

# Global Security Verification Report

## Facility Name: VIETNAM EVERGREEN CO., LTD

Country:	Vietnam	Assessment Stage:	Annual
Date of Verification:	03-Mar-2022	Report Number:	A4980489
Last Verification Date:	NA	Site ID:	F_IAR_41175
Auditor Primary:	Ms Binh Dao Thi Hoa	Service Provider:	Intertek
Auditor Secondary:	NA	Audit Location:	Onsite

### OVERALL FACILITY SCORE

93%



### PERFORMANCE INDEX BAR



### Participating Facilities: 4646

The C-TPAT Security Criteria and Guidelines indicate that "Must" is a requirement of the program participation. "Should" means that the procedure is considered to be an industry "best practice."

### PERFORMANCE SUMMARY

Section Name	Score	Must - High	Must - Low	Should - High	Should - Low
<b>Corporate Security</b>	<b>90%</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>0</b>
Security Vision and Responsibility	100%	0	0	0	0
Risk Assessment	100%	0	0	0	0
Business Partners	100%	0	0	0	0
Cyber Security	90%	0	0	2	0
<b>Transportation Security</b>	<b>100%</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Conveyance and Instruments of International Traffic Security	100%	0	0	0	0
Seal Security	100%	0	0	0	0
Procedural Security	100%	0	0	0	0
Agricultural Security	NA	-	-	-	-
<b>People and Physical Security</b>	<b>86%</b>	<b>0</b>	<b>0</b>	<b>4</b>	<b>0</b>
Physical Security	88%	0	0	3	0
Physical Access Controls	100%	0	0	0	0
Personnel Security	100%	0	0	0	0
Education, Training and Awareness	93%	0	0	1	0
<b>Overall</b>	<b>93%</b>	<b>0</b>	<b>0</b>	<b>6</b>	<b>0</b>

Intertek's GSV integrates multiple global supply-chain security initiatives, including C-TPAT (Customs Trade Partnership Against Terrorism), PIP (Partners in Protection) and AEO (Authorized Economic Operators).

## A. FACILITY PROFILE

### A1. FACILITY INFORMATION

Facility Name:	VIETNAM EVERGREEN CO., LTD	Contact Name:	FRANK FAN
Facility Legal Name:	VIETNAM EVERGREEN CO., LTD	Contact Title:	NA
Audit Location:	Gia Khe Industrial Zone, Tien Hung Commune, Luc Nam District, Bac Giang province, Viet Nam	Email:	evergreen10@vnhoaha.com
City:	--	Country:	Vietnam

### A2. EMPLOYEE INFORMATION

#### NUMBER OF EMPLOYEES

Range	Actual Total	Permanent	Temporary	Foreign	Migrant
1001-2000	1820(100%)	1820(100%)	0(0%)	20(1%)	0(0%)

List of Nationalities: 20 Chinese Managers

### A3. BUSINESS OVERVIEW

Industry:	Accessories	Warehouse customs bonded:	No
Key/Main Product:	Plastic bags	Free trade zone:	No
Facility land size (in Sqm):	147000	Total facility floor size (in Sqm):	100000

Total Nr of Buildings	Distribution	Production	Warehouse	Container Yards	Others
32	0	29	2	0	1

Security Program Participation	Issuing Body	Certificate Number	Expiry Date
None	0	0	

### A4. EXPORT LOGISTICS

#### PERCENTAGE OF GOODS EXPORTED TO US

By Air	By Sea	By Rail	By Truck
10	90	0	0

#### FACILITY RESPONSIBLE FOR THE RELATIONSHIP WITH THE FOLLOWING TYPE OF LOGISTICS

Air:	Sometimes	Consolidators:	Never
Sea:	Always	Freight Forwarders:	Never
Rail:	Never	NVOCC:	Never
Land Carriers:	Sometimes	Other 3rd party logistics providers:	Never

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The companies used vary routes:	<b>No</b>	The companies used Global Positioning Satellite (GPS):	<b>Yes</b>
The companies used employ security guards:	<b>Yes</b>	The companies used truck convoys:	<b>No</b>
The companies used provide vehicle escort:	<b>No</b>		

