



FAIR LABOR
ASSOCIATION®

INDEPENDENT EXTERNAL ASSESSMENT REPORT



COMPANIES: Augusta Sportswear Group (Holloway Sportswear Inc.)

COUNTRY: Vietnam

ASSESSMENT DATE: 12/07/17

ASSESSOR: One Step Vietnam

PRODUCTS: Apparel

NUMBER OF WORKERS: 700

FLA Comments

Beginning with assessments conducted in 2017, the Fair Labor Association no longer reviews remediation plans submitted by company affiliates. The remediation plans in this report are reflected in their original form, as submitted by the company affiliate to the FLA. Each year, selected factories receive verification assessments to review remediation progress. These reports appear on the Fair Labor Association website and include the findings from the original report, the company remediation plan, and a link to the original report.

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

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Policies & Procedures (Macro)

Finding Explanation

1. The factory does not have written policies for Industrial Relations. ER.1
2. The factory does not have written policies for skills development, promotion, demotion and job reassignment. ER.30
3. The factory does not have written policy on retrenchment. ER.32
4. The factory does not have policy or procedure on written performance reviews. ER.29.1
5. The Company Regulation and Discipline policy does not regulate exemptions for disciplinary actions for special circumstances as defined by law: a) Taking leave due to sickness, convalescence, and leave with employer's permission; b) Being in custody or detention; c) Awaiting the results of the competent authority to investigate, verify and conclude for the acts of violations prescribed in Clause 1, Article 126 of this Code; and d) Pregnancy and maternity leave (to nourish a child under 12 months old). ER.27
6. Although it was not implemented within the last twelve months, current disciplinary procedures include a wage raise suspension of up to 6 months as a means to discipline. While this practice is in line with local law, it is against FLA benchmarks. ER.27.1
7. The factory has developed a policy on Compensation. However, this policy did not mention clearly steps on how to take annual leave, sick leave and methods to calculate annual leave for all employees. ER.1
8. The Compensation policy, Company Regulation and CBA include less favorable regulations than law requirements, such as: a) overtime payment for night shift is paid at 195% of the regular wage instead of at the legally mandated minimum of 200%; and b) the employee's salary during the probation is paid at 70% instead of at least 85% of the regular salary as agreed by both parties. ER.1, FOA.20

Local Law or Code Requirement

Article 97, 28 & 123 of Vietnam Labor Law 2012; FLA Workplace Code (Employment Relationship Benchmarks ER.1, ER.27, ER.29, ER.30, and ER.32; Freedom of Association Benchmarks FOA.20)

COMPANY ACTION PLANS

Action Plan no 1.

Description

Vendor provided supportive evidence for four finding explanations

FINDING NO.2

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Training (Macro)

Finding Explanation

1. There is no ongoing training on policies and procedures for the following Employment Functions: Recruitment, Hiring and Personnel Development, Hours of Work, Termination, Workplace Conduct and Discipline, and Grievance Systems. ER.1, ER.17, ER.24

2. The factory does not have a detailed legally required training plan that includes the duration of training provided to ironing and packing department workers. ER.1

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1, ER.17, and ER.24)

COMPANY ACTION PLANS

Action Plan no 1.

Description

Vendor supplied training check in book(hours of work, termination, workplace conduct)

FINDING NO.3

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Review Process (Macro)

Finding Explanation

1. Employees and management are regularly trained on the factory's policies and procedures on: Employment Relationship, Hours of Work, Compensation, Industrial Relations, Termination, Workplace Conduct & Discipline, Grievance System and HSE. ER.1, ER.29, ER.30 ER.31.1

2. The factory does not have a review system for the existing policies and procedures for any of the Employment Functions. ER.1.3

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1, ER.29, ER.30 and ER.31)

COMPANY ACTION PLANS

Action Plan no 1.

Description

Working with the vendor to determine when the supportive evidence will be provided for this finding.

