



FAIR LABOR
ASSOCIATION[®]

INDEPENDENT EXTERNAL ASSESSMENT REPORT



COMPANIES: Colosseum Athletics Corporation

COUNTRY: Vietnam

ASSESSMENT DATE: 07/13/18

ASSESSOR: One Step Vietnam

PRODUCTS: Apparel

NUMBER OF WORKERS: 84

Summary of Code Violations

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.

While it is important to note when violations of the FLA Workplace Code of Conduct occur, the purpose of these assessments is not simply to test compliance against a particular benchmark, but rather to develop an understanding of where and how improvements can be made to achieve sustainable compliance. Code of Conduct violations can be found throughout the course of an assessment of the employment and management functions, and are addressed in companies' action plans.

Findings and Action Plans

FINDING NO.1

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Recruitment, Hiring & Personnel Development

Finding Explanation

The factory uses one security service provider which provides security guards in-house in the factory. The factory does not keep the payroll records and time records of those workers from service provider. Thus, the working hours and payroll information could not be fully verified and assessed. [ER.23.2]

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmark ER.23.2)

Recommendations for Immediate Action

The time records of security service provider shall be recorded to assess the minimum wage and benefits.

COMPANY ACTION PLANS

Action Plan no 1.

Description

Factory will update all of the documents required (labor contracts, time records & payroll records.). The factory is not sure yet whether the security company is providing another day off during the week for the staff since they rotate them after the 7 day shift. The compliance staff is going to check on this and get back to us.

Planned completion date

10/13/18

FINDING NO.2

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Hours of Work

Finding Explanation

1. The factory does not maintain the time records for the security guards from the security service provider. Thus, the working hours information could not be fully verified and assessed. [HOW.1]
2. The labor contract states that “overtime hours must be approved by manager and director” instead of “overtime hours must be obtained with the worker’s consent” as legally required. [HOW.1]
3. Between July 2017 and July 2018, approximately 50% of workers worked excessive weekly overtime. Those workers worked up to 14.5 hours per week, which exceeds the legal requirement of 12 hours per week. [HOW.1.3]
4. Between July 2017 to July 2018, approximately 50% of workers worked excessive monthly overtime. Those workers worked up to 57.5 hours per month, which exceeds the legal requirement of 30 hours per month. [HOW.1]
5. Between July 2017 to July 2018, approximately 50% of workers worked excessive yearly overtime. Those workers worked up to 302 hours per year, which exceeds the legal requirement of 300 hours per year. [HOW.1]
6. The factory does not provide sufficient annual leave for worker who has 14 days of annual leave per year. For example: one worker joined in September 2017 worked for four months from September 2017 to December 2017, and this worker was only entitled to four days of annual leave instead of using the calculation: 14 annual leaves/month divided by 12 months, then multiplied by 4 months = 5 days of annual leave. [ER.22.2]
7. Factory has not reduced the working hours by one hour for pregnant workers who work in heavy jobs. [ER.22.2]

Local Law or Code Requirement

FLA Workplace Code (Hours of Work Benchmark HOW.1; Employment Relationship Benchmark ER.22)

Recommendations for Immediate Action

1. Record the time records of the security service providers with specific time-in and time-out to fully assess the minimum wage and benefits.
2. Ensure that workers consent to all overtime.
3. Ensure that overtime hours are within legal limitations and clients’ requirements.
4. Calculate adequate annual leave for workers.
5. Reduce the working hours by one hour for pregnant workers when they have reached enough seven months.

COMPANY ACTION PLANS

Action Plan no 1.

Description

1. Factory will update all of the documents required (labor contracts, time records & payroll records.)

Planned completion date

10/13/18

Company Action Plan Update

The factory has updated all of these required documents and has shown us records for June and let us know they will continue to do this in the future.

Action Plan no 2.

Description

2. The HR department will repair the labor contract form and will make the appendix of contract with new language for all employees. Both parties will sign again. (New workers contracts signed/on file).

Planned completion date

10/13/18

Company Action Plan Update

The labor contracts were fixed and both parties have signed.

Action Plan no 3.

Description

3. The factory is in the process of working with HQ to cut OT back by: making orders more consistent, talking to head quarters about staggering orders, and doing more blanks to help even out the 6 months where there is no OT.

