

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	ZS1000104484	Site name	Dongstar Wood Vietnam Company Limited (Lao Cai Province plant area)
Business name	Dongstar Wood Vietnam Company Limited	Site address	Hop Nhat Village, Yen Binh Commune, Lao Cai Province, Vietnam thôn Hợp Nhất- xã Thịnh Hưng- Yên Bình- Yên Bái Yen Binh Commune VN 852200

Audit details

Sedex company reference	ZC5000087914	Auditor company name	SGS-China	
Audit company address	No. 430, Jihua Road, Bantian, Longgang District, Shenzhen, CN, 518129			
Date of audit	2026-04-16	Audit conducted by	Bobo Wang	
Audit pillars	Labour Standards Health and safety Environment 4-Pillar Business ethics			
Time in and out	Day 1		Day 2	
	In	09:45	In	09:00
	Out	17:45	Out	13:00
Audit type	Full initial			

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Was the audit announced? Semi announced

Was the Sedex SAQ available for review? Yes

Who signed and agreed CAPR? 刘俊超 Liu Junchao / 经理 Manager

Any conflicting information SAQ/Pre-Audit Info No

Is further information available? No

Audit attendance

	Senior management	Worker representative	Union representative
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A: Present at the opening meeting?	Yes	Yes	No
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B: Present at the audit?	Yes	Yes	No
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C: Present at the closing meeting?	Yes	Yes	No
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Reason for absence at the opening meeting There was no Union on site.

Reason for absence during the audit There was no Union on site.

Reason for absence at the closing meeting There was no Union on site.

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)

This audit is Semi-announced with 4 weeks window (2026/4/7-2026/5/8)

Lead auditor

Bobo Wang

APSCA Number

32400075

Additional auditor

Date of declaration

2026-04-17

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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	刘俊超 Liu Junchao
Title	经理 Manager
Date of declaration	2026-04-17


Summary of findings

Code area	Workplace requirement	Area of NC	Finding
0. Enabling accurate assessment	0.C Provide an accurate site description and ...	Local law Base code	NC ZAF601398898
3. Working conditions are safe and hygienic	3.A Ensure a safe working environment. Put in...	Local law Base code	NC ZAF601398899
	3.A Ensure a safe working environment. Put in...	Local law Base code	NC ZAF601398900
	3.A Ensure a safe working environment. Put in...	Local law Base code	NC ZAF601398901
	3.H Where identified as necessary to reduce r...	Local law Base code	NC ZAF601398902
	3.H Where identified as necessary to reduce r...	Local law Base code	NC ZAF601398903
	3.N Ensure that all hazardous substances (e.g...	Local law Base code	NC ZAF601398904
5. Legal wages are paid	5.B Ensure that workers receive the insurance...	Local law Base code	NC ZAF601398905
10.A. Environment 2-Pillar	10.A.B Comply with relevant local, regional a...	Local law Base code	NC ZAF601398906


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				
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				

 Not addressed

 Fundamental improvements required

 Some improvements recommended

 Robust management systems

Site details

Company and site details

Sedex company reference	ZC5000087914	
Sedex site reference	ZS1000104484	
Company name	Dongstar Wood Vietnam Company Limited	
Business ownership type	GOODS	
Site name	Dongstar Wood Vietnam Company Limited (Lao Cai Province plant area)	
Site name in local language	CÔNG TY TNHH DONGSTAR WOOD VIỆT NAM	
GPS location	GPS address	Hop Nhat Village, Yen Binh Commune, Lao Cai Province, Vietnam
	Coordinates	N 21°42'53" Longitude: E 105°0'11"
Is the worksite in a remote location, far from habitation?	No	
Site contact	Contact name	刘俊超/Liu Junchao
	Job title	Manager
	Phone number	0395687953
	Email	jasmine@chinabetterway.com
Applicable business and other legally required business license numbers and documents	Business License No.0111331832 issued on Jan 05, 2026, the last update was on Jan 29, 2026.	

[← Management systems](#)

[Worker analysis →](#)

Site activities

Site function	Factory Processing/Manufacturer	
Site activities	Primary	Other manufacturing n.e.c.
	Secondary	
	Other	
Product type	Plywood	
Process overview	Raw materials - gluing - assembly of blanks - cold pressing - core trimming - hot pressing - edge trimming - polishing - film/veneer application - packaging There are mainly two gluing machines, two cold presses, three hot presses, one grinding production line, and etc.	
What level of mechanization best describes the work at this site?	Fair mechanisation / manual Labour	

Site scope

Is the audited site a physically continuous area?	Yes	
What is the area of audited site to its boundary?	4750m ²	
Building 1	Last construction works on site	2025
	If building is shared, provide details	NA.
	Number of floors	1
	Description of floor activities	1F: Warehouse and workshop.

[← Site details](#)

[Worker analysis →](#)

Site scope

Building 2	Last construction works on site	2025
	If building is shared, provide details	NA.
	Number of floors	1
	Description of floor activities	1F: Boiler room

Building 3	Last construction works on site	2025
	If building is shared, provide details	NA.
	Number of floors	1
	Description of floor activities	1F: Office

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

Does the site organise worker transport to the worksite? Not provided
Workers went to the factory and went back home by motorcycles.

[← Site details](#)

[Worker analysis →](#)

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

Site assessments

Does this site hold any certifications that address labour standards, human rights, corruption or environmental impact? No

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
The factory was not assessed for negative impacts on the human rights, lands, resources, territories, livelihoods or food security of indigenous peoples or the local community.

Has there been a Human Rights Impact Assessment (HRIA) conducted within the last three years at this site? No
There was no Human Rights Impact Assessment (HRIA) conducted within the last three years at this factory.

[← Site details](#)

[Worker analysis →](#)

Worker analysis

Gender disaggregated data available Men and women

Worker totals

	Men	Women	Other	Total
Number of workers	17 (68%)	8 (32%)	- -	25 (100%)

Workers by type

	Men	Women	Other	Total
Permanent workers (employees)	17 (68%)	8 (32%)	- -	25 (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

No migrated internally worker.

Workers by age

	Men	Women	Other	Total
18 - 24 years old	4 (57.1%)	3 (42.9%)	- -	7 (28%)
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? No

Describe how this may vary during peak periods The factory has no distinct peak or off-peak seasons.

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

Most common nationalities as approximate % of workforce

	Men	Women	Other	Total
Vietnamese	68%	32%	-	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	17 (68%)	8 (32%)	- -	25 (100%)
Salaried workers	0 -	0 -	- -	0 (0%)

* % 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	17 (68%)	8 (32%)	- -	25 (100%)
Other	0 -	0 -	- -	0 (0%)

* % of total workforce

If other payment cycle entered, please provide details No other cycle pay in place.

People in managerial, supervisory and administrative roles

	Men	Women	Other	Total
Employees in management positions	3 (100%)	0 (0%)	- -	3
Supervisors or team leaders	2 (100%)	0 (0%)	- -	2
Administrative staff	0 (0%)	2 (100%)	- -	2

[← 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 Total 1 groups for 5 workers.

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

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)

No complaints.