## A5. GENERAL INFORMATION

### Brief description of the facility:

Vietnam Evergreen Co., Ltd is a private company which is located at Gia Khe Industrial Zone, Tien Hung Commune, Luc Nam District, Bac Giang Province, Vietnam. They have started their operation at the existing located since 2007 under business license number 2400393373. The total land area is about 147,000 square meters and building area about 100,000 square meters. The main product are plastic bags. There are 32 buildings in the facility, including one building for office, 2 buildings for warehouse and 29 buildings for production. The facility main production processes are: Yarn making, weaving, printing, cutting, sewing and packaging. Main export markets are Vietnam, US, EU. Currently, there are 1820 employees working in facility. The facility official working hours are in 3 shifts, (06:00 – 14:00; 14:00 – 22:00 and 22:00 – 06:00). The normal workweek is from Monday to Saturday. The facility uses finger prints reading system to record employees working hours. The facility is located in industrial zone and guarded by internal security guards

### Brief description of loading process for shipment:

After empty containers are inspected for security based on a 7-point inspection system, the goods can be loaded into good containers under the monitoring of one security guard, one warehouse supervisor, and one logistics supervisor during the loading process. The label would be applied for each carton that has been matched with PO and style. The number of cartons and labels would be double-checked during loading in proper written records. Upon completion, the logistics supervisor as the assigned person will affix a high-security seal on the door of containers and provide related shipping documents for the driver to carry the containers to the ports.

### Brief description of sealing process:

Seals are delivered to the shipping department by the container drivers. The logistic supervisor is responsible for keeping the seals into the secured cabinet until they are affixed on containers doors. Seals are verified by twisting, pulling down to make sure that seals are affixed properly before containers are allowed to depart from the facility. The facility uses bolt seals issued by an appointed forwarder who was ISO PAS 17712 compliant.

### Brief description of direct shipments to port process:

The loading shipment cargo on containers was monitored by the security guard and finished storage supervisor. The loaded container would be transferred directly to the Port or Carrier's storage

### In-country transport services detail:

Transimex Co., Ltd since 2019

### Required transit time between audited facility to the port / the next supply chain:

About 3.5 hours from the facility to the nearest port (Haiphong Port). About 4.5 hours to the airport

### CCTV details:

213 cameras were installed at main gates, production areas, loading/unloading areas, packing and finished good warehouse. Recording of CCTV was saved for 45 days since 16 January 2022 to the audit date (3 March 2022)

### Security guard force details:

14 internal security guards

## B. RESULT DETAILS

The following section includes all findings noted during the on-site audit.

<b>Cyber Security</b>	<b>90%</b> 
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RATING	Must - High	Must - Low	Should - High	Should - Low	Total
<b>NEW NON-COMPLIANCES</b>	0	0	2	0	2

### New Non- Compliances

<b>ID #</b> 00199	<b>Finding</b> Backups are not stored in a fire resistant safe or at an off-site facility.	<b>Rating</b> Should - High
% of occurrence at other facilities 9%	Past occurrences at this facility None	
<b>Auditor Comments</b> It was noted that backup files were stored at onsite facility instead of stored in a fire resistant safe or at an off-site facility.		
<b>Minimum Security Criteria</b> Data should be backed up once a week or as appropriate. All sensitive and confidential data should be stored in an encrypted format.		

### New Non- Compliances

<b>ID #</b> 00200	<b>Finding</b> All sensitive and confidential data are not stored in an encrypted format.	<b>Rating</b> Should - High
% of occurrence at other facilities 12%	Past occurrences at this facility 1 time(s): 06-Feb-2021	
<b>Auditor Comments</b> The sensitive and confidential data of the information system was not stored in encrypted format.		
<b>Minimum Security Criteria</b> Data should be backed up once a week or as appropriate. All sensitive and confidential data should be stored in an encrypted format.		

<b>Physical Security</b>	<b>88%</b> 
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RATING	Must - High	Must - Low	Should - High	Should - Low	Total
<b>NEW NON-COMPLIANCES</b>	0	0	3	0	3

### New Non- Compliances

<b>ID #</b> 00380	<b>Finding</b> The alarm is not system tested regularly.	<b>Rating</b> Should - High
% of occurrence at other facilities 28%	Past occurrences at this facility 1 time(s): 06-Feb-2021	
<b>Auditor Comments</b> The alarm was not system tested regularly.		
<b>Minimum Security Criteria</b> Security technology should be utilized to monitor premises and prevent unauthorized access to sensitive areas.		