Planned completion date

10/13/18

Action Plan no 4.

Description

4. The factory is in the process of working with HQ to cut OT back by: making orders more consistent, talking to head quarters

about staggering orders, and doing more blanks to help even out the 6 months where there is no OT.

Planned completion date

10/13/18

Action Plan no 5.

Description

5. The factory is in the process of working with HQ to cut OT back by: making orders more consistent, talking to head quarters about staggering orders, and doing more blanks to help even out the 6 months where there is no OT.

Planned completion date

10/13/18

Action Plan no 6.

Description

6. The factory understands the policy and the compliance staff will send an example of the annual leave done correctly.

Planned completion date

10/13/18

Company Action Plan Update

The compliance staff has sent an example of the annual leave calculation done correctly.

Action Plan no 7.

Description

7. Factory normally follows this procedure for workers, but the HR staff worked 8 hours per day so she could finish her work. This was Ms. Hue's choice and the factory paid her OT for that hour. No action plan required.

Planned completion date

10/13/18

FINDING NO.3

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Compensation

Finding Explanation

1. The factory uses a security service provider. The factory does not keep the payroll records and time records of these workers. Thus, their working hours and payroll information could not be fully verified and assessed. [C.1, ER.23]
2. The resigned workers do not receive their final payments within seven days of terminating the labor contract as required by law. [ER.19.1]
3. The factory has not paid the workers for unused annual leave in 2017. It is a legal requirement to provide payment for unused annual leave at the end of every year. The factory explained that the workers use the unused annual leave from 2017 for 2018. [ER.18]
4. Resigned workers have not received their severance payments. [ER.18]
5. The factory does not provide the childcare allowance for female workers with kindergarten age children as legally required. [C.1]
6. The factory does not submit the insurance documents (such as sick leave, pre-natal leave...) to the insurance authority within 10 days after receiving the documents from workers. The factory normally submits the documents to the insurance authority once per month. [C.1]
7. The responsibility allowance for the safety-hygiene network and the position allowance for the fire-fighting team's leader and vice leader are not added into basic salary to calculate the overtime payment and to distribute the compulsory insurance as legally required. [C.1]

Local Law or Code Requirement

Labor Code 2012, Art. 47, Labor Code 2012, Art. 114, Decree No. 05/2015/ND-CP, Art. 14, Labor Code 2012, Art. 154, Law on social insurance, Art. 103, Labor Code 2012, Art. 111, Labor Code 2012, Art. 155; Circular No. 59/2015/TT-BLDTBXH, Art. 30 and Circular No. 23/2015/TT-BLDTBXH and FLA Workplace Code (Employment Relationship Benchmarks ER.18, ER.19; Compensation Benchmark C.1)

Recommendations for Immediate Action

1. Record and maintain the time and payroll records of the security service providers to ensure that they are receiving the minimum wage and benefits.

2. Pay all final payments to resigned workers within seven days of their final day of employment.
3. Pay all workers for their unused annual leave per company regulations.
4. Provide legally required severance payments to all resigned workers.
5. Provide the child care allowance to female workers as legally required.
6. Submit the insurance documents to the insurance authority within ten days of receiving the documents from workers.
7. The responsibility allowance for the safety-hygiene network and the position allowance for the fire-fighting team's leader and vice leader shall be added into basic salary to calculate the overtime payment and to distribute the compulsory insurance as legally required

COMPANY ACTION PLANS

Action Plan no 1.

Description

1. Factory will update all of the documents required (labor contracts, time records & payroll records.) The factory is not sure yet whether the security company is providing another day off during the week for the staff since they rotate them after the 7 day shift. The compliance staff is going to check on this and get back to us.

Planned completion date

10/13/18

Action Plan no 2.

Description

2. The factory has a policy for this in place and normally get resigned workers their payments within the 7 day period.

Planned completion date

10/13/18

Company Action Plan Update

The compliance staff has sent proof of the policy and records of the resignation payment.

Action Plan no 3.

Description

3. The factory will change their policy and start to clear the annual leave and pay it out instead of carrying it over. The factory will start doing this after the current period ends (March 31st) and will send record of the annual leave pay out (April 10th). The factory will also update the CBA to include this new change.

Planned completion date

10/13/18

Action Plan no 4.

