

Fair Labor Association: Independent External Factory Assessment

Assessment Date :

27 Sep 2021



Factory Information

FLA Affiliates	Volcom, LLC.
Country	Vietnam
Number of Workers	500

Understanding this Report

Companies that join the FLA agree to uphold the FLA Workplace Code of Conduct throughout their entire supply chain. The Code of Conduct is based on International Labour Organization (ILO) standards, and defines labor standards that aim to achieve decent and humane working conditions.

FLA Code Element

Number of Violations

Compensation (C)	7
Employment Relationship (ER)	12
Freedom Of Association And Collective Bargaining (FOA)	3
Health, Safety And Environment (HSE)	13
Hours Of Work (HOW)	3
Nondiscrimination (ND)	1

Assessment Information

Assessor	SCSA
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Assessment Date	27 Sep 2021
Assessment Purpose	Factory Assessment (Virtual Compliance Check)

ASSESSMENT RESULTS

Compensation (C)

Benchmark ID	C.21.2
Benchmark Details	All benefits shall be calculated correctly
Finding Details	The factory did not provide the monthly allowance for at least one member of the occupational safety and hygiene network during June, July, or August 2021.
Recommendation for Immediate Action	It is recommended that factory shall ensure that the allowance is provided for all members of the occupational safety and hygiene network as stipulated by law.
Compliance Classifications	Immediate Action Required
Local Law	In accordance with the Law on Occupational Safety and Hygiene, No. 84/2015/QH13, Article 74. Occupational safety and hygiene officers Article 5. Each occupational safety and hygiene officer has rights to: b) Take time to perform tasks of an occupational safety and hygiene officer with full salary and receive responsibility benefit. The responsibility benefit levels shall be jointly agreed by the employer and the Executive board of internal trade union and mentioned in the Operation regulation of the network of occupational safety and hygiene officers
Benchmark ID	C.12.1
Benchmark Details	All legally mandated deductions for taxes, social insurance, or other purposes shall be deposited each pay period in the legally defined account or transmitted to the legally defined agency. This includes any lawful garnishments for back taxes, etc.

Finding Details	The monthly compulsory allowance provided to the captain and vice-captain of the firefighting team and members of the occupational safety and hygiene network was not included in the calculation of the social insurance contribution, as required by law.
Recommendation for Immediate Action	The factory shall ensure that the calculation base of the social insurance contribution includes the allowance provided to the firefighting team and members of the occupational safety and hygiene network.
Compliance Classifications	Immediate Action Required
Local Law	In accordance with Insurance Law 2014, Article 89, Clause 2: For employees who pay social insurance premiums according to the employer-decided salary regime, their monthly salary on which social insurance premiums are based is their basic wage and wage allowance as prescribed in the labor law. Since January 1, 2018, the monthly salary on which social insurance premiums are based will be the basic wage, wage allowance and other amounts as prescribed in the labor law.
Benchmark ID	C.9.3
Benchmark Details	Employees shall be compensated for overtime hours at such premium rate as is legally required in the producing country
Finding Details	Based on the provided payment records from September 2020 to August 2021, it was noted that female employees who worked in hazardous conditions and who had children under 12 months of age were paid for overtime worked during their break at a rate of 200%, instead of 250% as required by law.
Recommendation for Immediate Action	The factory shall properly calculate the payment of the break at 250% of normal rate as stipulated by law.
Compliance Classifications	Immediate Action Required

Local Law	In accordance with the Labor Code (2019), Article 137. Maternity protection: 2. Whenever an employer is informed of the pregnancy of an female employee who is doing a laborious, toxic or dangerous work, a highly laborious, toxic or dangerous work or any work that might negatively affect her maternity, the employer shall assign her to a less laborious or safer work, or reduce the working hours by 01 hour per day without reducing her salary, rights or benefits until her child reaches 12 months of age. 4. During her menstruation period, a female employee shall be entitled to a 30 minute break in every working day; a female employee nursing a child under 12 months of age shall be entitled to 60 minutes breaks in every working day with full salary as stipulated in the employment contract. In accordance with Article 107. Overtime work 1. Overtime work is the duration of work performed at any other time than during normal working hours, as indicated in the law, collective bargaining agreement or internal labor regulations of an employer. Article 98. Overtime pay, night work pay 1. An employee who works overtime will be paid an amount based on the piece rate or actual salary as follows: a) On normal days: at least 150%;
Benchmark ID	C.22
Benchmark Details	Employers must establish a system through which workers can dispute compensation and receive clarifications in this respect in a timely manner.
Finding Details	The factory has a complaints and grievances policy and procedure and a suggestion box in place, however, the policy does not include information on a system for workers to submit grievances or questions about wage payments and benefits. Workers are not aware of the grievance channel and there are no records of grievances, including grievances submitted through the suggestion box, to review.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	

