8.0 Per Week: 48.0 Per Month: 216.0	YES

Overtime hours: (Maximum legal and actual overtime hours, please state if possible per day, week, and month)	Legal Maximum Per Day: 4.0 Per Week: null Per Month: 40.0	Actual Per Day: 0.0 Per Week: 0.0 Per Month: 0.0	YES
Wage for standard/contracted hours: (Minimum legal and actual minimum wage at site, please state if possible per hr, day, week, and month)	Legal Maximum Per Day: null Per Week: null Per Month: 4680000	Actual Per Day: 185556 Per Week: 1113333 Per Month: 5010000	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 Per Week: 0 Per Month: 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 samples in March 2024 (Current month), 10 samples in December 2023 (Random month, 10 samples in October 2023 (Random month).		
Are there different legal minimum wage grades? If Yes, please specify all.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Legal minimum: VND 4,680,000, the factory has applied minimum: VND 5,010,000, which is higher than legal requirements.		
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.	Factory paid at least VND 6,010,000 without overtime per month, which is included basic wage and allowances/bonus.		
Please indicate the breakdown of workforce per earnings	0.0% of workforce earning under minimum wage 0.0% of workforce earning minimum wage 100.0% of workforce earning above minimum wage		
Bonus Scheme found: Please specify details:	Bonus Scheme found: Extra allowances: Transportation allowance (VND 500,000 per month), Housing allowance (VND 500,000 per month), meal allowance (VND 30,000 per meal), ... 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.	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		

Please list all deductions that have not been made.	None.
Were appropriate records available to verify hours of work and wages?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Were any inconsistencies found? (if yes describe nature)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
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: All records are reflected all time worked.
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.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:
If yes, what was the calculation method used.	<input type="checkbox"/> ISEAL/Anker Benchmarks <input type="checkbox"/> Asia Floor Wage <input type="checkbox"/> Figures provided by Unions <input type="checkbox"/> Living Wage Foundation UK <input type="checkbox"/> Fair Wear Wage Ladder <input type="checkbox"/> Fairtrade Foundation <input type="checkbox"/> Other – please give details:
Are there periodic reviews of wages? If Yes give details (include whether there is consideration to basic needs of workers plus discretionary income).	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: It is annually reviewed.
Are workers paid in a timely manner in line with local law?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Is there evidence that equal rates are being paid for equal work:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Workers who do the same jobs will be paid equally.
How are workers paid:	<input checked="" type="checkbox"/> Cash <input type="checkbox"/> Cheque <input type="checkbox"/> Bank Transfer <input type="checkbox"/> Other

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

6: Compliance Requirements

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

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

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

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

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

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

Current Systems and Evidence Examined

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

Current Systems:

- The working time were documented on Internal regulation and communicated to all employees.
- There was a written working and rest time policy also.
- The factory applied fingerprint system to record employees' working hours on daily basis. The clock-in and clock-out were recorded by workers.
- The site's regular working hours for administration shift is 08 hours/day; 48 hours per week, from Monday to Saturday. Worker started at 7:30 and ended at 17:00; and take break from 11:30 to 13:00.
- Worker' salary was settled down from the first day to the last day of month and payment was on the 10h of the following month by cash.
- Employees had Sunday off after 06 consecutive working days.
- The records were reviewed against production records and security records to verify actual working hours.

Evidence examined:

Details:

- Through employees and management interview.
- Reviewing factory's policy on working hours.
- Workers contracts.
- Quality and production records to cross check hours.
- Payroll and time record.

Any other comments:

None.

Working hours' analysis

Systems & Processes

What timekeeping systems are used? Fingerprinting system.

Is sample size same as in wages section? ☒ Yes ☐ No

Please give details:

Are standard/contracted working hours defined in all contracts/employment agreements? (If no, please give details including % and which type of workers do NOT have standard hours defined in contracts/employment agreements.)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Are there any other types of contracts/employment agreements used?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Do any standard/contracted working hours defined in contracts/employment agreements exceed 48 hours per week? (If yes, please detail hours, %, types of workers affected and frequency.)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are workers provided with at least 1 day off in every 7-day-period, or 2 in 14-day-period?	<input checked="" type="checkbox"/> 1 in 7 days <input type="checkbox"/> 2 in 14 days <input type="checkbox"/> No (please explain)
Is this allowed by local law?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Maximum number of days worked without a day off (in sample):	6
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)	OT Maximum: 0 hours per day, 0 hours per week and 0 hours per month.
Combined hours (standard or contracted + overtime hours = total) over 60 found?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Maximum 48 hours per week
Approximate percentage of total workers on highest overtime hours:	0.0%
Is overtime voluntary? (Please detail evidence e.g. Wording of contract / employment agreement / handbook / worker interviews / refusal arrangements)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Conflicting Information Please give details: 10 out of 10 workers confirmed that they have overtime voluntary if need. No work overtime in last 12 months.
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 overtime 200% for weekly off day 300% for holidays.
Is overtime paid at a premium?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No No overtime found in sampled workers and sampled month. Facility had policy to pay 150% for normal overtime, 200% for weekly off day, 300% for holidays to all worker who works overtime.
If the site pays less than 125% OT premium and this is allowed under local law, are there other considerations? Please complete the boxes where relevant.	<input type="checkbox"/> No <input type="checkbox"/> Consolidated pay <input type="checkbox"/> Collective Bargaining agreements <input checked="" type="checkbox"/> Other
Please give details	No overtime found in sampled workers and sampled month. Facility had policy to pay at least 150%
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)	<input type="checkbox"/> Overtime is voluntary <input type="checkbox"/> Onsite Collective bargaining allows 60+ hours/week is voluntary <input type="checkbox"/> Safeguards are in place to protect worker's health and safety <input type="checkbox"/> Site can demonstrate exceptional circumstances <input checked="" type="checkbox"/> Other reasons (please specify)
Please give details	Maximum 48 hours per week.
Please explain any checked boxes above e.g. detail of consolidated pay / CBA or other	N/A.
Is there evidence that overtime hours are being used for extended periods to make up for labour shortages or increased order volumes?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If sufficient workers cannot be hired, are new working time arrangements explored to ensure that overtime is the exception rather than the rule?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

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:

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

Any other comments:

None.

Gender breakdown of Management + Supervisors (Include as one combined group)	Male: 60.0%	Female: 40.0%
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 type="checkbox"/> Access to training <input checked="" type="checkbox"/> No evidence of discrimination found
Please give details	No evidence of discrimination found on audit date.	
Professional Development		
What type of training and development are available for workers?	Working skills, food safety, HSE 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 properly established policy of regular employment.

-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.

-The factory applied 06 days of probation period for all workers. Then 02 definite labour contracts of 12 months will be signed. After that the infinite contracts will be signed to let worker become permanent workers.

-There were no agency or temporary worker/ seasonal/contract workers working in factory as of the audit time.

-The factory provided social insurance for workers after finished probation period.

Evidence examined:

Details:

-Management and worker interview.

-Labour contract and personal files

-Insurance payment record.

-Policy of regular employment

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?

☒ Terms & Conditions presented

☒ Understood by workers

☒ Same as actual conditions

Did workers pay any fees, taxes, deposits or bonds for the purpose of recruitment/placement? (If yes, please describe details and specific category(ies) of workers affected)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Migrant Workers	
Type of work undertaken by migrant workers:	N/A. No migrant workers used onsite in last 12 months.
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: N/A. No migrant workers used onsite in last 12 months.
Is there any observation on this finding?	N/A. No migrant workers used onsite in last 12 months.
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. No agency workers used onsite in last 12 months.
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. No agency workers used onsite in last 12 months.
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. No agency workers used onsite in last 12 months.
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: N/A. No contractor workers used onsite in last 12 months.

Do all contractor workers understand their terms of employment?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: N/A. No contractor workers used onsite in last 12 months.
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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:

There was no sub-contractor and homeworkers found on audit date.

Evidence examined:

Not Applicable.

Any other comments:

N/A.

Summary of sub-contracting – if applicableIs 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 facility had established and communicated a clear policy of prohibiting harsh or inhuman treatment behaviour.
-Suggestion boxes, grievance policy, email, phone of Trade union representatives were provided to workers to report any harsh or inhuman treatment activities.
-No evidence of harassment / abuse / inhumane treatment was found during audit day.
-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:

Details:

-Review the relevant policy
-Grievance procedure documentation;
-Training records
-Management, Trade Union representative and workers interview.

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: Grievance box was available. Workers can contact to Trade union representative any time for reporting grievances.
If yes, are workers aware of these channels and have access? Please give details.	Workers were aware of grievance boxes, mail address and Open-Door policy, Trade union representative.
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 checked="" type="checkbox"/> Communities <input checked="" type="checkbox"/> Suppliers <input type="checkbox"/> Other
Please provide grievance mechanism details	Suggestion boxes and direct meetings with trade union representatives to be resolved any grievance. Email and Open-Door policy were also applied.
Are there any open disputes?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:

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

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:

- Factory did not have migrant workers. Workers will be hired when they had confirmation of local authority that he/she is not criminal, in good health condition
- Factory verified information of workers by required them to provide family books, personal card, personal profiles. These documents were copy version and were confirmed by local authority.
- As document review, factory management representation and worker interview, all workers had the proper legal rights to work in Vietnam.
- The youngest age was over 18 years old. All of them were recruited directly by the factory and no agency was involved in factory's recruitment processes. No agency staff or foreign worker was used by the factory.

