

# Fair Labor Association: Independent External Factory Assessment

Assessment Date :

**25 Aug 2022**



## Factory Information

FLA Affiliates	adidas
Country	Vietnam
Number of Workers	2728

## 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

Employment Relationship (ER)	12
Freedom Of Association And Collective Bargaining (FOA)	2
Harassment Or Abuse (H/A)	1
Health, Safety And Environment (HSE)	16
Nondiscrimination (ND)	1

## Assessment Information

Assessor	Openview - Vietnam
Assessment Date	25 Aug 2022

Assessment Purpose	
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## ASSESSMENT RESULTS

### 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. Besides HSE training, there are no other records to prove that ongoing training is provided for workers on FLA's Code elements and Employment Functions in 2021. The last training was provided in 2020. 2. The organization chart of the Social Responsibility and HR team is established with a specific responsible person for each FLA Code Element and FLA Employment Functions. However, there is no record of specific training provided to the responsible members on their duty implementation.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	NA
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 has been no specific training provided for relevant supervisors on FLA's Code Elements and Employment Functions since 2021.

Recommendation for Immediate Action	Nil
Compliance Classifications	Sustainable Improvement Required
Local Law	NA
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 current Grievance procedure does not have regulations to ensure workers are confident in reporting violations through suggestion boxes. 2. Currently, the suggestion boxes are opened and checked by Social Compliance staff rather than by at least one more party that could ensure the workers' suggestions/complaints are handled sufficiently. 3. There are no records to prove that suggestion boxes are regularly checked.
Recommendation for Immediate Action	Nil
Compliance Classifications	Sustainable Improvement Required
Local Law	NA
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	1. The hiring procedure No. SEA-QP003 does not include all steps of the hiring process such as workers need to complete a test form on the worker's writing ability and capacity to write using both hands. There are no specific standards to determine "Pass" or "Fail" that is indicated in the test form used by the factory. 2. The child labor policy No. SEA-HRCS006 issued on June 1, 2016 combined regulations and policies for remediation of child labor cases. However, there is no specific procedure, steps to remediate such as the needed actions within a given frame time, and any mention of responsible person or relevant parties involved. 3. There are no policies and procedures governing all aspects of the Retrenchment.
Recommendation for Immediate Action	Nil
Compliance Classifications	Sustainable Improvement Required
Local Law	NA
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	There are no written 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	Nil
Compliance Classifications	Sustainable Improvement Required
Local Law	NA
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	There are no policies and procedures to regulate the performance reviews that include steps and processes, linkages to job grading, non-discrimination, written feedback, and compliance with the legal requirement. Noted: The factory applies a wage increase for all workers every year regardless of a performance review.
Recommendation for Immediate Action	Nil
Compliance Classifications	Sustainable Improvement Required
Local Law	NA
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	1. The promotion and demotion procedure No.SEA-HRQT010 was issued on June 01, 2016. The criteria for promotion is defined such as level of task completion, quality of job, labor productivity, attendance management, overtime work, the ability of decision making, personnel relationship, attitude on work, ability related to the professionalism. However, there are no records kept on how the factory checks the scoring for each criteria when evaluated. For example, the level of work completion is marked good (100%) but not accompanied with any records. At least three selected promotion cases are not evaluated by policy and the promotion is determined based on the suggestion of the line leaders only. 2. Furthermore, there is no proof to see if all workers are given the same chance to be evaluated and seek feedback.

Recommendation for Immediate Action	Nil
Compliance Classifications	Sustainable Improvement Required
Local Law	NA
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 only provides the regular communication to workers on some FLA's Code Elements and Employment Functions such as Hours of Work, Leave, Wages, Benefits, Labor Contract, Insurance, Grievance, Disciplinary, Security, and HSE via speakers, bulletin boards. The regular communication does not include Non-Discrimination, Child labor, Forced Labor, Harassment and Abuse, and Termination requirements. 2. There is no FLA Code posted in place at the factory buildings and workplace.
Recommendation for Immediate Action	Nil
Compliance Classifications	Sustainable Improvement Required
Local Law	NA
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	1. Five out of 60 reviewed employment contracts do not include sufficient information such as specific jobs, phone number, and email (if any) of workers. Those employment contracts only mention the job of worker as “unskillful worker” instead of a specified detailed job function as legally required. 2. The factory signs the definite-term employment contract three times with a worker instead of maximum of two times as required. One worker joined the factory in 2016 and signed three definite-term (one year) employment contracts while the factory should sign in-definite labor contract after two definite labor contracts as per law.
Recommendation for Immediate Action	1. Include all required information in the labor contracts as per law. 2. Sign indefinite labor contracts to workers after two definite labor contracts.
Compliance Classifications	Immediate Action Required
Local Law	1.Circular 10/2020/TT-BLDTBXH, Article 3. 2. The Labor Code 2019, Article 20.
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 is conducted for new workers. However, the contents of relevant orientation training records showed that the training does not included all of FLA’s Code Elements and Employment Functions such as Non-Discrimination, Child labor, Forced Labor, Harassment and Abuse, and Termination. The orientation training is only focusing on of Hours of Work, Leave, Wages, Benefits, Labor Contract, Insurance, Grievance, Disciplinary, Security, and HSE.
Recommendation for Immediate Action	Nil

