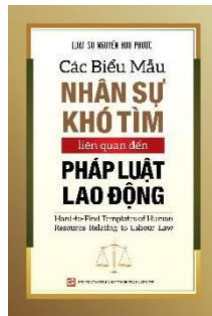


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TEMPLATE OF PROCEDURAL PROCESS OF ISSUANCE, AMENDMENT AND SUPPLEMENTING OF INTERNAL LABOUR REGULATIONS

TEMPLATE OF INTERNAL LABOUR REGULATIONS

INTERNAL LABOUR REGULATIONS

Pursuant to the Labour Code No. 10/2012/QH13 of the Socialist Republic of Vietnam, dated 18 June 2012, which came into effect since 1 May 2013; and

Having regard to the nature of its business and labour requirements.

The [General] Director of [●] (“**Company**”) hereby promulgates the Internal Labour Regulations (“**ILRs**”) to be implemented by the Company and the employees as follows:

CHAPTER I: GENERAL PROVISIONS

Article 1: Objectives

The ILRs is issued in accordance with the Labour Code and set out the fundamental working principles for all of the Company’s employees including:

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- (i.) Labour contract and recruitment;
- (ii.) Time of work – Time of rest;
- (iii.) Order in the Company;
- (iv.) Occupational safety and hygiene;
- (v.) Protection of assets, business secrets and confidentiality of technology and of intellectual property of the Company;
- (vi.) Conducts by the employees constituting a breach of labour discipline and penalties imposed for those breaches and liability for damage; and
- (vii.) Other relevant items.

The objective of the ILRs is to maintain harmonious and stable relations between the Company and its employees and thus achieve operational efficiencies in the quality and output.

Article 2: Scope of Application

The ILRs is applicable to all employees working for the Company, regardless any types of labour contracts including all trainees, internships, who are both foreign employees and Vietnamese employees (“**Employees**”).

Article 3: Definitions and Interpretation

1. Definitions

- (i.) **Alcohol Abuse Policy** means the policy on alcohol abuse of the Company and its amendments and supplements from time to time (if any), which is attached hereto as Annex 1;

- (ii.) **Code of Business Conduct** means the Code of Business Conduct of [•] issued in May 2015 and its amendments and supplements from time to time (if any), which is attached hereto as Annex 2;
- (iii.) **Environment & Safety policy** means Environment & Safety (ES) policy of the Company and its amendments and supplements from time to time (if any), which is attached hereto as Annex 3;
- (iv.) **Confidential Information** means and includes any data or information, in whatever form, relating to the Company and the Company's affiliates, or any other current or future business interests of the Company and the Company's affiliates, which is attached hereto as Annex 4;
- (v.) **Company** means [•], established in Vietnam pursuant to Investment Certificate No. [•] dated [•] issued by [•];
- (vi.) **Manager** means a direct manager who directly manages the Employees in the Company;
- (vii.) **[General] Director** means the General Director of the Company as stated in the Investment Certificate of the Company from time to time;
- (viii.) **ILRs** means this Internal Labour Regulations of the Company and its amendments and supplements from time to time (if any);
- (ix.) **Labour Code** means the Labour Code No. 10/2012/QH13 of the Socialist Republic of Vietnam, dated 18 June 2012, which came into effect since 1 May 2013, and all implementing regulations;
- (x.) **Government** means the government of Vietnam and all Vietnamese State committees, ministries, general departments, agencies, and instrumentalities and also includes provincial and district people's committees, departments and authorities; and
- (xi.) **Vietnam** means the Socialist Republic of Vietnam.

2. Interpretation

- (i.) In the ILRs, unless the context requires otherwise, a word denoting the singular shall include the plural, and a word denoting the masculine gender shall include the feminine gender; and
- (i.) The headings of clauses are inserted for convenience purpose and shall not affect the interpretation of these clauses.

Article 4: General Principles

1. The Company and its Employees are liable to comply strictly with the ILRs and the Labour Code.
2. Failure to comply with any provision in the ILRs is a conduct in breach of the ILRs and the Employees will be subject to the labour discipline in accordance with Chapter VIII of the ILRs.

CHAPTER II: LABOUR CONTRACTS AND RECRUITMENT

Article 5: Type of labour contracts

Upon completion of the probation period, the Company will enter into one of the following types of labour contract with the Employees:

1. Indefinite-term labour contract

An indefinite-term labour contract is a contract in which the two parties do not determine the duration and the time of termination of the labour contract.

2. Definite-term labour contract

A definite-term labour contract is a contract in which the two parties determine the duration and the time of termination of the contract within a period of between 12 (twelve) months and 36 (thirty six) months.

3. A seasonal or work-specific labour contract is a contract that has a duration of under 12 (twelve) months.

Article 6: Assignment of the Employees to perform jobs which are not stated in labour contracts

1. Upon sudden difficulties from natural disasters, fire, epidemics, from the implementation of preventive and remedial measures for occupational accidents and occupational illness, from electricity or water supply system malfunctions, or from the production and business demands, the Company shall temporarily transfer the Employees to another job assignment that which is in their labour contract within 60 (sixty) cumulative working days in a year, unless otherwise agreed by the Employees.

In which, the production and business demand of the Company is understood as one of the following cases:

- i. The case where any services or sales contracts between the Company and its clients change in terms of the term and location for implementation of the such contracts, scale of the contracts, which leads to the fact that the Company must adjust its human resource correspondingly; or
 - ii. The Company lacks of any position at its head office or its branch and the Employees are transferred to hold the respective position in the period when the Company is in the recruitment process of the positions; or
 - iii. In order to ensure business operations of the Company as warehouse operation, machine operation, continuous production, the activities of such supporting department such as accountancy, personnel, purchasing, information technology and project management.
2. When the Employees are temporarily transferred to a job assignment other than those as stipulated in the labour contract, the Company will notify the Employees in advance at least 03 (three) working days, specify the duration and arrange jobs suitable for the Employee's health and gender.
 3. Any Employee who performs the job as stipulated in Clause 1 of this Article is paid with salary for the new job; if the salary for the new job is lower than the previous salary, he/she is entitled to the previous salary for 30 (thirty) working days. The salary for the new job must be at least 85% (eighty five percent) of the previous salary but not lower than the regional minimum salary as stipulated by the Government.
 4. In the case of transferring an Employee to a new position permanently, it must have the consent from the Employee; the Company and the Employee shall have to sign a new labour contract or an appendix of the existing labour contract to amend the respective contents.

Article 7: Suspension of labour contract

1. A labour contract between the Employee and the Company may be suspended in any of the following cases:

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- (i.) The Employee is called up for military service;
 - (ii.) The Employee is held in custody or detention in accordance with the criminal procedure law;
 - (iii.) The Employee is subject to a decision on application of the measure of consignment to a reformatory, compulsory drug detoxification centre or compulsory education institution;
 - (iv.) The female employee has a certificate of a competent health establishment which states that continued work will adversely affect her pregnancy, she may temporarily postpone the performance of the labour contract as provided in Article 156 of the Labour Code; or
 - (v.) Other cases as agreed upon by the two parties.
2. Reinstatement of the Employees upon expiry of the period of suspension of labour contracts:

Within 15 days after the expiry of the period of suspension of a labour contract in a case specified in Clause 1 of this Article, the Employee shall show up at the workplace and the Company shall reinstate the Employee unless otherwise agreed upon by the two parties.

