

Fair Labor Association: Independent External Factory Assessment

Assessment Date :

10 Aug 2022



Factory Information

FLA Affiliates	Yee Tung Garment Co., Ltd
Country	Vietnam
Number of Workers	1290

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)	1
Employment Relationship (ER)	11
Freedom Of Association And Collective Bargaining (FOA)	1
Harassment Or Abuse (H/A)	1
Health, Safety And Environment (HSE)	23
Hours Of Work (HOW)	8

Assessment Information

Assessor	Openview - Vietnam
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Assessment Date	10 Aug 2022
Assessment Purpose	

ASSESSMENT RESULTS

Compensation (C)

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	Female workers are not entitled to a daily break of 30 minutes and at least 3 working days per month during their menstruation period as per legal requirements. Factory does not pay for those working time of workers.
Recommendation for Immediate Action	Arrange, provide menstruation leave for female workers, record and pay workers for rest time as per legal law.
Compliance Classifications	Immediate Action Required
Local Law	Decree No. 145/2020/ND-CP, Article 80

Employment Relationship (ER)

Benchmark ID	ER.1.2
Benchmark Details	Employers shall assign responsibility for the administration of human resources to a clearly defined and adequately qualified staff member or staff members and ensure workers at all levels receive communication and training about existing policies and procedures or any revisions.

Finding Details	1. The on-going training for workers is not effective, the ongoing training material does not cover all employees and their various functions. There are only employment functions for hiring process, termination, wages and benefits. Training content is not available for: hours of work, industrial relations, workplace conduct and discipline, grievance system, environmental protection, and retrenchment. 2. There is no organizational chart or similar record to show the responsible person assigned to implement each of FLA's codes and employment functions officially. The leader of the CSR team has resigned and there is no backup person.
Recommendation for Immediate Action	N/A
Compliance Classifications	Sustainable Improvement Required
Local Law	N/A
Benchmark ID	ER.5.1
Benchmark Details	Employers shall ensure that all supervisors are trained in national laws, workplace regulations, and the FLA Code, workplace grievance systems, and the appropriate practices to ensure compliance.
Finding Details	There is no specific training conducted for relevant supervisors/managers regarding the FLA's Code elements and Employment Functions.
Recommendation for Immediate Action	N/A
Compliance Classifications	Sustainable Improvement Required
Local Law	N/A
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	1. The related policy and procedure indicate the channels for grievance of the factory is meeting the with line supervisor/managers directly, reporting to Trade Union representative, suggestion boxes, hotline, and email. However, the grievance system is not implemented effectively. All interviewed workers do not know how to access the hotlines, emails, and the location of suggestion boxes. The factory does not track and record all grievances and suggestions from workers reporting directly to their line supervisors/managers. Suggestion boxes are checked weekly; but no complaints or suggestions were noted in the past 12 months.
Recommendation for Immediate Action	N/A
Compliance Classifications	Sustainable Improvement Required
Local Law	N/A
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	<p>1. The hiring procedure was established on December 01, 2018 and the latest update was on April 19, 2022. However, the procedure does not include the skill test requirement as per factory current practice. The employee hiring form and hiring announcement include non-job-related criteria, including: gender (male or female), education (grade) status, both of which indicate an increased risk of discrimination during the recruitment, application, and/or hiring process. 2. The policy on non-discrimination was established on November 1, 2019 and the latest update was on April 12, 2022. However, the prohibition statements does not include required factors of discrimination such as: gender, age, sexual orientation, nationality, social group, or ethnic origin. The prohibition statements have only mentioned the prohibition of race, religion, political opinion, marital status, disability, HIV/AIDS infection, and pregnancy. There is no procedure in place to handle the case of discrimination found in the factory, including steps to discipline for the violation related to discrimination policy. 3. Job descriptions are not developed for all workers' positions. There are 51 positions/employee levels in the factory. However, job descriptions only existed for HR staff, including: wage and benefits staff, recruitment staff, timekeeping staff, and social compliance staff in place. 4. There is no procedure for retrenchment with specific steps, responsible persons, time frame for each step, when and how to report to the government department as required by the local law.</p>
Recommendation for Immediate Action	N/A
Compliance Classifications	Sustainable Improvement Required
Local Law	N/A
Benchmark ID	ER.18.1
Benchmark Details	Employers shall have written disciplinary rules, procedures and practices that embody a system of progressive discipline (e.g. a system of maintaining discipline through the application of escalating disciplinary action moving from verbal warnings to written warnings to suspension and finally to termination).

