




SMETA Corrective Action Plan Report (CAPR)

Version 6.1



Audit Details			
Sedex Company Reference: <i>(only available on Sedex System)</i>	ZC: N/A	Sedex Site Reference: <i>(only available on Sedex System)</i>	ZS: N/A
Business name (Company name):	THANGLONG PLASTIC JOINT STOCK COMPANY		
Site name:	THANGLONG PLASTIC JOINT STOCK COMPANY		
Site address: <i>(Please include full address)</i>	Head office: No. 360, Giai Phong street, Phuong Liet ward, Thanh Xuan district, Ha Noi city Factory: No.5. TS 5 street, Tien Son Industrial Zone, Hoan Son Commune, Tien Du District, Bac Ninh province	Country:	Vietnam
Site contact and job title:	Vu Thi Huong (Ms.)/ Director Le Trung Ngoc (Mr.)/ Vice Director Bui Minh Khoi (Mr.)/ Chairman Trade Union		
Site phone:	84 222 3710425 84 904371078	Site e-mail:	Huongvu76@gmail.com
SMETA Audit Pillars:	<input checked="" type="checkbox"/> Labour Standards	<input checked="" type="checkbox"/> Health & Safety (plus Environment 2-Pillar)	<input type="checkbox"/> Environment 4-pillar <input type="checkbox"/> Business Ethics
Date of Audit:	November 11 th , 2019		

Audit Company Name & Logo: SGS Vietnam Ltd 	Report Owner (payer): <i>(If paid for by the customer of the site please remove for Sedex upload)</i> MAINETTI CO., LTD
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Audit Conducted By					
Affiliate Audit Company	<input checked="" type="checkbox"/>	Purchaser	<input type="checkbox"/>	Retailer	<input type="checkbox"/>
Brand owner	<input type="checkbox"/>	NGO	<input type="checkbox"/>	Trade Union	<input type="checkbox"/>
Multi-stakeholder	<input type="checkbox"/>	Combined Audit (select all that apply)			

Audit Content:

(1) A SMETA audit was conducted which included some or all of Labour Standards, Health & Safety, Environment and Business Ethics. The SMETA Best Practice Version 6.1 (March 2019) was applied. 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.

(2) The audit scope was against the following reference documents

2-Pillar SMETA Audit

- ETI Base Code
- SMETA Additions
 - Universal rights covering UNGP
 - Management systems and code implementation,
 - Responsible Recruitment
 - Entitlement to Work & Immigration,
 - Sub-Contracting and Home working,

4-Pillar SMETA

- 2-Pillar requirements plus
- Additional Pillar assessment of Environment
- Additional Pillar assessment of Business Ethics
- The Customer's Supplier Code (Appendix 1)

(3) Where appropriate non-compliances were raised against the ETI code / SMETA Additions & local law and recorded as non-compliances on both the audit report, CAPR and on Sedex.

(4) Any Non-Compliance against customer code shall not be uploaded to Sedex. However, in the CAPR these 'Variances in compliance between ETI code / SMETA Additions/ local law and customer code' shall be noted in the observations section of the CAPR.

SMETA Declaration

I declare that the audit underpinning the following report was conducted in accordance with SMETA Best Practice Guidance and SMETA Measurement Criteria.

- (1) Where appropriate non-compliances were raised against the ETI code / SMETA Additions & local law and recorded as non-compliances on both the audit report, CAPR and on Sedex.
- (2) Any Non-Compliance against customer code alone shall not be uploaded to Sedex. However, in the CAPR these 'Variances in compliance between ETI code / SMETA Additions/ local law and customer code' shall be noted in the observations section of the CAPR.

Any exceptions to this must be recorded here (e.g. different sample size): NA

Auditor Team (s) (please list all including all interviewers):

Lead auditor: Bui My Ngoc (Mr.)