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

Equal opportunities

Overtime

Additional comments

10 workers were selected for interview. They were interviewed as 1 group with 5 workers and 5 workers were interviewed individually. The workers were assured of confidentiality, and they spoke freely of their views of the factory. All workers said they were satisfied with their employment at the factory. All workers said they were satisfied with their employment at the factory and that they were satisfied with the current wages. They felt free to leave this employer and understood the notice period required. They had good relationships with their supervisors and managers who treated them with respect. They were able to make suggestions to their supervisors and team leaders and they could voice out to the worker representative when necessary. They felt able to complain directly to their supervisors.

Attitude of workers' committee/union representatives

Interviews with the worker representative was satisfied, expressed to agreed with the working conditions and confirmed participation in improvement process, also, stated that they could give suggestions on all parts of the site's practices.

Attitude of managers

The management has an open and positive attitude to shared the details of the site, the information was presented on timely manner, they were observing all the audit process and participating actively solving all the questions made by the auditor.

Workers interviewed by type

	Total
Permanent workers	10
Temporary or fixed-term employees	0
Agency or subcontracted workers	0
Seasonal workers	0
Other workers	0
Total number of workers interviewed	10

Workers interviewed by group/individual

	Men	Women	Other	Total
Workers interviewed in groups	2	3	-	5
Workers interviewed individually	2	3	-	5

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

Measuring workplace impact

Gender disaggregated data available Men and women

Annual worker turnover (%)*

	Men	Women	Other	Total
Last full quarter (90 days)	2.0%	6.0%	-	8.0%
Last full calendar year (2025)	0.0%	0.0%	-	0.0%
Previous full calendar year (2024)	0.0%	0.0%	-	0.0%

* 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)	2.0%	4.0%	-	6.0%
Last full calendar year (2025)	0.0%	0.0%	-	0.0%
Previous full calendar year (2024)	0.0%	0.0%	-	0.0%

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

The factory has provided work injury records for the past year, and there were no work-related injuries.

[← Worker interviews](#)

[Code area 0 →](#)

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%	-	-

* 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.C Provide an accurate site description and ...	Local law Base code	NC ZAF601398898

Systems and evidence examined to validate this code section

Current systems:

- 1.The factory allow the auditor to conduct and complete the audit without obstruction to all requested documents, interviewees and the facility itself, and provide the auditor with genuine and authentic records.
- 2.No integrity case was occurred during the audit.
- 3.The factory provide an accurate site description and Sedex site profile declared prior to the audit.
- 4.The factory maintain a written human rights policy statement that is approved at the most senior level, communicated to all personnel, and trained to relevant personnel.

Evidence examined:

Details:

- 1.Worker and management interview
- 2.Human rights policy
- 3.Site profile
- 4.Employee manual

Findings: non-compliances

ZAF601398898

Non-compliance

Due 2026-05-24

Code area

0 Enabling accurate assessment

Status

Open*

Workplace requirement

0.C Provide an accurate site description and Sedex site profile declared prior to or during the audit.

Time given to resolve

30 days

Issue title

34 - Site is operating without all required in-date licences and permits (e.g. business/factory licence has expired)

Verification method

Desktop audit

Description

Based on document review, The address on the business license of the factory does not match the actual address. Actual production address: Hop Nhat Village, Yen Binh Commune, Lao Cai Province, Vietnam, Business license address: Tang 6 Toa nha ICON4, S6 243A De La Thanh, Phuong Lang, Thanh pho Ha Noi, Vietnam.

Area of non-compliance/non-conformance

Local law

Base code

Corrective and preventative actions

The factory should update their business licenses in a timely manner as required.

Local law reference

LAW ON ENTERPRISES (No. 59/2020/QH14), Article 20

1. Enterprises must register with the business registration authority when changing the content of the Enterprise Registration Certificate as prescribed in Article 28 of this Law

* PDF generated at 05:14 (UTC) on 24 Apr 2026. [View this finding on the Sedex platform](#) for live updates and closure details.

[← Code area 0](#)

[Code area 1 →](#)

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 Some Improvements Recommended

Explanation for management systems grades

1.Policies and procedures: The factory's Human Resource Management Procedure outlining the systems in place to manage this issue at the site includes all relevant requirements of the code area. Workers can freely choose their careers without any recruitment fees.

2.Resources: Mr. Li / Manager is assigned responsibility for implementation, and aware of the responsibilities. The HR manager has received a high level of internal training on the policy and used the knowledge to develop effective processes in the factory.

3.Training: All workers have done a series of relevant training. They are trained to recognize genuine and fake documents. There are also mechanisms to communicate with government agencies if needed for additional information or clarifications. Key personnel such as those at the workshop are also offered training.

4. Monitoring: Each workshop supervisor reports to the manager that HR department monitors compliance with the process, the factory holds a social responsibility internal audit plan on a regular basis, and there is a mechanism to monitor whether each department is implementing the process. However, there is a lack of evaluation of how well the process is executed, some improvements are suggested.

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> <ol style="list-style-type: none"> The factory had established the effective employment policies & program. Employees could be freely resignation after communication with management in advance at least 3 working days for workers with fixed term of under 12 months and 30 days for workers with fixed term of 12 – 36 months. The workers did not require lodging deposits or their Identity papers to the factory at the beginning of employment. The terms and conditions of employment in the handbook state that the workers are free to leave the workplace outside of their working hours. No forced, bonded or involuntary prison labour was identified during the audit. <p>Evidence examined:</p> <p>Details:</p> <ol style="list-style-type: none"> Factory rules Employee handbook Personnel files Resignation records Labour contracts Management and worker interview 		

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 Some Improvements Recommended

Explanation for management systems grades

1.Policies and Procedures: The factory had established written policies and procedures for recruitment management, promotion system and labor file management. These policies refer to "Social Responsibility Management Manual" and "Employee Manual", which Outlines the main mechanisms for worker recruitment. These procedures include provisions for young workers, women workers and pregnant workers. These policies are regularly reviewed and updated.

2.Resources: Mr. Li/ Manager was assigned responsibility for implementation along side production manager, and both were aware of their responsibilities. They have received a high level of external training on recruitment policy and have used their knowledge to develop effective processes in place.

3.Training: Training at the factory was governed by a training procedure which is the specific responsibility of the Training Manager. The recruitment policy was available and communicated to all workers .

4. Monitoring: Responsibilities for monitoring implementation of legitimate right to work are defined by the Recruitment Procedure. The procedure requires that this verification is conducted by Manager. The factory retains records such as ID copy in workers' personnel records to evidence that workers that they employ have the legal right to work. However, there is no program that regularly checks and updates these files. It is suggested that some improvements be made in the future.

[← Code area 1](#)

[Code area 2 →](#)

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> <ol style="list-style-type: none"> 1.All workers in the factory were Vietnamese. All workers had the proper legal rights to work in this region. 2.No labor agency was used by the factory. 3.The factory had established recruitment procedures and employment procedures, and the factory would review the workers' original documents such as ID cards during the recruitment. No cases of charging recruitment fees for workers were found. The factory has clearly stipulated in the recruitment process that it will not charge any fees from workers. All expenses incurred during the recruitment process are borne by the factory, such as the cost of occupational disease physical examinations and onboarding training. 4.No foreign worker was used by the factory. <p>Evidence examined:</p> <p>Details:</p> <ol style="list-style-type: none"> 1.Hiring procedure 2.Personnel files and labor contracts 3.Employee handbook 4.Employee roster 5.Worker and management interview 		

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 - the site has paid all recruitment costs for new workers in advance
No - all new workers were recruited locally by the site

Select 1 to 3 sending countries/regions of new workers, who have paid any recruitment fees and associated costs. Record fees and costs in the following tables. Vietnam

New workers totals

Vietnam

Number of workers 32

Recruitment fees

Vietnam

Payments made in exchange for work -

Recruitment services which are not optional -

Recruitment fees

Other or uncategorised	-
------------------------	---

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	-
--	---

Illegitimate costs

Payments made to illegitimate actors during the course of employment	-
--	---

Other or uncategorised	-
------------------------	---

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
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Additional comments	Nil.
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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	Some Improvements Recommended

Management systems

Explanation for management systems grades

1. Policies & Procedures: The factory has formulated written policies and procedures about freedom of association and the right to collective bargaining, including the worker representative election process and requirements. The procedures recognize workers' rights to freedom of association and the right to collective bargaining. The factory posts them on the employees' noticeboard to inform workers of their right to join or form an independent worker representative, and their rights to collective bargaining.