Finding Details	<p>1. The factory regulation registered on Dec 23, 2020, does not include the contents of cleaning, decontamination, and disinfection at the workplace. In addition, clauses of the factory regulations are not compliant with the following legal requirements, such as: Article 17: of the labor rules requiring workers to inform the factory one day in advance if they want to cancel the signed probation contract Article 19: Point 5 of the labor rules states each party may cancel the signed probation contract but should have the written notice; Article 20: Point 3 of the labor rules prohibits for coloring hair (yellow, red, blue); Male workers should not have beard. 2. The disciplinary procedures are not fully implemented as per legal requirement. No evidence of labor violation and no record of labor discipline meetings are maintained, the factory does not notify the relevant parties to join the labor disciplinary meeting at least 5 working days in advance as per legal requirements.</p>
Recommendation for Immediate Action	<p>1. Update the factory internal labor rules. 2. Follow the local laws to keep all related labor disciplinary records such as records of labor rule violation, meeting and notification.</p>
Compliance Classifications	Immediate Action Required
Local Law	<p>1. Decree No. 145/2020/ND-CP, Article 69 2. Decree No. 145/2020/ND-CP, Article 71</p>
Benchmark ID	ER.6.1
Benchmark Details	<p>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.</p>
Finding Details	<p>The factory has not established written policies and procedures for all categories of workers that development that encourage ongoing training with the goal of raising or broadening workers' skills so they can advance in their careers.</p>
Recommendation for Immediate Action	N/A

Compliance Classifications	Sustainable Improvement Required
Local Law	N/A
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 performance review policy and procedure was established on May 22, 2022. The document is very general with no details regarding the specific standards/ criteria to evaluate employee's performance, without linkages to job grading or any non-discrimination statement, as required.
Recommendation for Immediate Action	N/A
Compliance Classifications	Sustainable Improvement Required
Local Law	N/A
Benchmark ID	ER.8
Benchmark Details	Employers shall have written policies and procedures with regard to promotion, demotion, and job reassignment that outline the criteria, demonstrate linkages to job grading, and prohibit discrimination or use of demotion or job reassignment as a form of penalty or punishment, are provided in writing and seek feedback from employees in writing, and follow all local legal requirements.

Finding Details	A simple promotion and demotion policy within the company is established. However, there is no specific procedure to outline how employees are promoted and demoted, how to re-assign workers' jobs with the specific required steps, responsible persons for each step, criteria, time frame, the frequency of evaluation, and types of records shall be used for the process.
Recommendation for Immediate Action	N/A
Compliance Classifications	Sustainable Improvement Required
Local Law	N/A
Benchmark ID	ER.4
Benchmark Details	Employers shall inform workers about workplace rules, environmental protection systems, health and safety information, and laws regarding workers' rights with respect to freedom of association, compensation, working hours, and any other legally required information, and the FLA Code through appropriate means, including posted in local language(s) throughout the workplace's common areas.
Finding Details	1. The factory does not provide regular communication to workers on Employment Relationship; Nondiscrimination; Harassment or Abuse; Forced Labor; Child Labor; Freedom of Association and Collective Bargaining. 2. The factory posts the FLA's codes at the workplace, but workers do not really know the Codes during the interview.
Recommendation for Immediate Action	Post the FLA Code and provide effective training and communication to workers.
Compliance Classifications	Immediate Action Required
Local Law	N/A
Benchmark ID	ER.3.1

