

# Sedex Members Ethical Trade Audit Report

Version 7



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# Audit content

(1) A SMETA audit was conducted which included some or all of labour standards, health and safety, environment and business ethics. The SMETA minimum requirements were applied and the SMETA auditor manual was followed. The scope of workers included all types at the site e.g. direct employees, agency workers, workers employed by service providers and workers provided by other contractors. Any deviations from the SMETA methodology are stated (with reasons for deviation) in the SMETA declaration.

The audit scope includes an assessment of the Workplace Requirements and the Management Systems Assessment against the code areas below.

## 2-pillar audits include:

- Labour standards:
  - 0. Enabling accurate assessment
  - 1. Employment is freely chosen
  - 1.A. Responsible recruitment and entitlement to work
  - 2. Freedom of association and right to collective bargaining are respected
  - 4. Child labour shall not be used
  - 5. Legal wages are paid
  - 5.A. Living wages are paid
  - 6. Working hours are not excessive
  - 7. No discrimination is practiced
  - 8. Regular employment is provided
  - 8.A. Sub-contracting and homeworkers are used responsibly
  - 9. No harsh or inhumane treatment is allowed
- Health and safety:
  - 3. Working conditions are safe and hygienic
- Environment:
  - 10.A. Environment 2-pillar

## 4-pillar audits include, in addition to the above:

- Environment:
  - 10.B. Environment 4-pillar
- Business ethics:
  - 10.C. Business ethics

(2) Where appropriate, non-compliances or non-conformances were raised where either local law or the base code were not met, and recorded as non-compliances on both the audit report, CAPR and on the Sedex Platform.

(3) Any non-conformance against customer code shall not be uploaded to Sedex, but sent directly to the customer in question.

# Audit details

## Site details

Sedex site reference	ZS1000103306	Site name	BRANCH OF YIFULONG OUTDOOR VIETNAM CO LTD
Business name	YiFuLong Outdoor Vietnam CO LTD	Site address	B11, B12, B13, B14 Lot, Road no#1, Viet Huong 2 IP, Tay Nam Ward Ho Chi Minh City VN 75000

## Audit details

Sedex company reference	ZC419698315	Auditor company name	Intertek Vietnam
Audit company address	1st,5th,6th,7th, Soho Building, 38 Huynh Lan Khanh Street, Tan Son Hoa Ward, Ho Chi Minh City, VN, 75000		
Date of audit	2026-04-29	Audit conducted by	Danh Diep
Audit pillars	Labour Standards   Health and safety   Environment 4-Pillar   Business ethics		
Time in and out	Day 1		
	In	08:30	
	Out	16:49	
Audit type	Full initial		
Was the audit announced?	Semi announced		

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Was the Sedex SAQ available for review? Yes

Who signed and agreed CAPR? Mr. Andy Tan / CSR Manager

Any conflicting information SAQ/Pre-Audit Info No

Is further information available? No

## Audit attendance

	Senior management	Worker representative	Union representative
A: Present at the opening meeting?	Yes	No	Yes
B: Present at the audit?	Yes	No	Yes
C: Present at the closing meeting?	Yes	No	Yes
Reason for absence at the opening meeting	Worker representative is not required by law.		
Reason for absence during the audit	Worker representative is not required by law.		
Reason for absence at the closing meeting	Worker representative is not required by law.		

# SMETA declaration

## Auditor team

### SMETA declaration

I declare that the audit underpinning the following report was conducted in accordance with SMETA Minimum Requirements and the SMETA Auditor Manual.

1. Where appropriate non-compliances/ non-conformances were raised against the Base Code and local law and recorded as non-compliances/ non-conformances on both the audit report, CAPR and on the Sedex Platform.
2. Any non-conformance against customer code alone shall not be uploaded to Sedex, and will be shared directly with the customer in question.

This report provides a summary of the findings and other applicable information found/gathered during the social audit conducted on the above date only and does not officially confirm or certify compliance with any legal regulations or industry standards. The social audit process requires that information be gathered and considered from records review, worker interviews, management interviews and visual observation. More information is gathered during the social audit process than is provided here. The audit process is a sampling exercise only and does not guarantee that the audited site prior, during or post-audit, are in full compliance with the Code being audited against. The provisions of this Code constitute minimum and not maximum standards and this Code should not be used to prevent companies from exceeding these standards. Companies applying this Code are expected to comply with national and other applicable laws and where the provisions of law and this Code address the same subject, to apply that provision which affords the greater protection. The ownership of this report remains with the party who has paid for the audit. Release permission must be provided by the owner prior to release to any third parties.

### Any exceptions to the SMETA Methodology must be recorded here (e.g. different sample size)

As per requirement for SMETA 4P audit, one additional worker and one additional management representative were interviewed during the audit. The semi-announced window for this audit is from April 06, 2026 to May 09, 2026.

Lead auditor	Danh Diep	APSCA Number	32400799
Additional auditor	Son Nguyen	APSCA Number	32200274
	Nhon Nguyen	APSCA Number	32400655

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## Auditor team

Date of declaration 2026-04-29

## Site representation

**Declaration** I acknowledge that details from this report can change during the review process and that I will be given the opportunity to dispute the content once the review has been published.

**Full name** Mr. Andy Tan

**Title** CSR Manager

**Date of declaration** 2026-04-29



# Summary of findings

Code area	Workplace requirement	Area of NC	Finding
0. Enabling accurate assessment	0.D Maintain a written human rights policy st...	Base code	NC <a href="#">ZAF601420007</a>
3. Working conditions are safe and hygienic	3.H Where identified as necessary to reduce r...	Local law Base code	NC <a href="#">ZAF601420004</a>
	3.M Ensure all machinery is installed, mainta...	Local law	NC <a href="#">ZAF601420006</a>
	3.N Ensure that all hazardous substances (e.g...	Local law Base code	NC <a href="#">ZAF601420005</a>
10.C. Business ethics	10.C.D Have and communicate a business ethics...	Base code	NC <a href="#">ZAF601420008</a>

# Management systems

	Policies and procedures	Resources	Communication and training	Monitoring
1. Employment is freely chosen	✓	✓	✓	✓
1.A. Responsible recruitment and entitlement to work	✓	✓	✓	✓
2. Freedom of association and right to collective bargaining are respected	✓	✓	✓	✓
3. Working conditions are safe and hygienic	✓	i	i	i
4. Child labour shall not be used	✓	✓	✓	✓
5. Legal wages are paid	✓	✓	✓	✓
6. Working hours are not excessive	✓	✓	✓	✓
7. No discrimination is practiced	✓	✓	✓	✓
8. Regular employment is provided	✓	✓	✓	✓



Not addressed



Fundamental improvements required



Some improvements recommended



Robust management systems

[← Summary of findings](#)

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	Policies and procedures	Resources	Communication and training	Monitoring
8.A. Sub-contracting and homeworkers are used responsibly	✓	✓	✓	✓
9. No harsh or inhumane treatment is allowed	✓	✓	✓	✓
10.A. Environment 2-Pillar	✓	✓	✓	✓
10.C. Business ethics	✓	i	i	i



Not addressed



Fundamental improvements required



Some improvements recommended



Robust management systems

# Site details

## Company and site details

Sedex company reference	ZC419698315	
Sedex site reference	ZS1000103306	
Company name	YiFuLong Outdoor Vietnam CO LTD	
Business ownership type	GOODS	
Site name	BRANCH OF YIFULONG OUTDOOR VIETNAM CO LTD	
Site name in local language		
GPS location	GPS address	Lot B11, B12, B13, B14, Street No. 1, Viet Huong 2 Industrial Park, Tay Nam Ward, Ho Chi Minh City, Vietnam.
	Coordinates	11°05'42.5"N 106°32'56.1"E
Is the worksite in a remote location, far from habitation?	No	
Site contact	Contact name	Mr. Andy Tan
	Job title	CSR Manager
	Phone number	0976 520 823
	Email	info@sealock.com.hk

[← Management systems](#)

[Worker analysis →](#)

## Company and site details

### Applicable business and other legally required business license numbers and documents

- Business License No. 3702947862-001 was issued on 10 June 2024 by the department of Planning and Investment of Binh Duong Province.
- Facility lease contract with the landlord (TONG YU TEXTILE CO., LTD) was signed on 01 April 2024 and valid until 31 May 2031.
- Construction permit was issued on 05 October 2007.
- Certificate on land use right and asset owner was issued on 11 January 2008.
- Confirmation on Environment Registration was issued on 02 October 2024 by local authority with no expiry date.
- The Fire Prevention, Fighting, and Rescue Emergency Preparedness Plan was approved by the local police on 03 February 2026.
- Approval of FFP design of buildings was issued on 12 April 2007 and 10 November 2014.
- Completion approval on firefighting and prevention installation was issued on 09 August 2007 and 16 March 2015.
- The facility had already conducted the inspection of grounding resistance of the earthing system on 16 September 2025 and valid until 16 September 2026.
- Facility had already bought compulsory fire and explosive insurances for its building, equipment, machines, materials, and others valid until 09 April 2027.
- 28 members of internal firefighting team were trained and certificated by local police in November 2025.
- 02 air compressors and 01 compressed air pipeline system were used by the facility. They had all been inspected and certificated by the local authority before being used as legal requirements. The certificates are valid until 16 September 2026.

### Remark:

- The audited facility occupied 6,678 m2 of land subleased from TONG YU TEXTILE (VIET NAM) CO., LTD (within a total land area of 18,490 m2). Two other buildings on-site (a two-story office and a workshop under construction) belong to the landlord. Both entities operate independently with distinct management systems and workforces, sharing only the entrance gate and internal access roads.
- Following the administrative boundary adjustment pursuant to Resolution 202/2025/QH15, effective from 1 July 2025, the company's registered address has been updated. (However, the Business License has not been updated).  
Previous address: Lot B11, B12, B13, B14, Street No. 1, Viet Huong 2 Industrial Park, An Tay Ward, Ben Cat City, Binh Duong Province, Vietnam.  
New address (effective 1 July 2025): Lot B11, B12, B13, B14, Street No. 1, Viet Huong 2 Industrial Park, Tay Nam Ward, Ho Chi Minh City, Vietnam.
- According to Official Letter No. 4370/BTC-DNTN (2025) issued by the Ministry of Finance, enterprises are not required to amend their business registration certificate

## Company and site details

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in the event of administrative boundary changes. This adjustment is purely administrative and does not affect the company's physical location or legal status.