Compliance Classifications	Sustainable Improvement Required
Local Law	NA
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. Procedure for document review No. DCC-QP001 was issued on February 15, 2016. However, this procedure is only applied for ISO14001, ISO9001, and ISO 45001. The procedure does not cover policies and procedures following FLA's codes and functions such as Recruitment, Hiring, Personnel Development, Compensation, Hours of Work, Industrial Relations, Workplace Conducts and Discipline, Grievance System, Termination and Retrenchment. 2. The records indicate that the factory has conducted the annual review for 31 HSE policies and procedures, and 30 Labor policies and procedures from March 2022 to June 2022. However, there is no record that workers are involved in the review process.
Recommendation for Immediate Action	Nil
Compliance Classifications	Sustainable Improvement Required
Local Law	NA
Benchmark ID	ER.18.3.1
Benchmark Details	Workers must be informed when a disciplinary procedure has been initiated against them.
Finding Details	The factory conducts the labor disciplinary meetings on the same day of the worker's violation instead of at least 05 days from the day when labor disciplinary notice is issued as legally required. There are two workers who violated the factory's regulation on November 11, 2021 and the factory conducted the disciplinary meeting and issued labor disciplinary decision on the same day.

Recommendation for Immediate Action	Conduct the labor discipline meetings in line with the local law.
Compliance Classifications	Immediate Action Required
Local Law	Decree 145/2020/NĐ-CP, Article 70.

## Freedom Of Association And Collective Bargaining (FOA)

Benchmark ID	FOA.19.1
Benchmark Details	Employers, unions and workers shall honor in good faith, for the term of the agreement, the terms of any collective bargaining agreement they have agreed to and signed.
Finding Details	The factory does not ensure that they provide the holiday bonus for September 2nd equal from VND30,000 (USD 1.27) to VND50,000 (USD 2.12) and the traveling bonus equal to VND300,000 (USD 12.7) for all workers, as committed to in the Collective Bargaining Agreement (CBA) issued on April 22, 2019. The factory management explains that due to the impact of the Covid-19 pandemic, the factory does not provide the holiday bonus for September 2nd and the annual travel bonus in the year 2021. The last payment for those bonuses was provided in 2019.
Recommendation for Immediate Action	Pay all benefits and allowance which are agreed in CBA.
Compliance Classifications	Immediate Action Required
Local Law	The Labor Code 2019, Article 79.
Benchmark ID	FOA.2

Benchmark Details	Workers, without distinction whatsoever, shall have the right to establish and to join organizations of their own choosing, subject only to the rules of the organization concerned, without previous authorization. The right to freedom of association begins at the time that workers seeks employment and continues through the course of employment, including eventual termination of employment, and is applicable as well to unemployed and retired workers.
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	Nil
Compliance Classifications	Sustainable Improvement Required
Local Law	NA

## Harassment Or Abuse (H/A)

Benchmark ID	H/A.1.1
Benchmark Details	Employers shall comply with all national laws, regulations and procedures concerning discipline, violence, harassment and abuse, including that which is gender-based
Finding Details	According to the risk assessment conducted on March 9, 2022, the factory has not yet assessed specific hazards and risks of harassment and abuse in the workplace, including gender-based violence.