Team auditor: Nguyen Thi Phuong Khanh (Ms.) and Pham Thi Thanh Lan (Ms.) Under supervision of Mr. Ngoc

Interviewers: Bui My Ngoc (Mr.) & Nguyen Thi Phuong Khanh (Ms.)

Report writer: Bui My Ngoc (Mr.) & Nguyen Thi Phuong Khanh (Ms.)

Report reviewer: Vu Duc Quang Cong (Mr.)

Date of declaration: NA

Note: The focus of this ethical audit is on the ETI Base Code and local law. The additional elements will not be audited in such depth or scope, but the audit process will still highlight any specific issues.

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.

Audit Parameters

Audit Parameters			
A: Time in and time out	Day 1 Time in: 8:30 Day 1 Time out: 17:00	Day 2 Time in: Day 2 Time out:	Day 3 Time in: Day 3 Time out:
B: Number of auditor days used:	2 Auditors x 1 day		
C: Audit type:	<input checked="" type="checkbox"/> Full Initial <input type="checkbox"/> Periodic <input type="checkbox"/> Full Follow-up <input type="checkbox"/> Partial Follow-Up <input type="checkbox"/> Partial Other If other, please define:		
D: Was the audit announced?	<input checked="" type="checkbox"/> Announced <input type="checkbox"/> Semi – announced: Window detail: weeks <input type="checkbox"/> Unannounced		
E: Was the Sedex SAQ available for review?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, why not		
F: Any conflicting information SAQ/Pre-Audit Info to Audit findings?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes , please capture detail in appropriate audit by clause		
G: Who signed and agreed CAPR (Name and job title)			
H: Is further information available (if yes, please contact audit company for details)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
I: Previous audit date:	NA		
J: Previous audit type:	NA		
K: Were any previous audits reviewed for this audit	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A		

Audit attendance	Management	Worker Representatives	
	Senior management	Worker Committee representatives	Union representatives
A: Present at the opening meeting?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

B: Present at the audit?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
C: Present at the closing meeting?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
D: If Worker Representatives were not present please explain reasons why <i>(only complete if no worker reps present)</i>	There was no legal requirement about workers committee representative. There was not any worker's representative in this facility. It is a common practice in Vietnam.		
E: If Union Representatives were not present please explain reasons why: <i>(only complete if no union reps present)</i>	N/A		

Guidance

The Corrective Action Plan Report summarises the site audit findings and a corrective, and preventative action plan that both the auditor and the site manager believe is reasonable to ensure conformity with the ETI Base Code, Local Laws and additional audited requirements. After the initial audit, the form is used to re-record actions taken and to categorise the status of the non-compliances.

N.B. observations and good practice examples should be pointed out at the closing meeting as well as discussing non-compliances and corrective actions.

To ensure that good practice examples are highlighted to the supplier and to give a more 'balanced' audit a section to record these has been provided on the CAPR document (see following pages) which will remain with the supplier. They will be further confirmed on receipt of the audit report.

Root cause (see column 4)

Root cause refers to the specific procedure or lack of procedure which caused the issue to arise. Before a corrective action can sustainably rectify the situation, it is important to find out the real cause of the non-compliance and whether a system change is necessary to ensure the issue will not arise again in the future.

See SMETA BPG Chapter 7 'Audit Execution' for more explanation of "root cause".

Next Steps:

1. The site shall request, via Sedex, that the audit body upload the audit report, non-compliances, observations and good examples. If you have not already received instructions on how to do this then please visit the web site www.sedexglobal.com.
2. Sites shall action its non-compliances and document its progress via Sedex.
3. Once the site has effectively progressed through its actions then it shall request via Sedex that the audit body verify its actions. Please visit www.sedexglobal.com web site for information on how to do this.
4. The audit body shall verify corrective actions taken by the site by either a "Desk-Top" review process via Sedex or by Follow-up Audit (see point 5).
5. Some non-compliances that cannot be closed off by "Desk-Top" review may need to be closed off via a "1 Day Follow Up Audit" charged at normal fee rates. If this is the case, then the site will be notified after its submission of documentary evidence relating to that non-compliance. Any follow-up audit must take place within twelve months of the initial audit and the information from the initial audit must be available for sign off of corrective action.
6. For changes to wages and hours to be correctly verified it will normally require a follow up site visit. Auditors will generally require to see a minimum of two months wages and hours records, showing new rates in order to confirm changes (note some clients may ask for a longer period, if in doubt please check with the client).