Description

4. The factory will look into the labor law regarding this and start paying social insurance for workers during this 30 day probation period, they will start doing this in November 2018.

Planned completion date

10/13/18

Action Plan no 5.

Description

5. The compliance staff will create a list of all the workers with children that are of kindergarten age and will present to headquarters to get approval for said allowance.

Planned completion date

10/13/18

Company Action Plan Update

-This was approved by HQ in the amount of 20,000 /kid/month. The factory will implement in March 2019 and will update records on April 10th, 2019.

-HQ is still discussing this and we will check back in at the beginning of 2019.

Action Plan no 6.

Description

6. The compliance staff is now in charge of submitting these insurance documents and she does this every Saturday.

Planned completion date

10/13/18

Company Action Plan Update

Proof of insurance documents seen in October.

FINDING NO.4

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Workplace Conduct & Discipline

Finding Explanation

Same sex pat-downs are reported in the factory. They are conducted everyday by the security department when workers leave the factory. [H/A.10.2]

Local Law or Code Requirement

Labor Law 2012, Art 149; FLA Workplace Code (Harassment and Abuse Benchmark H/A.10.2)

Recommendations for Immediate Action

Conduct body searches and physical pat downs only when there is a legitimate reason to do so and upon consent of workers.

COMPANY ACTION PLANS

Action Plan no 1.

Description

The factory will update the policy to prohibit pat downs based on FLA benchmarks and provide training to security staff.

Planned completion date

10/13/18

Company Action Plan Update

The factory has updated their policy and procedures and they completed training to security staff on August 9th, 2018.

FINDING NO.5

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Health & Safety

Finding Explanation

1. The emergency exit door at the canteen does not have an emergency light and an exit sign. In addition, two out of three exit doors in the main workshop have emergency lights and exit signs that are out of order. [HSE.5, HSE.6]
2. At least ten emergency exit routes are partially blocked and are not marked with lines and directional signs leading to the exit door. [HSE.5]
3. At least three observed evacuation plot plans do not match the actual layout. [HSE.5]
4. Materials are blocking at least one fire hydrant and one electrical control panel at the workplaces. [HSE.5.1]
5. The fire pump stations does not have a pressure pump. Thus, the pressure in the fire-fighting system is not guaranteed. In addition, there is no person in-charge at the fire pump station to regularly maintain the pump station. The fire pumps are not inspected and operated on a weekly basis as legally required. [HSE.6]
6. At least 10 observed fire extinguishers are not marked or inspected on a monthly basis as legally required. In addition, at least two observed fire extinguishers at the canteen area are out-of-order. [HSE.5]
7. There is no fire alarm equipped at the canteen area. [HSE.5]
8. The factory does not have a smoking area. It is observed that male workers smoke in the restrooms. [HSE.20]

Local Law or Code Requirement

TCVN 3890:2009, Art. 10, Vietnam Building Code No. QCVN 06:2010/BXD, Art. 3, TCVN 2622:1995, Art. 7, TCVN 3890:2009, Art. 8, Circular No. 66/2014/TT-BCA, Art.5, and FLA Workplace Code (Health, Safety & Environment Benchmarks HSE.5, HSE.6, HSE.20)

Recommendations for Immediate Action

1. Equip the emergency light and exit sign at all emergency exit doors.
2. Ensure all exit routes at the workplaces are free and clearly marked with lines and directional signs leading to the exit door.
3. Ensure all evacuation plot plans at the workplaces match the actual layout.
4. Ensure all fire hydrants and electrical control panels are not obstructed.
5. Ensure the fire pump station is fully functioning. Assign a person in-charge at the fire pump station to maintain and inspect the pump station on a regular basis.
6. Mark and inspect all fire extinguishers on a monthly basis.
7. Equip the fire alarm mechanism at the canteen area.
8. Do not allow smokers to smoke in the bathrooms. Designate a smoking area outside of the factory.

COMPANY ACTION PLANS

Action Plan no 1.

Description

1. The factory is no longer working with Nam Viet (the property owner that manages the canteen). The Maintenance guy is aware of the broken exit sign and light and has already put in a request to get them fixed. He will also continue to check on the emergency lights and signs weekly.