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[← Management systems](#)

[Worker analysis →](#)

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Audit company:  
**Intertek Vietnam**

Audit reference:  
**ZAA600201273**

Start Date:  
**2026-04-29**

End Date:  
**2026-04-29**

## Site activities

Site function	Factory Processing/Manufacturer Finished Product Supplier	
Site activities	Primary	Manufacture of luggage, handbags and the like, saddlery and harness
	Secondary	
	Other	
Product type	Main products: Outdoor backpacks and travel bags.	
Process overview	Main products: Outdoor backpacks and travel bags. Main processes: Raw material, cutting, sewing, pressing, cleaning, inspecting, packing. Main machines: cutting machine, sewing machine, pressing machine and air compressor. The facility has installed 160 machines totally for production with annual capacity was 500,000 pieces per year.	
What level of mechanization best describes the work at this site?	High mechanisation / low manual Labour	

## Site scope

Is the audited site a physically continuous area?	Yes
What is the area of audited site to its boundary?	6678m <sup>2</sup>

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## Site scope

Building 1	Last construction works on site	2007
	If building is shared, provide details	NA
	Number of floors	1
	Description of floor activities	One 1-story building was occupied for production and warehouse. The building was made of concrete, brick and steel.
Building 2	Last construction works on site	2007
	If building is shared, provide details	NA
	Number of floors	3
	Description of floor activities	One 3-story building was occupied for office. The building was made of concrete, brick and steel.
Is there any difference between the site scope of the audit and the Sedex site profile?	No	
Does the scope of the audit subdivide any building or is limited to particular processes, products or businesses within the physical site?	No	
Is any activity conducted onsite not included within the scope of the audit?	No	

## Worker accommodation and transport

Are there any site-provided worker accommodation buildings?	No
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[← Site details](#)

[Worker analysis →](#)



## Worker accommodation and transport

Does the site organise worker transport to the worksite?	Not provided
	Facility did not provide transportation to employees.

## Work patterns

Approximate workers on site per month (% of peak)	January	90-100%	February	90-100%
	March	90-100%	April	90-100%
	May	90-100%	June	90-100%
	July	90-100%	August	90-100%
	September	90-100%	October	90-100%
	November	90-100%	December	90-100%

Is there any night shift work at the site?	No
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## Site assessments

Does this site hold any certifications that address labour standards, human rights, corruption or environmental impact?	Other certification GRS Certificate was issued on 25 November 2025 by INTERTEK and be valid until 25 November 2026.
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Has the site assessed for negative impacts on the human rights, lands, resources, territories, livelihoods or food security of indigenous peoples or the local community?	No This is not requirement for the facility.
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[← Site details](#)

[Worker analysis →](#)

Site assessments

Has there been a Human Rights Impact Assessment (HRIA) conducted within the last three years at this site?	No  This is not requirement for the facility. No Human Rights Impact Assessment (HRIA) was conducted.
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# Worker analysis

Gender disaggregated data available      Men and women

## Worker totals

	Men	Women	Other	Total
Number of workers	84 (35.3%)	154 (64.7%)	- -	238 (100%)

## Workers by type

	Men	Women	Other	Total
Permanent workers (employees)	84 (35.3%)	154 (64.7%)	- -	238 (100%)
Temporary or fixed term employees	0 -	0 -	- -	0 (0%)
Agency or subcontracted workers	0 -	0 -	- -	0 (0%)
Seasonal workers	0 -	0 -	- -	0 (0%)
Self-employed workers	0 -	0 -	- -	0 (0%)
Informal workers including home workers	0 -	0 -	- -	0 (0%)
Apprentices, trainees or interns	0 -	0 -	- -	0 (0%)

\* % of total workforce

[← Site details](#)

[Worker interviews →](#)

## Migrant workers

	Men	Women	Other	Total
Domestic migrant workers	0 -	0 -	- -	0 (0%)
International migrant workers	0 -	0 -	- -	0 (0%)
Total migrant workers	0 -	0 -	- -	0 (0%)

\* % of total workforce

Where workers have migrated internally, list the most common internal states workers have moved from

NA. All employees were local people (Vietnamese).

## Workers by age

	Men	Women	Other	Total
18 - 24 years old	33 (40.7%)	48 (59.3%)	- -	81 (34%)
15 - 17 years old	0 -	0 -	- -	0 (0%)
Under 15 years old	0 -	0 -	- -	0 (0%)

\* % of total workforce

[← Worker analysis](#)

[Worker interviews →](#)

Is the worker analysis data relevant for peak season and current to the audit? Yes

Please list the nationalities of all workers, Vietnamese with the three most common nationalities listed first

### Most common nationalities as approximate % of workforce

	Men	Women	Other	Total
Vietnamese	35%	65%	-	100%

### Workers by remuneration type

	Men	Women	Other	Total
Workers paid per unit (piece rate)	0 -	0 -	- -	0 (0%)
Workers paid based on a mix of 'piece work' and hourly rate	0 -	0 -	- -	0 (0%)
Workers paid hourly / daily rate	0 -	0 -	- -	0 (0%)
Salaried workers	84 (35.3%)	154 (64.7%)	- -	238 (100%)

\* % of total workforce

[← Worker analysis](#)

[Worker interviews →](#)

## Workers by payment cycle

	Men	Women	Other	Total
Paid daily	0 -	0 -	- -	0 (0%)
Paid weekly	0 -	0 -	- -	0 (0%)
Paid monthly	84 (35.3%)	154 (64.7%)	- -	238 (100%)
Other	0 -	0 -	- -	0 (0%)

\* % of total workforce

If other payment cycle entered, please provide details NA

## People in managerial, supervisory and administrative roles

	Men	Women	Other	Total
Employees in management positions	1 (33.3%)	2 (66.7%)	- -	3
Supervisors or team leaders	4 (44.4%)	5 (55.6%)	- -	9
Administrative staff	2 (20%)	8 (80%)	- -	10

[← Worker analysis](#)

[Worker interviews →](#)

# Worker interview summary

Gender disaggregated data available      Men and women

Which methods of worker engagement were used?      Individual interviews  
Group interviews

## Digital worker survey participants

	Men	Women	Other	Total
Number of workers	-	-	-	-

Were any of the audit findings attributable to the survey?

Was the interview sample representative of all types of nationality and employment types of workers?      Yes

Was the interview sample representative of the gender composition of the workforce?      Yes

Number and size of group interviews      4 groups of 5 employees each

Did workers understand the purpose of the audit?      Yes

Were interviews conducted in circumstances to ensure privacy, with the confidentiality of the interview process communicated to the workers?      Yes

[← Worker analysis](#)

[Measuring workplace impact →](#)

Was there any indication that workers had been 'coached' in how they should respond to questions?

No

What was the general attitude of the workers towards their workplace?

Favorable

## Attitude of workers

In which areas did workers raise significant concerns or complaints?

Other (provide details)

Interviewed workers satisfied with the working and no areas of concern or complaint.

What did the workers like the most about working at this site?

Freedom of movement  
Hours worked, rest days or breaks  
Overtime  
Pay  
Work environment – comfort (e.g. temperature, noise or dust levels)

Additional comments

Interviewed workers satisfied with the working.  
Remark: One additional worker was interviewed during the audit as SMETA 4P requirement.

Attitude of workers' committee/union representatives

The Trade Union representative was cooperative and supportive during the audit. Based on the interview with the Trade Union Chairwoman, association activities were support by the facility management.

Attitude of managers

The facility management showed a cooperative and supportive attitude during the audit. Auditors were allowed to conduct the facility tour at all places in the facility. All document requested were provided on time. The manager's attitude was cooperative. At the closing meeting, all findings were accepted by the facility management.  
Remark: One additional management representative was interviewed during the audit as SMETA 4P requirement.

## Workers interviewed by type

Total

[← Worker analysis](#)

[Measuring workplace impact →](#)



## Workers interviewed by type

Permanent workers	26
Temporary or fixed-term employees	0
Agency or subcontracted workers	0
Seasonal workers	0
Other workers	0
Total number of workers interviewed	26

## Workers interviewed by group/individual

	Men	Women	Other	Total
Workers interviewed in groups	6	14	-	20
Workers interviewed individually	2	4	-	6

[← Worker analysis](#)

[Measuring workplace impact →](#)

## Migrant workers interviewed

	Men	Women	Other	Total
Domestic migrant workers interviewed	0	0	-	0
International migrant workers interviewed	0	0	-	0
Total migrant workers interviewed	0	0	-	0

[← Worker interviews](#)

[Measuring workplace impact →](#)

# Measuring workplace impact

Gender disaggregated data available      Men and women

## Annual worker turnover (%)\*

	Men	Women	Other	Total
Last full quarter (90 days)	1.0%	1.0%	-	2.0%
Last full calendar year (2025)	2.0%	3.0%	-	5.0%
Previous full calendar year (2024)	2.0%	4.0%	-	6.0%

\* Number of workers leaving in last 12 months as a % of average total number of workers on site over the year.

## Rate of absenteeism (%)\*

	Men	Women	Other	Total
Last full quarter (90 days)	1.0%	1.0%	-	2.0%
Last full calendar year (2025)	3.0%	2.0%	-	5.0%
Previous full calendar year (2024)	2.0%	2.0%	-	4.0%

Number of days lost through job absence in the year, calculated as: (Number of days lost through job absence in the year) / [(Number of employees on 1st day of the year + Number of employees on the last day of the year) / 2] \* (Number of available workdays in the year).

Are accidents recorded?      Yes

Accident was recorded by assigned health safety officer.

## Annual number of work related accidents and injuries (per 100 workers)\*

	Men	Women	Other	Total
Last full quarter (90 days)	0.0%	0.0%	-	0.0%
Last full calendar year (2025)	0.0%	0.0%	-	0.0%
Previous full calendar year (2024)	0.0%	0.0%	-	0.0%

\* Calculated as (number of work related accidents and injuries \* 100) / number of total workers.

## Lost day work cases (per 100 workers)\*

	Men	Women	Other	Total
Last full quarter (90 days)	0.0%	0.0%	-	0.0%
Last full calendar year (2025)	0.0%	0.0%	-	0.0%
Previous full calendar year (2024)	0.0%	0.0%	-	0.0%

\* Calculated as (number of lost days due to work accidents and work related injuries \* 100) / number of total workers.

