



Audit Report

**Audited factory: Zhongshan New Dongyi Shoes Manufacturing Co.,
Ltd
Zhongshan
China**



Start date: 25 Aug 2022
End date: 26 Aug 2022
FWF member: VAUDE Sport GmbH & Co. KG

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Factory information

Factory name	Zhongshan New Dongyi Shoes Manufacturing Co., Ltd
Factory owner	He Jianhui
Factory website	N/A
Factory license/registration number	91442000MA4UNgHQ24
Year of establishment	5 Apr 2016
Address	The 4th and 5th floor of block A, NO.1 Heyuan Road, Shengfeng, Xiaolan Town , Zhongshan
Postal code	528419
City	Zhongshan
Region	Guangdong
Country	China
Production process	<ul style="list-style-type: none">- Cut & Sew- Cutting- Screen Printing- Packaging
Product types	<ul style="list-style-type: none">- Footwear

General information

Contacts

Position	Title	Given name	Surname	Phone number	Email address
Plant manager	Mr	Zhonghua	Hu	18750097758	
Sales	Mr	Yunfeng	Liang	13590775057	
Sales	Ms	Valentina	He	0086-760-22836635	valentina@dongyi21.com

Production output table

Product	Current output (total pieces) per hour	Max. output (total pieces) per year
Shoes	180	600,000

New factories or production sites planned

None were mentioned by the factory, but the factory has a branch factory exclusively stitching shoe surfaces. The branch has around 35 to 40 stitching workers.

Top clients

Client name
Vaude
XPETI
HI-TEC
FLY
Other

Factory's production planning system

- The factory makes samples according to the requirements of clients.
- The production processes are arranged based on the lead time of the raw materials, from material inspection, cutting, stitching, assembly, inspection, packaging and finishing.
- In general, the lead time provided by most clients is between 60 to 90 days.
- Clients seldom place urgent orders with the factory.

Factory's pricing system

- The factory knows how to calculate the labour minute costing. They negotiate the order prices indirectly with brands via export firms. The price negotiation is carried out seasonally.
- The factory management stated the average wage they paid to the workers is around 20 to 23 CNY per hour, and these labour costs account for about 20% of the FOB (Free On Board) prices.
- The factory management stated they would consider sharing the costing sheet with brands upon request.

Previous FWF activities

Type of activity	Date of activity	Link to the public report (only for complaints)
N/A		N/A

Labour inspections and non-FWF social audits/assessments

Organisation or brand	Number of inspections or audits in the last 12 months	Date of the most recent inspection or audit
N/A	0	

Planned inspection or non-FWF social audits/assessment

Organisation or brand	Date unknown	Date of inspection/audit
N/A	No	

Current projects relevant to social compliance

Organisation or brand	Type of activity	Name of the project	Date
N/A	N/A		

Executive summary

Zhongshan New Dongyi Shoes Manufacturing Co., Ltd was established in 2016 and is a private limited firm. The production process includes cutting, stitching, assembly, inspection, packaging and finishing. The GS member brand has been sourcing from the factory since 2022. There are no sub-contractors involved in the production process. Nevertheless, the factory has a branch factory exclusively stitching shoe surfaces. The branch has around 35 to 40 stitching workers, and some surfaces were stitched over there. There are 76 production workers, out of whom 35 are men. It is the first GS audit initiated by Vaude at this factory. The audit team had good cooperation with the management and the workers. The requested information was provided, and factory management was transparent with the audit team. There is no instance of child labour, forced labour, discrimination, or incidence of gender-based violence.

Some of the main observations from the audit were:

- **Documentation:** The factory did not completely record the workers' working hours, so the audit team could not draw solid conclusions on wages and working hours.
- **Communication:** The factory is not currently unionised, and three worker representatives were available. However, the interviewed workers stated they did not participate in the workers' representative election, nor were they aware of the right to freedom of association. An internal grievance mechanism has been established. Workers are provided with different means to file grievances, such as suggestion boxes, an internal complaint hotline, and Wechat (an instant message system in China).
- **Payment of living wage:** The living wage standards have not reached 5410 CNY/month as proposed by Asia Floor Wage. The workers were not paid for annual leave or statutory holidays. In addition, the factory did not set up a wage comparison to compare the workers' gross salary with their due hourly wages; after comparison, the higher of the two amounts shall prevail as the final payment to ensure sufficient payments covering the local minimum wage and overtime premiums. (Due hourly wage here refers to the payment that shall be paid to the workers based on their working hours and the requirements of minimum wage and overtime premiums).
- **Working hours:** The audit team identified excessive overtime hours through interviews with the management and workers. Most workers worked an average of 70 hours/week, more than three overtime hours/day and more than seven consecutive days.
- **Safety & Health:** There were no critical violations under health and safety. However, the factory needs to strengthen its machinery safety management, chemical safety, personal protective equipment safety, electrical safety, fire safety, ergonomics, etc.
- **Social Security:** Most workers were not provided with social security benefits.