Planned completion date

10/13/18

Company Action Plan Update

The factory has fixed the emergency exit signs and lights and sent us pictures.

Action Plan no 2.

Description

2. The factory has had discussions about finding a new place to store the fabric and we will check in with factory director to see if there has been progress on this. The factory will address the short term issue of unblocking the emergency exits routes, exit doors, fire hydrants, and control panels.

Planned completion date

10/13/18

Action Plan no 3.

Description

3. The Factory will revise the evacuation map to fit with the layout.

Planned completion date

10/13/18

Company Action Plan Update

The evacuation map has been fixed and we saw this while there in October.

Action Plan no 4.

Description

4. The factory has had discussions about finding a new place to store the fabric and we will check in with the factory director to see if there has been progress on this. The factory will address the short term issue of unblocking the emergency exits routes, exit doors, fire hydrants, and control panels.

Planned completion date

10/13/18

Company Action Plan Update

The factory has moved all materials that were blocking the fire hydrant and electrical control panel and sent us pictures.

Action Plan no 5.

Description

5. The pressure pump will be re set up on July 19th, 2018. Factory will check the fire pump station every Saturday and there is a checklist there as well. Factory will check the fire pump station every Saturday & keep checking record.

Planned completion date

10/13/18

Company Action Plan Update

Fire pump is re set up and we saw this while there in October. The factory has someone checking the fire pump every Saturday and they have a checklist they are filling out as well (see while there in October).

Action Plan no 6.

Description

6. Factory will check the fire extinguishers every Saturday & keep checking record.

Planned completion date

10/13/18

Company Action Plan Update

Factory is checking the fire extinguishers every Saturday and they have sent a record of this.

Action Plan no 7.

Description

7. No longer using the Nam Viet Canteen. No action plan required.

Planned completion date

10/13/18

Action Plan no 8.

Description

8. The factory will try and find a designated area where workers can go to smoke.

Planned completion date

10/13/18

Company Action Plan Update

The factory has set up two smoking areas outside the factory and put up signs to let workers know where these areas are.

FINDING NO.6

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Health & Safety

Finding Explanation

1. At least five electrical control panels lack an inner cover. [HSE.13]
2. At least three observed electrical wirings are using tape to connect each other. [HSE.13]
3. Two observed lights at the chemical storage area are normal lights instead of anti-explosion lights. [HSE.1]

Local Law or Code Requirement

Law No. 27/2001/QH10, Art. 24 FLA Workplace Code (Health, Safety & Environment Benchmarks HSE.1, HSE.13)

Recommendations for Immediate Action

1. Equip all electrical control panels with an inner cover.
2. Do not use tape to connect two wires together.
3. Ensure that all lights at the chemical storage are anti-explosion lights.

COMPANY ACTION PLANS

Action Plan no 1.

Description

1. The factory will fix this and get new inner covers. They will send records once complete.

Planned completion date

10/13/18

Action Plan no 2.

Description

2. The factory will put a cover over all of the wires and the mechanic will receive informal training from the compliance staff along with the official 3rd party training in May 2019.

Planned completion date

10/13/18

Company Action Plan Update

There is now a cover over all of the wires and we saw this while there in October.

Action Plan no 3.

Description

3. The factory will work on getting these lights changed and the mechanic will receive informal training from the compliance staff along with the official 3rd party training in May 2019.

Planned completion date

10/13/18

Company Action Plan Update

The factory has installed the ant-explosion lights in the chemical storage area. (proof of installed lights on file)

FINDING NO.7

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Health & Safety

Finding Explanation

1. The factory does not have a complete Material Safety Data Sheet (MSDS) for chemicals at the chemical warehouse. The sheet has nine items instead of 16 items as legally required. [HSE.9, HSE.10]
2. The eye-wash station at the chemical storage area is not equipped. [HSE.9, HSE.10]
3. At least five chemical containers (containing cleaning liquid) in the cleaning area do not have chemical labels and secondary containment. [HSE.9, HSE.10]

Local Law or Code Requirement

Law No. 06/2007/QH12 on Chemicals (2007), Art. 29, TCVN 5507:2002, Art. 5 and FLA Workplace Code (Health, Safety & Environment Benchmarks HSE.9, HSE.10)

Recommendations for Immediate Action

1. Provide a complete Material Safety Data Sheet (MSDS) for all 16 chemicals as legally required.
2. Equip an eye-wash station at the chemical storage area.
3. Ensure that all chemical containers have chemical labels and secondary containment.