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## New Non- Compliances

<b>ID #</b> O0381	<b>Finding</b> The company does not have an automatic intrusion detection or alarm system installed in sensitive/controlled access areas.	<b>Rating</b> Should - High
% of occurrence at other facilities 81%	Past occurrences at this facility 1 time(s): 06-Feb-2021	
<b>Auditor Comments</b> The company did not have an automatic intrusion detection or alarm system installed in sensitive/controlled access areas as packing and finishing warehouse		
<b>Minimum Security Criteria</b> Security technology should be utilized to monitor premises and prevent unauthorized access to sensitive areas.		

## New Non- Compliances

<b>ID #</b> O0414	<b>Finding</b> CCTV does not have an alarm/notification feature, which would signal a “failure to operate/record” condition.	<b>Rating</b> Should - High
% of occurrence at other facilities 36%	Past occurrences at this facility 1 time(s): 06-Feb-2021	
<b>Auditor Comments</b> The CCTV system of the facility did not have alar/notification feature signaling "failure to operate/record" condition.		
<b>Minimum Security Criteria</b> If camera systems are deployed, cameras should have an alarm/notification feature, which would signal a “failure to operate/record” condition.		

<b>Education, Training and Awareness</b>					<b>93%</b> 
<b>RATING</b>	<b>Must - High</b>	<b>Must - Low</b>	<b>Should - High</b>	<b>Should - Low</b>	<b>Total</b>
<b>NEW NON-COMPLIANCES</b>	0	0	1	0	1

## New Non- Compliances

<b>ID #</b> O0485	<b>Finding</b> The company does not perform emergency response mock drills.	<b>Rating</b> Should - High
% of occurrence at other facilities 39%	Past occurrences at this facility None	
<b>Auditor Comments</b> It was noted that the company did not perform emergency response mock drills.		
<b>Minimum Security Criteria</b> CTPAT Members should have measures in place to verify that the training provided met all training objectives.		

## C. BEST PRACTICES AND RECOMMENDED BEST PRACTICES

CBP describes Best Practices as innovative security measures that exceeds the CTPAT criteria and industry standards. For C-TPAT purposes, a best practice must meet all five of the following requirements, all of which are subject to verification: (1. Senior management support; 2. Innovative technology, process or procedures; 3. Documented process; 4. Verifiable evidence; and, 5. A regular system of checks, balances and accountability.)

### Existing Best Practices:

#### 1. Business Partners

- Not applicable

#### 2. Cyber Security

- Not applicable

#### 3. Conveyance and Instruments of International Traffic Security

- For conveyance entries/exits, logs are maintained with name of the guard.
- Photos of authorized employees are publicized to access the restricted areas posted in the work area to detect any unauthorized entry/access.

#### 4. Seal Security

- In addition to using a bolt seal, attach a cast iron J-bar device to the locking bar that requires a specialized tool for removal.
- Use multiple ISO/PAS 17712 certified high security seals on all shipments bound to the U.S.

#### 5. Procedural Security

- Loaded containers/trailers' final inspection is conducted.
- Schedule all deliveries at distribution centers in advance using an online automated tool, and ensure that upon arrival, drivers provide security guards with shipment-linked delivery numbers for verification.
- Use tamper-evident tape with serial numbers to seal cartons, and verify the serial numbers against the packing list when loading and at the final destination.

#### 6. Agricultural Security

- Not applicable

#### 7. Physical Security

- Not applicable

#### 8. Physical Access Controls

- Not applicable

#### 9. Personnel Security

- Not applicable

#### 10. Education, Training and Awareness

- Not applicable

### Recommended Best Practices:

#### 1. Business Partners

- The facility should conduct periodic table-top exercises to address security breaches within the supply chain and, if one doesn't already exist, create a "quick response team" to investigate suspicious activities discovered during cargo transportation.