2. Resources: Based on the procedures, there is a designated individual responsible for ensuring the implementation of the site policies. Mr. Li is responsible for the policies' approval and regular review. He is clear about specific operational responsibilities for implementing the procedures, such as encouraging workers to select worker representative.

3. Communication & Training: The factory provides relevant training to all workers and the training covers the content of workers' right and clear about the responsibilities of employee representatives. And the procedures about freedom of association and the right to collective bargaining are available and communicated to all workers.

4. Monitoring: The election records including ballot record of worker representative are kept and provided for review which show that the worker representatives are freely elected. The factory provides worker representatives with a safe and un-monitored space to conduct their work when needed. The meeting notes and the evidence of action taken by management to address concerns reported by workers. But the suggestion box has not received any appeal related records and has not been evaluated or adjusted, and the factory did not review the effectiveness of the suggestion box.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
			No findings

Systems and evidence examined to validate this code section

Current systems:

1. Based on document review, management interview and worker interview, worker representatives were freely elected. They conducted the meeting regularly and worker representatives meeting records were provided for review.
2. Through worker interview, the worker could raise their grievances or complaint through worker representative or supervisor directly.

Evidence examined:

Details:

1. The policy on freedom of association
 2. Interview with worker representative and management
 3. Election and meeting minutes
-

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?	No
Are they active?	
Does the employer recognise the trade union?	Not Applicable
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?	Not Applicable
Does the membership reflect the nationality composition of the workforce?	Not Applicable

[← Code area 2](#)

[Code area 3 →](#)

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 Some Improvements Recommended

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

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 Fundamental Improvements Required

Management systems

Explanation for management systems grades

1.Policies and procedures: The factory has established a detailed policy on health and safety, such as 'Social responsibility program files'. The policy outlining the systems in place to manage this issue at the site includes most relevant requirements of the code area, and further detail can be found in the EHS management procedures. Documents clearly assign responsibilities, processes in place and address most code areas. However, there are still some missing documents, such as the detection of occupational disease hazard factors, which leads to the related NC.

2.Resources: Mr. Li/ Manager was assigned responsibility for implementation the policy and procedure, and they are aware of their most responsibilities. The related management have received a external training on EHS and have used the knowledge to develop effective processes in place. However, in some areas, they did not perform their duties well, such as PPE and chemicals.

3.Training: The workers received internal training regularly. Compliance with processes was monitored by the department reporting to the Safety Management. There were at least 2 exits from each work area. And the factory reviewed its performance on social compliance regularly, including health and safety. However, it was clear that the training effect was not robust enough, Based on the on-site audit, it was found that some chemicals were not provided with secondary containment.

4. Monitoring: Compliance with processes was monitored by the factory, but the monitoring was not effective enough. Based on the on-site audit, it was found that some chemicals were not provided secondary containment, and some workers were not wearing PPE. Failure in the monitoring has led to the NCs, it is suggested that monitor be strengthened in this area and its effectiveness be rated in the future.

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.A Ensure a safe working environment. Put in...	Local law Base code	NC ZAF601398899
	3.A Ensure a safe working environment. Put in...	Local law Base code	NC ZAF601398900
	3.A Ensure a safe working environment. Put in...	Local law Base code	NC ZAF601398901
	3.H Where identified as necessary to reduce r...	Local law Base code	NC ZAF601398902
	3.H Where identified as necessary to reduce r...	Local law Base code	NC ZAF601398903
	3.N Ensure that all hazardous substances (e.g...	Local law Base code	NC ZAF601398904

Systems and evidence examined to validate this code section

1. General Health and Safety management.
 - The factory has assigned Mr. Li/Manager as the full time staff for fire safety and occupational health safety issue of the factory.
 - The facility has obtained legal document such as construction permit, approval for firefighting and prevention system from local authority.
 - Health and safety policies were established and maintained.
 - Health and safety committee was established in the facility with seven members.
 - Toilets segregated by gender were available at all times to employees.
 - Sufficient drinking water is provided for employees with free of charge.
 - All workers were trained on occupational health and safety with the latest one on Mar 2026.
 - First aid kits were equipped in each production areas with full supplies.
 2. Fire Safety- There are at least 2 exits from each work area and these were clearly marked the escape routes; emergency exit lights and signs were adequately installed at emergency exits.
 - Firefighting equipment was installed for all the factory buildings.
 - Fire safety was inspected by local firefighting police.
 - Evacuation plans are posted at all areas in the facility.
 - Firefighting plan was established and approved by the firefighting police.
 - Internal inspection on firefighting and prevention system on monthly basic and maintained by qualified supplier on semi-annual basic.
 - Fire and evacuation drills were organized and recorded at least one times per year. The latest evacuation drill conducted on Apr 13, 2026.
 - Fire protection acceptance No. 181/NT-PC07-CTPC issued on Sept 18, 2025
 - Building completion acceptance No. 77/TB-BQLKKT issued on Sept 30, 2025.
 3. Machine and electrical safety:
 - Electrician and air-compressors operator were trained and certificated for on occupational health and safety training.
 - Machines and equipment are inspected and maintenance regularly as per companyplan.
 - Warning signs are posted on electrical panels.
 4. Medical services:
 - First aid kits with sufficient first aid items were equipped in each production areas.
 - The first aid team was trained on Dec 23, 2025.
 - The facility contracted with a health service agency to take care of employees' health at the factory
 - Health check was provided to employees every annually.
- Evidence examined:
- Details:
- Construction permit and acceptance test of construction work.
 - Approval for fire safety and firefighting design.
 - Acceptance test of prevention and firefighting system.

- The firefighting and evacuation drill records.
- The fire safety training record.
- Lightning protection inspection.-Health and safety policy.
- Risk assessment for occupational health and safety.
- Workplace environment inspection report.
- OHS Training records was maintained.
- PPE policy and PPE issuing log was maintained.
- Machine and equipment maintenance records were maintained.
- Working environment measurement report.
- Machine maintenance records.
- Health check records.
- Machine operating safety procedures.
- Chemical inventory list.
- Material safety data sheets.

Findings: non-compliances

ZAF601398899

Non-compliance

Due 2026-06-23

Code area

3 Working conditions are safe and hygienic

Status

Open*

Workplace requirement

3.A Ensure a safe working environment. Put in place adequate controls to prevent accidents and injury (including long-term injury) to health arising out of, associated with, or occurring in the course of work.