## Percentage of workers that work on average more than 48 total hours in a given week

	Men	Women	Other	Total
Last full quarter (90 days)	0.0%	0.0%	-	0.0%
Last full calendar year (2025)	0.0%	0.0%	-	0.0%

[← Worker interviews](#)

[Code area 0 →](#)

Percentage of workers that work on average more than 48 total hours in a given week

Previous full calendar year (2024)	0.0%	0.0%	-	0.0%
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Percentage of workers that work on average more than 60 total hours in a given week

	Men	Women	Other	Total
Last full quarter (90 days)	0.0%	0.0%	-	0.0%
Last full calendar year (2025)	0.0%	0.0%	-	0.0%
Previous full calendar year (2024)	0.0%	0.0%	-	0.0%

# 0. Enabling accurate assessment

## Summary of findings

Code area	Workplace requirement	Area of NC	Finding
0. Enabling accurate assessment	0.D Maintain a written human rights policy st...	Base code	NC <a href="#">ZAF601420007</a>
Systems and evidence examined to validate this code section	<p>Current Systems:</p> <ul style="list-style-type: none"> <li>- The facility had a human rights policy approved by top managers, and it was posted at the bulletin board.</li> <li>- Based on documents review, Ms. Duong Ngoc Tram - HR Officer was responsible for monitoring the implementation of Human rights in the facility.</li> <li>- All suppliers were required to sign the commitment to follow the human rights when signing the business contract with the facility.</li> <li>- Employees were communicated the human rights on the orientation training and on annual training.</li> <li>- Based on interviewed employees, all of employees were aware of human rights.</li> <li>- The facility conducted an annual internal audit to monitor the implementation.</li> </ul> <p>Evidence examined:</p> <ul style="list-style-type: none"> <li>- Human right policy</li> <li>- Training record</li> <li>- Employees' interviews</li> </ul>		

# Findings: non-compliances

ZAF601420007

Non-compliance

Due 2026-07-10

<b>Code area</b> 0 Enabling accurate assessment	<b>Status</b> Closed (2026-05-14)*
<b>Workplace requirement</b> 0.D Maintain a written human rights policy statement that is approved at the most senior level, communicated to all personnel and relevant external parties, and trained to relevant personnel.	<b>Time given to resolve</b> 60 days
<b>Issue title</b> 1101 - Training attendance on human rights policy is undocumented and cannot be fully verified.	<b>Verification method</b> Desktop audit
<b>Description</b> Based on document review and management confirmation, it was noted that training attendance records related to the human rights policy were not available for review. Remark: The facility had provided training minutes dated 23 March 2026, and management stated that the policy had been communicated to employees through posting on the bulletin board.	<b>Area of non-compliance/non-conformance</b> Base code
<b>Corrective and preventative actions</b> It is recommended that the facility should maintain complete training attendance records for all human rights policy training sessions, including participant names, dates, signatures, and training content.	

\* PDF generated at 05:03 (UTC) on 16 May 2026. [View this finding on the Sedex platform](#) for live updates and closure details.

0. Enabling accurate assessment

Data points

Has the site received an official notice, fine, prosecution, or withhold release order (WRO) for non-compliance with legislation, regulation, consent, or permits within the last three years, relating to Health and Safety, labour rights or the environment?	No
Did any workers selected by the auditor decline to be interviewed?	No
Were any external stakeholders such as consultants, customer representatives, industry experts etc. present during the audit?	No



# 1. Employment is freely chosen

## Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met

Robust Management Systems

Appoint a manager with sufficient seniority who is responsible for implementing procedures

Robust Management Systems

Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures

Robust Management Systems

Monitor the effectiveness of procedures to meet policy and workplace requirements

Robust Management Systems

Explanation for management systems grades

Policies and Procedures: Policies are comprehensive, well-developed, and consistently enforced to ensure all employment is freely chosen, with clear documentation and alignment with international standards.

Resources: A dedicated manager with sufficient seniority and resources is responsible for overseeing the implementation of policies ensuring that employment is freely chosen, with clear evidence of effective management.

Training and Communication: Training and communication are comprehensive, regular, and effective, ensuring that all employees, including management and supervisors, are fully aware of and understand the policies on freely chosen employment.

Monitoring: Monitoring systems are robust, regularly conducted, and thoroughly documented, ensuring that all policies related to freely chosen employment are consistently and effectively implemented.

## Summary of findings

Code area	Workplace requirement	Area of NC	Finding
	No findings		
<b>Systems and evidence examined to validate this code section</b>	<p>Current Systems:</p> <ul style="list-style-type: none"> <li>- The facility had a human rights policy approved by top managers, and it was posted at the bulletin board.</li> <li>- Based on documents review, Ms. Duong Ngoc Tram - HR Officer was responsible for monitoring the implementation of Human rights in the facility.</li> <li>- All suppliers were required to sign the commitment to follow the human rights when signing the business contract with the facility.</li> <li>- Management employees were communicated the human rights on the orientation training and on annual basis.</li> <li>- Based on interviewed employees, management employee was aware of human rights and all interviewed employees confirmed that they were free to choose their employment.</li> <li>- The facility has a transparent system in place for confidentially reporting and dealing with human rights impacts without fear of reprisals towards the reporter.</li> <li>- All employees' private information such as personal identity information is managed by HR. Without permission, nobody can review.</li> <li>- Workers incur no recruitment costs and are allowed to keep all personal documents (e.g., ID card, passport). HR department may only verify originals against copies and then returning the originals to the worker and retaining the copies during recruitment procedure.</li> <li>- The facility conducted an annual internal audit to monitor the implementation.</li> </ul> <p>Evidence examined:</p> <ul style="list-style-type: none"> <li>- Personnel files</li> <li>- Resignation records</li> <li>- Factory rules</li> <li>- Management and worker's interviews</li> <li>- Contracts for security guards</li> <li>- Recruitment policy and announcement.</li> </ul>		

1. Employment is freely chosen

Data points

If required under local law, is there a published 'modern slavery' or similar statement?	Not Applicable
Does the site utilise any workers who are prisoners?	No
Does the site use the labour of persons required to work under any government scheme?	No

# 1.A. Responsible recruitment and entitlement to work

## Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met

Robust Management Systems

Appoint a manager with sufficient seniority who is responsible for implementing procedures

Robust Management Systems

Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures

Robust Management Systems

Monitor the effectiveness of procedures to meet policy and workplace requirements

Robust Management Systems

Explanation for management systems grades

Policies and Procedures: Policies are comprehensive, well-developed, and consistently enforced to ensure responsible recruitment and entitlement to work, with clear documentation and alignment with international standards and local laws.

Resources: A dedicated manager with sufficient seniority and resources is responsible for overseeing the implementation of policies ensuring responsible recruitment and entitlement to work, with clear evidence of effective management and compliance with local and international standards.

Training and Communication: Training and communication are comprehensive, regular, and effective, ensuring that all employees, including management and supervisors, are fully aware of and understand the policies on responsible recruitment and entitlement to work.

Monitoring: Monitoring systems are robust, regularly conducted, and thoroughly documented, ensuring that all policies related to responsible recruitment and entitlement to work are consistently and effectively implemented, with regular audits and action plans in place.

[← Code area 1](#)

[Code area 2 →](#)

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
No findings			

[← Code area 1](#)

[Code area 2 →](#)

## Systems and evidence examined to validate this code section

### Current Systems:

- The facility has a policy which prohibits forced labor and this was available for review.
- Based on documents review, Ms. Duong Ngoc Tram - HR Officer was responsible for monitoring the implementation of recruitment and entitlement to work in the facility.
- There was an application procedure which states that workers must present their IDs for proof of age during the job interview and only copies must be kept in the personnel files and the original given back to the workers.
- No prison labor was noted during the audit.
- The terms and conditions of employment in the procedures stated that the workers were free to leave the workplace outside of their working hours.
- All the management staff and security guards were given respective job descriptions which clearly stated their daily duties in compliance with the general concepts of the local laws.
- All selected employees confirmed that they worked at the facility voluntarily and no enforcement to work overtime and the overtime forms were signed by workers before overtime performance.
- Employee's salaries are paid by 10 - 15th of following month in bank transfer. During the employment, the facility did not deduct or withhold any money from the employees' salary. No deposit was required upon hiring.
- Workers incur no recruitment costs and are allowed to keep all personal documents (e.g., ID card, passport). HR department may only verify originals against copies and then returning the originals to the worker and retaining the copies during recruitment procedure.
- The facility conducted an annual internal audit to monitor the implementation.

### Evidence examined:

- Personnel files
- Resignation records
- Factory rules
- Management and worker's interviews
- Contracts for security guards
- Recruitment policy and announcement.

## 1.A. Responsible recruitment and entitlement to work

### Data points

#### Labour hire

**Does the site use labour providers and/or formal, temporary, seasonal or guest worker programmes?** Workers are recruited, selected, and hired directly by our company

**How do the labour providers recruit and hire workers?** N/A - Recruitment providers not used

**Where labour providers were used to recruit, what was the highest number of tiers identified in a workers recruitment journey?** 0

**Are there any subcontracted workers (excluding dispatched labour) on site?** No

**Were all non-employee (e.g. agency or subcontracted) workers included within the scope of this audit for the purpose of document review and (if onsite on date of audit) interview?** Not Applicable

**Were sufficient documents for non-employee (e.g. agency or other subcontracted) workers available for review?** Not Applicable

#### Migrant workers

**Do any workers migrate across international borders to work at this site?** No

[← Code area 1.A](#)

[Code area 2 →](#)

Percentage of workers that are migrant 0%

Do any workers migrate from other states, provinces or regions within the country to work at this site? No

## Recruitment fees

Have any workers who started at this site in the last 12 months (new workers) paid any recruitment fees or associated costs, such as visas or travel, which have not been fully repaid? No - all new workers were recruited locally by the site

Select 1 to 3 sending countries/regions of new workers. Record fees and costs in the following tables. Vietnam

## New workers totals

### Vietnam

Number of workers 29

## Recruitment fees

### Vietnam

Payments made in exchange for work -

Recruitment services which are not optional -

Other or uncategorised ✓

[← Code area 1.A](#)

[Code area 2 →](#)



## Related costs

	Vietnam
Medical costs	-
Insurance costs	-
Skills and qualification tests	-
Training and orientation	-
Equipment costs	-
Travel costs	-
Accommodation costs	-
Administrative costs	-
Other or uncategorised	✓

## Illegitimate costs

	Vietnam
Payments made to illegitimate actors involved in the recruitment process	-
Payments made to illegitimate actors during the course of employment	-
Other or uncategorised	✓

[← Code area 1.A](#)

[Code area 2 →](#)

## Was any worker in this group in debt as a result of these costs?

Vietnam	
Yes - to a recruiter	-
Yes - to the audited site	-
Yes - to a third party	-
No - could not verify	✓

## Highest total costs incurred

Vietnam	
Currency	VND
Highest total costs incurred	0.0

### Additional comments

Based on document reviews and interviews with workers and management, it was noted that workers are recruited directly by the factory and do not pay any recruitment fees. There were no migrant workers in facility.

## 2. Freedom of association and right to collective bargaining are respected

### Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met

Robust Management Systems

Appoint a manager with sufficient seniority who is responsible for implementing procedures

Robust Management Systems

Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures

Robust Management Systems

Monitor the effectiveness of procedures to meet policy and workplace requirements

Robust Management Systems

Explanation for management systems grades

Policies and Procedures: Policies are clear, detailed, and consistently applied, fully supporting the right to freedom of association and collective bargaining, with strong awareness and application confirmed through interviews and meeting minutes.

Resources: Resources are fully available and effectively used to support freedom of association and collective bargaining, with comprehensive support confirmed by interviews and documented in works committee meeting minutes.

Training and Communication: Training is comprehensive and ongoing, ensuring all employees and committee members are well-informed about their rights to freedom of association and collective bargaining, supported by training records and confirmed through interviews.