Benchmark Details	Employers shall provide an orientation to new employees at the time of hiring, which includes explanations of the employers' rules, compensation package and policies for human resources, grievance systems, industrial relations, including respect of the right to freedom of association, workers' rights and responsibilities, FLA Code of Conduct, health and safety, and environmental protection.
Finding Details	The orientation training material does not fully cover all employment functions. The training covers the following employment functions: Hiring process, termination, wages and benefits, lack of employment function for hours of work, industrial relations, workplace conduct and discipline, grievance system, environmental protection, and retrenchment.
Recommendation for Immediate Action	N/A
Compliance Classifications	Sustainable Improvement Required
Local Law	N/A
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.Regular reviews of policies and procedures are in place. However, most policies and procedures are reviewed by the responsible person separately not by factory team through a comprehensive management review. There are no records and data in place to prove for comprehensive review conducted by the factory team. 2. Workers are not consulted or integrated into the decision-making process of aspects concerning workplace and working conditions. Policies and procedures are established by the social compliance team, HR and HSE team without the consultation or integration with workers.
Recommendation for Immediate Action	N/A

Compliance Classifications	Sustainable Improvement Required
Local Law	N/A
Freedom Of Association And Collective Bargaining (FOA)	
Benchmark ID	FOA.1.1
Benchmark Details	Employers shall comply with all national laws, regulations and procedures concerning freedom of association and collective bargaining. national laws, rules, and procedures protecting the rights of workers to organize and bargain collectively. Where local laws and FLA standards differ, the employer is expected to follow the highest applicable standard.
Finding Details	1.FLA Comment: Vietnam has not ratified ILO Convention 87. Under Vietnamese law, all unions are required to affiliate with a 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	N/A
Compliance Classifications	Sustainable Improvement Required
Local Law	N/A
Harassment Or Abuse (H/A)	
Benchmark ID	H/A.8.3

Benchmark Details	Employers, shall develop, implement and monitor policy and procedures for eliminating the risk of violence, harassment, and abuse in the workplace. Policies and procedures shall include a clear statement that violence, harassment, and abuse will not be tolerated, procedures for the investigation of allegations, and measures to protect any complainants, victims, and witnesses.
Finding Details	There is no specific regulation to discipline supervisors, managers, or workers who engage in any form of harassment and abuse. The only regulation for discipline on sexual harassment indicated in the factory rules.
Recommendation for Immediate Action	N/A
Compliance Classifications	Sustainable Improvement Required
Local Law	N/A

Health, Safety And Environment (HSE)

Benchmark ID	HSE.30.1
Benchmark Details	Employers shall develop, maintain, and regularly review health, safety, and environmental policies to ensure that they comply with all national laws, regulations and the FLA Workplace Code concerning health, safety, and environmental standards, regulations and procedures.
Finding Details	A policy on environmental protection is in place. However, the procedure to control air emission, emergency handling for the incident of the WWTP (Waste Water Treatment Plant) are not established.
Recommendation for Immediate Action	N/A
Compliance Classifications	Sustainable Improvement Required

Local Law	N/A
Benchmark ID	HSE.6.2
Benchmark Details	A sufficient number of workers shall be trained in first aid and firefighting techniques. Training shall be upon hire and with periodic refresher training.
Finding Details	It is noted that there is no annual refresher training for 51 members of the fire-fighting team; the latest training was on June 16-17, 2020.
Recommendation for Immediate Action	Provide annual training for fire team a per law.
Compliance Classifications	Immediate Action Required
Local Law	Decree No. 136/2020/NĐ-CP, Article 33.
Benchmark ID	HSE.5.3
Benchmark Details	Alarm systems shall be regularly tested and evacuation drills shall be undertaken at least annually.
Finding Details	1. The fire drills have not been practiced for all scenarios mentioned in the approved firefighting plan as per law. There is no practice for the most complicated scenarios in the cutting area. The latest fire drill was on December 22, 2021 with the scenario in the finished warehouse, and on June 25, 2022 with the scenario in the sewing area. 2. There is no fire drill conducted at night for around 12 experts living in 11 rooms in the dormitory. The factory management explains that they plan to conduct the fire evacuation drill for the scenario at the cutting area on December 12, 2022 and a fire drill at night for the dormitory on December 10, 2022.
Recommendation for Immediate Action	Conduct fire drill for all workers and all working shifts, including dormitory.
Compliance Classifications	Immediate Action Required