FINDING NO.4

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Recruitment, Hiring & Personnel Development

Finding Explanation

1. The employment contract and its annex for all employees lack the legally required information, such as: employer's passport number, allowance and other benefits. ER.10.1

Local Law or Code Requirement

Article 4, Decree 05/2015/ND-CP; Article 4, Circular 47/2015/TT-BLDTBXH; Article 97 & 28, Vietnam Labor Law 2012; Article 123, Vietnam Labor Law 2012; FLA Workplace Code (Employment Relationship Benchmark ER.10)

COMPANY ACTION PLANS

Action Plan no 1.

Description

Vendor provided supportive evidence for this finding.

FINDING NO.5

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Grievance System

Finding Explanation

1. The employment contract and its annex for all employees lack the legally required information, such as: employer's passport number, allowance and other benefits. ER.10.1

Local Law or Code Requirement

Article 4, Decree 05/2015/ND-CP; Article 4, Circular 47/2015/TT-BLDTBXH; Article 97 & 28, Vietnam Labor Law 2012; Article 123, Vietnam Labor Law 2012; FLA Workplace Code (Employment Relationship Benchmark ER.10)

COMPANY ACTION PLANS

Action Plan no 1.

Description

Supportive evidence has been provided

FINDING NO.6

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Industrial Relations

Finding Explanation

1. The factory and union have signed a Collective Bargaining Agreement (CBA). While the factory meets the legal requirement in informing employees about the CBA, including posting on bulletin boards, worker briefings, and responding to any worker question, this does not meet the FLA requirement that workers should be provided a copy of the CBA. ER.16.2

2. FLA Comment: Vietnam has not ratified ILO Conventions 87 or 98. 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. FOA.2, FOA.10, FOA.11, FOA.12

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmark ER.16.2; Freedom of Association Benchmarks FOA.2, FOA.10, FOA.11, and FOA.12)

COMPANY ACTION PLANS

Action Plan no 1.

Description

Following up with factory for supportive evidence for this finding.

FINDING NO.7

UNCORROBORATED RISK OF NON-COMPLIANCE

FINDING TYPE: Workplace Conduct & Discipline

Finding Explanation

Based on observation and CCTV review, it was noted that the factory installed one CCTV which is directed at the toilet. This poses a potential risk for workers' ability to use the toilets freely. H/A.7, H/A.10

Local Law or Code Requirement

FLA Workplace Code (Harassment or Abuse Benchmarks H/A.7 and H/A.10)

COMPANY ACTION PLANS

Action Plan no 1.

Description

Factory submitted pictures displaying the CCTV has been removed.

FINDING NO.8

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Hours of Work

Finding Explanation

1. The broken needle exchange records, labeling records and packing records indicated that factory had worked on multiple Sundays in 2017: February 26, 2017, August 6 and 20, September 3, 10 and 17, October 8, 22 and 29, November 5, 12 and 19, December 3. However, the factory management said that workers did not work on Sunday. The time records and payroll records did not show any Sunday work. It could not be fully verified that the working hours of the factory followed legal requirements due to the inconsistencies in records. Compensation for Sunday work could not be verified, either, as there was no record of work on Sunday on the payroll. HOW.1, ER.23, C.1, C.5, C.16

2. The attendance and detail payroll records of Canteen service and Security service were not available for review during the time of assessment. Therefore, the compliance status of Compensation and Working Hours could not be verified for these groups of workers during the assessment. HOW.1 ER.2, ER.23 C.15

Local Law or Code Requirement

FLA Workplace Code (Hours of Work Benchmark HOW.1; Employment Relationship Benchmarks ER.2 and ER.23; Compensation Benchmarks C.1, C.5, C.15, and C.16)

Recommendations for Immediate Action

1. Ensure that the working hours follow the legal requirements, including at least 24 consecutive hours of rest in every seven-day work period.

2. Ensure that all time and pay records are authentic, accurate, complete and available for review.

COMPANY ACTION PLANS

Action Plan no 1.