Time given to resolve

60 days

Issue title

305 - No/inadequate air quality test

Verification method

Desktop audit

Description

Based on document review, the factory didn't conduct monitoring of occupational hazardous factors (such as air quality) for workshop (such as gluing) which exist occupational hazardous factors.

Area of non-compliance/non-conformance

Local law

Base code

Corrective and preventative actions

The Factory should conduct regular air quality tests as required.

Local law reference

LAW ON OCCUPATIONAL SAFETY AND HEALTH (Law No. 84/2015/QH13), Article 18.

Control of dangerous factors and hazardous factors at the workplace

1. Employers shall evaluate and control dangerous factors and hazardous factors at the workplace in order to work out occupational safety and health technical measures and take care of employees health: implement decontamination and disinfection in areas where there are hazardous or infectious elements.

2. For hazardous factors with permissible contact limits set by the Minister of Health to control their harm to employees' health, employers shall conduct working environment monitoring to assess hazardous factors at least once a year. Working environment monitoring organizations must meet all required conditions on physical foundations, equipment and manpower

3. For dangerous factors, employers shall regularly control and manage them in accordance with technical requirements to ensure occupational safety and health at the workplace and at least once a year organize inspection and assessment of these factors in accordance with law.

* PDF generated at 05:14 (UTC) on 24 Apr 2026. [View this finding on the Sedex platform](#) for live updates and closure details.

[← Code area 3](#)

[Code area 4 →](#)

ZAF601398900

Non-compliance

Due 2026-06-23

Code area

3 Working conditions are safe and hygienic

Status

Open*

Workplace requirement

3.A Ensure a safe working environment. Put in place adequate controls to prevent accidents and injury (including long-term injury) to health arising out of, associated with, or occurring in the course of work.

Time given to resolve

60 days

Verification method

Desktop audit

Issue title

306 - No/inadequate dust level survey

Area of non-compliance/non-conformance

Local law
Base code

Description

Based on document review, the factory didn't conduct monitoring of occupational hazardous factors (such as dust) for workshop (such as polishing) which exist occupational hazardous factors.

Corrective and preventative actions

The factory should conduct dust tests regularly as required.

Local law reference

LAW ON OCCUPATIONAL SAFETY AND HEALTH (Law No. 84/2015/QH13), Article 18.

Control of dangerous factors and hazardous factors at the workplace

1. Employers shall evaluate and control dangerous factors and hazardous factors at the workplace in order to work out occupational safety and health technical measures and take care of employees health: implement decontamination and disinfection in areas where there are hazardous or infectious elements.

2. For hazardous factors with permissible contact limits set by the Minister of Health to control their harm to employees' health, employers shall conduct working environment monitoring to assess hazardous factors at least once a year. Working environment monitoring organizations must meet all required conditions on physical foundations, equipment and manpower

3. For dangerous factors, employers shall regularly control and manage them in accordance with technical requirements to ensure occupational safety and health at the workplace and at least once a year organize inspection and assessment of these factors in accordance with law.

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[← Code area 3](#)

[Code area 4 →](#)

ZAF601398901

Non-compliance

Due 2026-06-23

Code area

3 Working conditions are safe and hygienic

Status

Open*

Workplace requirement

3.A Ensure a safe working environment. Put in place adequate controls to prevent accidents and injury (including long-term injury) to health arising out of, associated with, or occurring in the course of work.

Time given to resolve

60 days

Verification method

Desktop audit

Issue title

307 - No/inadequate noise assessment conducted

Area of non-compliance/non-conformance

Local law

Base code

Description

Based on document review, the factory didn't conduct monitoring of occupational hazardous factors (such as noise) for workshop (such as polishing) which exist occupational hazardous factors.

Corrective and preventative actions

The factory should conduct regular noise tests.

Local law reference

LAW ON OCCUPATIONAL SAFETY AND HEALTH (Law No. 84/2015/QH13), Article 18.

Control of dangerous factors and hazardous factors at the workplace

1. Employers shall evaluate and control dangerous factors and hazardous factors at the workplace in order to work out occupational safety and health technical measures and take care of employees health: implement decontamination and disinfection in areas where there are hazardous or infectious elements.

2. For hazardous factors with permissible contact limits set by the Minister of Health to control their harm to employees' health, employers shall conduct working environment monitoring to assess hazardous factors at least once a year. Working environment monitoring organizations must meet all required conditions on physical foundations, equipment and manpower

3. For dangerous factors, employers shall regularly control and manage them in accordance with technical requirements to ensure occupational safety and health at the workplace and at least once a year organize inspection and assessment of these factors in accordance with law.

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[← Code area 3](#)

[Code area 4 →](#)

ZAF601398902

Non-compliance

Due 2026-05-24

Code area

3 Working conditions are safe and hygienic

Status

Open*

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

Description

Based on onsite observation, the factory provided PPE to workers, while about 30% workers didn't wear PPE. For instance: some of the workers in the polishing process (dust and noise) were not wearing masks or earplugs.

Area of non-compliance/non-conformance

Local law
Base code

Corrective and preventative actions

The factory should supervise employees to wear PPE correctly.

Local law reference

LAW ON OCCUPATIONAL SAFETY AND HEALTH (Law No. 84/2015/QH13), Article 23:

Article 23. Personal protective equipment at work

3. When providing personal protective equipment, employers shall abide by the following principles.

- a/ Ensuring proper types of personal protective equipment for eligible employees, adequate quantity and proper quality according to national standards and technical regulations;
- b/ Not providing money instead of personal protective equipment, neither requiring employees to buy personal protective equipment by themselves nor collecting money from them to buy personal protective equipment;
- c/ Instructing and monitoring employees in using personal protective equipment,
- d/ Organizing the implementation of detoxification, disinfection and radioactive decontamination to ensure hygiene for personal protective equipment which has been used in areas at risk of intoxication, infection and radioactive contamination.

Evidence

[← Code area 3](#)

[Code area 4 →](#)



[Didn't wear PPE.jpg](#)



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ZAF601398903

Non-compliance

Due 2026-05-24

Code area

3 Working conditions are safe and hygienic

Status

Open*

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

281 - Lack of adequate/appropriate signage in high risk areas on usage of PPE (e.g. importance of ear plugs for high noise or specific PPE for chemical use/handling)

Verification method

Desktop audit

Description

Based on onsite observation, the factory has not posted occupational disease hazard notification cards in areas with occupational disease hazard factors. For instance: The grinding workshop has occupational disease hazard factors such as noise and dust, and the polishing workshop has occupational disease hazard factors such as chemicals. However, the corresponding occupational disease hazard notice cards have not been posted.

Area of non-compliance/non-conformance

Local law
Base code

Corrective and preventative actions

The factory should post occupational disease hazard notification cards as required.

[← Code area 3](#)

[Code area 4 →](#)

Local law reference

LAW ON OCCUPATIONAL SAFETY AND HEALTH (Law No. 84/2015/QH13), Article 16.
 Responsibilities of employers in ensuring occupational safety and health at the workplace
 6. To place noticeable warning and instruction signboards in Vietnamese and popular languages of employees on occupational safety and health for machinery, equipment, supplies and substances subject to strict requirements for occupational safety and health at the workplace and in places of their storage, preservation and use.
 7. To provide information, communication or training to employees on occupational safety and health regulations, rules and procedures, measures to prevent and control dangerous factors and hazardous factors at the workplace related to their assigned work or tasks.