Article 8: Termination of a labour contract

A labour contract is terminated in the following cases:

- (i.) The labour contract expires, except for the labour contract of a member of the Executive Committee of the Grassroots Trade Union. It means that if his/her trade union tenure is still valid while his/her labour contract expires, that labour contract must be extended until the end of the trade union tenure;
- (ii.) The work stated in the labour contract has been completed;
- (iii.) Both parties agree to terminate the labour contract;
- (iv.) The Employee fully meets the requirements on the time of payment of social

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insurance premiums and the Employee meets the age of retirement of 60 (sixty) for males and 55 (fifty five) for female;

- (v.) The Employee is sentenced to imprisonment or death or is prohibited from performing the job stated in the labour contract under a legally effective judgment or ruling of a court;
- (vi.) The Employee dies or is declared by a court to have lost civil act capacity, be missing or dead;
- (vii.) The Employee is dismissed under Article 40 of the ILRs;
- (viii.) The Employee unilaterally terminates the labour contract under Article 37 of the Labour Code;
- (ix.) The Company unilaterally terminates the labour contract under Article 38 of the Labour Code; the Company retrenches the Employee due to change of structure or technology or because of economic reasons, or merger, consolidation or division of the enterprise; or
- (x.) The Company terminates its operation.

Article 9: Criteria for Recruitment

A person who meets the following criterion might be recruited as an Employee of the Company:

- (i.) Reaching the legal employment age: 18 (eighteen) years old or older;
- (ii.) Meeting the health standard required for related position;
- (iii.) Possessing necessary education background, labour skill and work experience;
- (iv.) Passing interview and/or examination and/or pre-hire background check; and
- (v.) Passing the probationary period.

Article 10: Recruiting profile

1. The Company shall not return the submitted profile and/or application by candidates and/or the Employees who apply for any position in the Company, except the Employees and/ or at the candidates' request.
2. A profile and/or an application must have the following items:
 - (i.) Notarized copy of Identity Card;
 - (ii.) Notarized copy of Academic certificate;
 - (iii.) Letter on termination of the labour contract issued from previous employer(s) (if any);
 - (iv.) Original Curriculum vitae; and
 - (v.) Any information and/or documents relating to recruitment of the Employee as required by the Company from time to time.
3. The Employees has to report to the Human Resource Department in case there are any changes in their personal profiles relating to the Identity Cards, academic, marital status, conflict of interest cases.

Article 11: Probation

1. Length of probationary period

The probationary period must be based on the nature and complexity of the job but probation is applied only once for each job and assure the following conditions:

- (i.) It does not exceed 60 (sixty) days for posts which require professional and technical qualification of collegial or higher level;
- (ii.) It does not exceed 30 (thirty) days for posts which require professional and technical qualifications of intermediate vocational level, professional secondary level, or for technical workers and skilled employees; and

- (iii.) It does not exceed 06 (six) working days for other types of jobs.
- 2. During the probationary period, the Employees are entitled to 100% (one hundred percent) of the salary applied for the job.
- 3. During the probationary period, the Company shall not pay and withhold social insurance, unemployment insurance, and health insurance premiums for the Employees.
- 4. Within 03 (three) days before the end of the probationary period for the Employees whose probationary period are stipulated in Article 11.1.(i) and Article 11.1.(ii) of the ILRs, the Company will notify the Employees of the probation results. If the probation results show that the Employees do not meet the requirement as agreed in the probationary contracts, the Company will not conclude labour contracts with the Employees.
- 5. At the end of the probationary period of the Employees whose probationary period is 06 (six) working days as provided in Article 11.1.(iii) of the ILRs, the Company will notify the Employees of the probation results. In case the results meet the requirements, the Company will conclude the labour contracts with the Employees. On the other hand, in case the results do not meet the requirement, the Company will not conclude the labour contracts with the Employees.

Article 12: Vocational training contract between the Company and the Employee and job training expenses

- 1. The Company and the Employee shall enter into a vocational training contract in case the Employee will be trained for vocational qualification and skill improvement or re-trained at home or abroad with the Company's fund. A vocational training contract must be made in 02 (two) copies, each to be kept by 01 (one) party.
- 2. A vocational training contract shall have the following principal contents:
 - (i.) The trained occupation;
 - (ii.) Training venue; training period;
 - (iii.) Training expenses;
 - (iv.) The period during which the Employee commits to work for the Company after training;
 - (v.) Responsibility to reimburse training expenses; and
 - (vi.) Responsibilities of the Company.

3. Training expenses are those accompanied by valid documents on payment for trainers, training materials, training venues, machinery and equipment, practicing materials, other expenses to support learners, salaries and social insurance and health insurance premiums paid for learners during the training. In case the Employee is sent to a foreign country for training, training expenses also include travelling and living expenses during the period of overseas stay.
4. When an Employee unilaterally terminates a labour contract illegally during the period which the Employee commits to working for the Company after training, he/she must return all training costs paid by the Company to the Company in accordance with Clause 2 and 3 of this Article.

CHAPTER III: WORKING TIME AND REST TIME

Article 13: Working Hours

1. All of the Employees working for the Company shall work 40 (forty) hours per week from Mondays to Fridays.
2. The Employees of Factory and Branch offices have different working time as follows:

- (i.) For Branch offices:

Time of work: From 9:00 to 12:00 – from 13:00 to 18:00 from Mondays to Fridays

Time of rest: From 12:00 to 13:00, not included in the working hours.

Weekly rest days: Saturday and Sunday.

- (ii.) For Factory: The Employees working in Factory work under the shift as follows:

- For non-production teams: From 8:00 to 16:30, 30-minutes break time from 12:00-12:30.

Weekly rest days shall be decided by the Company from time to time with one week notice.

- For production teams (Technical Support, Quality Assurance, Packaging, Warehouse):

Shift 1 working time: 6:00 – 14:00 including break time from 11:00-11:30 which is counted in the working hours.

Shift 2 working time: 14:00 – 22:00 including break time from 18:00-18:30 which is counted in the working hours.

Shift 3: 22:00 – 6:00 including break time from 2:00-2:45 which is counted in the working hours.

In order to ensure the normal and continuous operation of machines, the break time may be flexibly re-arranged by the Manager (i.e. dividing the Employees into 02 (two) groups) with one week notice.

Weekly rest days shall be decided by the Company from time to time with one week notice.

3. A female Employee who is entitled to a 60-minute break in every working day with full salary as provided in Article 20 herein may register to go to work late 60 (sixty) minutes per day; or leave early 60 (sixty) minutes per day; or extend lunch time 60 (sixty) minutes per day.

Article 14: Weekly Rest Days

The weekly rest days of the Employees are as provided in the Article 13 herein. However, where in special cases due to the work cycle it is impossible for an Employee to have weekly rest day as provided, the Manager is responsible for ensuring that such Employee on average has at least 08 (eight) days off in one calendar month.

Article 15: Public and New Year Holidays

1. An Employee is entitled to fully paid days off on the following public and New Year holidays:
 - (i.) Calendar New Year Holiday: 01 (one) day (the first day of January of the calendar year);
 - (ii.) Lunar New Year Holidays: 05 (five) days;
 - (iii.) Victory Day: 01 (one) day (the thirtieth day of April of each calendar year);
 - (iv.) International Labour Day: 01 (one) day (the first day of May of each calendar year);
 - (v.) National Day: 01 (one) day (the second day of September of each calendar year); and
 - (vi.) Commemorative Celebration of Vietnam's Forefather - Kings Hung: 01 (one) day (the tenth of March of the lunar year).
2. For foreign Employees, in addition to the public holidays stipulated in Clause 1 of this Article, are entitled to 01 (one) traditional New Year holiday and 01 (one) National Day of their country.
3. In case a holiday referred to in Clause 1 of this Article falls on a weekend, Employees are entitled to take the following day off as compensation.