Local Law	Circular No. 149/2020/TT-BCA, Article 10;
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	One out of two main internal roads are being used for fire-fighting truck and emergency exit path way. However, the width of this road is only approximate 3.5m, it is only enough for fire-fighting truck but not enough for both fire-fighting truck and emergency escape at the same time for fire safety reason.
Recommendation for Immediate Action	Ensure appropriate routes for fire truck and emergency escape activity.
Compliance Classifications	Immediate Action Required
Local Law	Clause 3.2.3 of QCVN 06/2021/BXD; 2/ Decree No. 136/2020/NĐ-CP, Article 5.
Benchmark ID	HSE.5.1.6
Benchmark Details	All applicable, legally required or recommended elements of safe evacuation shall be complied with, including all the following elements: evacuation procedures and fire drills
Finding Details	1. There is no emergency rescue plan established for the factory as required by local law. 2. The evacuation map in the cutting section is not updated with the actual layout/position of fire extinguishers and another evacuation map at the material warehouse are not updated with the actual position of first aid box.
Recommendation for Immediate Action	N/A

Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	HSE.5.1.2
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 fire alarms;
Finding Details	1. There is no smoke detector in the sample room area with 116.84 square meters and around 10 workers working in the area. The factory installed two smoke detectors in this area during the assessment. However, those two smoke detectors are not linked/connected to the fire alarm central control panel as per required by law. 2. The smoke detector in the unused material warehouse nearby the chemical warehouse is not linked/connected to the factory fire alarm control panel.
Recommendation for Immediate Action	1. Install the fire detection devices in the sample room and link them to the fire alarm control panel. 2. Connect all smoke detectors to be linked with the fire alarm control panel.
Compliance Classifications	Immediate Action Required
Local Law	TCVN 3890:2009, Clause 6.1.3.
Benchmark ID	HSE.9.1
Benchmark Details	All chemicals and hazardous substances shall be properly labeled and stored in secure and ventilated areas and disposed of in a safe and legal manner, in accordance with applicable laws and international standards.
Finding Details	There are four chemical cans (type 20L) nearby the security room, one chemical can nearby the parking area (type 20L), one chemical bottle in the embroidery section, and approximately 21 chemical bottles/tanks used in the mechanic room that were not provided with secondary containers; most of those chemicals are alcohol, machine oil, or glue for mechanical activities.

Recommendation for Immediate Action	Provide secondary containers for all chemicals.
Compliance Classifications	Immediate Action Required
Local Law	Circular 32/2017/TT-BCT, Article 06; QCVN 05:2020/BCT, Clause 7.2; Law on Chemicals No. 06/2007/QH12, Article 37.
Benchmark ID	HSE.19
Benchmark Details	All facilities including workplace buildings, toilets, canteens, kitchens, and clinics, shall be kept clean and safe and be in compliance with all applicable laws, including relevant sanitation, medical, and safety and health regulations.
Finding Details	1. The wastewater from the centralized boiler system is not properly stored, collected, and treated by the wastewater treatment plant. It is stored outdoor without cover and it could be spilled into the surroundings due to heavy rain. In addition, waste and unused stuffs from construction and maintenance activities are not classified and stored in designated areas. They are put outdoor nearby the supporting areas (boiler, wastewater treatment plan). 2. There are plenty of unused chemical cans in the parking area are not classified, collected, and stored properly.
Recommendation for Immediate Action	1. Classify waste by type and store safely in a designated area. 2. Collect and treat the wastewater properly.
Compliance Classifications	Immediate Action Required
Local Law	Law on Environmental Protection No. 72/2020/QH14, Article 83 & 53
Benchmark ID	HSE.22.1
Benchmark Details	All food made available to workers shall be prepared, stored, and served in a safe and sanitary manner in accordance with all applicable laws and international standards.