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ZAF601398904

Non-compliance

Due 2026-05-24

Code area

3 Working conditions are safe and hygienic

Status

Open*

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

240 - No/inadequate safety measures/anti-explosion measures for chemicals (e.g. no anti-leaking system/secondary container/unbundled)

Area of non-compliance/non-conformance

Local law

Description

Based on onsite observation, some of the chemicals used in the factory were not equipped with secondary containers. For instance: The glue used in the gluing process of the factory and anti-wear fluid for factory workshops.

Base code

Corrective and preventative actions

The factory should provide secondary containers for all chemicals.

[← Code area 3](#)

[Code area 4 →](#)

Local law reference

LAW ON CHEMICALS (Law No.28/2018/0H14), Article 30. Rights and Obligations of Organizations and Individuals Using Chemicals to Produce Other Products/Goods

2. Organizations and individuals using chemicals to produce other products/goods shall fulfill the following obligations:

- a/ Comply with regulations on chemical safety management;
- b/ Appoint a chemical safety officer, ensure material and technical foundations and professional competency in chemical safety that match the quantity and characteristics of the chemicals,
- c/ Provide regular chemical safety training and retraining to workers;
- d/ Supply workers and managers with sufficient, accurate, and timely chemical safety information and guidance;
- d/ Develop chemical accident prevention and response measures or plans as required by Chapter VI of this Law;
- e/ Update and store information on the chemicals used in accordance with Article 53 of this Law.
- g/ Promptly notify chemical suppliers and chemical management agencies upon detecting new hazardous characteristics in the chemicals used:
- h/ Cooperate with state competent authorities in inspecting compliance with chemical safety regulations.

Evidence



[NO equipped with secondary containers\(Glue\).jpg](#)



[No equipped with secondary containers\(Anti-wear fluid\).jpg](#)



* PDF generated at 05:14 (UTC) on 24 Apr 2026. [View this finding on the Sedex platform](#) for live updates and closure details.

3. Working conditions are safe and hygienic

Data points

Is someone within the company responsible for health and safety?	Yes, senior manager or business owner
Do workers operate high risk or heavy machinery or vehicles as part of their jobs?	No
Do workers handle or have access to hazardous substances (e.g. chemicals or pesticides)?	No
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?	Not Applicable No structural additions.
Does the visual appearance of the building give you any immediate concerns about the structural integrity of the building?	No
Are there any cracks observed in the walls, floors, ceilings or other areas of the facility, both internally or externally?	No

[← Code area 3](#)

[Code area 4 →](#)

Does the site have a structural engineer evaluation? Yes

[← Code area 3](#)

[Code area 4 →](#)

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

1. Policies and procedures: The factory currently has policies and procedures related to "Child labour shall not be used ", such as " Policy on workers recruitment " , " Personnel files including the ID card copies of workers " , which may encourage the factory to continue to comply with all workplace requirements in the field of basic norms in the future.
2. Resources: The factory has appointed Mr. Li / Manager to be responsible for this field, who understands her responsibilities, possesses the skills and qualifications required to manage the workplace, and is responsible for implementing and executing the program.
3. Training: The factory provides training and communication on relevant policies and procedures for workers and other employees including managers and supervisors when recruitment and annually.
4. Monitor the effectiveness of procedures to meet policy and Workplace Requirements was conducted every year, for example, internal audit and management review, and the result was reported to top manager. Monitoring ensures continuous and adequate management of workplace requirements in this foundational code area.

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> <ol style="list-style-type: none"> 1.The factory established a policy on workers recruitment that workers must present their original ID card to proof their ages while recruiting, once workers have joined their original copies of ID card were kept in their personnel file. And the policy stated that the factory never employed and used any child labour under the age of 15 years old. 2.The factory established a policy to protect young workers which stated given a regular health check, also did not arrange young workers to hazardous post. 3.Checks of all workers files showed that the youngest worker on site was 19 years old, who was born on Oct 19, 2006 and entered the factory on Feb 3, 2026. 4.Remark: In Vietnam, minimum age of worker is 15 years old. Workers between 15 18 are regarded as young labour. <p>Evidence examined:</p> <p>Details:</p> <ol style="list-style-type: none"> 1.Policy on workers recruitment 2.Personnel files including the ID card copies of workers 3.Roster and labour contracts of all workers 4.Worker and management interview. 		

4. Child labour shall not be used

Data points

Percentage of workers that are age 24 or younger	28%
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	Some Improvements Recommended
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Fundamental Improvements Required
Monitor the effectiveness of procedures to meet policy and workplace requirements	Some Improvements Recommended

Management systems

Explanation for management systems grades

- 1.Policies and procedures: The factory's Hourly payroll control procedures policy outlining the systems in place to manage this issue at the site, wage calculation methods are clearly defined, aligning with local labor laws, covering aspects like base pay and overtime. There are strict procedures for payroll processing, with detailed guidelines for timekeeping, deductions, and bonuses.
- 2.Resources: Mr. Li/ Manager was responsible for ensuring the implementation of the site policies. Based on management interview, the management understand the requisite standards. However, the relevant benefits stipulated by law were not implemented in place, which led to NC.
- 3.Training: All workers have done a series of relevant training on wage policies during recruitment, and regular refresher courses are provided to keep them updated. Multiple communication channels, such as staff meetings, posters, and suggestion box, are used to convey wage - related information. However, based on worker interview, most of the employees did not raise any objections regarding the failure to pay the compulsory social security, which led to NC. Fundamental improvements can be made to this issue in the future.
4. Monitor the effectiveness of procedures to meet policy and Workplace Requirements was conducted every year, for example, internal audit and management review, and the result was reported to top manager. However, there are still related problems. It is suggested that some improvements be made to the monitor in the future to ensure the effectiveness of the measures.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
5. Legal wages are paid	5.B Ensure that workers receive the insurance...	Local law Base code	NC ZAF601398905

[← Code area 4](#)

[Code area 5.A →](#)

Systems and evidence examined to validate this code section

Current systems:

- 1.The local legal minimum wage was VND 4,140,000/month before Jan 1, 2026 and VND 3,860,000/month since Jul 1, 2024.
- 2.All workers' wages were calculated by hourly rate. The minimum wage paid by the factory was VND 25,528.84 per hour according to the wage scale and records.
- 3.Overtime wage was paid to workers as per legal requirement.
- 4.The salary calculation cycle was from the 1st to the last date of the month.
- 5.Salary was paid in full on every 10th of the following month via cash. Payslip was provided to workers at each pay period.
- 6.The factory officially started operation on Dec 29, 2025. The attendance records were provided from Dec 29, 2025 to the audit day, and the salary records were provided starting from Dec 2025.
- 7.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 were paid.
- 8.Insurance records showed that 100% of eligible workers had provided with social insurance.
- 9.Benefits of paid, annual leave was given to all workers and childbearing leave to appropriate workers.
- 10.All social insurance payments were passed on to the relevant authorities in a timely manner.

Evidence examined:

- 1.Wage and time records from the last 12 months are provided to review
- 2.Employee interview
- 3.Wages and benefits policy
- 4.Leave records
- 5.Social insurance and payment receipts
- 6.Labour contracts of selected samples
- 7.Resignation records
- 8.Pay slips of Labour contracts of selected samples
- 9.Annual leave monitoring record of selected sample.