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- The facility should perform periodic audits of business partners accompanied by a third-party security firm (these audits may be performed without advance notice). The firm should provide a written assessment of business partners' adherence to C-TPAT minimum security criteria. If non-compliance is discovered, it could be sufficient grounds for terminating the business relationship.
- The facility should provide periodic security awareness training to all of the contractors.

## 2. Cyber Security

- The facility should equip computers with biometric retina scanners for authentication and identification purposes.
- The facility should install software on employees' laptops that allows management to delete information from hard drives from a remote location.
- The facility should require computer users to sign an agreement of liability for the use of the company's information systems, and renew these agreements each time a password change is initiated.

## 3. Conveyance and Instruments of International Traffic Security

- The facility should use a dock locking arm to anchor the container chassis to the loading dock.
- The facility should use tamper-indicative security labels bearing an actual photo of the seal and a serial number, attached to the hinges and between the two doors of the vehicles.

## 4. Seal Security

- Not applicable

## 5. Procedural Security

- Not applicable

## 6. Agricultural Security

- Not applicable

## 7. Physical Security

- The facility should install a double-layered perimeter fence, creating a secure zone between the two fence lines. Ensure that both fences are equipped with electronic monitoring capabilities, and that the outer fence incorporates underground concrete to deter tunneling.
- The facility should maintain multiple alarm systems that include door contacts, heat and vibration sensors, and seismic movement detectors.
- The facility should position security guard that view towers at each corner of the facility perimeter with sightlines that permit views of activity inside and outside the facility. Make sure the towers are manned at all times.
- Vehicles should be prohibited/prevented from parking near perimeter fencing.

## 8. Physical Access Controls

- Security guards should receive specific security training in C-TPAT.
- The facility should ensure that as employees enter the facility, their photos are displayed on an electronic access system monitor so that the security guard in the area can verify that the individual entering matches the photo displayed on the monitor.
- The facility should ensure that the exterior doors of buildings are equipped with two- person key systems that require a company manager and security guard to unlock the facility.
- The facility should Issue all visitors thermal-activated visitor ID badges featuring expiration marking/coloring that appears after eight hours.

## 9. Personnel Security

- The facility should conduct exit interviews as a routine part of the employee termination process, with a counselor on hand to evaluate the likelihood that a terminated employee could pose a retaliation threat.
- The facility should have a fingerprinting document of the identity of all new hires, and provide an employee list to national authorities on an annual basis for additional screening.

## 10. Education, Training and Awareness




- A security awareness assessment should be given annually to a random sample of employees to gauge their understanding of the company's general security policy.

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- The facility should conduct a semi-annual security awareness training seminar for all U.S. based suppliers, customers, and other business partners.
- The facility should provide online training portal.
- The facility should require new employees to complete a multiple-module security training program. Web-based training should emphasize recognition of internal conspiracies, maintaining cargo security, facility access control, and mail handling procedures. Publish security updates via an intranet.

**D. PERFORMANCE TREND ANALYSIS**

Section Name	Current 03-Mar-2022	Last NA	First NA	Change (Current-Last)	Change (Current-First)
Security Vision and Responsibility	100	NA	NA	NA	NA
Risk Assessment	100	NA	NA	NA	NA
Business Partners	100	NA	NA	NA	NA
Cyber Security	90	NA	NA	NA	NA
Conveyance and Instruments of International Traffic Security	100	NA	NA	NA	NA
Seal Security	100	NA	NA	NA	NA
Procedural Security	100	NA	NA	NA	NA
Agricultural Security	NA	NA	NA	NA	NA
Physical Security	88	NA	NA	NA	NA
Physical Access Controls	100	NA	NA	NA	NA
Personnel Security	100	NA	NA	NA	NA
Education, Training and Awareness	93	NA	NA	NA	NA
Overall Score	93	NA	NA	NA	NA