Finding Details	There is no food hygiene and safety training, special health check for two out of three canteen staffs of Food supplier working at the factory canteen.
Recommendation for Immediate Action	Nil
Compliance Classifications	Sustainable Improvement Required
Local Law	Decree 155/2018/ND-CP, Article 5;
Benchmark ID	HSE.13
Benchmark Details	All necessary ventilation, plumbing, electrical, noise and lighting services shall be installed and maintained to conform to applicable laws and to prevent or minimize hazardous conditions to workers in the facility.
Finding Details	1. The electrical wiring system in the security room at main the gate, electrical switch in the ironing section, and electrical wiring system in the embroidery section nearby the laser cutting machine are not properly covered, there are unsafe connections with duct tape, and contact to the rooftop (metal material). 2. There is an electrical fan in the maintenance room with all electrical structural parts exposed, which poses a high risk of electric shock for workers.
Recommendation for Immediate Action	Re-design and install the electrical wires, and electrical switches and fan for safety.
Compliance Classifications	Immediate Action Required
Local Law	Electricity Law No. 28/2004/QH11, Article 57.
Benchmark ID	HSE.14.1
Benchmark Details	All production machinery, equipment and tools shall be properly guarded and regularly maintained.

Finding Details	1. There is one table-cutting machine in the cutting section, one metal cutting machine in the mechanic room, and another water pump with a moving pulley which are not installed with safety guards. 2. There are no safety cover lids of two mounts on a water tank nearby the wastewater treatment plant, and missing from the fire water tank of fire water pump system.
Recommendation for Immediate Action	1. Install the safety guards for all machines and equipment with moving parts. 2. Provide the safety lids for all mounts of water tanks for safety reasons.
Compliance Classifications	Immediate Action Required
Local Law	Law on Occupational Safety and Hygiene 2015, Article 16.
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	1. The fire-fighting sprinklers are not functional because the responsible person locked all water valves supplied for the sprinkler system. The fire water pump system is set in "Manual Mode" instead of "Auto Mode" and therefore, it could not operate and react in case of an emergency. 2. One fire hose reel is not in good condition, it is torn and leaked during testing on the assessment date. 3. 10% of backup fire extinguishers are not inspected monthly, all powder fire extinguishers are not checked for weight during the factory monthly inspection.
Recommendation for Immediate Action	1. Open all valves of the sprinkler system and turn on the "Auto Mode" of the fire water pump for emergency response. 2. Check and replace all the fire hose reels which are not in good condition. 3. Inspect the backup fire extinguishers sufficiently, and inspect and scale all the powder fire extinguishers.
Compliance Classifications	Immediate Action Required

Local Law	1. TCVN 3890:2009, Clause 7.2.2; 2. TCVN 3890:2009, Clause 8.3.5; 3. TCVN 3890:2009, Clause 5.2.1.
Benchmark ID	HSE.4.1
Benchmark Details	Employers shall at all times be in possession of all legally required and valid permits and certificates related to health, safety, and environmental issues, such as: Purchase and storage of chemicals; Fire safety inspections; Machinery inspections; Waste disposal; Environmental licenses/permits; Sanitation permits, including those required for canteens; and Vehicle inspection and driver permits for all employer provided transportation.
Finding Details	1. The construction permit for the canteen (519 m2) and dormitory (323m2) are not available for review during the assessment. 2. The Acceptance Fire Safety Certificate for building B (sewing factory with an area of 4,830.64 m2) is not available for review during the assessment.
Recommendation for Immediate Action	1. Obtain construction permits for canteen and dormitory. 2. Obtain Acceptance fire safety certificate for building B (sewing workshop).
Compliance Classifications	Immediate Action Required
Local Law	Law No. 62/2020/QH14, Article 1. 2/ Decree No. 136/2020/NĐ-CP, Article 14.
Benchmark ID	HSE.1
Benchmark Details	Employers shall comply with all national laws, regulations and procedures concerning health, safety, and the environment.
Finding Details	1. The factory does not provide occupational health check-ups for workers in heavy and hazardous conditions (Sewing, cutting, ironing, and inspection workers). The factory only provided general health check-ups for workers. At the time of this report, the most recent health check up was on May 21, 2022. 2. The factory does not monitor and provide Health & Safety training for female workers who return to work after maternity leave as required by the local laws.