More details can be found in the audit report and CAP.

COVID-19 related findings

- Currently, most of the cities in China are relatively safe, and everything is returning to normalcy. Most workers and the factory management no longer wear masks in the towns with no outbreak. Most of the workers have been vaccinated.
- However, the production process has been more or less impacted by the outbreak of the Covid-19 epidemic in some cities. But most factories could still proceed with average production even though some areas were in lockdown or categorised as 'middle' or 'high' risk of Covid-19 controlled areas. Nevertheless, with the firm control of the central government, the situation was expected to be remediated shortly. The factory was located in Zhongshan city, and during the audit, the audit team did not see any restrictions from the government to control people's movements due to Covid-19.
- The management stated that the Covid-19 crisis significantly impacted the business relations between the brand and the factory. For instance, they did not have sufficient production orders, and it was more time-consuming to purchase the raw materials.
- So far in 2022, the GS member brand did not cancel or postpone any orders, and the management thought if Vaude could place more orders with them, it would be the most significant support.
- The workers did not feel affected by the order quantities or working conditions due to the Covid-19 epidemic.

Good practice findings

- The factory invested 1.2 million CNY in building a silicon solar energy generation system on the roof of its production building. According to the electricity generation data, the system could generate 30,000 kWh per month, and the investment was expected to be paid off in five years. This clean energy contributes extensively to protecting the environment and is highly appreciated by the local government.
- Two private restaurants outside the factory provide meal services to the workers. The workers could choose one of the restaurants to have lunch and dinner based on their food tastes. And the cost per meal is 8 CNY/person, paid by the factory.
- The factory rents a dormitory building, 3-minute walk away from the factory. Around 70 workers choose to live in the factory's dormitory, and three workers share a room of 15 to 20 square meters. Each dormitory room is equipped with an air conditioner. The costs paid by the factory for the rent is 300,000 CNY per year, equal to 350 CNY/worker/month.
- The factory regularly organises team building to enrich the workers' daily lives, such as tug-of-war competitions, watching films, to organise lectures on safety production knowledge and organising lectures on traffic safety knowledge.

The audit process

Does the worker interviewer speak the language(s) of all workers?

Yes

Members of the audit team

Audit team supervisor Mr. Darren TIAN
Document inspector Mr. Darren TIAN & Mr. Wincent OU
Safety & health inspector Mr. Darren TIAN & Mr. Wincent OU
Onsite worker interviewer Ms. Ivy WANG
Observer(s) None

FWF member(s) present?

No

Intermediary present?

Top management present?

Yes

Interviews with members of management

Name	Title	Position	Present at opening meeting	Present during audit	Present at exit meeting
Hu Zhonghua	Mr.	Plant Manager	Yes	Yes	Yes
Liang Yunfeng	Mr.	Sales	Yes	Yes	Yes

Are exit meeting minutes shared with factory management?

Yes

Is there one or more worker representative?

Yes

Worker representative(s) present?

Yes

Are exit meeting minutes shared with worker representative(s)?

Yes

Interview with worker representatives

Name	Title	Position in worker organisation	Position in factory	Present at opening meeting	Present during audit	Present at exit meeting	Email	Phone number
Qiu Fanghai	Mr.	Workers' representative	Stitching worker	Yes	No	Yes	N/A	N/A

Is there a registered union at the factory?

No

Worker organisations in the factory

Name of the worker organisation	Type	Affiliation with national federation(s)	Affiliation with international federation(s)
N/A		N/A	N/A

Total number of workers interviewed

	Male	Female	Total
Total	13	26	39

Were off-site worker interviews conducted?