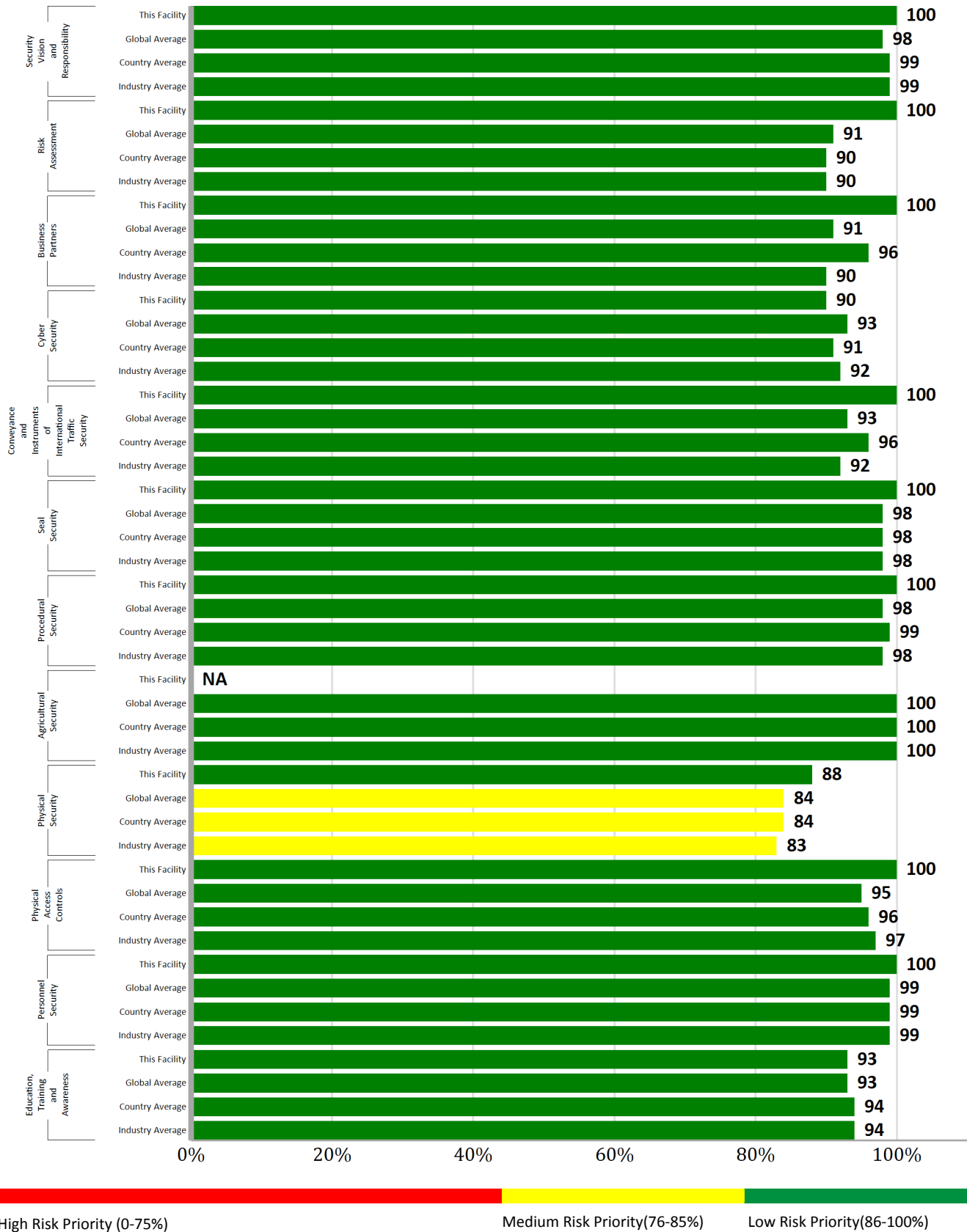
 Advancers
  Constant
  Decliner

E. KEY STRENGTHS AND CHALLENGES

Criteria	Facility Strengths: Facility performance ranks in the top percentile of the population and/or has implemented a best practice process	Global Freq. of Compliance %
Compliant	VVTT seal verification process is followed to ensure all high security seals have been affixed properly to conveyances.	89%
Compliant	The company has written procedure for screening new business partners and for monitoring current partners.	89%
Compliant	Where the company makes allowance for the use of personal devices to conduct company work, provisions for the company's cybersecurity policies and procedures are installed and regularly updated in order to engage with the Company Network.	89%
Compliant	Risk assessments are reviewed annually, or more frequently as needed.	90%
Compliant	The company conducts audits of seals that includes periodic inventory of stored seals and reconciliation against seal inventory logs and shipping documents and all audits are documented.	90%
Compliant	Seal numbers are electronically printed on the bill of lading or other shipping documents.	92%
Compliant	The company (that maintain seal inventories) uses high security seals and maintain document to demonstrate that they use either meet or exceed the most current ISO 17712 standard.	92%
Compliant	Business partner's security assessment is reviewed periodically.	92%
Compliant	Cargo conveyances and Instruments of International Traffic (IIT) are stored in a secure area to prevent unauthorized access.	92%
Compliant	If CCTV are installed, periodic, random reviews of the camera footage are conducted (by management, security, or other designated personnel) to verify that cargo security procedures are being properly followed in accordance with law. Results of the reviews are summarized in writing to include any corrective actions taken. The results are maintained for a sufficient time for audit purposes.	93%