Description

Following up with factory to have them provide the payroll records and broken needle exchange records for the last three months.

FINDING NO.9

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Compensation

Finding Explanation

1. According to law, hourly overtime rate is based on the monthly basic salary divided by the actual working hours in a month (but not more than 26 days' work per month). It was noted that the factory calculated overtime payment based on the monthly salary divided by 208 hours (26 working days) in Feb 2017 instead of 192 hours (24 working days). C.1, C.7
2. Factory did not pay the legal minimum wage for 60 helpers and fabric spreading workers: they only received VND 3,769,000 (USD 165.45) per month as a basic salary instead of at least VND 3,937,000 (USD 172.83), which is the legal minimum wage plus 5% extra for harmful and hazardous job. C.1, C.2
3. Factory applied full monthly salary for all employees for every month in the year when workers have full working days per month. For instance, for the month of June (26 working days), the salary is calculated as: basic salary/26*26. However, factory did not pay sufficient basic salary for all employees in February (24 actual working days). The month had 24 actual working days so the correct calculation should be basic salary/24*24. Instead, the factory calculated the salary as basic salary/26*24. C.2
4. Factory management confirmed that factory did not pay the severance payments for resigned workers for the period of non-contributed unemployment insurance such as 6 months of maternity leave (equal to half a month's salary) when they resigned. C.1, C.6
5. Factory applied basic salary instead of using basic salary and responsibility allowance to calculate contributions to the Mandatory Insurance for 64 employees (team leader and vice leader of production line, maintenance, office staff) as legally required. C.1, ER.22
6. The factory does not provide a monthly allowance for one team leader and one vice-squad of the fire brigade team with the amount at VND 390,000/month (USD 17.12) = (basic state wage rate * 0.3) as legally required. C.1, ER.22
7. The factory does not provide a monthly allowance for six members of the safety and hygiene network team. This amount should be jointly agreed upon between the employer and the Executive board of internal trade union as legally required. C.1, ER.22
8. The factory only provided 12 days of annual leave instead of at least 14 days of annual leave per year for 109 employees who perform harmful and hazardous jobs; this includes the team leader and vice leader of production line, maintenance, helper, and fabric spreading as legally required. ER.22, HOW.11, HOW.14
9. The annual leave of 45 workers who have less than 12 months of service were not rounded up as legally required. For instance, worker A joined company on March 1, 2016 with Annual leave calculation: $14/12 \times 10$ (actual working months in 2016) = 11.66. However, factory did not round up the result in to 12 annual leave days. ER.22, HOW.11, HOW.14
10. Overtime payment for night shift is paid at a rate of 195% of the regular wage instead of the legally required minimum of 200%; C.7.2
11. Employee's salary during the probation is paid at 70% instead of at least 85% of the regular salary as agreed to by both parties. As per FLA benchmarks, probationary workers are entitled to a legal minimum wage. C.3

Local Law or Code Requirement

Article 14, Circular 47/2-15/TT-BLDTBXH; Decree 49/2013/ND-CP; Article 4, Circular 23/2015/TT-BLDTBXH; Article 14, Decree 05/2015/ND-CP; Article 89, Social Insurance Law No. 58/2014/QH13; Article 35, Decree 79/2014/ND-CP; Article 74, Law on Occupational and Hygiene No. 84/2015/QH13; Article 111, Vietnam Labor Law 2012; Article 7, Decree 45/2013/ND-CP, Article 97, 28 & 123 of Vietnam Labor Law 2012; FLA Workplace Code (Compensation Benchmarks C.1, C.2, C.3, C.6, and C.7; Employment Relationship Benchmark ER.22; Hours of Work Benchmarks HOW.11 and HOW.14)