Article 16: Annual Leave

1. Annual leave of minimum 12 days with the full pay for the Employees who have completed 12 (twelve) months of the employment with the Company, that will be calculated based on a calendar year, from 1 January to 31 December.
2. Any Employee who has signed an official labour contract with the Company but has not completed 12 (twelve) months of the employment with the Company will have the number of annual leave that shall be calculated as a ratio corresponding to his/her actual working months as follows: the number of annual leave entitlement stipulated by these ILRs divide 12 (twelve) months, then multiply by the number of actual working months during the year to calculate the number of days of annual leave entitlement; the calculation result should be rounded off if the decimal is 0.5 (zero point five) or bigger.

3. The minimum unit of the annual leave which can be taken is 0.5 (zero point five) day.
4. In case an Employee does not take fully his/her annual leave, the annual leave shall be carried forward until 31 March of the following year and shall be forfeited automatically afterwards.
5. The Employees should have plans and use their annual leave within the entitled year.
6. Application for annual leave must be submitted to the Manager in a prescribed form of the Company or by email or online application:
 - (i.) 01 (one) week in advance if the annual leave taken is from 01 (one) to 07 (seven) days;
 - (ii.) 02 (two) weeks in advance if the annual leave taken is more than 07 (seven) days;
 - (iii.) However, the Manager may grant special approval with shorter advanced notice period depending on such special situations from time to time; and
 - (iv.) In extremely urgent and unexpected cases, the annual leave application via telephone with the Manager may be approved on a case by case basis but it is only applied for the annual leave period not more than 02 (two) days. The Employee must inform the Manager about this leave before office working starts. The annual leave application must be submitted by the Employee on the first day he/she comes back to work.

Article 17: Personal leave

1. Personal leave with payment

The Employees will be entitled to a full payment of salary for personal leave in any of the below circumstances:

- (i.) The Employee's Marriage: 03 (three) days;
- (ii.) Marriage of Employees' children: 01 (one) day;
- (iii.) Funeral: 03 (three) days for the death of the Employees' father and mother, father and mother of the Employees' wife/husband, the Employees' wife/husband, and the Employees' children;
- (iv.) Paternity leave: Male employees currently paying social insurance premiums whose wives give birth to children are entitled to a maternity leave of 05 (five) working days or more than 05 (five) working days in some special case as provided by laws on social insurance.

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2. Personal leave without payment

- (i.) The Employees may take 01 (one) day off without payment and shall inform the Company when their paternal or maternal grandparent or blood sibling dies; his/her father or mother gets married; or a blood sibling gets married;
- (ii.) The Employees may discuss and agree with the Company on other unpaid leave in addition to the leaves specified in Article 17.1 and Article 17.2.(i) here above. The Company will consider approving the other unpaid leave in any of the following cases:
 - (a.) The Employees meet difficulties related to his/her family;
 - (b.) The Employees need more treatment or more time for recovery in case of sickness; and
 - (c.) The Employees take part in the training which is not held by the Company.

Nevertheless, the approval of such other unpaid leave is at the Company's discretion.

- (iii.) The Employees are required to provide satisfactory evidence to the Human Resource Department to support such leave in each case (including paid leave and unpaid leave) and to implement the procedures with leave application form as same as that for annual leave stated in Article 16.6 hereto, except in the instances of as described in Article 17.1.(iii) hereto and the instances of death of their paternal or maternal grandparent or blood sibling as provided in Article 17.2.(i) hereto.

In case of the personal leave for death as provided in Article 17.1.(iii) and 17.2.(i) hereto, the Employees may notify it to the Human Resource Department via telephone. After coming back to work, the Employees must provide the reasonable evidence supporting for their leave for such death to the Human Resource Department and perform the application procedures for leave as provided.

In case of the personal leave for the marriage of the Employees or the Employees' children as provided in Articles 17.1.(i) and 17.1.(ii) hereto or the birth of a child of Employees as provided in Article 17.1.(iv) hereto, the Employees shall submit a copy of her/his marriage certificate or a copy of her/his child's birth certificate, as the case may be, to the Human Resource Department for verification and filing purposes.

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Article 18: Sick leave

1. In the normal condition, the maximum number of days of sick leave that an Employee in accordance with the Labour Code and the Law on Social Insurance is entitled to:

Years of Service	Sick Leave (In a Year)
Less than 15 (fifteen) years	30 (thirty) working days
Full 15 (fifteen) to less than 30 (thirty) years	40 (forty) working days
Full 30 (thirty) years or more	60 (sixty) working days

2. The Employees who cannot present at work due to sickness must submit an application for sick leave to their Manager. In the case of unpredictable sickness, the Employees are required to immediately inform (e.g. by telephone) or ask other people to inform their Manager, or in the case the concerned Employees cannot contact with their Manager, inform the Human Resource Department of their absence and submit the application for sick leave later upon their return to work. The sick leave application must be approved by the Manager and sent to the Human Resource Department.

Sick leave will only be approved when the Employees furnish “certificate for day off to enjoy social insurance”. Such certificate is issued by a competent medical establishment. The Employees who take sick leave will be paid a portion of his/her salary by the social insurance fund in accordance with the regulations on social insurance.

3. If the Employees fail to present to the Manager the valid certificate on the date returning from sick leave, their leave shall be considered to be leave without proper reasons and will be disciplined in accordance with the Chapter VIII of the ILRs.
4. During the period of sick leave, the Employees are entitled to the allowance as paid by the Social Fund of Vietnam in accordance with the Law on Social Insurance, but not entitled to salaries from the Company.

Article 19: Leave period upon sickness of children

1. The leave period upon sickness of each child of the Employee in a year must not exceed 20 (twenty) working days, if the child is under 03 (three) years old, or must not exceed 15 (fifteen) working days if the child is between full 03 (three) years and under 07 (seven) years old.
2. The leave period upon sickness of children specified in this Article shall be counted in working days, excluding public holidays, New Year holidays and weekends.

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3. During the Leave period upon sickness of children, the Employees are entitled to the allowance as paid by the Social Fund of Vietnam in accordance with the Law on Social Insurance, but not entitled to salaries from the Company.

Article 20: Maternity leave

1. Female Employees are entitled to prenatal and postnatal leave of 06 (six) months. If the female Employees give birth to more than 01 (one) child at the one time, they are entitled to an additional 01 (one) month's leave for each child counted from the second child.
2. The Employees only being entitled to the maternity benefits where giving birth or adopting a child under 06 (six) months old if they have paid social insurance contribution for 06 (six) months or more within 12 (twelve) month period before childbirth or adoption.

Maternity leave shall commence 02 (two) months before giving birth, or may be earlier by the certificate from a competent medical establishment and the approval from the Company.

Prior to expiration of the maternity leave period prescribed in this section, if so required and if there is approval and certification from a competent medical establishment stating that early resumption of work will not adversely affect to the health of the female Employees and the Company consents, the Employees may return to work if they have had at least 04 (four) months of maternity leave. In this case, in addition to the salary for the working days which the Company must pay, the female Employees are entitled to maternity leave allowance pursuant to the regulations on social insurance.