Benchmark ID	C.1.1
Benchmark Details	Employers shall comply with all national laws, regulations and procedures concerning the payment of compensation to workers.
Finding Details	<p>1. Based on the payment records from July 2020 to August 2021, the first aid training certificate dated 19-20 October 2020 and other relevant documents, the factory paid 10 first aid team members with a piece-rate salary for only one day of training, at VND199,078 (USD 9); instead of both training days, at VND398,156 (USD 18.1).</p> <p>2. Based on the payment records from July 2020 to August 2021 and fire and evacuation drill records from December 2020 and August 2021, the factory did not pay piece-rate workers for the training time. 3. Based on the payment records from July 2020 to August 2021 and health check records from November 2020, the factory did not pay piece-rate workers for their health check.</p>
Recommendation for Immediate Action	The factory shall ensure that all workers are properly paid for the training time and health check time as aligned with the prevailing legislation.
Compliance Classifications	Immediate Action Required
Local Law	<p>(1) In accordance with Circular no. 19/2016/TT-BYT dated on June 30, 2016, Article 9 and Annex 6: Article 9. Emergency first aid training 1. Entities that are provided emergency first aid training are as follows: b) Individuals assigned to participate in emergency response teams. 2. Start date and duration of the training course, curricula and provision of annual extra training courses shall be conformable to Annex 6 attached hereto. Annex 6 - First aid training in workplaces. I. Duration for first training: For workers: 4 hours, For emergency response team: 16 hours (02 days) II. Duration for Annual training: - For workers: 2 hours; - For emergency response team: 8 hours (01 day). (2) In accordance with The Law amending and adding a number of Articles of the Law on Fire Prevention and Fighting, No. 40/2013/QH13, Article 1. Amending and adding a number of articles of the Law on fire prevention and fighting: 20. Article 31 is amended and added as follows: Article 31. Formulation and practice of fire fighting plan 4. The fire fighting plan must be approved by the competent authority. The forces and means stated in the plan upon practice must take full participation.</p>

Benchmark ID	C.21.1
Benchmark Details	Employers shall provide all legally mandated benefits, including holidays, leave, bonuses, severance payments and 13th month payments to all eligible workers within legally defined time periods.
Finding Details	Based on the payment records from January 2021 to August 2021, the factory paid the monthly compulsory allowance for captain and vice-captain of the firefighting team at VND 447,000 (USD 20.30). This allowance should not be lower than 20% of the regional minimum wage, and therefore the allowance should start at VND 614,000 (USD 27.9).
Recommendation for Immediate Action	The factory shall properly calculate the monthly allowance of captain and vice-captain of the firefighting team, per local law.
Compliance Classifications	Immediate Action Required
Local Law	In accordance with Decree No 136/2020/ND-CP dated on 22nd November, 2020, Article 34. Benefits offered to firefighting participants and members of the neighborhood watch and internal and specialized firefighting forces. Article 3. Leaders and vice leaders of internal and specialized firefighting forces operating on a part-time basis are entitled to full wages and other allowances (if any) and regular remuneration from their managing bodies. Based on actual situation, heads of their managing bodies shall decide the benefit rate for each title, which shall be no lower than 20% of the region-based minimum wage
Benchmark ID	C.13.1
Benchmark Details	Voluntary wage deductions, including for savings clubs, loan payments, union membership dues, or any other union fees, can only be made with the express and written consent of individual workers unless (in the case of union dues and fees) specified otherwise in freely negotiated and valid collective bargaining agreements. In all cases, voluntary wage deductions must fall within the limits and conditions specified by law
Finding Details	There was no written consent from workers at the facility for the deduction of union fees.

Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	

Employment Relationship (ER)

Benchmark ID	ER.17.5
Benchmark Details	Employers shall have in place procedures to track the number, types, and timing and resolution of grievances, and to communicate the resolution of grievances to the workforce.
Finding Details	There is no record available for review that details the grievances received from the suggestion box. The factory does not have a system in place to track the number, types, timing, and resolution of grievances, and to communicate the resolution of grievances to the workforce.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.2
Benchmark Details	Employers shall ensure that all legally mandated requirements for the protection or management of special categories of workers, including migrant, juvenile, contract/contingent/temporary, probationary workers, home workers, and pregnant or disabled workers, are implemented. Where local laws and FLA standards differ, the employer is expected to follow the highest applicable standard.

Finding Details	Based on the provided time records from September 2020 to September 2021, the factory provided 12 female employees who worked in hazardous work conditions and are raising a child under 12 months of age, a one (1) hour break. Per the legal requirement, these workers should receive two (2) hours of break in every working day with a full salary.
Recommendation for Immediate Action	The factory shall provide the proper length of paid break as required by law to workers who are raising a child under 12 months and who work in heavy/toxic/dangerous work conditions.
Compliance Classifications	Immediate Action Required
Local Law	In accordance with the Labor Code (2019), Article 137. Maternity protection 2. Whenever an employer is informed of the pregnancy of an female employee who is doing a laborious, toxic or dangerous work, a highly laborious, toxic or dangerous work or any work that might negatively affect her maternity, the employer shall assign her to a less laborious or safer work, or reduce the working hours by 01 hour per day without reducing her salary, rights or benefits until her child reaches 12 months of age. 4. During her menstruation period, a female employee shall be entitled to a 30 minute break in every working day; a female employee nursing a child under 12 months of age shall be entitled to 60 minutes breaks in every working day with full salary as stipulated in the employment contract
Benchmark ID	ER.17.1
Benchmark Details	Employers shall have a clear and transparent system of worker and management communication that enables workers to consult with and provide input to management. This might include suggestion boxes, worker committees, designated spaces for worker meetings, union representatives, and meetings between management and workers' representatives.
Finding Details	The factory has a complaints and grievances policy and procedure and a suggestion box in place, however, workers are not aware of the grievance channel and there are no records of grievances, including grievances submitted through the suggestion box, to review.

Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.1.1
Benchmark Details	Employers shall have in place written policies and practices and maintain proper and accurate records governing all aspects of employment from recruitment, hiring and probation, including written terms and conditions of employment, job descriptions, administration of compensation, and working hours for all positions, through to retrenchment and termination processes.
Finding Details	The factory does not have policies and procedures on termination and retrenchment.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.17.3
Benchmark Details	Employers shall have in place written procedures that allow a direct settlement of the grievance by the worker and the immediate supervisor. Where this is inappropriate or has failed, there should be additional options for senior management review and consideration, depending on the nature of the grievance and the structure and size of the enterprise.
Finding Details	The factory is missing procedures from the grievance mechanism policy that allows a direct settlement of a grievance by the worker and the immediate supervisor.

Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.6.1
Benchmark Details	Employers shall have written policies and procedures and implement practices that encourage ongoing training of all categories of workers with the goal of raising or broadening skills in order to advance in their careers within the factory or beyond.
Finding Details	The factory does not have policies and procedures on personnel development that encourage ongoing training with the goal of raising or broadening workers' skills so they can advance in their careers.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.7.1
Benchmark Details	Employers shall have written policies and procedures with regard to performance reviews that outline the review steps and process, demonstrate linkages to job grading, prohibit discrimination, are provided in writing and seek feedback and agreement/disagreement from employees in writing, and that follow all local legal requirements.
Finding Details	The factory does not have policies and procedures on performance reviews that include steps and processes, linkages to job grading, nondiscrimination, written feedback, or compliance with local legal requirements.

Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.19.1
Benchmark Details	Employers shall maintain on file all documentation needed to demonstrate compliance with the FLA Workplace Code and required laws.
Finding Details	There is no centralized filing system for worker records. Therefore, leave records or disciplinary records are not kept on workers' files, and instead are filed separately.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.1.3
Benchmark Details	Employers should implement an annual, review process with input from workers of all policies, procedures and their implementation to ensure they meet legal requirements and the FLA Workplace Code.
Finding Details	(1) Policies and procedures on FLA's code elements and Employment Functions are not regularly reviewed. (2) There was no evidence that workers were consulted or integrated in the decision-making process of aspects concerning workplace and working conditions (e.g., creation or revision of policies and procedures, changes on production processes, hours of work, etc.)
Recommendation for Immediate Action	

Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.18.3.4
Benchmark Details	Records of disciplinary action must be maintained in the worker's personnel file.
Finding Details	Disciplinary records are not maintained within workers' personnel file.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.18.4
Benchmark Details	The disciplinary system shall include a third party witness during imposition, and an appeal process.
Finding Details	The disciplinary procedure does not include workers' right to appeal the disciplinary action and workers' ability to have a third party witness during the imposition of disciplinary actions.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.16.2

Benchmark Details	When employers are faced with major changes in production, program, organization, structure, or technology and those changes are likely to result in temporary or permanent layoffs, employers shall communicate any alternatives to retrenchment that have been considered and consult any workers' representatives as early as possible with a view to averting or minimizing layoffs.
Finding Details	There was no policy or procedure on cases of retrenchment, including that the factory would consult with worker or union representatives prior to making the final decision on retrenchment.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	

Freedom Of Association And Collective Bargaining (FOA)

Benchmark ID	FOA.10
Benchmark Details	Employers shall refrain from any acts of interference with the formation or operation of workers' organizations, including acts which are designed to establish or promote the domination, financing or control of workers' organizations by employers.
Finding Details	FLA Comment: Vietnam has not ratified ILO Convention 87. Under Vietnamese law, all unions are required to affiliate with the single trade union, the Vietnam General Confederation of Labor (VGCL), which is affiliated with the Communist Party. With respect to such union monopolies, the ILO Committee on Freedom of Association has stated that "the rights of workers to establish organizations of their own choosing implies... the effective possibility of forming... [trade unions] independent both of those which exist already and of any political party." Vietnam's legal framework is therefore not compatible with the ILO Principles on Freedom of Association and, as such, all factories in Vietnam fail to comply with the FLA Code standard on Freedom of Association.

Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	FOA.19.2
Benchmark Details	Worker representatives and workers shall be able to raise issues regarding compliance with a collective bargaining agreement by employers without retaliation or any negative effect on their employment status.
Finding Details	The factory is missing policies and procedure that allow workers and worker representatives to raise issues without retaliation or other negative effects on their employment status.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	FOA.15
Benchmark Details	Worker representatives shall have the facilities necessary for the proper exercise of their functions, including access to workplaces and office space where required by law.
Finding Details	It was noted that there was no office space in the facility for the Trade Union.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required

Local Law	
Health, Safety And Environment (HSE)	
Benchmark ID	HSE.5.3
Benchmark Details	Alarm systems shall be regularly tested and evacuation drills shall be undertaken at least annually.
Finding Details	Some canteen and cleaning staff were missing for the annual fire and evacuation drills, as noted from two drill records dated on 21 August 2021 and Feb 18, 2021.
Recommendation for Immediate Action	Ensure that all workers participate in the fire drill regularly.
Compliance Classifications	Immediate Action Required
Local Law	In accordance with Decree No 136/2020/ND-CP dated on 24th November, 2020, Article 19. Firefighting plans. 10. Responsibility for organization of firefighting plan drills: c) The forces and means stated in the firefighting plan upon practice must take full participation
Benchmark ID	HSE.5.1
Benchmark Details	All applicable, legally required or recommended elements of safe evacuation shall be complied with, including all of the following elements: posting evacuation plans; the installation and maintenance of fire alarms; the installation and maintenance of emergency lighting; ensuring aisles/exits are not blocked and that workers are not blocked within their workstations; employee education and training; and evacuation procedures and fire drills.