Monitoring: Monitoring systems are robust, regularly updated, and effective in ensuring that the rights to freedom of association and collective bargaining are respected, with all findings documented and addressed, as confirmed by interviews and works committee meeting minutes.

[← Code area 1.A](#)

[Code area 3 →](#)

## Summary of findings

Code area	Workplace requirement	Area of NC	Finding
	No findings		
Systems and evidence examined to validate this code section	<p>Current Systems:</p> <ul style="list-style-type: none"> <li>- The facility has a policy of freedom of association and right to collective bargaining and this was available for review.</li> <li>- The Trade Union of BRANCH OF YIFULONG OUTDOOR VIETNAM CO., LTD has been established on 30 January 2026 with 5 members. The president is Ms. Vo Cam Tu.</li> <li>- The latest CBA was approved on 29 August 2024.</li> <li>- The last meeting of the Trade Union was on 10 January 2026. The meeting was about 90 minutes. The topics were health and safety issues, social responsibilities implementation in the factory. The meeting minutes were communicated to all employees by oral presentation and posted at the bulletin board for all employees to read. The meeting report was provided for review.</li> <li>- Based on employee's interviews, all selected employees said they were given the full rights to join any legal and external associations, and all of them are labor union members. And they had all rights in wages and benefits and working conditions as others.</li> <li>- Interviewed workers confirmed that the members of the trade union had been elected by fellow workers.</li> <li>- The facility conducted an annual internal audit to monitor the implementation.</li> </ul> <p>Evidence examined:</p> <ul style="list-style-type: none"> <li>- Minutes of the trade union meeting.</li> <li>- Site policy on freedom of association.</li> <li>- Interview with workers.</li> <li>- Interview with trade union representative.</li> </ul>		

## 2. Freedom of association and right to collective bargaining are respected

### Data points

Are trade unions allowed by law in the national context?	Yes
Are there any registered trade unions in the workplace?	Yes
Are they active?	<ul style="list-style-type: none"> <li>- The Trade Union of BRANCH OF YIFULONG OUTDOOR VIETNAM CO., LTD has been established on 30 January 2026 with 5 members. The president is Ms. Vo Cam Tu.</li> <li>- The latest CBA was approved on 29 August 2024.</li> <li>- The last meeting of the Trade Union was on 10 January 2026. The meeting was about 90 minutes. The topics were health and safety issues, social responsibilities implementation in the factory. The meeting minutes were communicated to all employees by oral presentation and posted at the bulletin board for all employees to read. The meeting report was provided for review.</li> </ul>
Does the employer recognise the trade union?	Yes
Are there alternative worker representative bodies in place?	None
Are the worker representative bodies, trade union or otherwise, accessible to all workers, including more vulnerable workers (such as female, migrant, agency, and seasonal workers)?	Yes
Are the worker representatives freely elected by the workforce as a whole?	Yes
Does union/worker committee membership reflect the gender composition of the workforce?	Yes

[← Code area 2](#)

[Code area 3 →](#)

Does the membership reflect the nationality composition of the workforce? Yes

Has there been any industrial action (e.g. strikes, unrest, or cases raised to formal tribunals or labour courts) in the past two years? No

### 3. Working conditions are safe and hygienic

#### Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Some Improvements Recommended
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Some Improvements Recommended
Monitor the effectiveness of procedures to meet policy and workplace requirements	Some Improvements Recommended

## Management systems

### Explanation for management systems grades

**Policies and Procedures:** Health and safety policies are documented but require fundamental improvement in their implementation, as evidenced by the inconsistent use of respiratory protection, improper machinery safeguarding, and the presence of unidentified chemicals. To address these gaps, it is recommended the facility shall integrate a comprehensive legal compliance tracking system and update standard operating procedures to strictly enforce the correct use of PPE and chemical labeling protocols.

**Resources:** Resources are available but not optimized for occupational health and safety, resulting in gaps in physical engineering controls and personal protection. It is recommended that the facility re-allocate resources to ensure that all needle guards on machinery are correctly adjusted to a safe height and that a robust chemical management system—including standardized secondary containers and labels—is fully implemented and maintained.

**Training and Communication:** The communication framework is inadequate for ensuring worker safety and the correct application of safety measures. It is recommended that the facility enhance its training programs to specifically address the proper fit and usage of dust masks and the hazards of unlabeled chemicals, ensuring that safety instructions and hazard warnings are clearly understood and followed by all workers on the production floor.

**Monitoring:** The oversight mechanism is operational but failed to identify critical hazards prior to the assessment. Observations on the day of the audit revealed that the facility's routine checks did not detect workers' non-compliance with mask protection, nor the safety risks posed by high needle guards and unlabeled chemicals. It is recommended that the facility update its on-site verification logs and supervisor walkthrough checklists to include specific behavioral observations and equipment safety settings, ensuring all issues are identified and corrected internally.

## Summary of findings

Code area	Workplace requirement	Area of NC	Finding
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[← Code area 2](#)

[Code area 4 →](#)



3. Working conditions are safe and hygienic	3.H Where identified as necessary to reduce r...	Local law Base code	NC <a href="#">ZAF601420004</a>
	3.M Ensure all machinery is installed, mainta...	Local law	NC <a href="#">ZAF601420006</a>
	3.N Ensure that all hazardous substances (e.g...	Local law Base code	NC <a href="#">ZAF601420005</a>

[← Code area 2](#)

[Code area 4 →](#)

## Systems and evidence examined to validate this code section

### Current Systems:

#### 1. General Health and Safety management

- The facility has the general and occupational Health & Safety policies and procedures, instructions. Procedures are set up in accordance with the actual situation of the facility, ensuring sustainable compliance is maintained. Responsibilities and processes to implement policies and procedures are clear.
- Ms. Le Hoang Yen Nhi - HSE Officer has been assigned to health, safety and environment issues in the facility.
- The general housekeeping was clean and tidy. There are full restrooms in the facility. A cleaning team was in charge of cleaning and hygiene of the workshops. Clean toilets with 9 toilet rooms for male and 10 toilet rooms for female are provided.
- The last drinking water testing was conducted on 14 July 2025 with all parameters satisfied.
- OHS risk assessment was conducted on 01 December 2025.
- All employees received trainings on occupational Health & Safety policies and procedures with orient training, refreshing training and required training by legal law. These trainings are recorded by HR Department.
- The facility conducted an annual internal audit to monitor the implementation.

#### 2. Electrical safety

- There are competent electricians at the site, and their training certificates were available for review.
- The facility has 1 competent electrician who have completed the basic electrician training course.
- The electric panels were provided with warning signs and inner cover.

#### 3. Fire Safety

- The factory has established the firefighting plan on 03 February 2026.
- The fire drill and evacuation drill was conducted for all employees at 11:00 and 19:30 on 11 October 2025 internally.
- Firefighting team with 28 members were trained and certificated for the fire safety training in November 2025.
- A total of 82 fire extinguishers, 15 fire alarms, 24 fire hoses, 6 outdoor fire hydrant, 16 smoke detectors, 4 beam detectors, 528 sprinkler nozzles and 03 firefighting pumps were installed in the facility.
- Warning signs of "No smoking" and "No fire" were posted in the facility.
- Evacuation routes with arrows for direction were painted on the floor in all production sections.

#### 4. Medical services.

- There was 3 first aid kit installed in the facility.
- 20 members of first aid team were trained on 04 September 2025 with certificates valid for 1 year.

#### 5. Machine safety

- The machines were provided with safety warning signs.

- As noted from documents review and facility tour, maintenance plans and maintenance records of all machines were available for review.
- There are 02 air compressors and 01 compressed air pipeline system with inspection certificate valid until 16 September 2026.

#### 6. Chemical safety

- Chemicals were used in the facility such as cleaning agents, lubricant, diesel oil. No banned chemical was used. No banned chemical was used.
- The chemical storage area is limited to authorized personnels in appropriate PPE and equipped with valid automatic fire extinguisher and fire alarm system and eyewash stations. MSDS sheets for types of chemicals used are also provided.
- The employees who handle or access to the chemical received training on chemical safety.

#### Evidence examined:

- Health and safety procedures, instructions and training records.
- First aid training records, medical logbook and accident records, medical check-up records.
- Firefighting and prevention project, fire drill and fire-fighting training records.
- Drinking water test records.
- Maintenance plan and records for machines, fire-fighting equipment, electricity.
- Chemical handling, storage procedures
- Machine inspection certificates.
- Health and safety policy
- Health and safety manual
- Health and safety committee minutes
- Training records and certificates
- Fire equipment maintenance records
- Fire drill records
- Trained first aider register
- Interviews with workers and Health Safety committee members
- Accident reports
- Portable water testing certificates
- Interviews with Health Safety Officer.

# Findings: non-compliances

ZAF601420004

Non-compliance

Due 2026-06-10

## Code area

3 Working conditions are safe and hygienic

## Status

Closed (2026-05-14)\*

## Workplace requirement

3.H Where identified as necessary to reduce residual risk, provide (without charge to workers) and ensure the use of appropriate personal protective equipment (PPE).

## Time given to resolve

30 days

## Issue title

278 - Personal Protective Equipment (PPE) provided but incidents of workers not using PPE where appropriate

## Verification method

Desktop audit

## Area of non-compliance/non-conformance

Local law

Base code

## Description

Based on the facility tour and management confirmation, it was noted that 02 out of 08 observed workers at material mixing area did not use right way the provided anti-dust mask while working. Remark: All PPEs were provided to employees at no cost.

## Corrective and preventative actions

It is recommended that the facility shall ensure all employees use the provided PPEs as company regulation and the law requirement.

## Local law reference

Law No. 84/2015/QH13 on Occupational Safety And Hygiene. Article 6. Rights and obligations of employees in terms of occupational safety and hygiene, 2. Every employee with labor contracts has obligations to: b) Use and preserve his/her personal protective equipment; occupational safety and hygiene equipment at the workplace.

## Evidence

[← Code area 3](#)

[Code area 4 →](#)



[NC. PPE was not used by employee..jpg](#)



\* PDF generated at 05:03 (UTC) on 16 May 2026. [View this finding on the Sedex platform](#) for live updates and closure details.

**ZAF601420006**

**Non-compliance**

Due 2026-06-10

#### Code area

3 Working conditions are safe and hygienic

#### Status

Closed (2026-05-16)\*

#### Workplace requirement

3.M Ensure all machinery is installed, maintained, and used in a safe manner.

#### Time given to resolve

30 days

#### Issue title

264 - Machines lack appropriate safety guards (e.g. eye or needle guards on sewing machines, belt/hand guards on other machines)

#### Verification method

Desktop audit

#### Description

Based on the facility tour and confirmation by management, it was noted that needle guards on 02 out of 10 sewing machines were malfunction (too high to protect sewing operator's finger) due to sewing operators' self -adjustment to a higher position in the sewing area.