Findings: non-compliances

ZAF601398905

Non-compliance

Due 2026-07-23

Code area

5 Legal wages are paid

Status

Open*

Workplace requirement

5.B Ensure that workers receive the insurances and benefits (including leave entitlements) they are legally or contractually entitled to.

Time given to resolve

90 days

Issue title

423 - Compulsory insurance (e.g. social insurance, accident insurance etc.) not paid - systemic

Verification method

Follow up audit

Description

The compulsory social insurance was insufficient.
Based on the management and worker interview and document review, remove 5 management member, the factory provided compulsory social insurance(Sickness, Maternity, labour accident and occupational disease, Retirement, Survivor allowance) to 2/29(6.9%) workers. There were totally 29 workers (including 0 retired workers and 0 new worker).

Area of non-compliance/non-conformance

Local law

Base code

Corrective and preventative actions

The factory should purchase compulsory social insurance for all employees as required.

Local law reference

LAW ON SOCIAL INSURANCE Law No. 41/2024/QH15 Article 2. Compulsory social insurance and voluntary social insurance participants

1. Employees being Vietnamese citizens who are subject to participation in compulsory social insurance include:

a/ Persons working under indefinite-term labor contracts, labor contracts with a term of full 1 month or longer, including also cases in which employees and employers agree upon other contract titles but their labor contracts must have contents showing the paid job performance and management and supervision by one of them;

Explanation of difference in resolution time or verification method from the SMETA issue title recommendation

Timescales was confirmed by factory.

Evidence

[← Code area 5](#)

[Code area 5.A →](#)



[The compulsory social insurance was insufficient.jpg](#)

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5. Legal wages are paid

Data points

What is the basic wage paid to workers?	<p>The legal minimum wage</p> <p>Wages meet a living 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?	<p>Does not use digital payments (give details)</p> <p>By cash.</p>
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?	WageIndicator Typical Family 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
--	----------------

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

[← Code area 5](#)

[Code area 5.A →](#)

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	208.0
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	1.5
	Max hours per week	9.0
	Max hours per month	39.0
Minimum legal wage	Min per hour	Non applicable
	Min per day	Non applicable
	Min per week	Non applicable
	Min per month	4140000.0
Actual minimum wage	Actual per hour	Non applicable
	Actual per day	Non applicable
	Actual per week	Non applicable
	Actual per month	5310000.0

Minimum legal overtime wage	Min per hour	29855.77
	Min per day	Non applicable
	Min per week	Non applicable
	Min per month	Non applicable
Actual minimum overtime wage	Actual per hour	38293.27
	Actual per day	Non applicable
	Actual per week	Non applicable
	Actual per month	Non applicable

Wage analysis

Number of workers' records checked	30
Provide the date and details of the records	10 samples from Mar 2026 (current month) 10 samples from Feb 2026 (random month) 10 samples from Jan 2026 (random month)
Are there different legal minimum/legally recognised CBAs wage grades?	No
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	100.0% of workforce earning above the minimum wage.
Are there any bonus schemes used?	No

[← Code area 5](#)

[Code area 5.A →](#)

Were accurate records shown at the first request? Yes

Were any inconsistencies found? No

[← Code area 5](#)

[Code area 5.A →](#)

5.A. Living wages are paid

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> <ol style="list-style-type: none"> 1.The factory review workers' total pay including benefits and compare it with a credible 'living wage' to calculate a 'living wage gap', and understand what proportion of the workforce has a gap. The factory calculates the living wage based on the second method of IDH: Wage indicator Typical Family Methodology. The living wage assessment included all workers and was consistent with their actual wages. 2.The factory put in place a wage improvement plan that aims to pay workers a living wage within a stated time frame. <p>Evidence examined:</p> <p>Details:</p> <ol style="list-style-type: none"> 1.Worker and management interview 2.Payroll records 3.Local legal minimum wage documents 4.Wages and benefits policy 5.Labor contracts for all employees 		

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
Explanation for management systems grades	<p>1.The factory currently has policies and procedures related to " Working hours are not excessive ", such as "Factory policy on working hours ", which may encourage the factory to continue to comply with all workplace requirements in the field of basic norms in the future.</p> <p>2.The factory has appointed Mr. Li/ Manager to be responsible for this field, who understands her responsibilities, possesses the skills and qualifications required to manage the workplace, and is responsible for implementing and executing the program.</p> <p>3.The factory provides training and communication on relevant policies and procedures for workers and other employees, including managers and supervisors. Training plan is in place and followed in practice. Based on interview with management and workers, all of them were familiar with the policies and procedures on working hour control.</p> <p>4. Monitor the effectiveness of procedures to meet policy and Workplace Requirements was conducted every year, for example, internal audit and management review, and the result was reported to top manager. And the overtime hours of the workers were well controlled. Monitoring ensures continuous and adequate management of workplace requirements in this foundational code area.</p>

[← Code area 5.A](#)

[Code area 7 →](#)

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> <ol style="list-style-type: none"> 1.Through employees' interview, overtime is voluntary. 2.According to attendance records and worker interview, basic working hours were 8 hours per day and 48 hours per week. 3.The factory officially started operation on Dec 29, 2025. The attendance records were provided from Dec 29, 2025 to the audit day. 4.Electrical recognition system was used to record workers' attendance records. 5.All sampled workers' monthly overtime hours did not exceed 40 hours, and the maximum monthly overtime hours of sampled workers were 39 hours. All sampled workers' daily overtime hours did not exceed 4 hours, and workers' maximum daily overtime hours were 1.5hours. 6.100% sampled workers' weekly working hours did not exceed 60 hours, the maximum weekly working hours were 57 hours. 7.All sampled workers enjoyed one day off per seven days, the maximum continuous working days were 6 days. <p>Evidence examined:</p> <ol style="list-style-type: none"> 1.Worker and management interview 2.Factory policy on working hours 3.Attendance records and payroll records 4.Workers' contracts 5.Warehouse 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?	57.0
In the sample, what was the maximum number of hours worked in a single week, including overtime, for any worker at this site?	57.0
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

Management systems

Explanation for management systems grades

1. Policies & Procedures: The factory has established policies and procedures regarding discrimination, including approach regarding recruitment, training, development and promotion processes, system on wages and transparency in remuneration, etc. Also, the implementation, clearly assigned responsibilities, and processes are formulated in the policy.
2. Resources: Mr. Li/ Manager is responsible for ensuring its resourcing, approval and regular review. HR is allocated responsibility to implement the Procedures, which includes all areas, to ensure that employment policies and processes are sufficient to prevent discrimination at all stages of employment.
3. Communication & Training: The latest policy is available and communicated to all workers. The factory provides internal training for all workers. But some interviewed workers were not clear about the detailed requirement, they just said that they had not encountered any cases of discrimination, all requirements were fair for them. The factory also provides training to personnel responsible for recruitment, training, development, and promotion.
4. Monitoring: Based on procedures, the factory ensures that grievance mechanisms such as suggestion boxes and telephone hotlines are accessible to all workers, regardless of race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, and political affiliation. The factory continuously assesses the effectiveness of these procedures via regular monitoring and internal audits.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
			No findings

Systems and evidence examined to validate this code section

Current systems:

1. According to management interview and worker interview, the factory did not discriminate workers due to their birth, gender, age, religion, race, marital status, ethnical beliefs and political background, etc.; female workers and male workers had the same pay and working conditions as male workers; promotion was based on workers' ability and skill; training was based on working requirement.
2. There was no evidence of discrimination in employment, promotion, compensation, welfare, dismissal and retirement found.
3. There was no evidence of sexual harassment.
4. The management generally knew the requirement of Non-Discrimination.
5. As informed by interviewed workers, most employees spoke highly of the factory management.
6. The factory has a dedicated equity approach in recruitment, training, development and promotion processes. For example, the factory ensured the recruitment process is transparent and the recruitment conditions, criterion and admission results are made public.