COMPANY ACTION PLANS

Action Plan no 1.

Description

1. The factory will correct the MSDS and add the missing items.

Planned completion date

10/13/18

Company Action Plan Update

The factory has corrected the MSDS and added the missing items. We saw this while there in October.

Action Plan no 2.

Description

2. Eye wash stations are not required for sewing factories with limited chemicals. No action needed.

Planned completion date

10/13/18

Action Plan no 3.

Description

3. The factory will add labels to the 5 chemical containers and provide secondary containment and the mechanic will receive informal training from the compliance staff along with the official 3rd party training in May 2019.

Planned completion date

10/13/18

Company Action Plan Update

Factory has added labels and provided secondary containment. We saw this while we were there in October. The compliance staff has also completed the informal training with the mechanic/chemical manager.

FINDING NO.8

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Health & Safety

Finding Explanation

1. At least ten sewing workers do not use eye-guards while working with hi-speed machines, such as the over-lock machine. [HSE.17]
2. The factory has not conducted an ergonomic assessment and does not take proactive steps to reduce repetitive-motion stress/injuries. The sewing workers who sit during working hours are not provided with chairs with back-support and adjustable heights. [HSE.1]
3. The drain located near the fire water lake is not covered to prevent falling. [HSE.1]
4. There is no first aid kit equipped in the canteen area. [HSE.18]
5. The restrooms are not provided with toilet paper and soap. [HSE.20]
6. The facility does not have a breastfeeding room for female workers. [ND.8.1]

Local Law or Code Requirement

Circular No. 04/2014/TT-BLDTBXH on Guiding Implementation of Regulations on Personal Protective Equipment (2014), Art. 4, Labor Code 2012, Art. 138, Circular 19/2016/TT-BYT, Appendix 4; Decree No. 85/2015/ND-CP, Art. 7; FLA Workplace Code (Health, Safety & Environment Benchmarks HSE.1, HSE.17, HSE.20; Nondiscrimination Benchmark ND.8.1)

Recommendations for Immediate Action

1. Ensure all sewing workers use eye-guards while working.
2. Provide the sewing workers with chairs with back-support and adjustable heights.
3. Ensure all drains are covered to prevent falling.
4. Ensure first aid kit shall equip at canteen.
5. Ensure the restrooms are provided with toilet paper and soap.
6. Provide a breastfeeding room for female workers.

COMPANY ACTION PLANS

Action Plan no 1.

Description

1. The factory will include the importance of eye guards in their upcoming training and supervisors will continue to monitor this.

Planned completion date

10/13/18

Action Plan no 2.

Description

3. The factory will add a cover to the drain.

Planned completion date

10/13/18

Company Action Plan Update

Factory has added cover to drain.

Action Plan no 3.

Description

4. Factory is no longer working with Nam Viet (the property owner who manages the canteen). No action plan needed.

Planned completion date

10/13/18

Action Plan no 4.

Description

5. The factory will provide each worker with their own toilet paper and soap to keep on their own. They will also create a system for checking out toilet paper like they use for checking out PPE.

Planned completion date

10/13/18

Action Plan no 5.

Description

6. The factory does not have space for a specific breastfeeding room but they have an area for this in the nurses room. This area has a curtain up which makes it private. No action plan needed.

Planned completion date

10/13/18

Action Plan no 6.

Description

2. The factory will send the completed ergonomics assessment and they have an ergonomics training on the schedule for January 2019.

Planned completion date

10/13/18

Company Action Plan Update

factory has sent over ergonomics assessment.