#### Area of non-compliance/non-conformance

Local law

#### Corrective and preventative actions

It is recommended that all needle guards should be placed in right position to protect sewing operator's finger.

[← Code area 3](#)

[Code area 4 →](#)

## Local law reference

In accordance with Law No. 84/2015/QH13, Article 16. Responsibility of the employer for assurance of occupational safety and hygiene at the workplace, 1. The workplace is required to meet requirements pertaining to space, clearance, dust, steam, noxious gases, radioactivity, electromagnetic field, heat, moisture, noise, vibration, and other dangerous or harmful factors as prescribed in relevant technical standards and they are regularly inspected and measured; there are enough bathrooms and restrooms suitable for the workplace as prescribed by the Minister of Health.

## Evidence



[NC. Needle guard was placed in wrong position..jpg](#)



\* PDF generated at 05:03 (UTC) on 16 May 2026. [View this finding on the Sedex platform](#) for live updates and closure details.

**ZAF601420005**

**Non-compliance**

Due 2026-06-10

## Code area

3 Working conditions are safe and hygienic

## Status

Closed (2026-05-14)\*

[← Code area 3](#)

[Code area 4 →](#)

## Workplace requirement

3.N Ensure that all hazardous substances (e.g. chemicals and pesticides) are officially registered where possible, Material Safety Data Sheets are used, and they are managed appropriately at all times in line with registration and safety instructions, including storage, use and disposal.

## Time given to resolve

30 days

## Verification method

Desktop audit

## Issue title

233 - Hazardous substances (e.g. chemicals and pesticides) are stored unlabelled or labelling is incorrect

## Area of non-compliance/non-conformance

Local law

Base code

## Description

Based on the facility tour and confirmation by management, it was noted that 01 out of 05 observed chemical bottles (cleaner chemical) at pressing area were not provided a label for employees reference.

## Corrective and preventative actions

It is recommended that the facility should provide an identification label with sufficiently information for chemical containers.

## Local law reference

In accordance with Decree 37/2026/ND-CP on Detailing some articles and measures to organize and guide the implementation of the law on product and goods quality, Article 42. Mandatory Information on Product Labels, 1. Product labels for goods circulating in Vietnam must display the following information in Vietnamese: a) Product name; b) Name and address of the organization or individual responsible for the product; c) Product origin; d) Other mandatory information that must be displayed on the label according to the nature of each type of product as stipulated in Appendix I attached to this Decree and relevant legal regulations.

## Evidence



[NC. Lacking label for chemical bottle.jpg](#)

[← Code area 3](#)

[Code area 4 →](#)

\* PDF generated at 05:03 (UTC) on 16 May 2026. [View this finding on the Sedex platform](#) for live updates and closure details.

[← Code area 3](#)

[Code area 4 →](#)



### 3. Working conditions are safe and hygienic

## Data points

Is someone within the company responsible for health and safety?	Yes, qualified safety officer
Do workers operate high risk or heavy machinery or vehicles as part of their jobs?	Yes
Do workers handle or have access to hazardous substances (e.g. chemicals or pesticides)?	<p>Yes</p> <ul style="list-style-type: none"> <li>- Chemicals were used in the facility, such as cleaning solvents, lubricant, diesel oil. No banned chemical was used.</li> <li>- The chemical storage area is limited to authorized personnel in appropriate PPE and equipped with valid fire extinguishers, eyewash equipment.</li> <li>- The employees who handle or have access to the chemical received training on chemical safety.</li> </ul>
Who organises accommodation for workers?	Workers independently arrange their own accommodation
Who organises worker transportation between accommodation and worksite?	Workers organise their own transport
Who organises worker transportation while at work?	Not applicable
Do all structural additions (e.g. added floors) have a valid permit/inspection report as per local law?	<p>No</p> <p>There was no structural addition in facility.</p>
Does the visual appearance of the building give you any immediate concerns about the structural integrity of the building?	No

[← Code area 3](#)

[Code area 4 →](#)

Are there any cracks observed in the walls, floors, ceilings or other areas of the facility, both internally or externally?

No

Does the site have a structural engineer evaluation?

Yes

## 4. Child labour shall not be used

### Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Robust Management Systems
Monitor the effectiveness of procedures to meet policy and workplace requirements	Robust Management Systems
Explanation for management systems grades	<p>Policies and Procedures: The anti-child labor policy is thoroughly documented, effectively communicated, and uniformly enforced. This includes stringent age verification processes during recruitment, as evidenced by personnel records and the most recent list of employees.</p> <p>Resources: Adequate resources are allocated and utilized effectively to implement the anti-child labor policy. This is ensured by dependable age verification systems that are systematically employed during recruitment, as documented in personnel files and recruitment records.</p> <p>Training and Communication: Training on the anti-child labor policy is thorough and ongoing, ensuring that all employees, especially those involved in recruitment, are fully aware of and consistently apply age verification procedures, as confirmed by training records and personnel file reviews.</p> <p>Monitoring: Monitoring systems are robust, regularly updated, and effective in ensuring that the anti-child labor policy is consistently enforced, with all findings documented and addressed promptly, as confirmed by audits of personnel files and the latest employee list.</p>

[← Code area 3](#)

[Code area 5 →](#)

## Summary of findings

Code area	Workplace requirement	Area of NC	Finding
	No findings		
Systems and evidence examined to validate this code section	<p>Current Systems:</p> <ul style="list-style-type: none"> <li>- The facility has an Anti-child labor policy with clear implement procedures</li> <li>- Based on documents review, Ms. Duong Ngoc Tram - HR Officer was responsible for monitoring the implementation of Anti-child labor in the facility.</li> <li>- Personnel files with labor contract for all selected employees were available for review.</li> <li>- The facility required all applicants to present their original ID cards, family books, residence records, national voting cards and birth certificates as age verification documents and maintain photocopy of records reviewed on their personnel files.</li> <li>- Each employment application contained date of birth, ID. number and the duly date signed and employee's signature.</li> <li>- During this audit, 78 employees were selected from different sections as the sample for document review.</li> <li>- Based on the facility tour, document review and employees' interviews, there was no employee less than 18 years of age working in the facility.</li> <li>- The facility conducted an annual internal audit to monitor the implementation.</li> </ul> <p>Evidence examined:</p> <ul style="list-style-type: none"> <li>- Personnel files of all workers including copies of birth certificate, identity card, application letter.</li> <li>- Latest list of employees</li> <li>- Anti-child labor policy</li> <li>- Recruitment procedure and announcement.</li> </ul>		

#### 4. Child labour shall not be used

## Data points

Percentage of workers that are age 24 or younger	34%
Enter the legal age of employment	15
Enter the age of the youngest worker identified	19
Enter the number of workers under local legal minimum age	0
Enter the number of workers under 15 years old	0
Percentage of workers that are apprentices, trainees or interns	0.0%
Were there children present on the work floor but not working at the time of audit?	No
Do children live at the accommodation provided to workers?	Not Applicable

[← Code area 4](#)

[Code area 5 →](#)

## 5. Legal wages are paid

### Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Robust Management Systems
Monitor the effectiveness of procedures to meet policy and workplace requirements	Robust Management Systems
Explanation for management systems grades	<p>Policies and Procedures: A comprehensive policy ensuring legal wages are paid is documented, with clear wage scales and payment structures that are consistently reflected in payrolls, contracts, and approved by relevant authorities.</p> <p>Resources: Sufficient resources are fully allocated and effectively managed to ensure that all wages meet legal wage standards, as confirmed by consistent payrolls, social security records, and severance payments.</p> <p>Training and Communication: Training and communication about legal wage entitlements are comprehensive and ongoing, ensuring all employees fully understand their wage structures and rights, as confirmed by interviews and labor contract reviews.</p> <p>Monitoring: Monitoring systems are robust, regularly updated, and effective in ensuring that legal wages are consistently paid, with all findings documented and addressed promptly, as confirmed by audits of payrolls, leave records, and employee contracts.</p>

[← Code area 4](#)

[Code area 5.A →](#)

## Summary of findings

Code area	Workplace requirement	Area of NC	Finding
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No findings

← Code area 4

Code area 5.A →

## Systems and evidence examined to validate this code section

### Current Systems:

- The facility has established a wage and benefit policy with clear implement procedures. The latest wage scale was approved on 02 January 2026 by top managers.
- Based on documents review, Ms. Duong Ngoc Tram - HR Officer was responsible for monitoring the implementation of wage and benefit in the facility.
- The facility applies monthly wage for all employees. The minimum wage paid by the facility to employees was VND 5,854,275 per month which were in compliance with the local law VND 5,310,000 per month (Zone 1) from 01 January 2026 as Decree No. 293/2025/ND-CP.
- All employees were paid from 10 - 15th of following month by bank transfer. The pay slip in local language was distributed together with each payment period to each employee.
- All workers were provided with written and understandable information about their employment conditions in respect to wages before they entered employment and about the particulars of their wages for the pay period concerned each time that they are paid.
- Social, health and unemployment insurance were paid to all eligible employees until March 2026.
- 12 -14 days of annual leave was sufficiently provided to employees in the year.
- Total eleven (11) holidays are provided and paid to all employees in the year.
- The sick and maternity leave allowance is paid correctly to all employees in timely basic.
- The maternity leave of 6 months was provided to all female pregnant employees with full pay.
- The facility conducted an annual internal audit to monitor the implementation.

### Evidence examined:

- Approved wage scale.
- The payrolls and attendant records from April 2025 to March 2026 (12 months).
- Annual leave records from April 2025 to March 2026 (12 months).
- Leave applicant records from April 2025 to March 2026 (12 months).
- Severance payment record from April 2025 to March 2026 (12 months).
- Social security payment records from April 2025 to March 2026 (12 months).
- Employee files and labor contracts of all selected employees.



## 5. Legal wages are paid

### Data points

What is the basic wage paid to workers?	<p>Wages meet a living wage</p> <p>Wages are defined by a legally recognised collective bargaining agreement (CBA)</p> <p>The legal minimum wage</p> <p>Wages are based on job skills and experience</p>
Does the site use digital payment methods (i.e. money paid directly into a bank account) to pay workers?	Only digital payments
How much as a percentage of their pay does a worker receive as 'payment-in-kind' benefits?	None
Where the site has undertaken a Living Wage gap analysis against a credible Benchmark which Benchmark have they used?	Anker Reference Value Methodology

### Worker remuneration

Which benefits are provided to permanent or full-time workers that are not provided to temporary or part-time workers?	Not applicable
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### Summary information

Is legal wage/legally recognised CBAs data available for any of these options?	Monthly
--	---------

Is actual wage data available on site for any of these options?