Recommendations for Immediate Action

1. Ensure that the working hours, wages and benefits follow the legal requirements.
2. Ensure the minimum wage is paid accurately as legally required. Reimburse workers for arrears going back at least 12 months.
3. Calculate the monthly salary for all employees accurately and according to company regulation and legal requirement. Reimburse workers for arrears going back at least 12 months.
4. Ensure the severance payment for resigned workers is calculated accurately as legally required.
5. Factory shall apply basic salary plus responsibility allowance to contribute Mandatory Insurance for employees as legally required.
6. Ensure monthly allowance is provided fully for team leader & vice-squad of fire brigade team as legally required. Reimburse workers for arrears going back at least 12 months.
7. Ensure monthly allowance is provided fully for members of the safety and hygiene network team as legally required. Reimburse workers for arrears going back at least 12 months.
8. Ensure the annual leave is provided accurately for employees who performing as harmful and hazardous job as legally required. Reimburse workers for arrears going back at least 12 months.
9. Ensure the annual leave for workers who have less than 12 months of service is calculated accurately (rounded up if the decimal was equal or greater than 0.5) as legally required. Reimburse workers for arrears going back at least 12 months.
10. Ensure that the workers working the night shift are compensated at a minimum rate of 200% of the regular wage, Reimburse workers for arrears going back at least 12 months.
11. Ensure that the probationary workers are paid at least the legal minimum wage.

COMPANY ACTION PLANS

Action Plan no 1.

Description

Factory provided partial supportive evidence.

FINDING NO.10

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Environmental Protection

Finding Explanation

1. The machine oil containers and painting containers located in the electrical room are missing Material Safety Data Sheets (MSDS), secondary containment, and chemical labels. There is also no eye-wash station nearby; the closest eye-wash station is over 30 meters away. HSE.9, HSE.10
2. Chemical containers that contain hazardous wastes are not stored in the designated area. In addition, the hazardous wastes were not classified and labeled in the hazardous wastes storage. HSE.1, HSE.9
3. The non-hazardous wastes were not classified for recyclable and non-recyclable types. HSE.1
4. The factory conducted a working conditions inspection in November 29, 2017. However, factory has yet to receive the results, although these inspections have to be conducted annually and the latest working condition inspection results are from March 8, 2016. HSE.1
5. The factory has not had an environment inspection by an authorized service provider in 2017 that is required annually with the report to be sent to the local authority. The last inspection was in May 2016. HSE.1, HSE.4

Local Law or Code Requirement

Law No. 06/2007/QH12 on Chemicals (2007), Art. 29; Circular No. 36/2015/TT-BTNMT on Management of Hazardous Wastes (2015), Art. 6;

Recommendations for Immediate Action

1. The Material Safety Data Sheet (MSDS), secondary containment, chemical safety equipment and chemical labels shall be provided for all chemicals of the factory when transporting, storing, and using.
2. Provide an eye wash station near the electrical room or move the chemicals stored there to a location near the eye wash station.
3. The hazardous wastes shall be classified and stored in the designated area.

COMPANY ACTION PLANS

Action Plan no 1.

Description

Partial supportive evidence for this finding has been provided.

FINDING NO.11

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Health & Safety

Finding Explanation

1. Factory has not conducted the legally mandated training on occupational safety and hygiene for all employees who make up the following six groups:
 - a. Group 1: The persons who manage and is in charge of the occupational safety and sanitation;
 - b. Group 2: The persons who perform the occupational safety and sanitation;
 - c. Group 3: Employees who performs work with strict requirements on occupational safety and sanitation;
 - d. Group 4: Employees who are apprentices, probationary employees;
 - e. Group 5: Persons who perform health work;
 - f. Group 6: Safety hygiene network. HSE.1
2. The factory does not conducted HSE training for new workers. HSE.1, ER.15
3. The training certificates of the fire-fighting team were not available for review. HSE.4

Local Law or Code Requirement

Labor Code 2012, Art. 150, Decree No. 44/2016/TT-BLDTBXH, Art. 17; Circular No. Labor Law 2012, Art. 150; Law No. 66/2014/TT-BCA, Art 16; FLA Workplace Code (Employment Relationship Benchmark ER.15; Health, Safety & Environment Benchmarks HSE.1 and HSE.4)

Recommendations for Immediate Action

1. The factory to conduct training in occupational safety and hygiene for 6 Groups as required by law.
2. Factory shall conduct HSE training for new workers.
3. The training certificates of the fire-fighting team shall be available for review.