Finding Details	(1) Based on the onsite check and confirmation from the factory, the reserved water level is too low, with more than 0.5m of water dried up when measured from the top of the tank to the water level. Per the legal requirement, the water level shall not fall below 0.5m from the top of the tank. The factory provided the inspection records for reserved water within the tank, however, the records did not show the reserved water level. (2) It was noted that several floor markings and directional arrows are faded at the sewing area, material warehouse and accessories warehouse.
Recommendation for Immediate Action	1. The factory shall ensure the water level at the fire tanks are in line with the law requirement. 2. Floor marking and directional arrows shall be repainted at the sewing area, material and accessories warehouse
Compliance Classifications	Immediate Action Required
Local Law	In accordance with TCVN 2622:1995, Article 10.7: 10.7. For industrial parks or industrial works, in which production class C, D, E has an area of not more than 200,000m ² , the water flow used for fire fighting outside the house is not more than 20 liters/second and for other buildings. In residential areas with no more than 8,000 people, then not more than 8,000 people, it is not necessary to design an external fire-fighting water supply pipe system, but a fire pump or pump truck can be used to draw water from natural water sources such as: rivers, lakes or reservoirs, artificial lakes for fire fighting with the following conditions: a) There is enough reserve water for fire fighting in the prescribed seasons b) The water absorption depth is not more than 4m from the ground to the water surface and the water level is not more than 0.5m; In accordance with the TCVN 2622:1995 on Fire prevention and protection for buildings and structure - Design requirements (1995), Article 7. Emergency exits 7.5 Exits must be visible and path leading to exit must be marked clearly by guiding sign
Benchmark ID	HSE.5.1.3
Benchmark Details	All applicable, legally required or recommended elements of safe evacuation shall be complied with, including all the following elements: installation and maintenance of emergency lighting

Finding Details	Emergency lights are insufficiently installed along evacuation routes at the material warehouse, accessories warehouse, and sewing workshops. The factory lacks at least one light for every 30m as required by law.
Recommendation for Immediate Action	The factory shall ensure that emergency lights are sufficiently installed along evacuation routes and there shall be at least one light for every 30m.
Compliance Classifications	Immediate Action Required
Local Law	In accordance with the Decision No. 2726/BKHCN, Article 10. Equipment, placement, checking and maintenance of means of rescue, means of emergency lighting and emergency exit instructions, conventional demolition tools and protection means against smoke 10.1.5. The emergency light and exit light should have a redundant power supply to ensure a minimum operation time of at least 2 hours. The emergency light has initial light intensity of 10 lux on average and the minimum light intensity at any point of time along the escape way measured not less than 1 lux. The exit light must be clearly visible to the word "EXIT" or other appropriate word from a minimum distance of 30 meters in normal lighting conditions (300 lux) or upon occurrence of incident (10 lux). 10.1.6. The emergency light and exit light are installed and placed above the doors, corridors, staircases, fire escape staircases, turnouts on the fire escape way for lighting and instruction of passage-way and easy observation. The installation placement between emergency lights and exit lights must be visible to escape and the distance is not larger than 30 m.
Benchmark ID	HSE.25.1.1
Benchmark Details	All dormitories shall be kept secure, clean, and have safety provisions (e.g. fire extinguishers, first aid kits, unobstructed emergency exits, emergency lighting).
Finding Details	The factory does not conduct the evacuation drill for the dormitory area where 3 managers are staying.
Recommendation for Immediate Action	The factory shall conduct the evacuation drill for Dormitory area

Compliance Classifications	Immediate Action Required
Local Law	In accordance with Decree No 136/2020/ND-CP dated on 24th November, 2020, Article 19. Firefighting plans. 10. Responsibility for organization of firefighting plan drills: c) The forces and means stated in the firefighting plan upon practice must take full participation;)
Benchmark ID	HSE.14.1
Benchmark Details	All production machinery, equipment and tools shall be properly guarded and regularly maintained.
Finding Details	There is no proper lockout-tagout program for relevant equipment in place at the facility.
Recommendation for Immediate Action	Implement a lockout-tagout program for all relevant equipment at the facility.
Compliance Classifications	Immediate Action Required
Local Law	
Benchmark ID	HSE.6.1
Benchmark Details	All safety and medical equipment (e.g. fire fighting equipment, first aid kits) shall be available in sufficient numbers throughout the workplace, maintained and stocked as prescribed, and easily accessible to workers.
Finding Details	Based on the onsite check and confirmation from factory, the factory does not have at least 10% of the total number of fire extinguishers reserved in storage. Only 12 fire extinguishers are available as reserved quantities.
Recommendation for Immediate Action	It is recommended that factory shall have a sufficient number of fire extinguishers reserved, as required by law.
Compliance Classifications	Immediate Action Required

Local Law	In accordance with the Decision No. 2726/BKHCN, 5.1.7: Reserving fire extinguishers are not less than 10% total of fire extinguishers which replace in need
Benchmark ID	HSE.1
Benchmark Details	Employers shall comply with all national laws, regulations and procedures concerning health, safety, and the environment.
Finding Details	The factory did not provide the health and safety training for group 6 for one out of 34 members of occupational safety and hygiene network.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required