Corrective Action Plan

Corrective Action Plan – non-compliances

Non-Compliance Number <i>The reference number of the non-compliance from the Audit Report, for example, Discrimination No.7</i>	New or Carried Over <i>Is this a new non-compliance identified at the follow-up or one carried over (C) that is still outstanding</i>	Details of Non-Compliance <i>Details of Non-Compliance</i>	Root cause <i>(completed by the site)</i>	Preventative and Corrective Actions <i>Details of actions to be taken to clear non-compliance, and the system change to prevent re-occurrence (agreed between site and auditor)</i>	Timescale <i>(Immediate, 30, 60, 90,180,365)</i>	Verification Method <i>Desktop / Follow-Up [D/F]</i>	Agreed by Management and Name of Responsible Person: <i>Note if management agree to the non-compliance, and document name of responsible person</i>	Verification Evidence and Comments <i>Details on corrective action evidence</i>	Status <i>Open/Closed or comment</i>
3- Safety and Hygienic Condition No.1		Based on site observation, management interview, it was noted that the electricity boxes were not adequately protected by isolated material as legal requirement. Local law and/or ETI requirement: Law No. 28/2004/QH11 dated 03 Dec, 2004; Article 57. <i>Ghi nhận tủ điện chưa được lắp đặt tấm cách điện bảo vệ như luật yêu cầu.</i>	<input type="checkbox"/> Training <input type="checkbox"/> Systems <input type="checkbox"/> Costs <input type="checkbox"/> lack of workers <input checked="" type="checkbox"/> Other – please give details: lack of knowledge	Factory should ensure that the electricity boxes were adequately protected by isolated material as legal requirement.	30	D	Vu Thi Huong (Ms.)/ Director		
3: Safety and Hygienic Condition No.2		Based on site observation, management interview, it was noted that 8/10 fire extinguishers randomly checked were not	<input type="checkbox"/> Training <input type="checkbox"/> Systems <input type="checkbox"/> Costs <input type="checkbox"/> lack of workers	Factory should ensure that the fire extinguishers will be inspected	30	D	Vu Thi Huong (Ms.)/ Director		

		<p>inspected periodically as legal requirement.</p> <p>Local law and/or ETI requirement: TCVN 7435-2: 2004 dated 29 Oct, 2004; Part 4</p> <p><i>Ghi nhận 8/10 bình chữa cháy khi được kiểm tra ngẫu nhiên chưa được kiểm tra định kỳ như luật yêu cầu.</i></p>	<input checked="" type="checkbox"/> Other – please give details: lack of control	periodically as legal requirement.					
3: Safety and Hygienic Condition No.3		<p>Based on site observation, management interview, it was noted that 3/4 first aid kits were not fully equipped with medical items as legal requirement.</p> <p>Local law and/or ETI requirement: Circular 19/2016/TT-BYT dated 30 Jun 2016; Article 6</p> <p><i>Ghi nhận ¾ tủ sơ cấp cứu chưa được trang bị đủ danh mục y tế như luật yêu cầu.</i></p>	<input type="checkbox"/> Training <input type="checkbox"/> Systems <input type="checkbox"/> Costs <input type="checkbox"/> lack of workers <input checked="" type="checkbox"/> Other – please give details: lack of knowledge	Factory should ensure that the first aid kits will be fully equipped with medical items as legal requirement.	30	D	Vu Thi Huong (Ms.)/ Director		
3: Safety and Hygienic Condition No.4		<p>Based on site observation, document review and management interview, it was noted that factory did not periodically inspected 1 air compressor operating at facility as legal requirement.</p> <p>Local law and/or ETI requirement:</p>	<input type="checkbox"/> Training <input type="checkbox"/> Systems <input type="checkbox"/> Costs <input type="checkbox"/> lack of workers <input checked="" type="checkbox"/> Other – please give details: lack of knowledge	Factory should ensure that the air compressor will be periodically inspected as legal requirement.	30	D	Vu Thi Huong (Ms.)/ Director		