COMPANY ACTION PLANS

Action Plan no 1.

Description

Factory provided partial supportive evidence for occupation and sanitation, and training certificate of the fire fighting team.

FINDING NO.12

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Health & Safety

Finding Explanation

1. The factory has not equipped fire extinguishers in high risk areas including the hazardous wastes storage and parking areas. HSE.6
2. According to the Inspection Report of the local Fire Police Department on September 29, 2017, the factory should equip sufficient fire clothing and equipment for the fire-fighting team as legally required. Currently, there are only 5 sets of clothing and equipment provided while the fire-fighting team has 40 members. HSE.6
3. According to the Inspection Report of the local Fire Police Department on September 29, 2017, the factory should equip more fire extinguishers to ensure one fire extinguisher per 50 square meters as legally required. As confirmed by the factory management, the factory has not purchased any new extinguishers since the inspection date of the Fire Police Department. HSE.6
4. Factory inspects the fire pump every 2 weeks instead of every week. HSE.6.1
5. Factory does not inspect automatic fire alarm system, automatic fire fighting system, fire hoses, emergency lights, and exit signs. HSE.6.1
6. Three (3) air compressor tanks were located inside the heating and sewing area without any wall to separate them. This can lead to heavy accidents in case the compressor tank explodes while workers are working in those areas. Two of them are inspected periodically, the other one was inspected on December 05, 2017 by an authority. However, the factory has yet to obtain the inspection certificate. HSE.4, HSE.14
7. There are three fire hoses, one that was nearby the exit door of material warehouse was obstructed by a truck, one nearby waste storage area was not accessible and one in the heating area was mal-functional. HSE.6
8. Two fire alarm buttons in the cutting and sewing area were glued with tape making it impossible for workers to press the alarm buttons, therefore they are inaccessible. HSE.5
9. Some observed electrical wirings used tape to connect two wirings together. This exposes them to fire risk. HSE.13
10. There is no assembly point designated in the factory. HSE.5

Local Law or Code Requirement

TCVN 3890:2009, Art. 5; TCVN 3890:2009, Art. 8.3; Circular No. 56/2014/TT-BCA, Art. 5; FLA Workplace Code (Health, Safety & Environment Benchmarks HSE.5, HSE.6, and HSE.14)

Recommendations for Immediate Action

1. Equip the areas in danger of fire with fire extinguishers.
2. The factory shall follow the requirements of the local Fire Police Department.
3. Fire system shall be regularly inspected as law requirement.
4. The compressor areas must be separated from the production areas and there should be a mechanism to prevent the risk of explosion.
5. Ensure the fire-fighting system and equipment is functional and accessible.
6. Ensure that electrical wiring is not taped together.
7. Designate an assembly point that can fit all workers.

COMPANY ACTION PLANS

Action Plan no 1.

Description

Factory has provided supportive evidence showing additional fire extinguishers and pictures of inspection log. Also photos of fire hoses that no longer blocked.