FINDING NO.9

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Recruitment, Hiring & Personnel Development

Finding Explanation

1. The factory does not have procedures for workers to improve or broaden their skills in to advance their careers. [ER.3]
2. The factory has not established policies and procedures regarding demotion and job reassignment that are transparent and fair in their implementation. [ER.30]
3. The factory has not developed policies and procedures regarding performance reviews that include steps and processes, demonstrates linkages to job grading, have been signed by workers, prohibits discrimination, provides written feedback, and complies with legal requirements. [ER.29.1]
4. The factory does not conduct an assessment after the probation period determine if a worker can sign a permanent contract. If, after the probationary period, the worker wants to continue working with the factory, they are given the option to sign a permanent contract. [ER.29.1]
5. The factory does not conduct skill-based tests during the hiring process. [ER.3]
6. The factory does not conduct trainings for workers (new and existing) on the following policies and procedures: Recruitment, Hiring & Personnel Development; Compensation; Hours of Work; Industrial Relations; Health and Safety, Environmental Protection; Termination & Retrenchment; Workplace Conduct & Discipline; and Grievance System. [ER.1]

COMPANY ACTION PLANS

Action Plan no 1.

Description

1. The compliance staff will work on making an SOP for anyone promoted/each department leader.

Planned completion date

10/13/18

Action Plan no 2.

Description

2. The factory will update the policies and procedures by adding in that the factory will share the performance review scores with the workers so they know what they need to improve on.

Planned completion date

10/13/18

Action Plan no 3.

Description

3. The factory will update the policies and procedures by adding in that the factory will share the performance review scores with the workers so they know what they need to improve on. The factory will also start having workers sign saying that they have seen their score.

Planned completion date

10/13/18

Action Plan no 4.

Description

4. The factory will start creating a record of this meeting going forward and the compliance staff will create a probation assessment form.

Planned completion date

10/13/18

Company Action Plan Update

-The compliance staff has sent the probation assessment form. Will keep pending until we can get sample of form for new worker.

2/7/19: The factory applied the probation assessment at the end of October 2018 and they sent a sample of the filled out probation assessment. (proof on file)

Action Plan no 5.

Description

5. The factory will add this step to the recruitment procedure checklist and the compliance staff will send an example of the skills based test.

Planned completion date

10/13/18

Company Action Plan Update

The compliance staff has sent a sample of the skills based test. Will keep pending until we can get sample of form for new worker.

2/7/19: The factory applied the skills based test at the end of October 2018 and they sent a sample of the filled out skills based test.

Action Plan no 6.

Description

6. The factory has all of these policies and procedures and does regular trainings with the workers and new workers on these

topics. The compliance staff attended a Better Work training on new worker induction so she is better prepared when workers are hired and the factory will send training records once they receive a new worker.

Planned completion date

10/13/18

Company Action Plan Update

Pending until factory has new worker.

FINDING NO.10

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Review Process (Macro)

Finding Explanation

The factory does not conduct regular reviews to update the applicable requirements for their policies and procedures of the following employment functions: Recruitment, Hiring & Personnel Development, Compensation, Hours of Work, Industrial Relations, Health and Safety, Environmental Protection, Termination & Retrenchment, Workplace Conduct & Discipline, and Grievance System. [ER.1]

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmark ER.1)

COMPANY ACTION PLANS

Action Plan no 1.

Description

The factory will review all policies and procedures starting in November, they will finish before the end of 2018 and send records once complete.

Planned completion date

10/13/18

FINDING NO.11

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Industrial Relations

Finding Explanation

1. The factory does not provide a copy of the Collective Bargaining Agreement (CBA) to the workers. [ER.16]
2. The factory has not conducted a plenary conference. Note: the factory has under 100 workers. [FOA.1]
3. The factory has not conducted their periodic dialogue in the second quarter of 2018. [FOA.1]

Local Law or Code Requirement

Decree No. 66/2013/ND-CP, Art. 14, Decree No. 66/2013/ND-CP, Art. 10 and FLA Workplace Code (Employment Relationship Benchmark ER.16; Freedom of Association and Collective Bargaining Benchmark FOA.1)

COMPANY ACTION PLANS

Action Plan no 1.

Description

1. The factory will condense the CBA document so it is easier to print and they will give it to all workers in December.

Planned completion date

10/13/18

Action Plan no 2.

Description

2. This is not required by Vietnam law and the factory already holds a quarterly dialogue meeting . No action plan needed.

Planned completion date

10/13/18

Action Plan no 3.

Description

3. The factory held the second quarter dialogue on July 27th.

Planned completion date

10/13/18

FINDING NO.12

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Termination & Retrenchment

Finding Explanation

The factory has not developed retrenchment policies and procedures. [ER.25]

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks, ER.25)

COMPANY ACTION PLANS

Action Plan no 1.

