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**GLOBAL COMPACT END OF YEAR COMMUNICATION ON PROGRESS**

Company: Phong Phu International JSC.  
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Reporting Period: 10 June 2010 – 10 June 2011

Membership date: 10 June 2011

Sector: Manufacturing of Garments

No of Employees: 4500

**Brief Description of Nature Business:**

Established in April 19<sup>th</sup> 2007, Phong Phu International Joint Stock Company is a member of Phong Phu Group (Now is Phong Phu Joint Stock Group). Since established up to so far, we have invested and built 8 factories from HoChiMinh City to other provinces as Long An, Nha Trang, Da Nang, Quang Tri, Hue.

We export high quality apparels as Jeans, Woven wears, Knit wears and work wears to international market: EU, US, Japan. Jeans is our strongest product which used our denim fabric to convert into garment by sewing then finished by applying wash effects created or instructed by Buyer to make high end fashion apparels.

As textile company, we fully understand the importance of sustainable manufacturing and we are committed to achieve and more efficient production. We have implemented several greener production initiatives in order to avoid and prevent the negative and environment impacts.

**Availability of this COP:**

This COP is available online at [www.unglobalcompact.org](http://www.unglobalcompact.org) and internally within our company through our yearly manuals that are posted on our intranet. It will also be distributed to clients and suppliers as well as being forwarded to any requesting party.

**Statement of support:**

I am pleased to confirm that Phong Phu International JSC. Supports the ten principles of the Global Compact in respect to human rights, the protection of the environment and

anti-corruption. With this communication, we express our intent to supports the ten principles within our sphere of influence. We commit to making the Global Compact and its principles part of strategy, culture and step by step operation of our company and undertake to make clear statement of this commitment-both to our employees, partners, Clients ...

10 June 2011



Nguyen Thi Lien

Vice General Director

**A. HUMAN RIGHTS:**

*Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and*

*Principles 2: Make sure that they are not complicit in human rights abuses*

PPJ have establishes detailed “Code of Conduct” we adhere and surpass all applicable laws and regulations concerning workers rights. We have change to work with our Customers from EU, US ... on day by day basis. Through this we gain a good knowledge of their employment parameters and records.

**B. LABOUR:**

*Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;*

*Principle 4: the elimination of all forms of forced and compulsory labor;*

*Principle 5: the effective abolition of child labor;*

*Principle 6: the elimination of discrimination in respect of employment and occupation.*

PPJ has established detailed “Code of Conduct” we adhere and surpass all applicable laws and regulations concerning worker’s rights, working conditions, health & safety, wages & benefits, working hours, no discrimination, child labor, full time fair employees, protection of the environment.

### **C. ENVIRONMENT:**

*Principle 7: Businesses should support a precautionary approach to environmental challenges;*

*Principle 8: Undertake initiatives to promote greater environmental responsibility;*

*Principle 9: Encourage the development and diffusion of environmentally friendly technologies.*

All PPJ products are created and manufactured according to eco-conscious production process. We produce products that have a low impact on our environment and we select them for their natural properties or the absence of harmful chemical substance.

The company adhere to “clean and green” concepts. We have implemented many things as:

- Office equipment management;
- Double face printing;
- Efficient lighting;
- Ventilation and conservation of electricity;
- Build the dust filter and dust collection in the places that were born the dust. The same as with water film to treat the chemical smell as pp-spray area;
- Build the waste water treatment plan to treat all the waste water to get the requirement from Government;
- The boiler with complete dust filter and air –treatment;
- For chemical, we always use the clarified the origin and clear TDS, MSDS...

### **D. ANTI-CORRUPTION:**

*Principle 10: Businesses should work against corruption in all its forms including extortion and bribery.*

We have established the regulations:

- Policies to combat corruption and bribery in the company;

- Regulation buying and selling;
- Regulation on wages and bonuses;
- Specified revenue and expenditure of cash;
- Regulations on administration costs;
- Regulation of export and import of raw material inventory-spare parts.
- Investment rules for basic construction and procurement of machinery and equipment follow the Bidding Law in Viet Nam).