FINDING NO.13

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Health & Safety

Finding Explanation

1. Two emergency exit routes (aisles) were not marked with lines and directional signs leading to emergency exit doors at the first floor of workshop. HSE.5
2. Three illuminated exit signs were not functional. They are located in canteen area and heating area. HSE.5
3. One evacuation map on the first floor of the workshop does not match with actual layout of the workshop. Besides, two evacuation maps lacked indicators for the first aid kit location, fire extinguisher, fire alarm button, and "you are here". These maps were located in the sewing and heating area. Moreover, one evacuation map at the material warehouse's entrance was obstructed by finished goods. HSE.5
4. Three fire extinguishers in security room, electric room and waste storage areas did not have inspection tags. HSE.6
5. The finished good warehouse and packing area located in the same area has around eight people working inside. However, it has only one exit door. HSE.5
6. Observed that at least two exit aisles were obstructed at the heating and sewing area. HSE.5
7. The factory has not had fire risk assessments. HSE.1
8. At least two fire extinguishers in the waste storage area and security room and one fire alarm button in the canteen are not marked to identify them and instructions are not available. HSE.5.1
9. The fire-fighting team of the factory had 40 members. However, there was only one captain and one vice-captain instead of one captain and 2 vice-captains as legally required. HSE.1

Local Law or Code Requirement

TCVN 2622:1995, Art. 7; TCVN 3890:2009, Art. 10; Circular No. 66/2014/TT-BCA, Art. 5; Law No. 27/2001/QH10, Art. 24; Vietnam Building Code No. QCVN 06:2010/BXD; Law No. 84/2015/QH13, Art. 74; FLA Workplace Code (Health, Safety & Environment Benchmarks, HSE.1, HSE.5, HSE.6, and HSE.13)

Recommendations for Immediate Action

1. Ensure the emergency exit routes (aisles) leading to the emergency exit door are marked.
2. Ensure all emergency lights and exit signs are fully functional.
3. Ensure the evacuation plot plans matches with the actual layout of the facilities and marked prominently.
4. Inspect all fire extinguishers and provide the inspection tag upon completion of the inspection.
5. Provide at least 2 exit doors for the areas that have more than 5 people working inside.
6. Make sure all emergency exit routes (aisles) are free of any obstruction at all times.
7. Conduct a fire risk assessment.
8. Mark the fire equipment such as fire alarm, fire extinguisher and post operation instructions nearby.
9. Assign one more vice-captain for the fire-fighting team as legally required.

COMPANY ACTION PLANS

Action Plan no 1.

Description

Following up with the factory to get supportive evidence.

FINDING NO.14

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Health & Safety

Finding Explanation

1. The health check for workers is not conducted once every 6 months, as legally required. It is conducted once per year only. In addition, the canteen service provider has not had the periodic health examination (every 6 months). The health check for those employees is conducted once per year only. The last time there was a health check in January 2017, only four employees received the provided health check. Besides, factory did not provide gynecological examination for female workers. HSE.1

2. There is no procedure or mechanism to keep the temperature for storing the medicines at the clinic rooms below 30 degree Celsius as per applicable standard. HSE.18.3

3. Food samples were not kept for at least 72 hours. They were kept for 24 hours instead which complies with local laws. In addition, there was no mechanism to maintain the cooling temperature for storing the food samples to 4 degree Celsius or lower than 4 degree Celsius as applicable standard. At the time of assessment it was at 5 degree Celsius. HSE.22.1

4. The first aid kits were equipped at the workplaces. However, all of them had only 10 items instead of 27 items as per law requirement. HSE.18

5. There is only one bed in the clinic room. It would be difficult if two patients needed the clinic room at the same time. HSE.18

Local Law or Code Requirement

Labor Code 2012, Art. 152; Decision No. 21/2007/QĐ-BYT, Art. 4; Article 7 of Decree 85/2015/ND-CP; FLA Workplace Code (Health, Safety & Environment Benchmarks, HSE.1, HSE.18, and HSE.22)

Recommendations for Immediate Action

1. Conduct the health check properly with the legally mandated frequency.
2. Establish the procedure for the storage of the medicines and monitor their implementation.
3. Keep the food samples for at least 72 hours.
4. Provide sufficient supplies for all first aid kits as legally required.
5. Provide at least 2 beds at the clinic room.

COMPANY ACTION PLANS

Action Plan no 1.

