Monitoring result for Hung Yen Garment Joint-Stock Company No.,2 on site Hung Yen Garment Joint Stock Company No. II



Monitoring

Monitored Party : Hung Yen Garment Joint-Stock Company No.,2

amfori ID : 704-000556-000

Site : Hung Yen Garment Joint Stock Company No. II

Site amfori ID : 704-000556-002

Address : An Tao Ward, Hung Yen City,

: Hung Yen: Hưng Yên: Vietnam

Monitoring Activity : amfori Social Audit - Manufacturing

Monitoring Type : Follow-up Monitoring

Monitoring Partner : Intertek

Monitoring Start Date : 20/02/2023

Closing Meeting : 23/03/2023

Finished Date

a

Submission Date : 23/03/2023 Expiration Date : 08/03/2024

This is an extract of the online monitoring result, generated on 24/03/2023, and is only valid as an acknowledgement of the result. To see all the details, review the full monitoring result, which is available **here** - The English version is the legally binding one.

amfori does not assume any liability with regard to the compliance of this extract, or any versions of this extract, with the Regulation (EU) 2016/679 (General Data Protection Regulation).

All rights reserved. No part of this publication may be reproduced, translated, stored in a retrieval system, or transmitted, in any form or by any means electronic, mechanical, photocopying, recording or otherwise, be lent, re-sold, hired out or otherwise circulated without the amfori consent. © amfori. 2021

Overall rating

Section rating	
PA1: Social Management System	С
PA 2: Workers Involvement and Protection	A
PA 3: The Rights of Freedom of Association and Collective Bargaining	A
PA 4: No Discrimination	Α
PA 5: Fair Remuneration	Α
PA 6: Decent Working Hours	A

PA 7: Occupational Health and Safety	Α
PA 8: No Child Labour	A
PA 9: Special Protection for Young Workers	A
PA 10: No Precarious Employment	A
PA 11: No Bonded Labour	A
PA 12: Protection of the Environment	A
PA 13: Ethical Business Behaviour	A

General description

General description: Audit summary:

Auditor: Ninh Tran CSCA21700560 Auditing firm: Intertek Vietnam

The total allocated man-days for the follow-up audit were 1.5 man-days, including 0.5 man-day for report writing. 1 auditor visited the facility on Feb 20, 2023 (1 mandays), providing sufficient man-days allocation as required by BSCI audit procedure. During the follow-up audit, performance areas of 3,4,8,9,10,11,12 and 13 were not reviewed.

Hung Yen Garment Joint Stock Company (JSC) No II is located at An Tao Ward, Hung Yen City, Hung Yen Province, Vietnam. The facility has operated with business license No. 0900108302 on 06 December 2004; last updated on 15 November 2012 The major products were jackets. In view of the facility, there were 6 buildings, used for production process, office area and canteen as follow:

- One 3-storey building (building # 1):
- + On the first floor: Accessory warehouse, maintenance room
- + On the second floor: Sewing section
- + On the third floor: Sewing section
- One 1-storey building (building # 2): Material warehouse, cutting section, downing room
- One 1-storey building (building # 3): Packing section and finished goods warehouse
- One 1-storey building (building #4): Sewing section
- One 1-storey building (building # 5): Eating area and canteen
- One 2-storey building (building # 6): Main office and meeting room, showroom

There was no dormitory provided for employees. The total land area is around 12,736 sqm.

There were 705 employees (528 female employees and 177 male employees), including 658 production employees, 47 non-production employees working in the facility. On the audit date, 694 employees was presented. There were 11 workers not working on the audit days as taking maternity leave and annual leave. Worker representative was not present during the audit due to not require by law, but trade union chair members were represent. Trade Union chairman was elected by workers. The facility's current valid CBA was established on Nov 15, 2021. The facility did not use contractors nor agency workers. All employees were recruited and contracted directly with the facility.

The normal workweek was from Monday to Saturday. The employees work in one shift from 7:30 to 16:30 with a 60-minutes lunch break from 11:30 to 12:30. Moreover, the internal security guard worked in 3 shifts: shift 1 from 6:00 to 14:00; shift 2 from 14:00 to 22:00 and shift 3 from 22:00 to 06:00. There were 2 short breaks for employees: from 9:00 to 9:05 and 15:00 to 15:05. Swipe card system is equipped to monitor working hours done by all employees. The applicable legal minimum wage was VND 4,160,000/month. Employees' wages were calculated on monthly-rate salary. Wages were paid in cash at 15th day of the following month. The lowest wage rate applied in the facility was VND 4,670,000 per month. The highest payment in the was VND 8,400,000/month. The average payment was VND 7,000,000/month. Benefits are provided to entitled workers, including annual leaves, holidays, sick leaves. The facility guaranteed the minimum wage to workers. Payment was made accurately and on-time. Pay slips were given to workers for reference. In addition, the facility provided some allowances for employees as below:

Travel allowance: VND 30,000/working day Full attendance bonus: VND 1,000,000/month

During the audit, the payroll and time records from Feb 2022 to Jan 2023 were provided for reviewing. Payroll and time records of 08 workers (2 male and 6 female workers; all local Vietnamese workers) were selected from Jan 2023 (current month), Oct 2022 (sample month) and May 2022 (sample month). All 8 selected workers are permanent workers. The workers did not work excessive overtime hour per month in tested months and employee have 01 day off in a week. The youngest worker in the facility was 20 years old.