Monthly

**Maximum legal working hours**

Max hours per day

8.0

Max hours per week

48.0

Max hours per month

Non applicable

**Actual required working hours**

Required hours per day

8.0

Required hours per week

48.0

Required hours per month

Non applicable

**Maximum legal overtime hours**

Max hours per day

4.0

Max hours per week

Non applicable

Max hours per month

40.0

**Actual overtime hours**

Max hours per day

3.5

Max hours per week

7.5

Max hours per month

24.5

**Minimum legal wage**

Min per hour

Non applicable

Min per day

Non applicable

Min per week

Non applicable

Min per month

5310000.0

**Actual minimum wage**

Actual per hour

Non applicable

Actual per day

Non applicable

Actual per week

Non applicable

Actual per month

5854275.0

[← Code area 5](#)

[Code area 5.A →](#)

Minimum legal overtime wage	Min per hour	38293.0
	Min per day	Non applicable
	Min per week	Non applicable
	Min per month	Non applicable
Actual minimum overtime wage	Actual per hour	42218.0
	Actual per day	Non applicable
	Actual per week	Non applicable
	Actual per month	Non applicable

## Wage analysis

Number of workers' records checked	78
Provide the date and details of the records	<ul style="list-style-type: none"> <li>- 26 selected samples in March 2026 (current month, from 01 March 2026 to 31 March 2026).</li> <li>- 26 selected samples in December 2025 (random month, from 01 December 2025 to 31 December 2025).</li> <li>- 26 selected samples in September 2025 (random month, from 01 September 2025 to 30 September 2025).</li> </ul>
Are there different legal minimum/legally recognised CBAs wage grades?	<p>Yes</p> <p>From 01 July 2024 to 31 December 2025 as Decree No. 74/2024/ND-CP:</p> <ul style="list-style-type: none"> <li>- Grade 1: VND 4.960.000 for region 1</li> <li>- Grade 2: VND 4.410.000 for region 2</li> <li>- Grade 3: VND 3.860.000 for region 3</li> <li>- Grade 4: VND 3.450.000 for region 4</li> </ul> <p>From 01 January 2026 as Decree No. 293/2025/ND-CP:</p> <ul style="list-style-type: none"> <li>- Grade 1: VND 5.310.000 for region 1</li> <li>- Grade 2: VND 4.730.000 for region 2</li> <li>- Grade 3: VND 4.140.000 for region 3</li> <li>- Grade 4: VND 3.700.000 for region 4</li> </ul>

[← Code area 5](#)

[Code area 5.A →](#)

For the lowest paid workers, are wages paid for standard/contracted hours (excluding overtime) below or above the legal minimum/ legally recognised CBAs?

Above legal minimum

Indicate the breakdown of workforce per earnings

100% of the workforce earned above the minimum wage.

Are there any bonus schemes used?

Yes

- Housing allowance: VND 500,000/month.
- Transportation allowance: VND 500,000/month.
- Attendance bonus: VND 1,000,000/month.
- Childcare allowance: VND 50,000/child/month.

Were accurate records shown at the first request?

Yes

Were any inconsistencies found?

No

# 5.A. Living wages are paid

## Summary of findings

Code area	Workplace requirement	Area of NC	Finding
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No findings

## Systems and evidence examined to validate this code section

### Current Systems:

- The facility has established a wage and benefit policy with clear implement procedures. The latest wage scale was approved on 02 January 2026 by top managers.
- Based on documents review, Ms. Duong Ngoc Tram - HR Officer was responsible for monitoring the implementation of wage and benefit in the facility.
- The facility applies monthly wage for all employees. The minimum wage paid by the facility to employees was VND 5,854,275 per month which were in compliance with the local law VND 5,310,000 per month (Zone 1) from 01 January 2026 as Decree No. 293/2025/ND-CP.
- The actual income of all workers met or exceeded the calculated living wage, with no identified gap.
- All employees were paid from 10 - 15th of following month by bank transfer. The pay slip in local language was distributed together with each payment period to each employee.
- All workers were provided with written and understandable information about their employment conditions in respect to wages before they entered employment and about the particulars of their wages for the pay period concerned each time that they are paid.
- Social, health and unemployment insurance were paid to all eligible employees until March 2026.
- 12 -14 days of annual leave was sufficiently provided to employees in the year.
- Total eleven (11) holidays are provided and paid to all employees in the year.
- The sick and maternity leave allowance is paid correctly to all employees in timely basic.
- The maternity leave of 6 months was provided to all female pregnant employees with full pay.
- The facility conducted an annual internal audit to monitor the implementation.

### Evidence examined:

- Approved wage scale.
- The payrolls and attendant records from April 2025 to March 2026 (12 months).
- Annual leave records from April 2025 to March 2026 (12 months).
- Leave applicant records from April 2025 to March 2026 (12 months).
- Severance payment record from April 2025 to March 2026 (12 months).
- Social security payment records from April 2025 to March 2026 (12 months).
- Employee files and labor contracts of all selected employees.
- Living wage record.

## 6. Working hours are not excessive

### Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
--	---------------------------

Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
--	---------------------------

Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Robust Management Systems
--	---------------------------

Monitor the effectiveness of procedures to meet policy and workplace requirements	Robust Management Systems
---	---------------------------

## Management systems

### Explanation for management systems grades

**Policies and Procedures:** Policies and procedures are thorough, well-formulated, and uniformly applied to guarantee that working hours remain reasonable, supported by clear documentation and in accordance with international norms. To maintain this high standard, the facility continues to utilize its legal compliance tracking system to ensure all schedules stay within limits.

**Resources:** Resources are available and fully optimized for managing working hours, ensuring that all policies are strictly enforced. It is recommended that the facility continues to empower its committed senior managers with adequate resources and tools to guarantee that time-keeping systems and staffing levels are fully provided and maintained.

**Training and Communication:** The communication framework is highly effective for ensuring worker awareness of working hour limits. The facility has standardized all training materials and policy updates to ensure clear communication to all workers, resulting in a comprehensive understanding of rest days and overtime rules across the entire production floor.

**Monitoring:** The monitoring system is fully operational and effectively captures all regulatory and operational requirements. Routine checks and record reviews consistently identify and prevent any potential discrepancies in working hours. The facility maintains a proactive mechanism to monitor long-term obligations and daily records, ensuring full compliance with applicable standards and internal safety policies.

## Summary of findings

Code area	Workplace requirement	Area of NC	Finding
	No findings		

[← Code area 5.A](#)

[Code area 7 →](#)



## Systems and evidence examined to validate this code section

### Current Systems:

- The facility has established a working hours policy with clear implementation procedures.
- Based on documents review, Ms. Duong Ngoc Tram - HR Officer was responsible for monitoring the implementation of working hours in the facility.
- The regular working time is eight (8) hours per day and six (6) days per week. All employees worked from 07:30 to 16:30 with meal break from 11:30 to 12:30. All shifts were provided 5-minute short breaks 02 times per shift.
- Facility used fingerprint scanning system for time recording.
- There was no peak season in the facility.
- Employees worked overtime voluntarily.
- There was no inconsistency found amongst time records, production records and security records.
- Based on the provided payrolls and time records, the maximum OT working hours were noted as following:
  - 3.5 hours/day in March 2026 (current month)
  - 3.5 hours/day in December 2025 (random month)
  - 3.5 hour/day in September 2025 (random month)

7.0 hours/week in March 2026 (current month)  
 7.5 hours/week in December 2025 (peak month)  
 7.5 hours/week in September 2025 (random month)

24.0 hours/month in March 2026 (current month)  
 24.5 hours/month in December 2025 (peak month)  
 22.5 hours/month in September 2025 (random month)

### Evidence examined:

- Employees' interviews
- Management interview
- Local and national laws
- Factory policy on working hours
- Time records from April 2025 to March 2026 (12 months)
- Pay slips with recorded hours all workers interviewed
- Workers contracts
- 12 months hour records to establish highest and lowest hours over all employees
- Quality and production records to cross check hours

## 6. Working hours are not excessive

### Data points

Is the sample size the same as in the wages section?	Yes
Normal day overtime premium as a percentage of standard wages	150%
If the site pays an overtime premium of less than 125% and this is allowed under local law, are there other considerations?	NA
Excluding overtime, what are the regular working hours per week for workers at this site?	48.0
Including overtime, what is the average number of working hours per week for full-time workers at this site?	54.0
In the sample, what was the maximum number of hours worked in a single week, including overtime, for any worker at this site?	55.5
Maximum number of days worked without a day off in sample	6

[← Code area 6](#)

[Code area 7 →](#)

## 7. No discrimination is practiced

### Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Robust Management Systems
Monitor the effectiveness of procedures to meet policy and workplace requirements	Robust Management Systems
Explanation for management systems grades	<p>Policies and Procedures: Policies are thorough, well-crafted, and uniformly applied to guarantee non-discriminatory practices, supported by clear documentation and in accordance with international norms.</p> <p>Resources: A committed manager, equipped with adequate seniority and resources, is tasked with supervising the enforcement of non-discrimination policies, guaranteeing equal treatment and opportunities for all staff members, and providing clear proof of effective management.</p> <p>Training and Communication: Training and communication are thorough, consistent, and impactful, guaranteeing that every employee, from management to supervisors, is well-informed and comprehends the non-discrimination policies.</p> <p>Monitoring: Monitoring systems are designed to be robust, conducted regularly, and meticulously documented to guarantee the consistent and effective enforcement of all non-discrimination policies.</p>

## Summary of findings

Code area	Workplace requirement	Area of NC	Finding
	No findings		
<b>Systems and evidence examined to validate this code section</b>	<p>Current Systems:</p> <ul style="list-style-type: none"> <li>- The facility has established an anti-discrimination policy with clear implement procedures.</li> <li>- Based on documents review, Ms. Duong Ngoc Tram - HR Officer was responsible for monitoring the implementation of anti-discrimination in the facility.</li> <li>- Based on interviewed employees and management, there is no evidence of any discriminatory practices based on the race, religion, age, nationality, social association, sexual orientation, gender or disability.</li> <li>- During the audit, all selected employees confirmed they were treated with respect and dignity.</li> <li>- All selected employees also emphasized that they were treated by their employer, supervisors and co-employees with respect and dignity.</li> <li>- No worker was required to do the examination of the hepatitis B virus and HIV.</li> <li>- Anti-discrimination procedure on hiring, compensation, promotion and access to training was available during the audit.</li> <li>- Gender divisions did not exist in the factory; both female and male workers were distributed in all types of work.</li> <li>- There was an internal grievance process, and all interviewed workers were aware of the grievance channels in case they encountered any discrimination cases.</li> <li>- There was no evidence of sexual harassment.</li> <li>- The facility conducted an annual internal audit to monitor the implementation.</li> </ul> <p>Evidence examined:</p> <ul style="list-style-type: none"> <li>- The hiring and termination procedure leave application records and employee handbook.</li> <li>- Payrolls</li> <li>- Training records</li> <li>- Attendance records</li> <li>- Termination records.</li> </ul>		

7. No discrimination is practiced

Data points

Percentage of women workers in skilled or technical roles (e.g. where specific qualifications are needed, such as engineer/laboratory analyst)?	0%
Representation of women in managerial roles (ratio of women workers to women managers)	1%
Representation of women in supervisory roles (ratio of women workers to women supervisors)	3%
Three most common nationalities in managerial and supervisory roles	Vietnamese

## 8. Regular employment is provided

### Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
--	---------------------------

Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
--	---------------------------

Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Robust Management Systems
--	---------------------------

Monitor the effectiveness of procedures to meet policy and workplace requirements	Robust Management Systems
---	---------------------------

## Management systems

### Explanation for management systems grades

**Policies and Procedures:** Policies are thorough, well-crafted, and uniformly regular, stable employment is provided to all employees, thereby fostering a secure and supportive work environment. The facility commits to providing regular employment to all employees. Employment contracts shall be clear, detailed, and compliant with all applicable labor laws and regulations. Temporary or casual employment shall be minimized and used only when absolutely necessary, such as during peak workload periods or for special projects.