Recommendation for Immediate Action	Provide occupational health check-ups for workers working in heavy and hazardous conditions.
Compliance Classifications	Immediate Action Required
Local Law	Law 84/2015/QH13. Occupational Safety and Hygiene, Article 7;
Benchmark ID	HSE.14.3
Benchmark Details	Employers shall ensure safety instructions are either displayed or posted near all machinery or are readily accessible to the workers in language(s) spoken by workers.
Finding Details	1. There are no safety operation procedures (SOP) posted in place for the laser cutting machine in the embroidery section, fabric spreading machine in the cutting section, and sewing product vacuum cleaner, and pressing machine in cleaning section for worker reference. There is no chemical extraction SOP posted in the mechanic room (extraction from the big oil tank to cans and bottles). 2. There are no safety warning signs posted for three observed manual forklifts used in the factory. 3. The safety warning signs/alerts of two table cutting machines and one fabric spreading machine in the cutting section are in Chinese and English; not in local language. There were no safety warning signs related to falling risks posted for two observed cage ladders used.
Recommendation for Immediate Action	1. Provide safety operation procedures for all required machines and equipment. 2. Provide safety warning signs for manual forklifts, falling risks at the factory. 3. Provide the safety warning signs in the local language for required machines.
Compliance Classifications	Immediate Action Required
Local Law	Law on Occupational Safety and Hygiene 2015, Article 16.
Benchmark ID	HSE.10.1

Benchmark Details	Material Safety Data Sheets (MSDS) for all chemicals and hazardous substances used in the workplace must be available at the usage and storage sites of the chemicals and hazardous substances, in the local language and the language spoken by workers, if different from the local language.
Finding Details	There are four chemical cans (type 20 liters) nearby the security room, one chemical can nearby the parking area (type 20 liters), and approximately 21 chemical bottles/tanks used in the mechanic room that do not provide Material Safety Data Sheet (MSDS) for workers' reference. Most of those chemicals are alcohol, machine oil, and glue for mechanical activities.
Recommendation for Immediate Action	Provide the secondary MSDS for all chemicals.
Compliance Classifications	Immediate Action Required
Local Law	Law on Chemicals No. 06/2007/QH12, Article 29.
Benchmark ID	HSE.18.1
Benchmark Details	Medical facilities shall be established and maintained in factories as required by applicable laws.
Finding Details	There is one doctor and two nurses working in the clinic room of the factory. However, the doctor and one nurse have not yet received professional training in occupational health and safety as per law required.
Recommendation for Immediate Action	Provide training on occupational health professional for all medical staffs.
Compliance Classifications	Immediate Action Required
Local Law	Decree No. 140/2018/ND-CP, Article 1; Circular 29/2021/TT-BYT, Article 2.
Benchmark ID	HSE.23.1

Benchmark Details	Safe and clean drinking water shall be freely available at all times, within reasonable distance of the workplace. Drinking water shall be of a reasonable temperature. The means to drink water (e.g. cups) must be safe and sanitary and available in an appropriate number.
Finding Details	The bottled drinking water named Fawa is being used in the factory for workers. However, there is no drinking water testing reports in place for review. The factory management explained that this drinking water brand is bought by workers themselves and brought into the factory.
Recommendation for Immediate Action	1. Provide free, clean drinking water to workers. 2. Contact a qualified institution to test the drinking water to ensure the drinking water is safe for workers.
Compliance Classifications	Immediate Action Required
Local Law	QCVN 01:2009/BYT, Section III.
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 OHS (Occupational Health and Safety) risk assessment was last updated on January 03, 2022. However, it does not assess for the safety hazards of the wastewater treatment station, fire water pump area, spot cleaning area, and the hazards of confined spaces to provide control measures accordingly. In addition, there is no survey with the workers and the relevant persons conducting (Occupational Health and Safety) risk assessment process.
Recommendation for Immediate Action	N/A.
Compliance Classifications	Sustainable Improvement Required