Recommendation for Immediate Action	Nil
Compliance Classifications	Sustainable Improvement Required
Local Law	NA

## Health, Safety And Environment (HSE)

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	The factory uses the rolling door instead of an outward open door for one out of two emergency exits on each floor of the main production building. Remark: The factory has installed the permanent latch device to keep the rolling open during working hours.
Recommendation for Immediate Action	Ensure to install the outward open door for all emergency exits.
Compliance Classifications	Immediate Action Required
Local Law	QCVN 06:2021/BXD, Clause 3.2.3
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 grounding wire for all fire alarm control panels in the factory. 2. There is no beacon (flashlight) used as the fire alarm in high-noise areas such as the buffing workshop and rubber workshop where workers often wear earplugs while working
Recommendation for Immediate Action	1. Ensure to install grounding wire for all fire alarm control panels in the factory 2. Install the beacon (flashlight) used as fire alarm in high-noise working areas.
Compliance Classifications	Immediate Action Required
Local Law	TCVN 5738:2001, Clause 8.2; 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	The factory does post chemical identification labels, and hazard pictogram for one observed lead welding acid container in the mechanic room on the fourth floor of production building and three diesel tanks of fire pump engines at fire pumps stations.
Recommendation for Immediate Action	Post identification labels and pictogram for all chemical containers in the workplace as per law.
Compliance Classifications	Immediate Action Required
Local Law	Law No. 06/2007/QH12, Art. 29, Art. 37; QCVN 05:2020/BCT, Clause 5.9, Clause 7.2
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	The factory has installed the dust exhaust hood for raw buffing (grinding) machines. However, there is no dust exhaust hood for fine buffing (grinding) machines. Dust is observed in the workplace's air and on the workplace's floor during the assessment.
Recommendation for Immediate Action	Install exhaust hood for all buffing (grinding) machines and ensure the workplace conditions meet local standards.
Compliance Classifications	Immediate Action Required
Local Law	Law No. 84/2015/QH13, Art. 16
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. Based on the workplace testing report issued on Dec 30, 2021, there are six noise samples that exceeded the legal limit of 85 dBA including three noise samples (from 85-93.1 dBA) at the rubber workshop and three noise samples (87.2-89 dBA) at buffing workshop. Based on factory tour observation, all workers wear earplugs while working. 2. There is no procedure to regulate for the heat stress management, no heat stress assessment for areas with thermal comfort problems such as HF (high-frequency) pressing, no-sew pressing, outsole drying, vulcanization workshop, and cold storage of worker kitchen. In addition, there is no countermeasure to cope with heat stress for the workers working in these areas.
Recommendation for Immediate Action	1. Ensure the workplace condition (noise level) meet legal standard. 2. Ensure to conduct heat stress assessment for areas with thermal comfort problems.
Compliance Classifications	Immediate Action Required
Local Law	Law No. 84/2015/QH13, Art. 7; Circular No. 07/2016/TT-BLDTBXH, Art. 3; Circular No. 07/2016/TT-BLDTBXH, Art. 3

Benchmark ID	HSE.14.1
Benchmark Details	All production machinery, equipment and tools shall be properly guarded and regularly maintained.
Finding Details	<p>1. There is no traffic and vehicle management procedure, and no convex mirror at blunt ends of intersection roads within factory premises to help workers proactively check vehicles on other sides of the road. There are no markings for vehicle traffic lanes and pedestrian walk paths in the factory compound for traffic safety. In addition, there is no warning sign for forklift hazards, and no designated forklift traveling routes at ground floor of warehouse building. 2. There is no inspection record for wheel ladders and potable ladders at the material warehouse of the Development Center and Maintenance Department. One out of three observed wheel ladder at Development Center is not in good condition. 3. The factory has established a LOTO (Lockout and Tagout) program for equipment and machines, but there is no list of machines, equipment that must be locked and tagged during maintenance or repair. The factory does not keep issuance-return logbook of LOTO devices to relevant personnel (12 mechanic and electricians).</p>
Recommendation for Immediate Action	<p>1. Install convex mirrors at blunt ends of intersection roads within factory premises, provide visible markings for traffic lanes, walk paths, post forklift warning sign, and clearly mark forklift traveling routes at ground floor of warehouse building. 2. Conduct regular safety inspections of all ladders, and ensure all ladders are in good conditions. 3. Establish the list of machines, equipment that must be locked and tagged during maintenance or repair, maintain issuance-return logbook of LOTO devices.</p>
Compliance Classifications	Immediate Action Required
Local Law	<p>1. Law No. 84/2015/QH13, Art. 7; QCVN 34:2018/BLDTBXH, Art. 2  2. Law No. 84/2015/QH13, Art. 7; QCVN 34:2018/BLDTBXH, Art. 2  3. Decision 959/QD-EVN, Art. 9; Law No. 84/2015/QH13, Art. 16</p>
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 factory has conducted the monthly inspection of the fire safety system by the internal team. However, there is no inspection and maintenance contract, and no inspection and maintenance record with a third party for fire alarm systems, firefighting systems such as sprinklers, fire hoses, and fire pumps. 2. The factory does not have the emergency shower, compatibility chart, and chemicals storage layout in the ink mixing area and adhesive mixing area.
Recommendation for Immediate Action	1. Sign inspection and maintenance contract, maintain inspection and maintenance record with competent third party for fire alarm systems, firefighting systems such as sprinklers, fire hoses, and fire pumps. 2. Install emergency shower, post compatibility chart, and storage layout at chemicals storage areas.
Compliance Classifications	Immediate Action Required
Local Law	1. TCVN 3890:2009, Clause 6.2.3, Clause 7.2.2, Clause 8.3.5; QCVN 02:2020/BCA, Clause 5.1 2. Law No. 06/2007/QH12, Art. 29, Art. 37; QCVN 05:2020/BCT, Clause 5.9, Clause 7.2
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	There is no safety inspection certificate for one cold storage (about 12 cubic meters) in the worker kitchen. The technical specification for cold storage in the kitchen is not available for review on the assessment days.