3. Upon expiration of the maternity leave period prescribed in this Article, if so required, the female Employees may take additional unpaid leave pursuant to an agreement reached with the Company.
4. During the pregnancy period, the female Employees shall be entitled to take leave for 05 (five) times, 01 (one) day per time for pre-natal check-up. If they have pathological symptoms or an abnormal pregnancy, they shall be entitled to take 02 (two) leave days for each pre-natal check-up.
5. Application for maternity leave must be submitted to the Manager under the prescribed form or electronic form of the Company at least 03 (three) months prior to the date the leave is to be taken unless the case of leave under the competent medical establishment's request.
6. The female Employees who are tending their children of less than 12 (twelve) months of age are entitled to 01 (one) hour off per day during the working time with full pay. Application to register this leave time as provided in Article 13.3 herein must be submitted to the Manager under the prescribed form or electronic form of the Company at least 03 (three) weeks in advance.

7. The Company will not employ any female Employee to do night work, overtime, or to go on business trips to remote areas in any of the following cases:
 - (i.) Being in the seventh month of pregnancy; or
 - (ii.) Nursing a child under 12 (twelve) months.
8. The female Employees who are employed in extremely heavy work and in their 07 (seventh) (or later) month of pregnancy will be either transferred to lighter duties or their working hours will be reduced by 01 (one) hour every day, and such Employees shall still receive the same full salary.
9. During the period of maternity leave, the Employees are entitled to the allowance as paid by the Social Fund of Vietnam in accordance with the Law on Social Insurance, not entitled to salaries from the Company.
10. The Employees are entitled to take leave and to be paid by the Social Fund of Vietnam in accordance with the Law on Social Insurance in case of miscarriage, abortion, stillbirth or pathological abortion, the baby dies after birth, recuperation after maternity leave or sick leave in accordance with the Vietnamese laws on social insurance.

CHAPTER IV: SALARY AND SOCIAL INSURANCE

Article 21: Salary payment schedule

Salaries as stated in the labour contracts of the Employees are gross and the Employees are subject to withhold social insurance, health insurance and unemployment insurance premiums and personal income tax.

Salaries will be calculated from the first day till the last day of a month. Salary will be paid via the Employees' bank accounts on the 30th day of every month. If the 30th day of the month falls on a weekend or public holiday, salaries will be credited into the Employees' bank accounts on a weekday before the date.

CHAPTER V: ORDER AT WORKING PLACE

Article 22: Dress code and Employee card

1. Good appearance and proper dress are required of all Employees during normal

business hours or while representing the Company.

Clothes which do not suit a professional business environment (such as flip flops or slippers; torn, soiled or crumbled garments; too short/tight/faded/transparent/low/sexy (under-vest) top/denims; etc.) are not to be worn at the Company's working areas.

2. If the Employees are granted uniforms, they are required to wear the uniform properly at all times and at any workplace during working hours.
3. All of the Employees are required to wear an Employee card during the working time. In case an Employee loses this card, he/she must immediately inform to the Administration Department.

Article 23: Attendance

1. Prior approval must be obtained from the Manager if the Employee wants to arrive late, leave early or remain absent for any private purpose. Failure to obtain such approval shall result in the absence being considered as leave without proper reasons and will be applied the labour disciplinary measures in accordance with the ILRs.
2. Prior approval must be obtained from the Manager if the Employee wants to work with flexible working time or work outside the workplace. The Company will approve or disapprove such request at its own discretion.

Article 24: The Employee's conduct at the workplace

The Employees must strictly comply with the ILRs in order to maintain and develop the Company's activities. In particular, the Employees must:

- (i.) perform assigned tasks within their competence or authorization;
- (ii.) not cause damage in any form to the Company's reputation;
- (iii.) not deliberately or carelessly damage or steal the Company's property or the property of other Employees;
- (iv.) act at all times in a civil manner and be punctual and loyal in carrying out their

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duties;

- (v.) immediately disclose to the General Director and Manager any fault, error or any undesirable practice which may threaten to damage or affect the Company's business and which may come to their knowledge of which they may have suspicion, regardless of whether this knowledge or suspicion may have been obtained within or outside the Company;
- (vi.) not solicit, receive or request for any advantages, gifts from clients and vendors;
- (vii.) not leave the Company office premises during working hours without the prior permission of the Manager;
- (viii.) keep personal telephone calls and e-mails to a minimum to avoid any inconvenience to clients or delays in the performance of the Company's business;
- (ix.) not take weapons, explosives or other dangerous items onto the Company's premises;
- (x.) not drink alcohol or consume illicit drugs during the performance of work and not arrive at work in a drunken or intoxicated state as provided in the Alcohol Abuse Policy as attached in the Appendix 2 hereto;
- (xi.) not gamble or organize or participate in any form of betting activities on the Company's premises;
- (xii.) not obstruct or hinder another Employee's work;
- (xiii.) not engage in immoral or indecent conduct;
- (xiv.) not engage in sexual harassment or any other harassment or discrimination; and
- (xv.) not violate any of the Company's policies such as the Code of Business Conduct, Environment & Safety policy, the Alcohol Abuse Policy and other rules or procedures as attached in the Annexes.

Article 25: Working equipment

Working equipment includes but is not limited to stationery, documents, invoices, equipment, vehicles, machines, hand tools, spare parts, raw material, materials, documentation, information, data, formulas that the Employees are assigned to perform their duties. In this respect, the Employees are required to observe the following rules:

- (i.) To safeguard work tools properly, to strictly follow the usage and maintenance instruction of each tool;
- (ii.) Do not use work tools that are not within the scope of responsibility or for personal purposes;
- (iii.) Do not waste or misuse work tools;
- (iv.) Do not fraudulently exchange or replace work tools;
- (v.) Do not misplace work tools; and
- (vi.) Do not bring out any working equipment from the work place without obtaining permission from the Manager.

Article 26: Visitors

If the Employees have their guests visit at the Company, they are required to meet the visitors only in reception area or meeting rooms and obtain prior approval from the Manager.

Article 27: Sexual Harassment

1. Sexual harassment at the workplace is prohibited at the work place.
2. Any Employee who believes he/she has been the victims of sexual harassment or he/she has witnessed such conduct should immediately report to the Manager or the Human Resource Department for their investigation and settlement. All the information will be kept confidential at the Employees' request.

Article 28: Management of individual properties

1. Each of the Employees is responsible for safeguarding their own property and the Company has no responsibility in case the Employees' own property is lost.
2. However, the Company reserves the right to check the lockers, tool boxes, work areas, desks, files, computer files, drawers of any Employee as assigned by the Company without prior notice wherever there is any evidence of such Employee violating discipline, provided that the Manager and a representative of Executive Committee of the Grassroots Trade Union are present as witness.

Article 29: General Regulations on Conflict of Interest

1. The Employees must not be involved in any activity which would conflict or interfere with the performance of their duties to the Company as specified in the Item 9 of the Code of Business Conduct as attached in Appendix 1 of the ILRs.
2. Purchase of the shares of a customer, competitor or supplier of the Company, having a financial interest in a transaction between the Company and a third party – serving as an officer or director or consultant to an outside business in the Employees' own time – all must be informed to the General Director for information.

Article 30: Extracurricular activities, Gifts and receptions

1. Gifts and receptions

The Employees are prohibited from accepting anything of value from any one to influence or reward the Employees in connection with any of the Company's operations. Any gift accepted in return for procuring a loan or other service offered by the Company or in return for purchases from a vendor, without regard to the value, constitutes a violation of the ILRs whether given to the Employees themselves or a member of the Employees' immediate family. The Employees and their immediate families may not receive anything of value, directly or indirectly, such as commissions, special discounts, free services or any other payments or concessions from vendors or customers including attorneys, insurance and real estate agents, sales people or the like as quid pro quo for a transaction with the Company.

Please refer to the Item 11 on Gift and Hospitality as provided in the Code of Business Conduct herein for your more information.