Yes

Challenges during audit process

Document inspection issues	The factory did not completely record all hours worked. As a result, the wage and working hours situation could not be fully verified.
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Specific stakeholder information, if any

N/A

Management system

Sourcing practice of FWF member

The sourcing practices of the member described in the following chapter are based on interviews with factory management. It therefore only reflects the input which is given by factory management and is not verified by Fair Wear. Unlike the sections 'worker interviews' and 'document inspection' which contain information that is verified by Fair Wear's auditors, members should follow up with factory management directly regarding inputs on their purchasing practices. Fair Wear encourages members to take this input from factory management as guiding feedback.

Sourcing table

Member name	VAUDE Sport GmbH & Co. KG
No. of days from order to shipment	60
Leverage	6%
No. of orders in last 12 months	11
No. of pieces produced in last 12 months	20,000
No. of visits per year	15
Production process	<ul style="list-style-type: none">- Cut & Sew- Cutting- Packaging- Product Finishing- Other (specify)
Other production process	Assembly
Product types	Footwear
Other product type	
First year of business relationship	2022

Summary

Information about FWF member: VAUDE Sport GmbH & Co. KG

- According to the management, the prices of the orders from VAUDE are reasonable.
- As informed by the management, the lead time for VAUDE's orders is sufficient.
- VAUDE sometimes places repeated orders with the factory, and according to the management, the required lead time is enough for the factory to arrange the production.
- The management opined that the prices from the GS member brand cover the payment of the legal minimum wage and overtime premiums but do not support living wage payments.
- As of 2020, the Asia Floor Wage was CNY 5,410 per month, and the wages paid to most workers were below this benchmark.
- VAUDE confirms the samples promptly, and the product development process is smooth and efficient.
- The management appreciated VAUDE's purchasing practices of being persistent and dedicated.

Monitoring system of FWF member

Summary

Information about FWF member: VAUDE Sport GmbH & Co. KG

- VAUDE communicated the GS audit methodology to the factory before the audit.
- VAUDE has informed the factory to be transparent with the GS audit team.
- The GS complaint mechanism has been communicated to the factory.
- Before this audit, a CSR staff from VAUDE's local office visited the factory for compliance purposes and requested them to sufficiently prepare for this audit.
- VAUDE has sent the GS Code of Labour Practices to the factory and requested that management post it for workers' information.

Factory management system to improve working conditions

Summary

- The factory has established an internal compliance system to monitor and improve its labour conditions.
- The management was transparent with the audit team on the actual situation of the working conditions in the factory.
- The factory has a branch factory with around 35 to 40 workers stitching shoe surfaces for Vaude. And the branch factory was informed of the GS Code of Labour Practices.
- The GS Code of Labour Practices has been posted in the workshops for workers' information.
- The factory rents a dormitory building, 3-minute walk away from the factory. Around 70 workers choose to live in the factory's dormitory, and three workers share a room of 15 to 20 square meters. Each dormitory room is equipped with an air conditioner. The costs paid by the factory for the rent is 300,000 CNY per year, equal to 350 CNY/worker/month.
- Two private restaurants outside the factory provide meal services to the workers. The workers could choose one of the restaurants to have lunch and dinner based on their food tastes. And the cost per meal is 8 CNY/person, paid by the factory.

Factory communication, consultation and grievance procedure

Summary

- The workers can file complaints to factory management through suggestion boxes. They could also verbally report their grievances to the administration director. The factory provides solutions for workers' complaints within a week.
- The factory has not provided its workers with internal training on the GS Code of Labour Practices (CoLP). Only a few interviewed workers noticed that the GS CoLP was posted, but they ignored the contents. The rest workers were unaware of the GS CoLP.
- The factory maintains a record for opening the suggestion boxes. As per the record, from the beginning of this year until now, no worker has filed a written complaint via the suggestion boxes.
- Two workers complained the tastes of the food served by the two small restaurants cooperating with the factory were terrible.
- Workers confirmed that Covid did not impact their working conditions or the order quantities.

Labour standards



Employment is freely chosen

Summary

- The factory does not require workers to deposit any payments or fees as a condition of employment.
- The management confirmed that they have never used prison or forced labour.
- The factory has never withheld workers' original documents as a condition of their employment.
- The workers are required to submit a resignation letter 30 calendar days in advance of their resignation.
- The workers are free to refuse overtime hours.