Recommendation for Immediate Action	Conduct periodic safety inspections and maintain inspection certificates for the cold storage.
Compliance Classifications	Immediate Action Required
Local Law	Circular No. 36/2019/TT-BLDTBXH; TCVN 6739:2015
Benchmark ID	HSE.1
Benchmark Details	Employers shall comply with all national laws, regulations and procedures concerning health, safety, and the environment.
Finding Details	There was insufficient periodic health check for workers working in heavy, hazardous jobs such as stitching, cutting workers in 2021. The factory provided health check once a year instead of twice a year in 2021. Remark: The factory has planned to conduct the first periodic health check in June 2021 but canceled due to Covid-19. The later periodic health check was conducted on Nov 18-20, 2021 for 2,419 workers.
Recommendation for Immediate Action	Ensure to provide periodic health check at least twice a year for workers working in heavy, hazardous jobs.
Compliance Classifications	Immediate Action Required
Local Law	1. Law No. 84/2015/QH13, Art. 16, Art. 21 2. Circular No. 06/2020/TT-BLDTBXH, Clause 13; Decree No. 140/2018/ND-CP, Art. 1;
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	There is no safe operating procedure, hazard warning signs, or authorized access signs for the following locations: cold storage of kitchen, or for lead welding machine and polishing machine at the mechanics room on the fourth floor of main production building.

Recommendation for Immediate Action	Post safe operating procedure, hazard warning signs, authorized access signs for the cold storage of kitchen, and all machines in the mechanic room.
Compliance Classifications	Immediate Action Required
Local Law	Law No. 84/2015/QH13, Art. 7; QCVN 34:2018/BLDTBXH, Art. 2
Benchmark ID	HSE.29
Benchmark Details	Employers shall provide all necessary protection for workers when working at heights, confined spaces, and other high-risk areas.
Finding Details	<p>1. There are no measurements of UV (ultraviolet) radiation for the workplace UV treatment machine. Therefore, they are unable to verify if the workers working with the radiation source (UV treatment machine at Development Center) are exposed to more than three rem per year or not. In addition, the factory does not have suitable PPE (personal protection equipment) such as UV glasses, gloves, blouse for workers working with radiation source of UV treatment machine at Development Center. 2. There is no fall hazard warning sign or authorized access signs for high platforms such as wheel ladder or potable ladder at the loading area, materials warehouse, and finished warehouse. 3. There is no fume hood for the lead welding machine to exhaust hazardous fumes from the indoor air in the mechanic room on the fourth floor of the main production building. In addition, there are no safety gloves or goggles provided for mechanic staff who work with the lead welding and polishing machines at the mechanic room on the fourth floor of main production building.</p>
Recommendation for Immediate Action	<p>1. Conduct UV radiation measurements at the UV treatment machine, ensure the workers are not exposed to more than three rem/year, ensure to provide suitable PPE to workers working with radiation source. 2. Post warning signs of fall hazard, and authorized access signs for high platforms at the loading area, materials warehouse, and finished warehouse. 3. Install exhaust hood at lead welding area, ensure the workplace conditions meet local standards, ensure to provide suitable PPEs to all mechanic staffs who work with lead welding and polishing machines.</p>