2. Extracurricular activities

The Employees are entitled to join in the extracurricular activities held by the Company in the working hours or beyond the working hour at the Company own discretion.

CHAPTER VI: LABOUR SAFETY AND HYGIENE

Article 31: Labour Safety and Hygiene

1. The Company shall actively establish safe and hygienic working conditions for the Employees. The Company shall be responsible for arranging for the annual medical examinations of all Employees. In addition, the Company has the following obligations:
 - (i.) To ensure the workplace meets the requirements of space, ventilation, dust, steam, toxic gas, radiation, electromagnetic field, heat, humidity, noise, vibration and other harmful elements specified in the relevant technical regulations and those factors must be tested and measured periodically;
 - (ii.) To ensure the conditions on labour safety and hygiene for machinery, equipment, workshop to reach the national technical regulations on labour safety and hygiene or standards on labour safety and hygiene at the workplace that has been published and applied;
 - (iii.) Testing and assessing the dangerous and harmful factors, harmful at workplace of the facility to set out the exclusion measures to minimize hazards, harmfulness and improve the working conditions and health care for the Employees;
 - (iv.) Periodically testing and maintaining the machinery, equipment, workshops and warehouses;
 - (v.) There must be instructions on labour safety and hygiene for the machinery, equipment and workplace and they should be legible and placed in a visible location;
 - (vi.) Arranging for the annual medical examinations of all Employees; and
 - (vii.) Gathering opinions of the Executive Committee of the Grassroots Trade Union when making a plan and implementing the activities to guarantee the labour safety and hygiene.
2. The Employees shall be responsible for strictly complying with the provisions of the Company regarding labour safety and hygiene.

Article 32: Labour Safety

1. Reporting unsafe conditions:

The Company makes every effort to keep the work place clean and safe, and encourages the Employees to do so. The Employees should report any unsafe conditions which they detect within the work place to their Manager and the General Director without delay in order to aid in the prevention of accidents.

In the event of an Employee suffering injury of any kind on the Company's premises or in carrying out the Company's business, the Employees should inform the Manager and the General Director immediately.

2. Fire Precautions:

- (i.) All files, books and other such documents must be stored in cabinets each evening and at the close of business;
- (ii.) When leaving the office, all electrical switches and electrically operated equipment should be turned off;
- (iii.) A check should be made that smoking cigarettes are not left in the office; and
- (iv.) Any faulty plug or wiring, or any other possible fire hazard should be reported for repairing.

3. Fire Prevention:

Any Employee must comply with the fire prevention regulations set up by the owner of the building where the Company's premises are located (if any). In case of fire, the Employees must comply with the instructions of the fire team (if any) and the fire protection regulations.

The Employees are obliged to attend to fire drills organized by the owner of the building in which the Company is located or by the Company or by the fire protection authorities.

Article 33: Labour Hygiene

1. The Employees must keep their working areas clean and tidy.

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2. The Employees must comply strictly with the policy on environment and safety of the Company which is attached with the ILRs (**Annex 3**).

Article 34: Dealing with labour accidents

In case where any labour accidents occur, any Employees or Managers who are in charge or see such labour accident should carry out the following actions to deal with the labour accident and reduce damages and injury:

- (i.) Immediately shut down the machine or cut power if the labour accident is related to any machine, power;
- (iii.) Reporting to the Manager in charge;
- (iv.) Protecting and preserving the incident scene; and
- (v.) Taking other actions if necessary to reduce damages and injury.

CHAPTER VII: PROTECTION OF COMPANY PROPERTIES, INFORMATION AND TRADE SECRETS

Article 35: Protection of the Company's properties

1. Use of the Company's assets:

The Company's assets are meant for the Company's business. The Company's assets include the Employees' time at work and work products, as well as the Company's equipment such as vehicles, computers and software, etc., the Company information and trademarks and name. The Employees are required to observe the following principles:

- (i.) Do not use the Company's assets for the Employees' personal benefits or the benefit of anyone other than the Company;
- (ii.) Do not abuse the Employees' positions in the Company or the Company's property or information to take personal profit;

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- (iii.) Do not misuse the Company's assets;
- (iv.) Do not use the Company's assets – including information, work products or trademarks – outside of the Employees' responsibilities without approval of the General Director; and
- (v.) Do not use the computer system and equipment of the Company for businesses outside of the Employees' responsibilities, for illegal activities, gambling or pornography, politics, religions, etc.

2. Assigned assets:

The Employees who are assigned responsibility or right of control and/or use of machines, equipment and tools or any assets of the Company, must have direct responsibility for those assets. In case of other persons causing damage to the assets due to the negligence of the Employees, they will be directly responsible for that damage, and subject to the level of damage they will have applied appropriate disciplinary sanctions according to provisions of the ILRs.

3. Managing documents and assets of the Company:

The Employees who are assigned the responsibility or the right to manage any e-files and/or documents of the Company will be responsible for preserving those files and documents. In case of any loss or damage or revelation of information, the assigned Employees will have applied the appropriate disciplinary sanctions according to provisions of the ILRs.

Any access and exit the Company must be recorded in the record book by the safeguards. The vehicles for transporting people and goods in and out of the Company must also be recorded by the safeguards. Goods must be checked for quality and quantity in accordance with regulations in prior to storing in the Company.

Goods must be checked for papers, procedures and type prior to deliver out of the Company by the safeguards. If any problem, unclear matter or incorrectness of procedure or quantity is discovered, the matter must be reported immediately to the Manager for resolution. The safeguards will take responsibility in case of goods delivered out of the gate without observance of the aforesaid provisions.

The Employees are not permitted to bring into the working place anything which does not relate to their assigned works and to bring out of the working place anything which does not relate to their assigned works or anything belongs to the Company's assets.

Article 36: Non-disclosure of the Confidential Information

1. Safeguarding the Company's Confidential Information is the Employees' obligation. The Employees who are in possession of the Company's Confidential Information should not share this information with anyone inside or outside the Company unless it is necessary as part of their work responsibilities.
2. Confidential Information is any information that has not been disclosed or made available to the general public and is specified in Appendix 5 hereto. Trading for personal benefits based on the Confidential Information, or providing the Confidential Information to others so that they may trade, is illegal and may result in prosecution.
3. The Employees shall observe the following principles in order to protect the Confidential Information:
 - (i.) Do not disclose, copy and disseminate the Confidential Information under any form to anyone inside or outside the Company, except when disclosure is requested by the authorized State agencies in accordance with the applicable laws or required for business purposes and appropriate steps have been taken to prevent misuse of the information;
 - (ii.) Do not buy or sell stocks or securities of the Company during employment with the Company based on the Confidential Information obtained from the Employees' work at the Company;
 - (iii.) In order to avoid a situation of separation and disunity in the Company internality, the Confidential Information provided in this Article will include the information of salary level, bonuses and other benefits of the Employees;
 - (iv.) To disclose the Confidential Information to others, including the Employees' families and friends, is a violation of the ILRs and may violate the applicable laws;
 - (v.) Do not bring any documents containing the Confidential Information out of the Company's premises without the written permission of the [General] Director; and
 - (vi.) To implement all measures on protecting the Confidential Information of the Company.