Freedom of association and the right to collective bargaining

Summary

- The factory is not currently unionised. As per the documents review, three workers were elected as the worker representatives on 27 July 2022. However, none of the interviewed workers took part in the elections.
- There was no written evidence on training provided to the workers on the right to freedom of association. Most of the interviewed workers were not aware of the right to freedom of association.
- The workers did not show a high interest in unionising or establishing independent worker representation.
- The workers' right to freedom of association is not obstructed, and they are free to vote for their representatives or join any labour organisation.
- The workers confirmed that no strike had ever happened in the factory.
- The minutes of meetings between the factory management and the workers' representatives were provided to the audit team for review.
- The first meeting was organised on 3 August 2022; the group discussed solutions for water leakage in the toilet of the stitching workshop and another issue on how to cool down the temperature in summer to prevent heat stroke.

There is no discrimination in employment

Summary

- The factory recruits workers by posting advertisements at the factory gate and through its internal network.
- Only persons above 16 are entitled to apply for work in the factory, and no discrimination is observed during the recruitment process.
- The factory has a written recruitment procedure, and the Human Resources department does not discriminate against anybody upon employment.
- All employment decisions are based on the applicant's abilities, but not on age, gender, cultural background, beliefs, etc.
- There is no pregnancy test required upon or during employment.
- After reviewing the worker personnel files and the factory name lists, the audit team did not find any minority workers in the factory.
- As confirmed by the factory management, if they recruited any minority workers, they would not be discriminated against for payments, working hours, and other labour conditions.

No exploitation of child labour

Summary

- The factory management has drafted a policy prohibiting child labour and protecting juvenile workers.
- The management stated that they did not recruit workers below 16.
- The management stated that juvenile workers were allowed to work in the factory if they had the skills and were fit for the jobs.
- After reviewing the workers' personnel files and copies of ID cards, it was noted that no juvenile workers were working in the factory.
- The Human Resource department carefully checked the authenticity of the ID cards of all applicants during the hiring process and ensured the applicants were above 16 years of age.
- The youngest worker working in the factory is above 18 years of age.

Payment of living wage

Is there reliable information for a wage ladder? (A wage ladder is only available when wage record is accurate.)

No

Summary

- As of 1 December 2021, the local minimum wage is 1900 CNY/month for a regular working week, as defined by the local government.
- The cutting and stitching workers are paid by piece-rate wage, plus a seniority bonus, a full attendance bonus, and a meal allowance.
- The workers with one year of seniority are entitled to a bonus of 360 CNY, those with two years of seniority are entitled to 500 CNY, and those with three years of seniority are entitled to 700 CNY. Those with four years of seniority are entitled to 900 CNY, and those with five or more years are entitled to 1200 CNY. The previous year's bonus is paid to the workers in the middle of the current year.
- The workers who do not have meals at the factory's cooperated restaurants are entitled to a meal allowance of 250 CNY/month.
- The full attendance bonus only applies to the stitching workers who provide full attendance services. The bonus is 100 CNY per month; if the workers ask for leave for one day in a month, they will not get the bonus.
- The assembly workers (different positions from the assembly lines and the packaging workers) were paid a fixed wage ranging from 3700 to 5000 CNY for working 28 to 30 days a month, plus a production bonus, a technical allowance, a meal allowance and a seniority bonus.
- If an assembly line produces more shoes than the target quantity, the workers are entitled to a production bonus proportional to their time contributing to the assembly line.
- The technical bonus applies to the positions that handle complex craftsmanship (i.e. glueing, complicated stitching etc.,) and the bonus is an additional 10% of their attendance wages.
- The inspection workers are paid a fixed monthly wage ranging from 5200 to 7000 CNY plus a seniority bonus, a meal allowance and a performance bonus.
- The performance bonus is between 300 and 500 CNY, decided by the workshop supervisor based on the inspection workers' performance.
- The previous month's Wages are paid to the workers by the end of the current month via bank transfer.
- The workers were not subject to monetary fines as disciplinary practices.
- As per the analysis of the wage records for June 2022, the average monthly gross wage paid to all production workers was around CNY 5,500 (all benefits included).
- The workers were not paid for their annual leave (five days for one to ten years of seniority), nor were they paid for the statutory holidays (eleven days a year).
- The audit team identified no production stoppage by analysing the most recent 12 months of wage records.
- The factory did not record working hours for workers. As a result, the audit team could not thoroughly verify the wage situation.
- The wages paid to most workers for a regular working week were below the Asia Floor Wage of 5,410 CNY/month (as of 2020).
- The factory did not set up a wage system to compare the workers' gross wage with their 'due hourly wage' to ensure sufficient payments covering both the local minimum wage and overtime premiums. ('Due hourly wage' here refers to the legally required amount based on workers working hours and the requirements of local minimum wage and overtime premiums).