Compliance Classifications	Immediate Action Required
Local Law	1. Law No. 84/2015/QH13, Art. 7; Circular No. 04/2014/TT-BLDTBXH, Art. 5 2. Law No. 84/2015/QH13, Art. 7; QCVN 34:2018/BLDTBXH, Art. 2 3. Law No. 84/2015/QH13, Art. 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	The factory does not post MSDS (Material safety data sheet) for lead welding acid containers in the mechanic room on the fourth floor of main production building or for diesel for fire pump engines at fire pumps stations.
Recommendation for Immediate Action	Post MSDS for chemicals at the mechanic room, and diesel for fire pump engines.
Compliance Classifications	Immediate Action Required
Local Law	Law No. 06/2007/QH12, Art. 29; Decree No. 113/2017/ND-CP, Art. 24
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	1. The OHS (occupational health and safety) risk assessment does not include safety hazards for ultrasonic machine of the outsole rinsing process of the Development Center, and lead soldering machine in the mechanic room on the fourth floor of the main production building. 2. There is no risk assessment for transmittable diseases throughout the factory.
Recommendation for Immediate Action	1. Ensure to conduct risk assessment for safety hazards from the ultrasonic machine and lead soldering machine. 2. Ensure to conduct risk assessment for transmittable diseases throughout the factory.
Compliance Classifications	Immediate Action Required
Local Law	Law No. 84/2015/QH13, Art. 7; Circular No. 07/2016/TT-BLDTBXH, Art. 3; Circular No. 07/2016/TT-BLDTBXH, Art. 3
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	The factory does not have suitable PPE (personal protection equipment) such as warm coats, hats, gloves for kitchen staffs who enter cold storage to load/ unload food materials.
Recommendation for Immediate Action	Ensure to provide suitable PPEs to all kitchen staffs who enter cold storage.
Compliance Classifications	Immediate Action Required
Local Law	Law No. 84/2015/QH13, Art. 7; Circular No. 04/2014/TT-BLDTBXH, Art. 5
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	The factory has established a LOTO (Lockout and Tagout) program for equipment and machines that must be locked and tagged during maintenance or repair, but the factory does not provide training to relevant personnel (12 mechanic and electricians) on the LOTO program implementation.
Recommendation for Immediate Action	Ensure to provide training to relevant personnel (mechanic and electricians) on the LOTO program.
Compliance Classifications	Immediate Action Required
Local Law	Decision 959/QD-EVN, Art. 9; Law No. 84/2015/QH13, Art. 16
Benchmark ID	HSE.9.2
Benchmark Details	Workers shall receive training, appropriate to their job responsibilities, concerning the hazards, risks and the safe use of chemicals and other hazardous substances.
Finding Details	1. There is no legal health and safety training group III on chemical safety to at least three out of five selected sample workers who are re-assigned from the normal working condition to the hazardous working condition (worked with chemicals). Those three workers are provided internal health and safety training (including the content of chemical safety) by the factory in May and June 2022. 2. There is no occupational health and safety training certificate for 34 industrial cleaners categorized as Group III as required by law. In addition, there is no refresh training on occupational health and safety for existing workers in the last 12 months due to Covid-19. The last training is conducted from May 20 to June 18, 2020.
Recommendation for Immediate Action	Provide the health and safety training to all workers as per law.
Compliance Classifications	Immediate Action Required

Local Law	Decree No. 44/2016/ND-CP, Art. 21; Decree No. 140/2018/ND-CP, Art. 1
<b>Nondiscrimination (ND)</b>	
Benchmark ID	ND.4
Benchmark Details	Employers may not request the disclosure of any personal, non-job related information during the application, recruitment, or hiring process, including but not limited to gender, race, religion, disability, sexual orientation, nationality, political opinion, social group, ethnic origin, or marital status.
Finding Details	The current recruitment form used by the factory during the hiring process requires personal and non-job related information. The forms are checking on information such as height, weight, and health status. The factory management stated that it is the default form, and that information is not considered in evaluating the applicants during the hiring process.
Recommendation for Immediate Action	Remove the questions requesting personal and non-job-related information in the factory recruitment forms.
Compliance Classifications	Immediate Action Required
Local Law	NA

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