CHAPTER VIII: DEALING WITH LABOUR DISCIPLINE AND MATERIAL RESPONSIBILITIES

Article 37: Material responsibilities

1. Principle for compensation:

- (i.) The Employees who have caused damage to tools, machines, equipment or have committed other acts causing damage to the Company's properties should be indemnified in accordance with the applicable laws for the damages incurred. If the loss and damage are not serious, caused through negligence of the Employees and the value of the loss and damage does not exceed 10 (ten) months' minimum area salary as stipulated in Government regulations applicable to the Employee's working place, then the Employees must pay a maximum compensation of three 03 (ten) months' salary as recorded in the labour contract of the month immediately preceding the time when the Employee caused the loss and damage and shall be deducted gradually from salaries as regulated by the current labour legislation. The compensation amount and form of compensation will be considered and decided based on the degree of the violation of the Employees and the actual damages occurred;
 - (ii.) Serious damages as prescribed in this Article and in the ILRs is defined as the material damages caused to the Company's operation or on machines, equipment, tools, furniture, products, money and other assets of the Company with the damaged amount of 10 (ten) months' minimum area salary or more; and
 - (iii.) On the other hand, the non-serious damages is as prescribed in this Article and in the ILRs is defined as the material damages caused to the Company's operation or on machines, equipment, tools, furniture, products, money and other assets of the Company when the damage amounts to less than 10 (ten) months' minimum area salary.
2. The Employee must pay compensation for the whole or part of the loss and damage at market value in any one of the following cases:
 - (i.) Where the Employee damaged tools or equipment and caused serious damage to the Company as mentioned in Clause 1 of this Article;
 - (ii.) Where the Employee lost tools, equipment or assets of the Company or other assets assigned to him or her by the Company; and
 - (iii.) Where the Employee was responsible for wear and tear or consumption of materials beyond the levels permitted by the Company.
3. If the Employee caused loss and damage as prescribed in Clause 1 of this Article and the Employee has entered into a liability contract with the Company, then compensation must be paid in accordance with such liability contract.
4. Procedures and sequence for payment of compensation
 - (i.) The sequence, procedures and limitation period for dealing with compensation for loss and damage shall be in accordance with the appropriate provisions on

labour discipline handling; and

- (ii.) Principles for examination of the compensation of material damage: when examining and deciding the amount of compensation for loss and damage, it is required to assess fault, the actual level of loss and damage, and the actual family, personal and property status of the Employees.

Article 38: Principles of dealing with Labour Discipline

When proceeding with any disciplinary action, the competent officer must observe the following principles:

1. Dealing with a breach of labour discipline is regulated as follows:
 - (i.) The Company shall prove the Employees' faults;
 - (ii.) There must be participation of the Executive Committee of the Grassroots Trade Union; and
 - (iii.) The concerned Employees must be present and have the right to defend themselves or to employ lawyers or other persons to do so. Minutes must be prepared for any dealing with breaches of labour discipline.
2. Only 01 (one) disciplinary measure shall be applied to 01 (one) violation act;
3. In case several acts of violation are committed at the same time, only the highest disciplinary measure shall be applied appropriately to the most serious offense;
4. The Employees shall not be dealt with for a breach of labour discipline during the following periods:
 - (i.) Being detained or temporarily held in prison;
 - (ii.) Awaiting results from a competent investigative agency on verifying and concluding whether conduct was in breach as prescribed in Article 126.1 of the Labour Code;
 - (iii.) The Employees are suffering from a mental or other illness resulting in lack of awareness or inability to control their actions at the time of violation of labour discipline;

- (iv.) Being on sick leave, on leave for medical treatment or recuperation, or on leave with consent of the Company;
- (v.) The female Employees are pregnant or on maternity leave; and
- (vi.) The Employees who are parent or lawfully adoptive parent nursing or rearing a child less than 12 (twelve) months.

5. Automatic clearance, and reduction of term of compliance with a labour disciplinary decision:

After 3 months for an employee who is disciplined under the form of warning or after 6 months for an employee who is subject to the disciplinary measure of extension of period for salary increase from the date of such discipline, if the Employees do not commit the same offence, they are automatically cleared of charges. If the Employees who are disciplined under the form of demotion commit the same offence after 03 (three) years from the date of demotion, they will not be deemed as having repeated a breach.

The Employees who were disciplined in the form of extension of the period for salary increase and who have observed half of the term of the discipline and show improvement, may be considered by the Company for a reduction of such period.

Repeating a breach means committing the same breach committed before for which the Employees have already been dealt with for a breach of discipline and for which the disciplinary action record has not yet been removed in accordance with Article 38.5 herein.

6. Limitation period for dealing with a breach of labour discipline:

- (i.) The limitation period for dealing with a breach of labour discipline is a maximum 06 (six) months, as from the date the breach occurred. In a case of a breach related to finance, property or disclosure of technological or business secrets of the Company, the Confidential Information, then the limitation period for dealing with a breach of labour discipline is a maximum 12 (twelve) months.
- (ii.) If the limitation period for dealing with a breach of labour discipline has not expired after the periods referred to in Articles 38.4.(i),(ii),(iii.) and (iv) hereto, the Company must immediately deal with such breach, but if the limitation period has expired then it may be extended in order to deal with the breach but shall not exceed a maximum 60 (sixty) days from expiration of the above-mentioned period.

If the limitation period for dealing with a breach of labour discipline has expired after the period referred to in Article 38.4.(v.) hereto, such limitation period may

be extended but shall not exceed a maximum 60 (sixty) days from expiration of the above-mentioned period.

If on expiry of the period of rearing the child under 12 (twelve) months referred to in Article 38.4.(vi) hereto, the limitation period for dealing with a breach of labour discipline has expired, it may be extended but for a maximum of 60 (sixty) days as from the time of expiry of rearing the child under 12 (twelve) months.

7. Temporary suspension of work

The [General] Director of the Company has the right to temporarily suspend the Employees from working when the breaches committed are complex in nature and it is considered that any further work carried out by the Employees may jeopardize the investigation, after consultation with the Executive Commitment of the Grassroots Trade Union. A period of temporary suspension shall not exceed 15 (fifteen) days, or 90 (ninety) days in special circumstances. Upon expiration of the period of temporary suspension and if the result of the meeting for labour discipline shows that the Employees do not have the violation as stipulated in the ILRs, the Company will receive the Employees back to work.

During the period of work suspension, the Employees are entitled to 50 (fifty) per cent of the salary he/she receives prior to the suspension. In case the Employees are disciplined, he/she is not required to return the salary advanced to him/her. In case the Employees are not disciplined, the Company shall pay the full salary for the period of work suspension.

8. All Managers are responsible for taking minutes on every alleged violation of the ILRs of their subordinates. Minutes of violation must be signed by such managers and the violator and/or the witnesses of such violation and must be submitted to the Human Resource Department within 03 (three) days from the date when the incident is detected.
9. Upon receiving meeting minutes of violation, the Human Resource Department Manager must review the correctness of each meeting minutes, conduct necessary acts to obtain evidence that supports the hearing, report the cases to the General Director and organize the hearing in accordance with current labour legislations.

Article 39: Labour disciplinary measures

The Company shall take any of the following disciplinary actions against the Employees depending on the severity of the misbehaviour or misconduct:

- (i.) Reprimand;
- (ii.) Deferral of salary increase for a max of 06 (six) months or demotion; and
- (iii.) Dismissal.