Remark:

1/#COVID19: Since the #COVID19 pandemic since 2020, the situation had cause issues with normal production plan and orders from buyers. The facility has in the progress of recovering to normal business. Regarding to protection of employees' health during the #COVID19 pandemic, the facility asked all employees to practice personal hygiene, including wearing masks during working at the production areas, washing hands frequently, and avoid (if possible) gathering in groups. Workers would be checked their body temperature before allowed to enter the facility. At present, the facility followed current guidance of the local government in protecting health of its employees.

2/ Those documents below were not uploaded in the system due to the facility were not applicable such as: Agency labor contract, Contractor license/permit, Government waivers, Dormitory, Inconsistencies between time and production records. 3/ The annual turnover was not provided due to confidential information.

4/ 7.23- Not applicable- The facility does not provide transportation means to the workers.

5/ There are no issues to be investigated regarding the list of selected workers for interview.

6/ The living wage was calculated by the auditing firm using form provided by amfori (please see attachment)

Site Details

Site : Hung Yen Garment Joint Stock Company No. II

Site amfori ID : 704-000556-002

GICS Classification

Sector : Industrials : Commercial Services & Supplies

Industry Group : Commercial & Professional Services Sub Industry : Commercial Printing

amfori Process Classifications GS1 Classifications

N.A. N.A.

NACE Classification Water Stress Situation

N.A. This site is not located in a water stressed region

Metrics

Key Metrics

Total workforce	694 Workers
Legal minimum wage in local currency	4160000 Monthly
Lowest wage paid for regular work at the site	4670000 Monthly
Calculated living wage in local currency	4317500 Monthly
Total sample	8 Workers

Other Metrics

Male workers	176 Workers
Female workers	518 Workers
Permanent workers - Male	177 Workers
Permanent workers - Female	528 Workers
Temporary workers - Male	0 Workers
Temporary workers - Female	0 Workers
Seasonal workers - Male	0 Workers
Seasonal workers - Female	0 Workers
Management - Male	5 Workers
Management - Female	10 Workers
Apprentices - Male	0 Workers
Apprentices - Female	0 Workers
Workers on probation - Male	0 Workers
Workers on probation - Female	0 Workers
Workers with night shift - Male	7 Workers
Workers with night shift - Female	0 Workers
Workers with disabilities - Male	0 Workers
Workers with disabilities - Female	0 Workers
Domestic migrant workers - Male	0 Workers
Domestic migrant workers - Female	0 Workers
Foreign migrant workers - Male	0 Workers
Foreign migrant workers - Female	0 Workers
Workers hired directly - Male	177 Workers
Workers hired directly - Female	528 Workers
Workers hired indirectly - Male	0 Workers
Workers hired indirectly - Female	0 Workers
Unionised workers - Male	177 Workers
Unionised workers - Female	528 Workers
Workers under CBA - Male	177 Workers
Workers under CBA - Female	528 Workers
Pregnant workers	7 Workers
Workers on parental leave - Male	0 Workers
Workers on parental leave - Female	7 Workers
Minimum wage agreed on CBA in local currency	3920000 Monthly
Sample - Male	2 Workers
Sample - Female	6 Workers

Findings

PA1: Social Management System

The corrective action was partially taken. In accordance with amfori BSCI Code of Conduct requirement on Supply Chain Management and Cascade Effect, "For producers that will be monitored, internal management systems are particularly encouraged as an effective way to embed the amfori BSCI Code of Conduct in their business practices." The facility has established the social compliance management system. However, there were several non-compliance issues due to insufficient monitoring social compliance performance in the facility. Please see relevant PAs for more details: PA 2,7

Ghi nhận doanh nghiệp đã xây dựng hệ thống quản lý về trách nhiệm xã hội. Tuy nhiên, có một số điểm chưa phù hợp do hệ thống quản lý giám sát trách nhiệm xã hội chưa hoàn chỉnh. Xin xem các phần PA tương ứng: 2,7

The corrective action was partially taken. In accordance with BSCI Requirement PA 1.3 By working together and taking a common approach, amfori BSCI Participants will have a greater impact on, and better chance of improving working conditions in their supply chains. The value of cooperation is equally important in the relationship with the business partners in the supply chain, particularly those that need support in order to improve. Likewise, the spirit of cooperation is also critical in the relationship between business and affected stakeholders at different levels The facility did establish a functioning system to select, audit and monitor the business partners regarding social performance based on BSCI requirements. Self-assessment was carried out with suppliers. However, there was no monitoring of the CAP process after the assessment with the suppliers.

Doanh nghiệp có thiết lập tiêu chuẩn đánh giá, lựa chọn đánh giá các đối tác kinh doanh dựa trên các yêu cầu của BSCI. Bản tự đánh giá được thực hiện bởi các nhà cung cấp. Tuy nhiên, chưa có quá trình giám sát hành động cải tiến khắc phục sau đánh giá được thực hiện.