Reasonable hours of work

Summary

- The workers were required to clock in/out to record their working hours through a fingerprint attendance machine available in the factory.
- Not all overtime hours were recorded. For instance, most night overtime hours were not recorded. As a result, the audit team could not thoroughly verify the working hour situation.
- The daily working hours for workers were 8 hours a day, from 8:00 to 12:00 and from 13:30 to 17:30. If extra overtime hours were needed, the workers worked overtime from 18:30 to 21:00 up to 22:00 or later.
- As informed by the factory management, they usually did not do night overtime every Wednesday and Sunday.
- The workers from the assembly lines generally worked 10 hours a day for 6 to 7 days a week.
- As per interviews with both workers and management, most workers worked around 70 hours/week to 79 hours/week for three to four weeks in a month, which is more than 60 hours/week. In addition, most workers worked more than three overtime hours per day (i.e. 4 to 5 hours) for more than 20 days a month.
- Most workers had two days off in a month. They worked consecutively for seven days, up to 13 or more days.
- The overtime hours were voluntary, and no production quota was imposed.
- As informed by the factory management, there was no specific peak or low season for the business.

Is there reliable information for OT analysis? (The OT table is only available if the record of working hours is accurate.)

No

Safe and healthy working conditions

Summary

Within the factory compound, two production buildings are available, the first building was completed in 2001, and it is a 5-storey building where the 5th floor was an extension added to the original 4-storey building; the land area of the building is 1,040 square meters. The 2nd building was completed in 2006, and it is a 6-storey building where the 6th floor was also an extension added to the original 5-storey building, and the land area of this building is 1,218 square meters.

The factory occupies the 4th and the 5th floor of the first production building for warehouses and the 4th to the 6th floor of the 2nd building for the production and administration office. The 4th floor is for assembly, inspection and packing, the 5th floor is for stitching and die casting, and the 6th floor is for administration office, materials warehouse and sample development.

Policy & management:

- The factory has an electrician to take care of the general electricity safety-related issues for the whole factory, and his qualification certificate is valid until 12 January 2023.
- The factory has two cargo lifts, but the management could provide the safety inspection report for both cargo lifts for review. The inspection reports indicated the lifts were maintained in good condition. In addition, an exceptional equipment safety management staff is available in the factory, and his qualification certificate is valid until March 2026.
- The factory provided an occupational health check to 13 workers in contact with chemicals (toluene, hexane, methanol) and noises on 26 November 2021. The health results indicated those workers could continue engaging in their jobs. However, the health checks do not cover all the affected workers who are in contact with chemicals and other harmful substances. For instance, thirty-six workers constantly working with glue, and another four engaging in the high-frequency, polishing and buttoning positions, were required to take an occupational health examination annually.
- The factory maintains an injury record; per the record, no injury has occurred from the beginning of this year until now.
- The factory conducts a self-risk assessment for the whole factory and identifies possible health-related issues, and the corresponding protection means.
- The factory provides regular training on factory rules, health and safety related issues, legal knowledge etc., to the workers. Training on the proper use of personal protective equipment, fire safety etc., was provided on 23 April 2022, and a quiz was given after the training. The outcomes of the quiz for the participants were maintained.
- The factory registered its discharge of pollutant substances with the local environmental protection bureau on 21 June 2020. The registration number is 91442000MA4UN9HQ24001W, valid for five years until 20 June 2025.
- The factory has three first aid responders who the local Red Cross officially trained on first aid safety, and their qualification certificates are valid for three years until 22 May 2025.
- Two glue-spraying workers in the stitching workshop on the 5th floor and seven glueing workers from the assembly line on the 4th floor were not wearing rubber gloves and active-carbon masks.

Fire safety:

- The factory has a fire drill twice a year only in the production areas, the most recent one was organised on 7 April 2022, and the relevant records with pictures and a summary were provided for review. No fire drill has been conducted at the workers' dormitory.
- The auditor found that packaging materials partially blocked one fire hydrant in the assembly workshop on the fourth floor. In addition, four fire extinguishers in the assembly workshop on the fourth floor and one wheeled fire extinguisher in the raw material warehouse on the fifth floor were blocked by finished goods and production materials.
- One of the two safety exits of the factory dormitory building was partially blocked by sundries.

- One fire alarm in the stitching workshop on the fifth floor of the production building was not connected with an independent electrical wire.