		<p>The Labor Code of Vietnam, Version 2012 dated 18 Jun, 2012; Article 147.</p> <p><i>Ghi nhận 1 máy nén khí đang vận hành tại nhà máy chưa được kiểm định định kỳ.như luật yêu cầu.</i></p>							
<p>Living Wages and Benefits No.1</p>		<p>Based on payrolls and time records review of 10 sample workers in Sep 2019, Apr 2019 and Feb 2019, as well as interview with worker and management, auditors noted that salaried allowances such as skill and technical allowance (VND 300,000 to 1,500,000 per month) Toxic allowance (VND 200,000 per month) and Responsibility allowance (VND 300,000 to 1,500,000) were not included in contribution to mandatory social insurance for at least 10 employees as legal requirement.</p> <p>Local law and/or ETI requirement: In accordance with the Circular 59/2015/TT-BLDTBXH, dated 29 Dec 2015 Article 30.</p> <p><i>Dựa vào chấm công lương 9 / 2019, 7/ 2019 và 4/ 2019 nhà máy tiền phụ cấp kỹ năng và kỹ thuật (300,000 đến 1,500,000) độc hại VND 200,000) và trách nhiệm (VND 300,000 đến 1,500,000) chưa</i></p>	<p><input type="checkbox"/> Training <input checked="" type="checkbox"/> Systems <input type="checkbox"/> Costs <input type="checkbox"/> lack of workers <input type="checkbox"/> Other – please give details:</p>	<p>Factory should ensure skill or technical, toxic responsibility allowance mandatory social insurance contribution for employees to be compliance with legal requirement</p>	60	F	Vu Thi Huong (Ms.)/ Director		

		<i>được cộng vào để tính tiền tăng ca theo yêu cầu của luật.</i>							
Living Wages and Benefits No. 2		<p>Per review time records of Sep 2019 (10 samples), July 2019 (10 samples) and April 2018 (10 samples) workers and management interview, auditors noted that at least 5 out of 10 selected samples employees was only paid 100% of basic salary for the day working on day off of public holiday (Hung Kings Commemoration Day (the 10th of March of each Lunar year) instead of 200% in April 2019 as stipulated by legal requirement.</p> <p>Remark: Factory had paid 100% of basic salary only for working on weekly holiday for all employees instead of 200% as law requirements (Workers had worked on 15/4/2019 not paid salary as legal requirement.</p> <p><i>Ghi nhân lương tháng 09/2019, 7/2019 và 4 /2019 nhà máy trả 100% ngày làm vào ngày 15/04/2019 cho ngày nghỉ bù Ngày 10/3/2019 âm lịch -Giỗ tổ Hùng Vương) thay vì 200% theo yêu cầu của luật.</i></p> <p><i>Nhà máy đã trả 100% lương làm việc cho ngày nghỉ bù trùng vào ngày lễ</i></p>	<input type="checkbox"/> Training <input type="checkbox"/> Systems <input type="checkbox"/> Costs <input type="checkbox"/> lack of workers <input checked="" type="checkbox"/> Other – please give details: Lack of awareness of legal requirements	Factory shall be pay all employees overtime salary on weekly rest days according to the legal requirement.	60	F	Vu Thi Huong (Ms.)/ Director		