PA 2: Workers Involvement and Protection

The corrective action was not taken. In accordance with amfori BSCI Code of Conduct requirement on Workers Involvement and Protection, "Business enterprises should establish good management practices that involve workers and their representatives in sound information exchange on workplace issues, and allow for appropriate measures for protecting workers in line with the aspirations of the amfori BSCI Code of Conduct. Business enterprises should take specific steps to make workers aware of their rights and responsibilities." The facility has established the long-term goals for protecting employees in line with the aspiration of BSCI Code Of Conduct. However, there was no detail action plan for achieving the goals.

Ghi nhận doanh nghiệp thành lập được mục tiêu dài hạn để bảo đảm quyền lợi của người lao động. Tuy nhiên, chưa có kế hoạch hành động chi tiết để đạt được các mục tiêu đã đề ra.

PA 7: Occupational Health and Safety

The corrective action was partially taken. In accordance with Point 2, Article 152 of Vietnam Labor Code: Each year, the employer must organize periodic health examinations for the employee, including the trade apprentice, trainee, female employees must receive the gynecology examination, person who performs hard and hazardous work, the disabled and juvenile employee, elderly employee health must be examined health at least once for every 6 months. The facility conducted one health check for employees in Dec 17, 2022 instead of once in every 6 months as per law required.

Hành động khắc phục được thực hiện một phần. Doanh nghiệp đã cung cấp 1 lần khám sức khoẻ vào ngày 17/12/2022.

The corrective action was not taken. In accordance with the BSCI Requirement PA 7.9, Business partners shall ensure that there are systems in place to detect, assess, avoid and respond to potential threats to the health and safety of workers. They shall take effective measures to prevent workers from having accidents, injuries or illnesses, arising from, associated with, or occurring during work. These measures should aim at minimizing so far as is reasonable the causes of hazards inherent within the workplace. There were no sign and warning posted in production workshop for reminding employees to wear personal protective equipment. In addition, there was no signs to warn employees about the risk that could be happened in the facility: falling objects at warehouse and slippery areas at toilet. Remark: Warning signs of potential hazards (hot surface, cutting edge, electrical hazard) were posted at relevant machines and workplaces for workers reference. The warning signs were in local language of workers (Vietnamese).

Không có các biển báo để nhắc nhở công nhân mang bảo hộ lao động ở các khu vực thích hợp. bên cạnh đó, không có dấu hiệu nào để cảnh báo nhân viên về rủi ro có thể xảy ra trong cơ sở: vật rơi tại kho, khu vực trơn trượt.

The corrective action was partially taken. In accordance with Construction law No. 50/2014/QH13 dated 18 June 2014, Article 89. Works subject to, and types of, construction permits 1. Before starting construction of works, project owners shall obtain construction permits granted by competent state agencies in accordance with this Law, except the cases prescribed in Clause 2 of this Article. 3. Construction permits include: a/ New construction permit; b/ Repair and renovation permit; c/ Relocation permit. Construction law No. 50/2014/QH13 dated 18 June 2014, Article 123. Pre-acceptance test of construction works 1. The pre-acceptance test of construction works covers: a/ Pre-acceptance test of construction works in the process of construction and pre- acceptance test of transitional construction stages when necessary; b/ Pre-acceptance test of completed work items or construction works before being put into operation or use. The facility has established the policy and procedure to ensure all the related construction permits adequate obtained and stored. The facility has requested authorized safety constructrion contractor to inspect the safety condition of all buildings in the facility. Records were kept for reference.

PA 7: Occupational Health and Safety

Hành động khắc phục được thực hiện một phần. Doanh nghiệp đã xây dựng quy trình chính sách đảm bảo các giấy tờ cần thiết được duy trì. Doanh nghiệp đã thuê đơn vị kiểm định an toàn công trình xây dựng thẩm định mức độ an toàn của toàn bộ nhà xưởng. Hồ sơ giấy tờ được lưu giữ tham khảo.

The corrective action was not taken. In accordance with Law on occupational safety and hygiene (Law No. 84/2015/QH13), Article 23. Personal protective equipment, 1. Every employee who does dangerous or harmful works shall be adequately provided with personal protective equipment by the employer and he/she is required to use it during the course of work. 3. The employer shall provide personal protective equipment according to following rules: a) Provide personal protective equipment in conformity with their types, entities, quantity, quality assurance according to national technical regulations and standards; b) Do not give money instead of providing personal protective equipment; do not compel employees to self-buy or collect money from employees to buy personal protective equipment; c) Give instructions and observe employees using personal protective equipment. During the facility tour, all the sewing machines in sewing lines were installed with needle guards. However, it was noted that around 10 out of 50 sampled needle guards of sewing machines were adjusted at the high position which could not protect the employees' fingers from being hit.

Ghi nhận máy may 1 kim đã được trang bị bảo hộ kim để bảo vệ tay cho công nhân viên trong lúc làm việc. Tuy nhiên, quan sát thấy 10/50 mẫu máy may có bảo hộ kim được điều chỉnh ở vị trí cao nên chưa bảo vệ được tay của công nhân viên trong lúc làm việc.