Electrical safety

- One electrical distribution box near a waterproof testing machine in the stitching workshop on the 5th floor of the production building was exposed and missing an insulation cover.

Chemical safety:

- The factory organised a chemical leakage drill on 13 April 2022; the summary and pictures of the training were kept in a file and reviewed by the audit team.
- The factory authorised a qualifying commercial waste disposal company to collect waste chemicals and other harmful wastes; both parties signed a contract valid for one year until 31 July 2023.
- Ten barrels of glue in the assembly workshop on the 4th floor of the production building and another thirty barrels in the chemical warehouse were not protected by secondary containments from leakage.

Building safety:

- The factory has a fire acceptance permit and a construction safety document for the original four storeys of the 1st production building. However, the extension added to the roof did not go through a fire acceptance check, nor did it have a construction safety document. The 1st production building was completed in 2001, with five storeys and a land area of 1,040 square meters.
- The 2nd production building did not obtain a fire acceptance permit, nor did it have a construction safety inspection report. The 2nd building was completed in 2006, with six storeys, with a land area of 1,218 square meters.

Physical safety:

- The factory authorised a qualifying commercial company to test the harmful substances in the workshops on 1 July 2022; according to the testing report, the toxic substances (chemicals, dust etc.) and noise levels complied with the relevant standards and requirements.

Machine safety

- One stitching machine in the stitching workshop on the 5th floor of the production building was not equipped with a pulley guard. Two buttoning machines were missing hand protective devices.

Biological safety:

- The factory cannot provide a drinking water quality testing report to prove the quality met the relevant requirements.

Ergonomics:

- An ergonomics program has not been set up at the factory. The standing workers were not provided with an anti-fatigue floor mat. The sitting workers were not offered chairs with back support. And no exercise was arranged in work intervals to release workers' strain.

Dormitory:

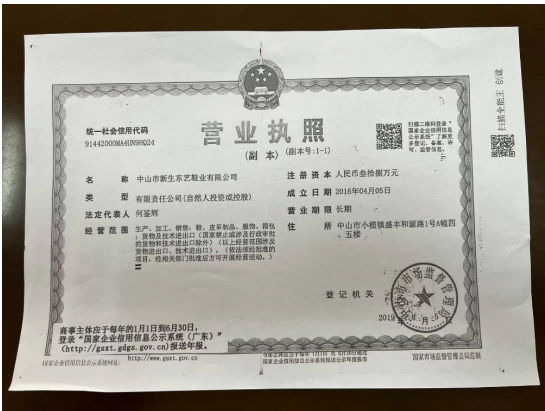
- The factory provides dormitory services to workers, and the factory has sufficient facilities to ensure the safety and health of workers.



Legally binding employment relationship

Summary

- Labour contracts are signed between the workers and the factory. Each party keeps a copy of the contract for reference.
- The worker ID card copies have adequately been kept on file for age verification purposes. The factory maintains proper personnel files for all workers.
- As per the social security payment receipt of July 2022, 33 out of 93 employees were provided with pension, injury, unemployment, maternity and medical insurance. In addition, commercial insurance (injury) was supplied to 80 workers, with a validity period of 1 year, until 17 August 2023.
- The management stated most workers bought rural insurance with a much cheaper insurance fee in their hometowns and were not willing to pay for social security.
- Most interviewed workers confirmed they had rural insurance in their hometowns and were unwilling to pay a much higher fee for social security.



Business license



The 1st production building
The first production building is a 5-storey building where its 5th floor is an extension added on the roof after the original building was completed in 2001.



Press moulding



Packaging and inspection



Buttoning



Evacuation map



Stitching workshop



Assembly line



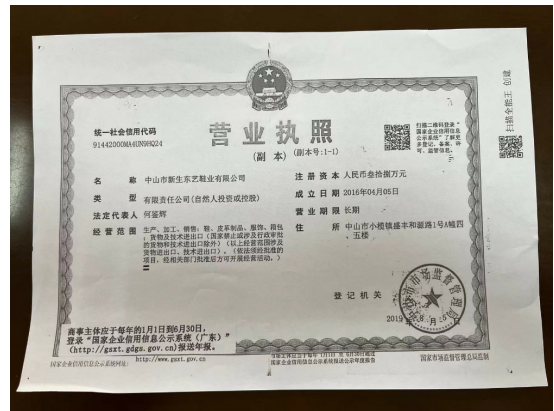
Assembly line



Assembly line A



Blocked staircase in dormitory



Business license



The small restaurant out of the factory



Chemical storage anti-leakage container



Chemical warehouse
Chemicals are not protected by secondary containments to prevent them from possible leakage.