Article 40: Specific violation of labour disciplines

1. Reprimand

A reprimand will be applied to the Employees who commit any of the following acts without prior approval:

- (i.) Being absent from work without proper reasons for 01 (one) day per month;
- (ii.) Accumulated late arrival or early leave without approval from the Manager or legitimate reason 03 (three) times a month;
- (iii.) Being absent from work without any proper reasons for 02 (two) days per month;
- (iv.) Extending the time break;
- (v.) Leaving the workplace in the working time;
- (vi.) Making trouble in the workplace without proper cause, or taking actions which disturb others' work or affecting the normal working order negatively;
- (vii.) Talking on a cell phone in production area or when handling machine operation;
- (viii.) Bringing food or eating in any place where eating is not allowed;
- (ix.) Conducting unauthorized work or sleeping during working time;
- (x.) Using the Company's facilities/materials for personal purpose, installing prohibited software or games at the Company owned computers or vice versa – using personal email address to exchange information relating to the Company;

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- (xi.) Not wearing labour protection devices and uniform during the working hours in regulated area (including without limited to not wearing working badge or working uniforms);
- (xii.) Failing to keep the workplace clean;
- (xiii.) Littering trash, de-sanitize public areas, such as meeting room, cafeteria;
- (xiv.) Violating the standards of operating process (SOP), or committing unauthorized operation of equipment, vehicle, instrument or other technical facility, which leads to no losses;
- (xv.) Parking the bike or car in a disorderly fashion;
- (xvi.) Violating traffic rules or violates any kind of safety instructions or safety symbols in the working place;
- (xvii.) Violating the Environmental and Safety regulations, but not causing damage or loss;
- (xviii.) Communicating with offensive or malicious messages;
- (xix.) Accessing the forbidden area of the Company or bringing other people into the workplace without permission;
- (xx.) Violating the entry and exit regulations of the Company, including but not limited to bringing goods in and out of the plant and refusing inspection inquiry by security guards;
- (xxi.) Not following the assignment or supervision from the competent persons in the Company without justifiable reasons of a low severity;
- (xxii.) Hiding labour injuries or accidents from the Manager;
- (xxiii.) Failing to switch off lighting, air conditioner after working hours;
- (xxiv.) The Employees falsely report on the sale activities of the stores which the Employees are in charge (such as the store capability as reported is 70% greater than capability as recorded in inspection result, the store does not exist at the location as reported, the store's turnover as reported is 20% larger than the turnover as recorded inspection results and so forth) with the number violations from 15% to 30% of the total stores checked based on the monthly result on market inspection;
- (xxv.) Helping other Employees to scan their attendance cards or asking other Employees to scan his/ her card to create incorrect data about the working time;
- (xxvi.) Changing working shifts or working hour at his/her own discretion without

- approval;
- (xxvii.) Smoking in work places;
 - (xxviii.) Moving, changing, adding, removing the safety and hygiene signs in the working place;
 - (xxix.) Reselling discharged asset, scrap, waste of the Company in order to earn additional income;
 - (xxx.) Using the Company's money to buy gifts valued less than VND 500,000; in violation of company related gift policies;
 - (xxxi.) Re-selling gift vouchers or products under the Company promotion and/or incentive programs;
 - (xxxii.) Failing to attend training courses on occupational safety, firefighting and prevention hosted by the Company without approval;
 - (xxxiii.) Insulting customers by using contumelious words so that affects the Company's reputation;
 - (xxxiv.) Tearing down documents or bulletins pasted by the Company;
 - (xxxv.) Sharing the Company's documents or information, which is not subject to Confidential as defined in Article 3.1.(iv), to external personnel without permission, or providing the Company related certificates, documents or materials to relevant departments or personnel without authorization or approval;
 - (xxxvi.) Improperly collecting or discussing about the information on band, salary or bonuses or disclosing any personal remuneration to others;
 - (xxxvii.) Losing the Company access card for the second times within consecutive 03 (three) months from the date the Employee loses it for the first time;
 - (xxxviii.) Not attending the annual health-check up as required by the Company without proper reasoning;
 - (xxxix.) Failing to inform Human Resource Department after 01 (one) week when there are any changes in personnel profiles, including: temporary/permanent address, Identity Card, marital status, conflict of interest as mentioned in Annex I or cases with relatives working in the Company;
 - (xl.) Neglecting the evaluation of existing or future suppliers; or
 - (xli.) The Employees falsely report on the sale activities of the stores which the Employees are in charge (such as the store capability as reported is 70% greater than capability as recorded in inspection result, the store does not

exist at the location as reported, the store's turnover as reported is 20% larger than the turnover as recorded inspection result...) with the number of violations above 30% and in equal to or less than 60% of the total stores checked based on the monthly result on market inspection.

2. **Deferral of salary increase for a max of 06 (six) months or demotion**

Deferral of salary increases for a maximum of 06 (six) months or demotion will be applied to the Employees who commits any of the following violations:

- (i.) Committing the same violation that was disciplined in the form of reprimand within 03 (three) months from the date the written warning was given;
- (ii.) Being absent from work without legitimate reason from 03 (three) to 04 (four) days per month;
- (iii.) Requesting or coercing subordinated Employees to do inappropriate actions or to undertake tasks which do not suit their back ground or job description;
- (iv.) Spreading rumours adversely affecting the Company and other Employees;
- (v.) Act threatening customers or other Employees;
- (vi.) Discriminating against other Employees due to their skin colour, race, gender, religion, age, pregnancy status or marital status;
- (vii.) Using the Company's money to buy gifts valued or exceeding VND 500,000 in violation of company related gift policies;
- (viii.) Receiving gifts of any value from any customer without declaring or submitting these to the designated representative of the Company;
- (ix.) Borrowing money from or lending money to suppliers;
- (x.) Violating the procedures concerning the execution of contracts, or neglecting reviewing contracts;
- (xi.) Providing others with the information on bidding prices and the information of other bidders under bid, which is not subject to confidential information defined as Article 3.1.(iv) herein;
- (xii.) Causing the production line stoppage more than 30 (thirty) minutes and less than 02 (two) hours due to malpractice;
- (xiii.) Fighting in the premise of the Company;

- (xiv.) Violating approval process and making oral commitment to any wholesaler who has made real market investment without any negative impact to the Company;
- (xv.) Deliberately concealing sales volumes, channels and inventory; Having, at the Employees' own will, a verbal agreement with a partner relating to the implementation of the terms for business transaction without the consent of the competent person in the Company;
- (xvi.) Falsifying signatures, documents, records and books with the value less than 10 (ten) times of the regional minimum salary issued by the Government from time to time;
- (xvii.) Misrepresenting their education, work experience, training and etc. in order to be recruited or be promoted;
- (xviii.) The Employees falsely report on the sale activities of the stores which the Employees are in charge (such as the store capability as reported is 70% greater than capability as recorded in inspection result, the store does not exist at the location as reported, the store's turnover as reported is 20% larger than the turnover as recorded inspection result...) with the number of violations above 60% of the total stores checked based on the monthly result on market inspection that causes serious damage or threatens to cause specifically serious damage to the properties or the interest of the Company with the value less than 10 (ten) times of the regional minimum salary issued by the Government from time to time; or
- (xix.) Committing any act that violates the ILRs and causes serious damage or threatens to cause specifically serious damage to the properties or the interest of the Company with a value less than 10 (ten) times of the regional minimum salary issued by the Government.

3. Dismissal

Dismissal will be applied to the Employees who have any of the following violations:

- (i.) Committing the same violation that was disciplined in the form of deferral of salary increase within 06 (six) months from the date this disciplinary measure was applied; or committing the same violation that was disciplined in the demotion within 03 (three) years from the date the demotion was applied;
- (ii.) The Employees have committed an act of:
 - (a) Stealing assets of the Company or colleagues, or assisting others to steal

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in an organized manner; embezzlement at any level in the Company premises;

- (b) Gambling in the Company premises;
 - (c) Intentional infliction of injury at the workplaces; or
 - (d) Using drugs at the workplaces
- (iii.) The Employees who have committed, in any manner or degree, an act of disclosure of technology or business secrets or infringement of the Intellectual Property Rights of the Company; and providing the Confidential Information to financial companies, head hunters, suppliers or anyone without permission.
- (iv.) The Employees who have been absent for an accumulated 05 (five) days within a period of thirty accumulated 30 (thirty) days as from the first day of absence or accumulated 20 (twenty) days within a period of 365 (three hundred sixty five) days as from the first day of absence without proper reason.