Criteria	Facility Challenges: Facility performance ranks in the bottom percentile of the population	Global Freq. of Compliance %
Should - High	The company does not have an automatic intrusion detection or alarm system installed in sensitive/controlled access areas.	82%
Should - High	The company does not perform emergency response mock drills.	42%
Should - High	CCTV does not have an alarm/notification feature, which would signal a "failure to operate/record" condition.	38%
Should - High	The alarm is not system tested regularly.	28%
Should - High	All sensitive and confidential data are not stored in an encrypted format.	12%

## F. COMPARISON BENCHMARK



## FACILITY PHOTOS

### Facility Name



1. Facility name

### Main Gate



2. Main gate

### Loading Area



3. Loading area

## Packing Area



4. Packing area

## Perimeter Fencing



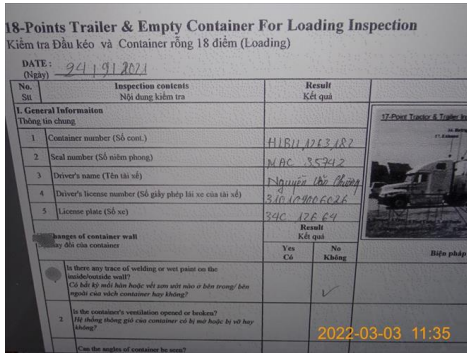
5. Fence

## Finished Goods Warehouse



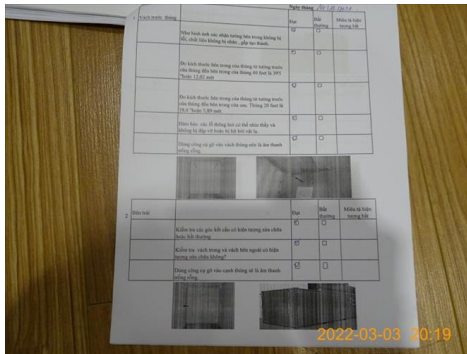
6. Finished goods warehouse

### Container Inspection and Manifest Record



7. Container inspection and manifest record

### Container Inspection Photos/Records



8. Container inspection photo

### Computer Security



9. Password for computer



### Affixed Seal On Container



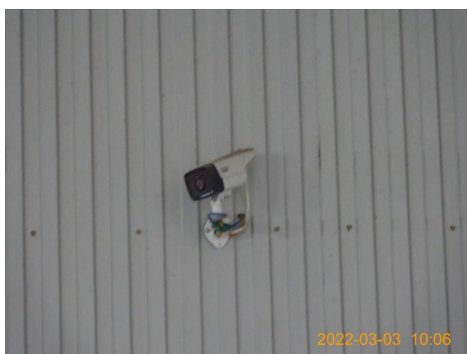
13. Affixed seal on container

### Oldest CCTV Recording



15. Oldest CCTV recording

### CCTV



16. Camera at finished goods warehouse

## CCTV Monitoring



17. Monitor

## Security Room



18. Security room

## Vehicle Parking for Employees



19. Employee parking area

## Vehicle Parking for Visitors



20. Visitor parking area

## Outside Lighting



22. Outside lighting

## Communication Equipment



23. Walkie-talkie

## Security Guard with Uniform



24. Security guard with uniform

## Employee with ID Badge



25. Employee ID badge

## Visitor's Card



26. Visitor badge

## Overview



27. Facility overview

## Best Practices



30. Photos of authorized employees at the sensitive areas

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