Die casting operation



Die casting workshop



Dormitory building



Electricity distribution box



Face recognition attendance machine



Factory gate



Factory name



Finished goods storage



Finished goods warehouse



Fire alarm, exit sign and emergency light



Fire extinguishers



Fire extinguishers



Fire hydrant



First aid kit



First aid kit



Glue brushing



Glue brushing



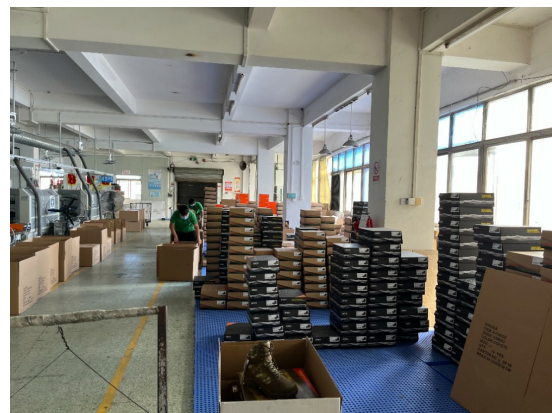
GS Code of Labour Practices



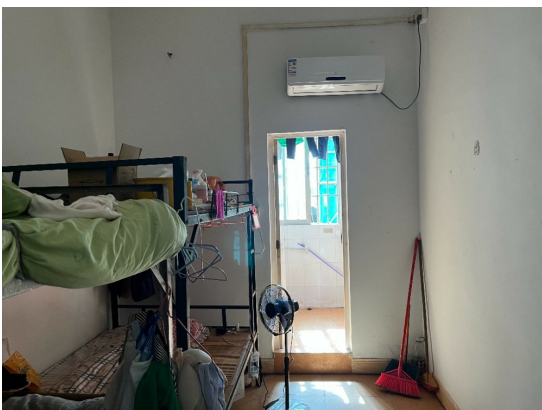
Glue spraying



High frequency press-forming



Packing



Inside of workers' dormitory room



Outsole and surface bonding



Outsole polishing



Outsoles and other materials storage warehouse



Polishing before glueing



The 2nd production building

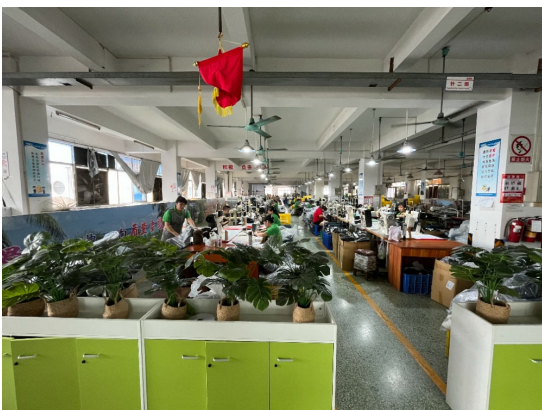
The 2nd production building is a 6-storey building where its 6th floor is an extension added on the roof after the original building was completed in 2006.



Production safety information notice board



Shoes cooling down process



Stitching workshop



Taping



Testing room



Thermal press-shaping



Vaude's shoes

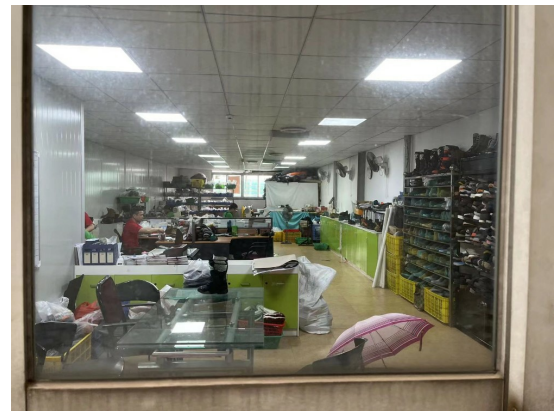


Water-proof testing



Extension to the roof of the 1st production building

An extension was built on the roof of the 1st production building and used as an outsoles warehouse. Silicon solar energy panels were installed on the extension's roof to generate clean electricity.