		<p><i>ngủ thay vì 200% (công nhân đã làm việc vào ngày nghỉ bù 15/4/2019)</i></p> <p>Local law and/or ETI requirement: According Decree No. 05/2015/NĐ-CP date Jan 12, 2015; Article 25.</p>						
5. Living Wages and Benefits No. 3		<p>Based on the review of payrolls & time records (10 selected sample employees Sep 2019, Jul 2019 and Apr 2019 as well as management & employee interview indicated that at least 02 out of 10 selected samples employee's facility did not provide social, health insurances, unemployment insurance and annual leave allowance to temporary or seasonal workers in Apr 2019</p> <p>Local law and/or ETI requirement: The Labour Code of Vietnam, Article 186</p> <p><i>Ghi nhân ít nhất 02 /10 công nhân được chọn nhà máy là công nhân thời vụ nhà máy chưa cung cấp bảo hiểm xã hội, bảo hiểm y tế, bảo hiểm thất nghiệp và phép năm cho công nhân thời vụ.</i></p>	<input type="checkbox"/> Training <input checked="" type="checkbox"/> Systems <input type="checkbox"/> Costs <input type="checkbox"/> lack of workers <input type="checkbox"/> Other – please give details:	<p>Factory shall ensure that all seasonal/ temporary employees shall be covered with social, health insurances and annual leave allowance.</p>	60	F	Vu Thi Huong (Ms.)/ Director	
Working Hours (No. 1)	New	<p>Based on the review of document (payrolls & time records of 10 samples employees in September</p>	<input type="checkbox"/> Training <input type="checkbox"/> Systems <input type="checkbox"/> Costs	<p>Factory shall ensure employees to be provided with at</p>	60	F	Vu Thi Huong (Ms.)/ Director	

	<p>2019, July 2019 and Apr 2019) as well as management & employee interview, it was noted that total working hours per week of at least 3 out of 10 selected sample employees were not provided one day off during 7-day-period. They worked 13 consecutive days in July 2019, for instance.</p> <p>Local law and/or ETI requirement: In accordance with The Labour Code of Vietnam, Version 2012, Article 110 in which requires that in every week, each employee shall be entitled to a rest of at least twenty- four consecutive hours.</p> <p><i>Ghi nhân 3/10 công nhân chưa cung cấp 1 ngày nghỉ trong 7 ngày. Vì nhưng công nhân này làm 13 ngày liên tục (làm 1 chủ nhật) trong tháng 7/ 2019</i></p>	<input type="checkbox"/> lack of workers <input type="checkbox"/> Other – please give details:	<p>least one day off per 7-day-period.</p>			FA19.00782		
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Corrective Action Plan – Observations

Observation Number <i>The reference number of the observation from the Audit Report, for example, Discrimination No.7</i>	New or Carried Over <i>Is this a new observation identified at the follow-up or one carried over</i>	Details of Observation <i>Details of Observation</i>	Root cause <i>(completed by the site)</i>	Any improvement actions discussed <i>(Not uploaded on to SEDEX)</i>
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	(C) that is still outstanding			
0.B Management system and Code Implementation (No. 1)		Document review and management interview indicated that the site had not yet conducted any risk assessment to evaluate internal policies and procedures to be effectiveness. <i>Nhà máy chưa thực hiện tư đánh giá rủi ro nội bộ về chính sách và qui trình một cách hiệu quả về tiêu chuẩn trách nhiệm xã hội</i>	Lack of knowledge of the ETI code	
0.B Management system and Code Implementation (No. 2)		Document review, workers and management interview indicated that the ETI Code was not posted at workshops and communicated to workers. (ETI Code) <i>Nhà máy chưa có tiêu chuẩn ETI code tại xưởng và phổ biến cho công nhân oi thực hành tiêu chuẩn ETI code</i>	Lack of knowledge of the ETI code	

Good examples

Good example Number <small>The reference number of the good example from the Audit Report, for example, Discrimination No.7</small>	Details of good example noted	Any relevant Evidence and Comments
Nil		