Local Law	<p>In accordance with the No. 140/2018/ND-CP, Article 1. Amendments to some Articles of the Government's Decree No. 44/2016/ND-CP dated May 15, 2016 on guidelines for some Articles of the Law on Occupational Safety and Hygiene on occupational safety inspection, occupational safety and hygiene training and occupational environment monitoring 5. Article 17 is amended as follows: "Article 17. Persons eligible to join the occupational safety and hygiene training course 6. Group 6: Occupational safety and hygiene officers specified in Article 74 of the Law on Occupational Safety and Hygiene." In accordance with the Decree No. 44/2016/ND-CP, Article 24. Managing the issue of training Certificate, safety Card and Certificate of professional occupational health 1. Issue of training Certificate a) Training organization and the enterprises eligible for organizing the self-training shall issue the training Certificate to the trainees of the groups 1, 2, 5 and 6 after they pass an examination and testing. b) The training Certificate is under the Form No.08 of Appendix II issued with this Decree. In accordance with the No. 140/2018/ND-CP, Article 1. Amendments to some Articles of the Government's Decree No. 44/2016/ND-CP dated May 15, 2016 on guidelines for some Articles of the Law on Occupational Safety and Hygiene on occupational safety inspection, occupational safety and hygiene training and occupational environment monitoring 9. Title of Article 24 is changed into "Management of issuance of certificate of completion of training course and safety card" and regulations on occupational health certificate specified in Article 24 are repealed</p>
Benchmark ID	HSE.18.3.1
Benchmark Details	Medicines of which the expiration date has passed must be replaced immediately and disposed of in a safe manner.
Finding Details	(1) 3 out of 3 checked first aid kits within the facility are missing supplies, including various sized band-aids. The garrote latex within first aid kits are not kept in clean condition. (2) There is a missing hand sink at the clinic.
Recommendation for Immediate Action	The factory shall ensure that first aid kits are with proper supplies. In addition, hand sinks shall be available at the clinic.
Compliance Classifications	Immediate Action Required

Local Law	(In accordance with the Annex 4 Issued together with the Circular No.19/2016/TT-BYT Regulation on first aid kits in workplaces 3. Items included in a first aid kit shall be as follows: 5. Triangular bandage 6. Elastic bandage In accordance with Joint Circular 01/2011/ TTLT-BLDTBXH-BYT, Chapter 1: Every factory must appoint medical personnel in accordance with the following table based on the number of employees. Medical personnel must be on duty during every shift and able to provide sufficient first aid and emergency service
Benchmark ID	HSE.30.2.4
Benchmark Details	The health, safety, and environmental policies shall contain the framework for a comprehensive health, safety, and environmental management system including a HS&E risk assessment within which the following are clear and regularly tested and reviewed: procedures that enable workers to raise health, safety, and environmental concerns.
Finding Details	The factory is missing a proper procedure for workers to raise health, safety and environmental concerns.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	HSE.30.2.6
Benchmark Details	The health, safety, and environmental policies shall contain the framework for a comprehensive health, safety, and environmental management system including a HS&E risk assessment within which the following are clear and regularly tested and reviewed:protections to workers who allege health, safety, and environmental violations;
Finding Details	The factory is missing a proper procedure that includes protection against retaliation for workers who raise health, safety or environment concerns.

Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	HSE.8
Benchmark Details	Workers shall be provided with training on the use and maintenance of personal protective equipment. Training shall be upon hire with periodic refresher training offered to all workers. Management will ensure use of PPE as necessary.
Finding Details	The factory does not provide training on PPE usage and maintenance for all employees.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	HSE.5.2
Benchmark Details	Workers shall be trained in evacuation procedures.
Finding Details	The factory has not provided training to all employees on their duties in the event of an emergency, such as potential strikes.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	