Evidence examined:

Details:

1. The hiring and termination procedure, leave application records and employee handbook.
2. Payroll records
3. Attendance records
4. Termination records
5. Training records

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) 0%

Representation of women in supervisory roles (ratio of women workers to women supervisors) 0%

Three most common nationalities in managerial and supervisory roles Vietnamese.

8. Regular employment is provided

Management systems

<p>Develop and maintain relevant policies and procedures to ensure workplace requirements are met</p>	<p>Robust Management Systems</p>
<p>Appoint a manager with sufficient seniority who is responsible for implementing procedures</p>	<p>Robust Management Systems</p>
<p>Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures</p>	<p>Robust Management Systems</p>
<p>Monitor the effectiveness of procedures to meet policy and workplace requirements</p>	<p>Robust Management Systems</p>
<p>Explanation for management systems grades</p>	<p>1. Policies & Procedures: The factory currently has policies and procedures related to "Regular employment is provided", such as "The hiring and termination procedure", which may encourage the factory to continue to comply with all workplace requirements in the field of basic norms in the future.</p> <p>2. Resources: The factory has appointed Mr. Li/ Manager to be responsible for this field, who understands her responsibilities, possesses the skills and qualifications required to manage the workplace, and is responsible for implementing and executing the program.</p> <p>3. Communication & Training: The factory provided effective training and communication of policy and procedures about employment to all workers, including managers and supervisors. All staff related to recruitment have received formal training on employment.</p> <p>4. Monitoring: Requirements was conducted every year, for example, internal audit and management review, and the result was reported to top manager. Monitoring ensures continuous and adequate management of workplace requirements in this foundational code area.</p>

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> <ol style="list-style-type: none"> 1. According to workers interview and management interview, workers signed contracts with the factory as local law's requirement. 2. All interviewed workers indicated that they were provided with contract copies to know all items included. 3. No temporary worker, apprenticeship schemes or home worker was identified. 4. The factory saved all workers' personal files and contracts for review. 5. The factory established employment procedure for workers' recruitment. 6. No labour agency was used to hire workers <p>Evidence examined:</p> <ol style="list-style-type: none"> 1. The hiring and termination procedure 2. Personal files 3. Payroll records 4. Labor contracts 5. Worker and management interview 		

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

1. Policies and procedures: The factory currently has policies and procedures related to "Sub-contracting and homeworkers are used responsibly", such as "Social accountability manual ", which may encourage the factory to continue to comply with all workplace requirements in the field of basic norms in the future.
2. Resources: The factory has appointed Mr. Li/ Manager responsible for this field, who understands his responsibilities, possesses the skills and qualifications required to manage the workplace, and is responsible for implementing and executing the program.
3. Training: The factory provides training and communication on relevant policies and procedures for workers and other employees including managers and supervisors when recruitment and annually, and relevant training materials/records were available.
4. Monitoring: The factory will conduct regular reviews of them and require them to rectify any non - conformities within a specified timeframe. Compliance with the process is monitored directly by EHS Specialist, the subsequent monitoring of this policy is also relatively perfect, it can be considered robust.

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:

1. Confirmed by factory management, no sub-contractor was used by the factory.
2. The factory had established social accountability manual including sub-contracting control procedure.
3. No homeworking was identified in the factory.

Evidence examined:

1. Site tour
2. Materials in/out records
3. Interview with management and workers
4. Social accountability manual
5. Assessment records

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
The factory did not track the information in the supply chain.

Sub-contracting

Are there any concerns about unrecorded work or undeclared sub-contracting on site, giving considerations to the workers' capacity? No
NA.

[← Code area 8.A](#)

[Code area 9 →](#)

Are any sub-contractors used? No

[← Code area 8.A](#)

[Code area 9 →](#)

9. No harsh or inhumane treatment is allowed

Management systems

<p>Develop and maintain relevant policies and procedures to ensure workplace requirements are met</p>	<p>Robust Management Systems</p>
<p>Appoint a manager with sufficient seniority who is responsible for implementing procedures</p>	<p>Robust Management Systems</p>
<p>Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures</p>	<p>Robust Management Systems</p>
<p>Monitor the effectiveness of procedures to meet policy and workplace requirements</p>	<p>Robust Management Systems</p>
<p>Explanation for management systems grades</p>	<p>1.Policies and procedures: The factory's procedure and employee manual outlining the systems in place to manage this issue at the site includes all relevant requirements of the code area, including bullying, harassment, and excessive punishment. The policy also outlines strict disciplinary actions for perpetrators found guilty of such behavior to act as a deterrent.</p> <p>2.Resources: Mr. Li/ Manager was responsible for ensuring the implementation of the site policies. Regular training of regular employment guarantee that all the workers and management meets the requisite standards.</p> <p>3.Training: All workers have done a series of relevant training and verified the effectiveness of the training, such as recognizing different forms of harsh or inhumane treatment, understanding the impact of such behavior on individuals and the workplace, and how to prevent it.</p> <p>4.Monitoring: The factory has established a comprehensive complaint feedback mechanism, and all complaints will be processed and the results communicated within 48 hours. Compliance with the process is monitored directly by Admin & HR manager, the subsequent monitoring of this policy is also relatively impeccable, it can be considered robust.</p>

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> <ol style="list-style-type: none"> 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. Worker interview confirmed that workers were aware of the disciplinary procedure. The factory had established a policy on Harsh Treatment. Based on workers interview, there was no such negative evidence happened in the past. There was an internal process for grievance, which was an anonymous suggestion box, where workers can report any grievances (harassment, bullying, discrimination, etc.). Any received complaint will be handled by management, without any reprisal for the worker in question. <p>Evidence examined:</p> <ol style="list-style-type: none"> The relevant policy on prevention of harassment and abuse. Internal grievance procedure documentation Training records Worker and management interview 		

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')?	<p>Yes, there is a formal grievance process</p> <p>The grievance process is available to all workers</p>
What type of grievance mechanism(s) are available?	Suggestion box, report to the superior supervisor and worker representative.
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	Some Improvements Recommended
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Appoint a manager with sufficient seniority who is responsible for implementing procedures	Some Improvements Recommended
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Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Some Improvements Recommended
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Monitor the effectiveness of procedures to meet policy and workplace requirements	Some Improvements Recommended
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Management systems

Explanation for management systems grades

1.Policies & Procedures: The factory has declared environmental management manual, which clarifies the organization's environmental goals and commitments, as well as specific environmental management strategies. The manual is reviewed annually. However, the factory is lacking some documents in terms of environmental monitoring, such as the monitoring of exhaust gas, which has led to the NC.

2. Resources: Based on the established environment procedure, Mr. Li/ Manager was appointed to oversee and implement the environment procedure. And EHS committee is established to maintain the factory's system and operation. However, it is possible that the factory was newly established and was not familiar with the local regulations, which led to the occurrence of NC. It is suggested that some improvements be made in the future.