The following constitute a legitimate reason for absence by an Employee:

- (a) Natural disaster or fire; and
 - (b) The Employee or his or her spouse, parent including adoptive parent, parent-in-law, child including adopted child was sick and has a certificate regarding same from a medical diagnosis and competent medical establishment.
- (v.) The Employees who have committed any act that causes serious damage or threatens to cause specifically serious damage to the properties or the interest of the Company or customers of the Company with the value from 10 (ten) times of the regional minimum salary issued by the Government from time to time or more. It is included the following acts:
- (a) Taking products to be canceled, samples or products used for detecting market;
 - (b) Receiving bribes or any kind of entertainment from other organizations, partners, and customers or requiring partners to give bribes or entertainment in any form;

- (c) Damaging the assets of colleagues at the workplace;
- (d) Committing sexual harassment or other kind of harassment within the workplace during working time;
- (e) Privately changing, forfeiting, falsifying, fabricating, ruining archives, important files, original notes, financial notes, reimbursement notes, original records, seals, receipts, licenses, working records and related data, documents, all kinds of bills (including all kinds of reimbursement notes), application documents of the Company;
- (f) Carrying or hiding or storing any weapons, explosive, wine, drug in the workplace;
- (g) Making fake statements (including without limitation to fabricating education background, working experiences and providing false materials) within the terms of labour contracts;
- (h) Putting up posts, posters, leaflets and publishing negative news or personal dissatisfaction through the networks of the Company without permissions;
- (i) Violating Environmental & Safety regulations of the Company;
- (j) Violating any provisions of the Company Alcohol Abuse Policy;
- (k) Violating any provisions of the Code of Business Conduct, which are not covered by the above Articles 40.1, 40.2, and 40.3 of this ILR;
- (l) Providing wrong information about the Company to the media;
- (m) Using the Company's name in transactions for personal gain;
- (n) Threatening customers or other Employees;
- (o) Discriminating against other Employees due to their skin colour, race, gender, religion, age, pregnancy status or marital status;
- (p) Receiving a gift of any value from any customer without declare and

submission to the designated representative of the Company;

- (q) Providing others with the information on bidding prices and the information of other bidders under bid, which is not subject to confidential information defined as Article 3.1.(iv);
- (r) Fighting in the premise of the Company;
- (s) Deliberately concealing sales volumes, channels and inventory;
- (t) Falsifying signatures, documents, records and books with the value less than 10 (ten) times of the regional minimum salary issued by the Government from time to time or more;
- (u) The Employees falsely report on the sale activities of the stores which the Employees are in charge (such as the store capability as reported is 70% greater than capability as recorded in inspection result, the store does not exist at the location as reported, the store's turnover as reported is 20% larger than the turnover as recorded inspection results and so forth) with the number of violations above 60% of the total stores checked based on the monthly result on market inspection; or
- (v) Having any other violation of the ILRs that cause damages to the Company's properties of an aggregate value of 10 months' minimum area wage as stipulated in Government regulations or more.

Article 41: Authorization to discipline

1. The General Director or the authorized person to sign the labour contract will convene and preside over the labour discipline hearing.
2. The competent person to issue any decision on labour discipline will be designated in compliance with the labour law from time to time.

Article 42: Procedures for applying the labour disciplinary measures

1. Upon detecting that the Employees violate labour discipline at the time of the violation occurrence, the Company will make a recording of the violation and notify the Executive Committee of the Grassroots Trade Union to conduct the labour disciplining hearing.

2. In cases where the Company detect any act of violating labour discipline after the time when the offense has occurred, there are enough grounds to prove the employees' faults and within the statute of limitations for disciplinary action specified in Article 38.6 of the ILRs, the following will apply:
 - (i.) The Company notifies the content, time and venue of the labour disciplining hearing to the Executive Committee of the Grassroots Trade Union and the employees, ensuring that these expected attendants receive the notice before the hearing and conducting the labour disciplining hearing with the participation of all notified attendants;
 - (ii.) Upon receipt of the Company's notice, within a maximum of 3 working days of receiving the notice, the aforesaid attendants must confirm their attendance of the hearing. In case of non-attendance, they must notify the Company and clearly state the reason; and
 - (iii.) If any of the notified attendants fail to confirm his/her attendance, or if the reasons are not justified, or their attendance has not taken place despite their confirmation, the Company will be entitled to proceed with imposing the labour discipline.
3. The labour disciplining hearing must be minuted and approved by the attendants before the end of the hearing. The minutes must be signed by all attendants of the hearing. If one of the attendants participates in the hearing without signing the minutes, the reasons therefor must be clearly stated.
4. Any decision on labour discipline will be issued within the term of the statute of limitations for imposing labour discipline in accordance with Article 38.6 of the ILRs and will be sent to the Employees and the Executive Committee of the Grassroots Trade Union.

CHAPTER IX: IMPLEMENTATION

Article 43: Provisions of Implementation

1. The ILRs shall be in force and have full effect as from the date when the [•] notifies the registration of the ILRs or after [•] ([•]) working days, as from the date when the [•] receives the file for registration of the ILRs but no notification for such registration has been issued yet. Following the registration of the ILRs, the Company will notify the Employees and make the ILRs available to the Employees at the Company.
2. The other labour issues that are not prescribed in the ILRs will be implemented according to the Collective Labour Agreement (if any) and the Labour Code. In case a

matter has not been provided in the Collective Labour Agreement and other labour guidelines of the Company, it will be applied according to relevant provisions of the existing labour law.

Article 44: Amendment

The Company may amend or delete any of the provisions contained herein as might be required from time to time after consultation with the Executive Committee of the Grassroots Trade Union in order to adhere with the labour law. All changes should be registered at the [•] and notified to all Employees.

[•], [date] [month] [year]

For and on behalf of the Company

The legal representative

[Full name]

[General] Director

ANNEX 1: Code of Business Conduct

ANNEX 2: Alcohol Abuse Policy

ANNEX 3: Environment & Safety policy

ANNEX 4: Confidential Information

“**Confidential Information**” means and includes any data or information, in whatever form, relating to the Company and the Company’s affiliates, or any other current or future business interests of the Company and the Company’s affiliates, and may include:

- (i.) customer information including but not limited to account information, personal details, information on transactions and account balances;
- (ii.) any marketing and advertising study and plan;
- (iii.) any information from or relating to business and accounting process, record or report;
- (iv.) any marketing plan, procedure or related information;
- (v.) any name and detail relating to past, present or prospective consumers, customers, suppliers and agents, or customer feedback information;
- (vi.) any detail of all Employees of the Company (including personal information of the Employees of the Company);
- (vii.) any past, present or prospective Employee details and new personnel hiring or development plans;
- (viii.) any contract, contractual term and other details relating to the Company’s contractual relationships;
- (ix.) any intellectual property, business secret and know-how of the Company;
- (x.) any operational method, plan or strategy;
- (xi.) any sales data or price strategy to competitors and violating information related to technology safety, resulting in any system interruption or data loses in the Company which affect production and business activities; and
- (xii.) any other data or information in which the Company has an expectancy of confidentiality and requests the Employees to maintain in confidence.