Evidence examined:

Details:

- Hiring procedure
- Personnel files
- Internal regulation
- Collective bargaining agreement
- Internal working regulation

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:

-Based on the facility tour, it is observed that general housekeeping in the production areas are in good conditions and organizations. All wastes including production, living and hazardous wastes were separated in storage.

-Factory has signed contracts with service qualified company to dispose general waste and hazardous waste.

-Environmental Impact Assessment was approved by Binh Duong People's Committee.

-Environmental monitoring report was conducted periodically, and the report was available for review.

-There was warehouse for temporary storage of hazardous wastes before transferring to service company. The hazardous waste document was available for review.

-Waster use and wastewater were monitored by meters.

Evidence examined:

Details:

-The environmental impact assessment was approved by a local authority body on 16 Jun 2020 with requirements of air emission, wastewater monitoring on a quarter basis. The factory has updated environment impact assessment which was approved by a local authority.
- The latest environment monitoring was conducted every 06 months. The latest time was tested in Mar 2024 with all results were within the limit of environment national standards.
-The hazardous wastes were collected, treated by a competent waste collecting company with adequate licenses as law requirements.
-Industrial waste and living waste were stored in separated area and treated by functional company with adequate record for review.
-Observation from factory tour, noted that the general working environment of the facilities was clean and in good conditions.
-Observation from factory tour, noted that there was no kind of substantial pollution observed throughout the factory during audit day.
-Monthly electricity invoice, hazardous waste delivery records, etc. are provided for review.

Any other comments:

Nil

Environmental Analysis

Is there a manager responsible for Environmental issues (Name and Position):	Ms. Ta Thi Thanh Nga– QA Manager
Has the site conducted a risk assessment on the environmental impact of the site, including implementation of controls to reduce identified risks?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The factory had conducted a risk assessment on the environment impact of the site dated Jan 05th, 2024.
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: There was no certification of environment
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: Environmental policy was established on 3 Feb 2021. The key impacts from their operations were “minimize waste and toxic emissions” and their commitment to comply with national requirements or standards for pollutant discharge.
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: There was no certification of sustainability systems
Have all legally required permits been shown?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: All legally required permits were provided for reviewing.

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 chemicals used in the manufacturing process	
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: This was included in the facility's internal management system.	
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: Facility has set target deduction of energy 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: There was no recycling program.	
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: The factory was monitoring volume of keys utilities of water, energy and natural resources	
Has the facility checked that any Sub-Contracting agencies or business partners operating on the premises have the appropriate permits and licences and are conducting business in line with environmental expectations of the facility?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: The factory representative confirmed that the factory did not used any sub-contracting agencies in their manufacturing process.	
Usage/Discharge analysis		
Criteria	Previous year: 2023	Current year: 2024
Electricity Usage: Kw/hrs	1950200	523600
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	Water wells	Water wells
Water Volume Used	2098	672
Water Discharged	Internal wasted water system, then to the Discharge outside to water ditch	Internal wasted water system, then to the Discharge outside to water ditch
Water Volume Discharged	1044	261
Water Volume Recycled	0	0
Total waste produced	9600	2400

Total hazardous waste produced	215	40
Waste to recycling	800	240
Waste to landfill	0	0
Waste to other	0	0
Total Product Produced	2880000	720000

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:

- Management Board had assigned compliance team to established and maintain business ethics policy to prevent any anti-corruption or bribery.
- The business ethics policy was communicated to all employees and workers through posters and training.
- The factory had received and read the business ethics policy of audit company then signed and agreed with.
- There is an internal grievance process which is an anonymous email address to report any issue related to unethical business.

Evidence examined:

- Details:
- The factory business ethics policy including
- Bribery
 - Anti-corruption
 - Training records
 - Worker and management interview.

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?	<input checked="" type="checkbox"/> Internal Policy <input checked="" type="checkbox"/> Policy for third parties including suppliers Please give details: Management had established and communicated policy of ethic business to all employees.
Does the site give training to relevant personnel (e.g. sales and logistics) on business ethics issues?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: All workers were provided training on business ethics policy.
Is the policy updated on a regular (as needed) basis?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Ethic Business policy was updated by HR department every year.
Does the site require third parties including suppliers to complete their own business ethics training	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: This is only internal policy.

Attachments



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

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