Confirmation

<p>Please sign this document confirming that the above findings have been discussed with and understood by you: (site management) <i>If actual signatures are not possible in electronic versions, please state the name of the signatory in applicable boxes, as indicating the signature.</i></p>		
<p>A: Site Representative Signature:</p>	<p>(Signed) Vu Thi Huong (Ms.)/ Director</p>	<p>Title: Director Date: November 12, 2019</p>
<p>B: Auditor Signature:</p>	<p>(Signed) Nguyen Thi Phuong Khanh (Ms.) Bui My Ngoc (Mr.)</p>	<p>Title: Lead Auditor & Auditor Date: November 12, 2019</p>
<p>C: Please indicate below if you, the site management, dispute any of the findings. No need to complete D-E, if no disputes.</p>		
<p>D: I dispute the following numbered non-compliances: Nil</p>		
<p>E: Signed: <i>(If any entry in box D, please complete a signature on this line)</i></p>		<p>Title: NA Date: NA</p>
<p>F: Any other site Comments: Nil</p>		

Guidance on Root Cause

Explanation of the Root Cause Column

If a non-compliance is to be rectified by a corrective action which will also prevent the non-compliance re-occurring, it is necessary to consider whether a system change is required.

Understanding the root cause of the non-compliance is essential if a site is to prevent the issue re-occurring.

The root cause refers to the specific activity/ procedure or lack of activity /procedure which caused the non-compliance to arise. Before a corrective action can rectify the situation, it is important to find out the real cause of the non-compliance and whether a system change is necessary to ensure the issue will not arise again in the future.

Since this is a new addition, it is not a mandatory requirement to complete this column at this time. We hope to encourage auditors and sites to think about Root Causes and where they are able to agree, this column may be used to describe their discussion.

Some examples of finding a "root cause"

Example 1

Where excessive hours have been noted the real reason for these needs to be understood, whether due to production planning, bottle necks in the operation, insufficient training of operators, delays in receiving trims, etc.

Example 2

A non-compliance may be found where workers are not using PPE that has been provided to them. This could be the result of insufficient training for workers to understand the need for its use; a lack of follow-up by supervisors aligned to a proper set of factory rules or the fact that workers feel their productivity (and thus potential earnings) is affected by use of items such as metal gloves.

Example 3

A site uses fines to control unacceptable behaviour of workers.

International standards (and often local laws) may require that workers should not be fined for disciplinary reasons.

It may be difficult to stop fines immediately as the site rules may have been in place for some time, but to prevent the non-compliance re-occurring it will be necessary to make a system change.

The symptom is fines, but the root cause is a management system which may break the law. To prevent the problem re-occurring it will be necessary to make a system change for example the site could consider a system which rewards for good behaviour

Only by understanding the underlying cause can effective corrective actions be taken to ensure continuous compliance.

The site is encouraged to complete this section so as to indicate their understanding of the issues raised and the actions to be taken.



For more information visit: [Sedexglobal.com](https://www.sedexglobal.com)

Your feedback on your experience of the SMETA audit you have observed is extremely valuable. It will help to make improvements to future versions.

You can leave feedback by following the appropriate link to our questionnaire:

[Click here for Buyer \(A\) & Buyer/Supplier \(A/B\) members:](http://www.surveymonkey.com/s.aspx?sm=riPsbE0PQ52ehCo3lnq5lw_3d_3d)

http://www.surveymonkey.com/s.aspx?sm=riPsbE0PQ52ehCo3lnq5lw_3d_3d

[Click here for Supplier \(B\) members:](http://www.surveymonkey.com/s.aspx?sm=d3vYsCe48fre69DRglY_2brg_3d_3d)

http://www.surveymonkey.com/s.aspx?sm=d3vYsCe48fre69DRglY_2brg_3d_3d

[Click here for Auditors:](https://www.surveymonkey.co.uk/r/BRTVCKP)

<https://www.surveymonkey.co.uk/r/BRTVCKP>