**Resources:** A committed manager, equipped with adequate seniority and resources, is tasked with supervising the enforcement of non-discrimination policies, guaranteeing equal treatment and opportunities for all staff members, and providing clear proof of effective management.

**Training and Communication:** Training and communication are thorough, consistent, and impactful, guaranteeing that every employee, from management to supervisors, is well-informed and comprehends the regular employment policies.

**Monitoring:** Monitoring systems are designed to be robust, conducted regularly, and meticulously documented to guarantee the consistent and effective enforcement of all regular employment policies.

## Summary of findings

Code area	Workplace requirement	Area of NC	Finding
			No findings

## Systems and evidence examined to validate this code section

### Current Systems:

- The facility has procedures for recruitment and termination of contracts. Procedures are set up in accordance with the actual situation of the facility, ensuring sustainable compliance is maintained. Responsibilities and processes to implement policies and procedures are clear.
- Based on documents review, Ms. Duong Ngoc Tram - HR Officer was responsible for monitoring the implementation of employment in the facility.
- Based on reviewed documents and interviewed employees, all employees were interviewed and hired directly by the facility.
- They were given an orientation on the facility rules and regulations including labor issues, wages and benefits, working time, and health and safety.
- A labor contract was signed by both employee and employer after employee's probation period was passed.
- All workers were not required to sign blank papers, resignation letter etc.
- The facility conducted an annual internal audit to monitor the implementation.

### Evidence examined:

- The hiring and termination practices
- Personal files
- Payroll records were provided for review.



8. Regular employment is provided

Data points

Percentage of workers that are permanently or temporarily employed	100.0%
Percentage of workers that have been engaged via irregular, sub-contracted or non-employment models of labour, rather than permanent or temporary contracts of employment	0.0%
Percentage of workers employed as apprentices, trainees or interns	0.0%

## 8.A. Sub-contracting and homeworkers are used responsibly

### Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Robust Management Systems
Monitor the effectiveness of procedures to meet policy and workplace requirements	Robust Management Systems
Explanation for management systems grades	<p>Policies and Procedures: Comprehensive policies are well-developed and consistently enforced, ensuring that all sub-contracting and homeworking practices are authorized by the client and aligned with local and international regulations.</p> <p>Resources: A dedicated manager with sufficient seniority and resources is responsible for overseeing sub-contracting and homeworking practices, ensuring compliance with client and legal requirements, with clear evidence of effective management.</p> <p>Training and Communication: Training and communication are comprehensive, regular, and effective, ensuring that all employees and managers are fully aware of and understand the policies on responsible sub-contracting and homeworking, with evidence of clear communication with clients and contractors.</p> <p>Monitoring: Monitoring systems are robust, regularly conducted, and thoroughly documented, ensuring that all sub-contracting and homeworking practices are aligned with client requirements and local laws, with audits conducted regularly and records available for review.</p>

[← Code area 8](#)

[Code area 9 →](#)

## Summary of findings

Code area	Workplace requirement	Area of NC	Finding
	No findings		
<b>Systems and evidence examined to validate this code section</b>	<p>Current Systems:</p> <ul style="list-style-type: none"> <li>- The facility has established regulations to manage sub-contracting and homeworkers.</li> <li>- Based on documents review, Ms. Duong Ngoc Tram - HR Officer was responsible for monitoring the implementation of sub-contracting and homeworkers in the facility.</li> <li>- No homeworkers were used in the facility.</li> </ul> <p>Evidence examined:</p> <ul style="list-style-type: none"> <li>- The relevant policy on prevention of harassment and abuse</li> <li>- Training records</li> <li>- Internal grievance procedure documentation</li> </ul>		

## 8.A. Sub-contracting and homeworkers are used responsibly

### Data points

Are homeworkers employed directly or engaged through an agent? Not applicable

Gender disaggregated data available

### Number of homeworkers used

	Men	Women	Other	Total
Number of workers	-	-	-	-

What processes are carried out by homemaker?

Are full records of homeworkers available at the site?

Does the supplier buy products or services from suppliers that use homeworkers? No  
It was noted that the facility did not use homeworkers and buy products or services from suppliers that use homeworkers.

### Sub-contracting

Are there any concerns about unrecorded work or undeclared sub-contracting on site, giving considerations to the workers' capacity? No  
There was not any concerns about unrecorded work of sub-contracting on site.

[← Code area 8.A](#)

[Code area 9 →](#)

Are any sub-contractors used? Yes

Sub-contractor 1	Processes subcontracted	Printing
	Name of factory	TY PHAT PRINTING CO., LTD
	Address	Land lot No. 447, Map sheet No. 40, Phu Hoa Quarter, Hoa Loi Ward, Ho Chi Minh City, Vietnam
	Dates used	15 February 2021

## 9. No harsh or inhumane treatment is allowed

### Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Robust Management Systems
Monitor the effectiveness of procedures to meet policy and workplace requirements	Robust Management Systems
Explanation for management systems grades	<p>Policies and Procedures: Comprehensive policies preventing harsh or inhumane treatment is documented, clearly communicated, and consistently applied, with alignment between practices and policies, as confirmed by grievance procedure documentation and training records.</p> <p>Resources: Sufficient resources are fully allocated and effectively managed to prevent harsh or inhumane treatment, with reliable systems to monitor and address grievances, as confirmed by consistent records and training documentation.</p> <p>Training and Communication: Training and communication efforts are comprehensive and ongoing, ensuring all employees and management are fully aware of and committed to preventing harsh or inhumane treatment, with consistent understanding confirmed through interviews and training records.</p> <p>Monitoring: Monitoring systems are robust, regularly updated, and effective in ensuring that no harsh or inhumane treatment occurs, with all findings documented and addressed promptly, as confirmed by audits of grievance procedures and interviews.</p>

[← Code area 8.A](#)

[Code area 10.A →](#)

## Summary of findings

Code area	Workplace requirement	Area of NC	Finding
	No findings		
Systems and evidence examined to validate this code section	<p>Current Systems:</p> <ul style="list-style-type: none"> <li>- Based on documents review, Ms. Duong Ngoc Tram - HR Officer was responsible for monitoring the implementation of no harsh or inhumane treatment in the facility.</li> <li>- The facility has policy on prevention of harassment and abuse and a procedure for internal grievance procedure. Procedures are set up in accordance with the actual situation of the facility, ensuring sustainable compliance is maintained. Responsibilities and processes to implement policies and procedures are clear.</li> <li>- Based on the documentation review, it was noted that the factory management had established a disciplinary procedure for workers' misbehavior which included oral warning, written warning and finally termination and the site, had developed a training program for all employees on the procedure. Workers' interviews confirmed that workers were aware of the disciplinary procedure, management interview, documents review, and workers' interviews, there was a policy on Harsh Treatment.</li> <li>- There was an internal process for grievance which a grievance box was installed in the workshop, where workers can report any grievances anonymously (harassment, bullying, discrimination etc.), any received complaint will be handled by management, without any reprisal for the worker in question. This system was installed, and most of workers knew about this.</li> <li>- No deduction from wage and benefits was made because of any reason.</li> <li>- Through the facility management and employees' interviews, it was noted that no case of abuse or discipline happened in the facility, and the disciplinary procedure of the facility was verbally warning, and employees signed a slip to confirm they had understood the procedure.</li> <li>- The facility conducted an annual internal audit to monitor the implementation.</li> </ul> <p>Evidence examined:</p> <ul style="list-style-type: none"> <li>- The relevant policy on prevention of harassment and abuse</li> <li>- Training records</li> <li>- Internal grievance procedure documentation.</li> </ul>		

9. No harsh or inhumane treatment is allowed

Data points

Is there a formal process for workers to report concerns, complaints, or problems ('grievance mechanism')?	Yes, there is a formal grievance process The grievance process is available to all workers
What type of grievance mechanism(s) are available?	- Directly communication - Workplace dialogue - Suggestion box - Hotline
Number of grievances raised in the last 12 months	0
Number of grievances resolved in the last 12 months	0



## 10.A. Environment 2-Pillar

### Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Robust Management Systems
Monitor the effectiveness of procedures to meet policy and workplace requirements	Robust Management Systems
Explanation for management systems grades	<p>Policies and Procedures: Comprehensive policies are well-developed and consistently enforced, ensuring full compliance with local, regional, national environmental laws and client standards, with all necessary permits in place.</p> <p>Resources: A dedicated manager with sufficient seniority and resources is responsible for overseeing the implementation of environmental policies, ensuring full compliance with local and client environmental standards, with permits regularly reviewed and updated.</p> <p>Training and Communication: Training and communication are comprehensive, regular, and effective, ensuring that all employees, including management and supervisors, are fully aware of and understand the environmental policies and compliance requirements, with evidence of clear communication with clients and regulatory authorities.</p> <p>Monitoring: Monitoring systems are robust, regularly conducted, and thoroughly documented, ensuring full compliance with environmental laws and client requirements, with regular audits conducted and permits consistently reviewed and maintained.</p>

[← Code area 9](#)

[Code area 10.B →](#)

## Summary of findings

Code area	Workplace requirement	Area of NC	Finding
	No findings		
Systems and evidence examined to validate this code section	<p>Current Systems:</p> <ul style="list-style-type: none"> <li>- The facility has Policy on environment protection. Procedures are set up in accordance with the actual situation of the facility, ensuring sustainable compliance is maintained. Responsibilities and processes to implement policies and procedures are clear.</li> <li>- Ms. Le Hoang Yen Nhi - HSE Officer has been assigned to health, safety and environment issues in the facility.</li> <li>- Based on the facility tour, it is observed that general housekeeping in the production areas was in good conditions and organizations.</li> <li>- All waste including production, living and hazardous wastes were separated in storage.</li> <li>- Based on interviewed employees, all employees satisfied with the environmental conditions of the facility.</li> <li>- Working environment measurement was conducted on 15 September 2025 and all parameters were satisfied.</li> <li>- Confirmation on Environment Registration was issued on 02 October 2024 by local authority with no expiry date.</li> <li>- Environmental policy was posted on notice board.</li> <li>- Electricity and water consumption were monitored and recorded monthly.</li> <li>- All employees were received training annually.</li> <li>- The facility conducted an annual internal audit to monitor the implementation.</li> </ul> <p>Evidence examined:</p> <ul style="list-style-type: none"> <li>- Surrounding environment monitoring records.</li> <li>- Registration list of hazardous wastes.</li> <li>- Environmental Protection Commitment</li> <li>- Energy/ water payment bills</li> </ul>		

## 10.A. Environment 2-Pillar

### Data points

Has the site received an official notice, fine or prosecution for any non-compliances with environmental legislation, regulation, consent or permits (within the last three years)?