Local Law	Law No. 84/2015/QH13; Article 3 of Circular No. 07/2016/TT-BLDTBXH, Article 7.
Benchmark ID	HSE.7
Benchmark Details	Workers shall be provided at no cost with all the appropriate and necessary personal protective equipment (e.g. gloves, eye protection, hearing protection, respiratory protection) to effectively prevent unsafe exposure (e.g. inhalation or contact with solvent vapors, noise, dust) to health and safety hazards, including medical waste.
Finding Details	During the site tour inspection, it is noted that one out of two helmets used by the boiler operator is damaged (without straps).
Recommendation for Immediate Action	Replace the helmets for boiler operator.
Compliance Classifications	Immediate Action Required
Local Law	Law 84/2015/QH13. Occupational Safety and Hygiene, Article 7.
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	<ol style="list-style-type: none"> 1. There is no PPE (Personal Protective Equipment) such as respirators, boots, aprons for chemical workers, and hazardous material container devices to respond to chemical emergency cases. 2. One worker in the embroidery section and one maintenance worker did not wear PPE (gloves) when work with chemical. 3. There is no anti-electrical mat placed for electrical panel in the boiler area (wet floor).
Recommendation for Immediate Action	<ol style="list-style-type: none"> 1. Provide PPE for workers sufficiently. 2. Remind workers to wear PPE when working with chemicals. 3. Provide anti-electrical mat for electrical panel in the boiler area.

Compliance Classifications	Immediate Action Required
Local Law	1. Law 84/2015/QH13. Occupational Safety and Hygiene, Article 7; 2. Circular 04/2014/TT-BLDTBXH, Article 6; 3. Circular 04/2014/TT-BLDTBXH, Article 6;
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	There is only one qualified boiler operator for centralized boiler system in the factory. There is no back-up qualified boiler operator in the factory. The factory management explained that two out of three boiler operators have resigned recently.
Recommendation for Immediate Action	Train and qualify for a back-up boiler operator.
Compliance Classifications	Immediate Action Required
Local Law	QCVN: 01-2008/BLĐTBXH, Clause 5.1.8.
Benchmark ID	HSE.17.1
Benchmark Details	Workstations, including seating and standing arrangements and reach required to obtain tools, shall be designed and set-up in such a manner as to minimize bodily strains.
Finding Details	There is no backrest chair provided for pregnant workers to protect workers from the impact of prolonged seated work.
Recommendation for Immediate Action	Provide backrest chair for pregnant workers.
Compliance Classifications	Immediate Action Required
Local Law	Law 84/2015/QH13. Occupational Safety and Hygiene, Article 16.

Hours Of Work (HOW)

Benchmark ID	HOW.1.1
Benchmark Details	Employers shall comply with all national laws, regulations and procedures concerning hours of work, public holidays and leave.
Finding Details	It is noted that workers from cutting, sewing, finishing and packing sections work overtime, over the legal limit as described below: + In July 2022, 10 out of 30 selected workers from cutting, sewing, finishing and packing sections worked overtime from 61 to 71.5 hours in a month. + In March 2022, 7 out of 30 selected workers from cutting, sewing, finishing and packing sections worked overtime from 41 to 60.5 hours in a month. + In December 2021, 15 out of 30 selected workers from cutting, sewing, finishing and packing sections worked overtime from 41 to 72 hours in a month. Remark: Attendance records from August 2021 to August 9, 2022 are reviewed. The overtime limit is 40 hours per month before April 2022 and 60 hours per month from April 2022.
Recommendation for Immediate Action	Limit overtime hours following the local law.
Compliance Classifications	Immediate Action Required
Local Law	Vietnam Labor Code No. 45/2019/QH14, Article 107 and Resolution No. 17/2022/UBTVQH15, Article 2.
Benchmark ID	HOW.17
Benchmark Details	Employers shall not impose any undue restrictions on sick leave. Any workplace restrictions or procedures regarding sick leave (e.g. informing the employer as soon as possible, the provision of medical certificates, the use of designated doctors or hospitals) must be in line with national laws, regulations and procedures and must be communicated in full to all workers.