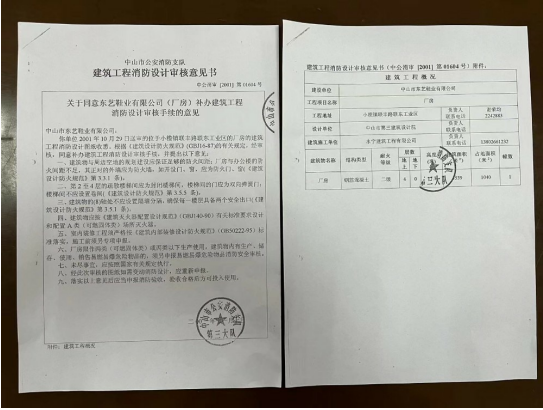


Sample development

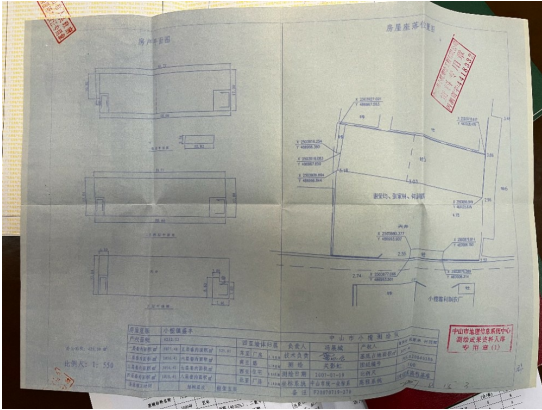
The sample development department is located in the extension added on the roof of the 2nd production building.



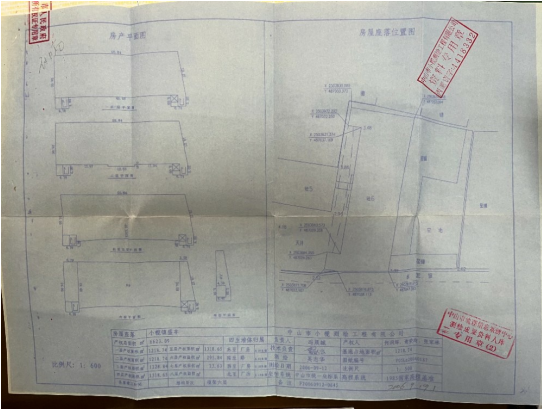
Materials warehouse on the extension
The materials warehouse is located in the extension added on the roof of the 2nd production building.



Fire acceptance permit for the 1st production building
The fire acceptance permit for the 1st production building did not include the scope of the extension added on the roof.



Property ownership certificate for the 1st production building
The property ownership certificate for the 1st building indicated the 1st building is a 4-storey building.



Property ownership certificate for the 2nd production building
The property ownership certificate for the 2nd building indicated the 2nd building is a 5-storey building.



Blocked fire hydrant



Suitable PPE missing
The glueing worker was not wearing an active-carbon mask, nor did he wear rubber gloves.



Blocked fire extinguishers



Stitching machine missing a pulley guard



Fire alarm power supply
A fire alarm is not connected to an independent electrical wire.



Buttoning machine missing a safety device



Insufficient insulation
Electrical distribution box missing an insulation cover

Other production locations

List of production sites

Name of production location	Used for member production?	Relationship with the audited factory	Contact details	Address	Products	Production process
Zhongshan Sanxiang Dongyu Shoe Materials Factory	Vaude	Branch factory	Ms. Wang Jingjing	Shi village, Sanxiang Town, Zhongshan City	Shoe surface stitching	Stitching

Workforce

Workforce information

	Male	Female	Total		Male	Female	Total
Total number of employees	49	44	93	Number of workers on date of audit	49	44	93
Employees paid by time rate	24	11	35	Management	7	2	9
Staff (administration, logistics and other supporting departments)	6	1	7	Permanent employees	10	5	15
Production workers	35	42	77	Fixed-term employees	31	37	68
Apprentices	0	0	0	Recruitment agency or dispatched workers	0	0	0
Workers on probation	0	0	0	Employees registered with social security	18	15	33
Domestic migrant workers	41	42	83	Foreign migrant workers	0	0	0
Juvenile workers	0	0	0	Workers employed by subcontractors when on-site	0	0	0
Pregnant workers	0	0	0	Ethnic minority workers	0	0	0
Workers on fixed salary	24	11	35	Workers on maternity/paternity leave	0	0	0
Employees paid by piece rate	25	33	58	Workers on sick leave	0	0	0