No

Does the site have any valid environmental or energy management certificates?

None

Are there any other sustainability certifications present (e.g. Forest Stewardship Council (FSC), Marine Stewardship Council (MSC)?

No

Has the site implemented or made plans to implement any adaptive measures to protect workers from the impact of climate change?

No

[← Code area 10.A](#)

[Code area 10.B →](#)

## 10.B. Environment 4-Pillar

### Summary of findings

Code area	Workplace requirement	Area of NC	Finding
	No findings		
Systems and evidence examined to validate this code section	<p>Current Systems:</p> <ul style="list-style-type: none"> <li>- The facility has Policy on environment protection. Procedures are set up in accordance with the actual situation of the facility, ensuring sustainable compliance is maintained. Responsibilities and processes to implement policies and procedures are clear.</li> <li>- Ms. Le Hoang Yen Nhi - HSE Officer has been assigned to health, safety and environment issues in the facility.</li> <li>- Based on the facility tour, it is observed that general housekeeping in the production areas was in good conditions and organizations.</li> <li>- All waste including production, living and hazardous wastes were separated in storage.</li> <li>- Based on interviewed employees, all employees satisfied with the environmental conditions of the facility.</li> <li>- Working environment measurement was conducted on 15 September 2025 and all parameters were satisfied.</li> <li>- Confirmation on Environment Registration was issued on 02 October 2024 by local authority with no expiry date.</li> <li>- Environmental policy was posted on notice board.</li> <li>- Electricity and water consumption were monitored and recorded monthly.</li> <li>- All employees were received training annually.</li> <li>- The facility conducted an annual internal audit to monitor the implementation.</li> </ul> <p>Evidence examined:</p> <ul style="list-style-type: none"> <li>- Surrounding environment monitoring records.</li> <li>- Registration list of hazardous wastes.</li> <li>- Environmental Protection Commitment</li> <li>- Energy/ water payment bills</li> </ul>		

[← Code area 10.A](#)

[Code area 10.C →](#)

## 10.B. Environment 4-Pillar

### Data points

Has the site conducted a risk assessment on the environmental impact of the site, including implementation of controls to reduce identified risks?	Yes
What additional specific environmental policies does the site capture?	Other (provide details)  None
Is there a system for managing client's requirements and legislation in the destination countries regarding environmental and chemical issues?	Yes  Ms. Le Hoang Yen Nhi - HSE Officer was in charge of checking client's requirements and legislation regarding the environment every 6 months.
Does the site have reduction targets in place to manage climate related risks?	None
Does the site have reduction targets in place for environmental aspects (e.g. water consumption and discharge, waste, energy and green-house gas emissions: (Scope 1, 2 & 3))?	No
Has the site checked that any sub-contracting agencies or business partners operating on the premises have the appropriate permits and licences and are conducting business in line with environmental expectations of the facility?	Yes  The facility verified that all sub-contracting agencies and business partners operating on the premises held valid permits and licenses. Their operations aligned with the environmental expectations of the facility.

### Usage/discharge analysis

Last full calendar year (2025)	Previous full calendar year (2024)
--------------------------------	------------------------------------

[← Code area 10.B](#)

[Code area 10.C →](#)

Total electricity consumption from non-renewable sources (kWh)	543,853	211,033
Total electricity consumption from renewable sources (kWh)	0	0
Sources of renewable energy used	None	None
Types of renewable energy used	Other (provide details) NA. The facility did not use any renewable energy.	Other (provide details) NA. The facility did not use any renewable energy.
Total natural gas consumption (kWh)	0	0
Usage of other purchased fuels	D.O: 1679 liters	NA
Has the site completed any carbon footprint analysis?	No	No
Water sources	Local Water Authority	Local Water Authority
Does the site use mercury or mercury compounds?	No	No
Water volume used (m3)	1,124	8,149
Water discharged	Wastewater treatment plant of Viet Huong 2 Industrial Park	Wastewater treatment plant of Viet Huong 2 Industrial Park
Water volume discharged (m3)	1,124	8,149
Water volume recycled (m3)	0	0
Total waste produced (mt)	5.6	3.7

[← Code area 10.B](#)

[Code area 10.C →](#)

Total hazardous waste produced (mt)	0.1	0
Waste to recycling (mt)	0.1	0.1
Waste to landfill (mt)	5.4	3.6
Waste to other (mt)	0	0
Total product produced (mt)	858	490

## 10.C. Business ethics

### Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Some Improvements Recommended
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Some Improvements Recommended
Monitor the effectiveness of procedures to meet policy and workplace requirements	Some Improvements Recommended

[← Code area 10.B](#)



## Management systems

### Explanation for management systems grades

**Policies and Procedures:** Policies on business ethics are documented but require fundamental improvement in their implementation, as evidenced by the lack of specific procedures to ensure all high-risk roles receive mandatory ethics training. To address these gaps, it is recommended the facility shall integrate a formal ethics management procedure that clearly defines training requirements for departments such as sales, purchasing, and logistics to prevent bribery and corruption.

**Resources:** Resources are available but not optimized for the effective management of ethical business practices, particularly in documenting and maintaining compliance records. It is recommended that the facility re-allocate resources to ensure that responsible personnel are properly assigned to manage, track, and provide proof of ethics training for employees in roles with greater exposure to unethical risks.

**Training and Communication:** The communication framework is inadequate for ensuring that all employees at all levels fully comprehend the policies regarding business ethics. A review of site records confirmed that no training documentation was available for employees in high-risk roles such as sales, purchasing, and logistics. It is recommended that the facility standardize and implement a comprehensive training program to ensure all staff are well-informed about anti-bribery, anti-corruption, and fraudulent practices.

**Monitoring:** The monitoring system is operational but does not capture all regulatory and operational requirements regarding business integrity. Current oversight failed to identify the absence of ethics training records for key departments during routine internal checks. It is recommended that the facility update its monitoring checklists to include the verification of training completion for all risk-sensitive roles, ensuring full compliance with ethical business standards.

## Summary of findings

Code area	Workplace requirement	Area of NC	Finding
10.C. Business ethics	10.C.D Have and communicate a business ethics...	Base code	NC <a href="#">ZAF601420008</a>

[← Code area 10.B](#)

**Systems and evidence examined to validate this code section**

Current Systems:

- Written policy on business practices has been issued by HR department. It was stated that the facility forbids all means of bribery, corruption or ethical issues in the operation of the facility. The definitions of forbidden activities were defined in the policy.
- Ms. Duong Ngoc Tram - HR Officer was designated as the person responsible for implementing standards concerning Business Ethics.
- Complaint from workers and suppliers was reported to Ms. Duong Ngoc Tram - HR Officer.
- There were three ways for the facility to identify the ethical issues in the facility, including feedback of employees through hot lines and suggestion boxes, and highly classified email.
- Supplier evaluation and selection procedures have been established by Admin department.

Evidence examined:

- Management interview
- Employee interview

[← Code area 10.B](#)

# Findings: non-compliances

ZAF601420008

Non-compliance

Due 2026-06-10

## Code area

10.C Business ethics

## Status

Closed (2026-05-14)\*

## Workplace requirement

10.C.D Have and communicate a business ethics policy covering bribery, corruption, or any type of fraudulent or unethical business practice to all parties it deems as high risk, including the site's own suppliers.

## Time given to resolve

30 days

## Verification method

Desktop audit

## Issue title

659 - Policy and procedures to prevent or avoid bribery, corruption and other unethical business practices have not been communicated to employees in higher risk positions such as management, finance, purchasing and logistics

## Area of non-compliance/non-conformance

Base code

## Description

Based on the document review and confirmation by management, it was noted that there was no business ethics training record to employees at all levels in roles which have greater exposure to risks of bribery, corruption, fraudulent or unethical business practices, such as sales, purchasing, logistics available for review.

## Corrective and preventative actions

It is recommended that the facility provide training and ensure clear communication of anti-bribery, anti-corruption, and ethical business conduct policies to employees in high-risk positions such as management, finance, purchasing, and logistics. Training records should be maintained as evidence of implementation.

\* PDF generated at 05:03 (UTC) on 16 May 2026. [View this finding on the Sedex platform](#) for live updates and closure details.

[← Code area 10.C](#)

10.C. Business ethics

Data points

Has the site received an official notice, fine or prosecution for any non-compliances with business ethics legislation, regulation, consent or permits (within the last three years)?	No
Provide any certified anti-bribery management systems for the site	None

[← Code area 10.C](#)







[17. Beam detector.jpg](#)



[18. Evacuation map.jpg](#)



[19. Exit route was clearly marked.jpg](#)



[20. Exit sign and emergency light.jpg](#)



[21. Exit door.jpg](#)



[22. Waste area.jpg](#)



[23. Chemical warehouse.jpg](#)



[24. MSDS was available.jpg](#)



[25. Emergency eyewash.jpg](#)



[26. Male toilet.jpg](#)



[27. Female toilet.jpg](#)



[28. First aid kit.jpg](#)



[29. Eating area.jpg](#)



[30. Parking lot.jpg](#)



[31. Drinking area.jpg](#)



[32. Air compressor area.jpg](#)



[33. Electrical cabinet with warning sign.jpg](#)



[34. Electrical cabinet with inner door.jpg](#)



[35. Safety warning sign.jpg](#)



[36. Time record machine.jpg](#)



[37. Suggestion box.jpg](#)



[38. Personal locker.jpg](#)



[39. Onsite testing fire hose reel.jpg](#)



[40. Onsite testing fire alarm.jpg](#)



[41. Onsite testing fire extinguisher.jpg](#)



[42. Material warehouse.jpg](#)



[43. Cutting process.jpg](#)



[44. Gluing process.jpg](#)



[45. Pressing process.jpg](#)



[46. Sewing process.jpg](#)



[47. Inspection process.jpg](#)



[48. Packing process.jpg](#)







[49. Finished product warehouse.jpg](#)

[NC. Lacking label for chemical bottle.jpg](#)

[NC. PPE was not used by employee..jpg](#)

[NC. Needle guard was placed in wrong position..jpg](#)



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