Finding Details	The factory provides housing allowance for all workers of VND600,000 (USD25.6) per month. However, workers who take legal leaves such as prenatal check-up, sick leaves, convalescence, and health rehabilitation are deducted for housing allowance. One hour of sick leave and above leave taken are deducted from VND 150,000 to VND 600,000.
Recommendation for Immediate Action	Stop deductions from housing allowance when workers take leave.
Compliance Classifications	Immediate Action Required
Local Law	Social Insurance Law 2014, Article 26, 27, 29 and 33
Benchmark ID	HOW.10.1
Benchmark Details	Employers shall provide workers with all official public holidays as required under national laws, regulations and procedures.
Finding Details	Based on the payment and time record review, it is noted that one out of five selected workers are not paid for one public holiday on May 1, 2022. The HR staff in charge of the time record system did not record this public holiday into the worker time record system for payment. Further investigation noted that this worker did not have any regular working hours in May 2022 and HR did not record attendance of the worker, including holiday.
Recommendation for Immediate Action	Calculate and pay wages and benefits for affected workers sufficiently.
Compliance Classifications	Immediate Action Required
Local Law	Vietnam Labor Code No. 45/2019/QH14, Article 112
Benchmark ID	HOW.11.1
Benchmark Details	Employers shall provide workers with paid annual leave as required under national laws, regulations and procedures.

Finding Details	The factory provides the untaken annual leaves (three out of ten selected sample for review) for resigned workers who are working in heavy and hazardous conditions, less than the legal requirements. The factory provides only one annual leave day per month instead of at least 1.16 annual leave days per month for these workers as per legal requirement.
Recommendation for Immediate Action	Review the annual leave calculation method and pay the annual leaves accurately.
Compliance Classifications	Immediate Action Required
Local Law	Vietnam Labor Code No. 45/2019/QH14, Article 113
Benchmark ID	HOW.21
Benchmark Details	Other than in exceptional circumstances, the total weekly work hours (regular work hours plus overtime including any alternative shifts such as 4x4 or 3x3) shall not exceed 60 hours per week.
Finding Details	Workers worked more than 60 hours in a week from one to three consecutive weeks as detailed below: + In July 2022, 10 out of 30 selected workers from cutting, sewing, finishing and packing sections worked from 61 to 73 hours per week from one to four consecutive weeks. + In March 2022, 3 out of 30 selected workers from finishing and packing sections worked from 61 to 61.5 hours per week from one to two consecutive weeks. + In December 2021, 12 out of 30 selected workers from cutting, sewing, finishing and packing sections worked from 61 to 67 hours per week from one to three consecutive weeks. Remark: Attendance records from August 2021 to August 9, 2022 are reviewed.
Recommendation for Immediate Action	Ensure worker do not work more than 60 hours per week.
Compliance Classifications	Immediate Action Required
Local Law	No applicable legal requirement
Benchmark ID	HOW.12.2

Benchmark Details	The time at which annual leave is taken is determined by employers in consultation with workers, taking into account work requirements and the opportunities for rest and relaxation available to workers.
Finding Details	The factory has not regulated the timetables of annual leave for workers in the years 2021 and 2022. The factory regulation indicates that all untaken annual leaves from the previous year should be used up to Quarter I of the following year. However, there is no mechanism to ensure workers take the untaken annual leave as a requirement.
Recommendation for Immediate Action	Negotiate, regulate and inform all workers about the timetable for annual leaves.
Compliance Classifications	Immediate Action Required
Local Law	Vietnam Labor Code No. 45/2019/QH14, Article 113
Benchmark ID	HOW.22.3
Benchmark Details	Time worked by all workers, regardless of wage system, shall be fully documented by time cards or other mechanical or electronic recording systems.
Finding Details	1. The factory uses the fingerprint system to record the working hours of all factory workers. However, the working hours of 22 outsourced security guards are not monitored by the finger print system. The time records of these outsourced security guards only indicate "8" for one working day, not detailed with time in and time out for accurate review and calculation.
Recommendation for Immediate Action	1. Have a reliable and verifiable time record system in place for all workers working in the factory. 2.Keep and monitor the attendance records of all workers including outsourced workers in place for review.
Compliance Classifications	Immediate Action Required
Local Law	N/A

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	It is noted that 9 out of 30 selected workers from cutting, sewing, finishing and packing sections are not provided one day off in every seven day period. They workers worked from 8 to 13 consecutive days in July 2022. Remark: Attendance records from August 2021 to August 9, 2022 are reviewed.
Recommendation for Immediate Action	Provide one day off every seven days for all workers.
Compliance Classifications	Immediate Action Required
Local Law	Article 107 of Vietnam Labor Code No. 45/2019/QH14, Article 111