Description

The factory has a retrenchment policy and procedure but the auditor did not ask to see it during the audit. No action plan needed.

Planned completion date

10/13/18

FINDING NO.13

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Health & Safety

Finding Explanation

The instructions for the fire alarm control panel are posted at the security room. However, the instructions do not matched the status of the fire alarm system. [HSE.5]

Local Law or Code Requirement

FLA Workplace Code (Health, Safety & Environment Benchmarks HSE.5)

COMPANY ACTION PLANS

Action Plan no 1.

Description

The compliance staff will contact the company to get new instructions.

Planned completion date
10/13/18

FINDING NO.14

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Health & Safety

Finding Explanation

1. The medical center does not have a temperature monitoring device to ensure the storing temperature for medicines is appropriate because the risk assessment does not cover this part. [HSE.18.3]
2. The foods samples are not kept for at least 72 hours. They are for kept 24 hours as reported by in-charge person. However, the foods sampling record does not have the entry and destroying times. In addition, the foods for July 11, 2018 are not recorded. Moreover, there is no mechanism to maintain the cooling temperature for storing food samples at four degrees Celsius or lower as the applicable standard. [HSE.22.1]

Local Law or Code Requirement

FLA Workplace Code (Health, Safety & Environment Benchmarks HSE.18, HSE.22)

COMPANY ACTION PLANS

Action Plan no 1.

Description

1. The factory will finish the risk assessment procedure and complete the assessment.

Planned completion date

10/13/18

Action Plan no 2.

Description

Factory is no longer working with Nam Viet (the property owner who manages the canteen). No action plan needed.

Planned completion date

10/13/18

FINDING NO.15

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Environmental Protection

Finding Explanation

The non-hazardous wastes were not classified as recyclable and non-recyclable types. [HSE.1]

Local Law or Code Requirement

FLA Workplace Code (Health, Safety & Environment Benchmark HSE.1)

COMPANY ACTION PLANS

Action Plan no 1.

Description

They will check with the company and see if they will pick up both recyclable and non recyclable non-hazardous waste.

Planned completion date

10/13/18

Company Action Plan Update

TCS is a small factory and they don't have that much waste. They divide waste into 3 kinds by law (Normal waste, Hazardous waste and industrial waste). The factory contracts with 3 treatment companies to pick up waste. The factory has checked with the company that deals with industrial waste and they said they will only pick up the industrial waste together but they separate into recyclable and non-recyclable on their own.

FINDING NO.16

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Health & Safety

Finding Explanation

1. Factory has not followed the required procedures to handle the accidents in the factory. The occupational accident records do not have testimony from the victims, images of evidence, and occupational accidents announcement meeting minutes. [HSE.1]
2. The factory has not conducted a workplace risk assessment in 2018. In addition, the factory does not conduct risk assessment after occurrence of occupational accidents. [HSE.1]

Local Law or Code Requirement

Decree No. 85/2015/ND-CP, Art. 7, Decree No. 39/2016/ND-CP, Art. 13, Circular No. 07/2016/TT-BLDTBXH, Art. 3 and Art. 5 and FLA Workplace Code (Health, Safety & Environment Benchmark HSE.1)

COMPANY ACTION PLANS

Action Plan no 1.

Description

1. The factory has a document for when an accident happens but they usually do not include a picture. The factory will start taking a photo when an accident occurs and include it with the report. They will also update their accident procedure to include taking a photo when documenting.

Planned completion date

10/13/18

Company Action Plan Update

The factory has updated their accident procedure to include: photos when documenting an accident, place accident happen, investigative team, and root cause of accident. They have also sent us proof of payment for the worker that was involved in the accident.

Action Plan no 2.

Description

2. The factory will finish the risk assessment procedure and complete the assessment.

Planned completion date

10/13/18

FINDING NO.17

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Grievance System

Finding Explanation

Although the factory has a grievance procedure, it is not posted at the location of suggestion box to guide workers on how to resolve complaints. [ER.25.2]

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmark ER.25.2)

COMPANY ACTION PLANS

Action Plan no 1.

Description

The factory will post written instructions for the grievance box on the bulletin board near the box.

Planned completion date

10/13/18

Company Action Plan Update

The factory has posted the written grievance instructions.