3.Communication & Training: The factory provides environment training for all workers, and the training covers environmental protection, waste treatment, etc. However, there is low awareness of it among staff interviewed, some workers are unsure how to handle sudden chemical spills.

4.Monitoring: Based on the procedure, the factory conducts internal audit and risk assessments regarding on environment module. The relevant results are fed back directly to the EHS Committee, and there are corrective actions to ensure compliance. However, the EHS Committee did not conduct a follow-up evaluation of the corrective action to ensure continued compliance with the action.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
10.A. Environment 2-Pillar	10.A.B Comply with relevant local, regional a...	Local law Base code	NC ZAF601398906

Systems and evidence examined to validate this code section

Current systems:

- 1.The factory appointed Mr. Li/ Manager to be responsible for environmental management and environment protection implementation in the factory.
- 2.The facility had the approval for Environmental protection register by the authorized party.
- 3.The facility signed contract with license contractors to collect and treat living waste and production waste and hazardous waste as per the law.
- 4.The factory obtained legal documents and permits from local authority, such as:
 - Environmental permit
 - Waste management report.
 - Environmental protection register was approved by the local authority.
5. The factory management maintained all legal required environment documents.

Evidence examined:

- 1.All legal required environmental documents were provided for review.
- 2.Approval for Environmental protection register
- 3.Payment record for water and electric using
- 4..Hazardous waste management report
- 5.Environmental policy.

Findings: non-compliances

ZAF601398906

Non-compliance

Due 2026-06-23

Code area

10.A Environment 2-Pillar

Status

Open*

Workplace requirement

10.A.B Comply with relevant local, regional and national laws or regulations, and have the correct documentation or permits, including for resource use (e.g. water, energy, material) and waste disposal.

Time given to resolve

60 days

Verification method

Desktop audit

Issue title

637 - No monitoring of air emission limits as per legal requirements

Area of non-compliance/non-conformance

Local law

Description

Based on documents review,the factory did not do exhaust gas monitoring.

Base code

Corrective and preventative actions

The factory should regularly test exhaust gas as required.

Local law reference

Environmental Protection Law (72/2020/0H14),Article 12. General Provisions on Air Environmental Protection

1. Organizations, households, and individuals engaged in production,business or service activities that emit dust or exhaust gases adversely affecting the in accordance with legal environment must minimize and treat such emissions regulations.
2. Periodic and continuous monitoring of air quality must be conducted as prescribed by law.
3. Timely notification and warnings of air pollution conditions must be issued to mitigate impacts on public health.
4. Observation, assessment, and control of emission sources for dust and gases must be implemented in compliance with legal regulations.

* PDF generated at 05:14 (UTC) on 24 Apr 2026. [View this finding on the Sedex platform](#) for live updates and closure details.

[← Code area 10.A](#)

[Code area 10.B →](#)

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?

No any valid environmental or energy management certificates.

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> <ol style="list-style-type: none"> 1. The facility had the approval for Environmental protection register by the authorized party. 2. The site was aware of its and client’s environmental standards. 3. The site has set up environmental policy, covering their environmental impact, which is communicated to most of appropriate parties, (e.g., suppliers and employees, etc.). 4. The site has established and implemented environment management procedures. 5. The site has conducted internal audit and management review including continuous improvements in their environmental performance. 6. The factory officially started operation on Dec 29, 2025. Therefore, there was no relevant data in the usage/discharge analysis table. <p>Evidence examined:</p> <ol style="list-style-type: none"> 1. Environmental emergency plan 2. Environmental protection training records 3. Energy and resource consumption summary 4. Emission reduction plan 5. Environmental protection legal documents 		

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?	Switching to renewable energy sources Packaging optimization Sustainable material sourcing
Is there a system for managing client's requirements and legislation in the destination countries regarding environmental and chemical issues?	No The process for managing client's requirements and legislation in the destination countries regarding environmental and chemical issues was available.
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?	Not Applicable

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)	Data not available	Data not available
Total electricity consumption from renewable sources (kWh)	Data not available	Data not available
Sources of renewable energy used	None	None
Types of renewable energy used	Data not available	Data not available
Total natural gas consumption (kWh)	Data not available	Data not available
Usage of other purchased fuels	Nil.	Data not available
Has the site completed any carbon footprint analysis?	No	No
Water sources	Data not available	Data not available
Does the site use mercury or mercury compounds?	No	No
Water volume used (m3)	Data not available	Data not available
Water discharged	The wastewater treatment plant of the industrial park	The wastewater treatment plant of the industrial park
Water volume discharged (m3)	Data not available	Data not available
Water volume recycled (m3)	Data not available	Data not available
Total waste produced (mt)	Data not available	Data not available
Total hazardous waste produced (mt)	Data not available	Data not available

[← Code area 10.B](#)

[Code area 10.C →](#)

Waste to recycling (mt)	Data not available	Data not available
Waste to landfill (mt)	Data not available	Data not available
Waste to other (mt)	Data not available	Data not available
Total product produced (mt)	Data not available	Data not available

[← Code area 10.B](#)

[Code area 10.C →](#)

10.C. Business ethics

Management systems

<p>Develop and maintain relevant policies and procedures to ensure workplace requirements are met</p>	<p>Robust Management Systems</p>
<p>Appoint a manager with sufficient seniority who is responsible for implementing procedures</p>	<p>Robust Management Systems</p>
<p>Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures</p>	<p>Robust Management Systems</p>
<p>Monitor the effectiveness of procedures to meet policy and workplace requirements</p>	<p>Robust Management Systems</p>
<p>Explanation for management systems grades</p>	<ol style="list-style-type: none"> 1. Policies & Procedures: The factory currently has policies and procedures related to " Business ethics ", such as "The company business ethics policy " , " Bribery and Corruption policy", which may encourage the factory to continue to comply with all workplace requirements in the field of basic norms in the future. 2. Resources: The factory has appointed Mr. Li/ Manager responsible for this field, who understands her responsibilities, possesses the skills and qualifications required to manage the workplace, and is responsible for implementing and executing the program. 3. Communication & Training: The factory provides training and communication on relevant policies and procedures for workers and other employees including managers and supervisors when recruitment and annually, and relevant training materials/records were available. 4. Monitoring: Monitor the effectiveness of procedures to meet policy and Workplace Requirements was conducted every year, for example, internal audit and management review, and the result was reported to top manager. Monitoring ensures continuous and adequate management of workplace requirements in this foundational code area.

[← 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> <ol style="list-style-type: none"> 1. The company established a business ethics policy which was communicated to workers through posters and training. 2. The site had received and read the Business Ethics policy of the auditor/audit company. 3. There is an internal grievance process, which is an anonymous email address. <p>Evidence examined:</p> <ol style="list-style-type: none"> 1.The company business ethics policy 2.Bribery and Corruption policy 3.Training records 4.Worker handbook 		

[← Code area 10.B](#)

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

There is no such certification in place.

[← Code area 10.C](#)

Attachments



[SMETA-JSASCN26083154-Dongstar Wood Vietnam Company Limited \(Lao Cai Province plant area\)-Apr 16~17 2026-Initial-On-Site-CAPR.pdf](#)



[SMETA-JSASCN26083154-Dongstar Wood Vietnam Company Limited \(Lao Cai Province plant area\)-Apr 16~17 2026-Initial-Photo Report.pdf](#)