Benchmark ID	HSE.14.2
Benchmark Details	Workers shall receive training in the proper use and safe operation of machinery, equipment and tools they use.
Finding Details	(1) At least 2 air compressor operators do not have an occupational license as required by law. (2) The factory does not provide safety training for designated workers who were working with special / high risk responsibilities, such as: workers who work within confined space (fire pumps, boiler), or high work (warehouse workers), or maintenance workers (work with logout-tagout devices).
Recommendation for Immediate Action	1. The factory shall ensure that air compressor operators obtain occupational license as required by law. 2. Safety training shall be provided to designated workers who are working with special or high risk responsibilities
Compliance Classifications	Immediate Action Required
Local Law	In accordance with the Decree No. 44/2016/ND-CP, Article 16. Responsibility of organizations and individuals using machine, equipment and materials with strict requirements on occupational safety 1. Select the technical inspecting organization of occupational safety to conduct the first inspection before using them or periodic inspection during the course of using the machine, equipment and materials with strict requirements on occupational safety; only put into use the machine, equipment and materials with strict requirements on occupational safety that are inspected and meet the requirements. In accordance with the list of machinery, equipment, materials and substances subject to strict occupational safety and health requirements (Enclosed with the Circular No. 36/2019/TT-BLDTBXH dated December 30, 2019 of the Ministry of Labor, War Invalids and Social Affairs

Hours Of Work (HOW)

Benchmark ID	HOW.20
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Benchmark Details	Employers shall have in place practices that conduct regular analysis of hours of work in their workplaces and procedures that demonstrate a commitment to progressively reducing excessive hours of work.
Finding Details	It was noted that factory established production plan based on eight regular working hours plus one hour of overtime.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	HOW.3
Benchmark Details	Employers shall provide reasonable meal and rest breaks, which, at a minimum, must comply with national laws.
Finding Details	Based on the provided time records from September 2020 to September 2021, the factory provided 12 female employees who worked in hazardous work conditions and are raising a child under 12 months of age, a one (1) hour break. Per the legal requirement, these workers should receive two (2) hours of break in every working day with a full salary.
Recommendation for Immediate Action	It is recommended that female employees who work in hazardous working conditions and are raising a child under 12 months of age shall be entitled with sufficient paid break as stipulated by law.
Compliance Classifications	Immediate Action Required

Local Law	In accordance with the Labor Code (2019), Article 137. Maternity protection 2. Whenever an employer is informed of the pregnancy of an female employee who is doing a laborious, toxic or dangerous work, a highly laborious, toxic or dangerous work or any work that might negatively affect her maternity, the employer shall assign her to a less laborious or safer work, or reduce the working hours by 01 hour per day without reducing her salary, rights or benefits until her child reaches 12 months of age. 4. During her menstruation period, a female employee shall be entitled to a 30 minute break in every working day; a female employee nursing a child under 12 months of age shall be entitled to 60 minutes breaks in every working day with full salary as stipulated in the employment contract
Benchmark ID	HOW.2
Benchmark Details	Workers shall be entitled to at least 24 consecutive hours of rest in every seven- day period. If workers must work on a rest day, an alternative consecutive 24 hours must be provided within that same seven-day period or immediately following.
Finding Details	Based on the attendance records from July 2020 to August 2021, internal regulation, and the shift schedule of the Security department, each security guard has one work period of 9 consecutive working days within every month. The legal requirement allows for only 6 consecutive working days in a week.
Recommendation for Immediate Action	The factory shall ensure that all workers, including the security guards are guaranteed one day of rest in every week.
Compliance Classifications	Immediate Action Required

Local Law	In accordance with Labor Code No. 45/2019/QH14 dated on 20th November, 2019. Article 111. Weekly breaks 1. Each week an employee is entitled to a break of at least 24 consecutive hours. Where it is impossible for the employee to have a weekly day off due to the work cycle, the employer has the responsibility to ensure that on average the employee has at least 04 days off per month. 2. The employer has the right to determine and schedule the weekly breaks either on Sunday or for another fixed day in a week, which must be recorded in the internal labor regulations. And Factory Internal Regulation No. NQLD03/QD-QT dated on 29th January, 2021, Article 6 – Break time: 1a) Weekly breaks: all employees are entitled break at least 01 day in a week, it is on Sunday
Nondiscrimination (ND)	
Benchmark ID	ND.2.1
Benchmark Details	All employment decisions shall be made solely on the basis of a person's qualifications, in terms of education, training, experience, demonstrated skills and/or abilities, as they relate to the inherent requirements of a particular job.
Finding Details	The factory has no retrenchment policies and procedures.
Recommendation for Immediate Action	
Compliance Classifications	
Local Law	