Description

Supportive evidence has been provided to reflect the first aid kits have all items required by law. This finding is partially corrected. Following up with the factory to get additional supportive evidence to fully correct this finding.

FINDING NO.15

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Health & Safety

Finding Explanation

1. Two iron workers did not use anti-fatigue mats when they were working. HSE.17
2. Ten sewing workers set the needle-guard too high so that it could not protect their fingers. HSE.8

Local Law or Code Requirement

Labor Law 2012, Art 149; Circular No. 04/2014/TT-BLDTBXH on Guiding Implementation of Regulations on Personal Protective Equipment (2014), Art. 4; FLA Workplace Code (Health, Safety & Environment Benchmarks HSE.8 and HSE.17)

Recommendations for Immediate Action

1. The machine guards and PPE shall be used properly. Provide training to workers.

COMPANY ACTION PLANS

Action Plan no 1.

Description

Supportive evidence provided to show that workers have been provide with anti-fatigue mats. Needle guards were also fixes to protect workers fingers.

FINDING NO.16

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Health & Safety

Finding Explanation

1. The facility does not have a breastfeeding room for lactating workers. ND.8.1
2. At least three emergency buttons for the heating machine are not labelled in local language for worker's reference at the heating area. HSE.14
3. The sewing workers who sit during working hours are not provided with chairs with back-support or chairs that can be height adjusted. HSE.17
4. Two toilets in the men's restroom and three toilets in women's restroom were non-functional. There are only 6 men's toilet and 5 women's toilet and as a result, workers have to wait for a long time to use the toilets. HSE.20
5. One equipment located next to the boiler area contained hot steam from the boiler. However, it did not have a cover, fence, or warning signs for workers' awareness. HSE.14
6. One wall in the heating area has a long crack. HSE.1
7. Factory did not have a full-time staff to carry out the activities of occupational safety and sanitation. ER.31
8. Factory did not have occupational accident handling procedures. HSE.31
9. Factory had conducted a risk assessment. It covered the tasks in all sections of the factory. However, it lacked a deadline, person in charge and details of the assessment. HSE.1
10. Factory has not reported occupational accident report of the first 6 months in 2017. The most recent one was in December 2016. HSE.1
11. It was noted that the factory had at least 15 sewing lines, cutting, packing, and warehouses. However, the safety hygiene team only had six members which is less than the legally required number for the size of the factory and the number of production lines. According to law, each production line shall have at least one employee as a member of the safety-hygiene team. HSE.1

Local Law or Code Requirement

Labor Code 2012, Art. 138; Decree No. 39/2016/ND-CP, Art. 36; Circular 07/2016/TT-BLDTBXH, Art. 5; Law No.84/2015/QH13, Art. 36; FLA Workplace Code (Nondiscrimination Benchmark ND.8.1; Health, Safety & Environment Benchmarks, HSE.1, HSE.14, HSE.17, HSE.20 and HSE.31)

Recommendations for Immediate Action

1. Provide a properly equipped breastfeeding room.
2. Label the emergency buttons in the local language of workers.
3. Provide chairs with back-support and adjustable height for sewing worker.
4. Provide sufficient number of toilets for workers' use.
5. Provide the safety equipment for the boiler to prevent the accident.
6. Ensure the crack on the wall is fixed and the structural integrity of the wall is inspected.
7. Ensure to have a full-time staff to carry out the activities of occupational safety and sanitation as legally required.
8. Establish occupational accident handling procedures.
9. Conduct the proper risk assessment with the deadline, person in charge and details of the assessment to reduce the risk as legally required.
10. Ensure to report the occupational accidents to the local authority as legally required.
11. Assign sufficient members to the safety-hygiene team as legally required.

COMPANY ACTION PLANS

Action Plan no 1.

Description

Factory provided a list of the safety-hygiene inspectors for each. Working with supplier to get additional supportive evidence for each outstanding point on this finding.

Company Action Plan Update

08/02/18 : added supportive evidence for this finding.