

FLA Monitoring Visit Profile		FLA IEV Profile														
Country	India	Country	India													
Factory Code	12023286B	Factory Code	12023286BV													
IEM	T-Group Solutions Pvt. Ltd.	IEM	T-Group Solutions Pvt. Ltd.													
Date of audit	August 21-22, 2003	Date of audit	May 30, 2006													
PC(s)	Reebok International, Ltd.; Nike, Inc.	PC(s)	Reebok International Ltd.													
Number of workers	110	Number of workers														
Product(s)	Sports Shoes	Product(s)														
Production processes	Cutting, Stitching, Soling, Cementing, Drying, Inspection, Packing	Production processes														
Findings				Remediation				Third-Party Verification		Company Verification Follow Up		Company Verification Follow Up				
FLA Code/Compliance Issue	Legal Reference	FLA Benchmark	Monitor's Findings	Documentation	PC Remediation Plan	Target Completion Date	Factory Response	Completion Date	Documentation	External Verification (May 30, 2006)	Documentation	PC Remediation Plan (December 12, 2006)	Documentation	Status	PC Remediation Plan (June 21, 2007)	Documentation
1. Code Awareness																
Worker/Management Awareness of Code		FLA Principles of Monitoring, Obligations of Companies: Ensure that all company factories, as well as contractors and suppliers, inform their employees about workplace standards orally and through the posting of standards in a prominent place (in local languages spoken by employees and managers) and undertake other efforts to educate employees about the standards on a regular basis.	Reebok's and Nike's Code of Conduct (COC) posters, in both English and the local language, are posted in production areas. However, many workers interviewed had not read them or were aware of these standards and code elements.	Visual inspection, worker interviews	1) Factory will prepare a detailed workers' handbook incorporating the standards and their application in the factory. 2) Factory will prepare a training plan and conduct in-house orientation training for all workers on the application of these standards. Training will be a routine part of workers' orientation upon induction. All existing workers will be provided with periodic refresher training.	1) Deadline for distributing handbook to all workers, October 2003. 2) Formal training plan to be drawn up by September 30. 3) All workers currently on factory payroll to be provided orientation by end of October.	1) Workers' handbook has been revised to incorporate standards and other information. 2) Training schedule has been developed and worked out. 3) Training has been organized for all workers; refresher training is scheduled for every 6 months thereafter.	10/1/2003	copy of workers' handbook (along with an English translation), training plan/schedule (submitted to Reebok's monitor as verification, maintained in Reebok's local files)	All employees have been provided with employee handbook. However, handbook does not contain Reebok's COC and Reebok's COC posters are not posted anywhere in factory in any language. Though management claimed training provided to workers on COC elements and handbook contents, worker interviews and document review show otherwise. Workers are not knowledgeable of COC elements.	employee handbook, worker and management interviews	Factory claims to have issued handbook to all workers, but document verification shows that workers in 2 units have been provided handbooks; the remaining unit should receive handbooks by end of December 2006. Reebok posters with PC info found displayed on production floor.	Completed			
Confidential Noncompliance Reporting Channel		FLA Principles of Monitoring, Obligations of Companies: Develop secure communications channel, in manner appropriate to the culture and situation, to enable company employees and employees of contractors and suppliers to report to company on noncompliance with workplace standards, with security that they shall not be punished or prejudiced for doing so.	No effective system in place.	worker interviews	1) Factory will incorporate (a) details of how to use suggestion/complaint box and other channels to report grievances to management and (b) protocol for acting on input and maintaining confidentiality into workers' handbook and orientation training. 2) Factory will review workers' forum by (a) allowing worker representatives elected by fellow workers from each section to retain office for less than 6 months, (b) providing proper mandate to representatives on gathering and reporting workers' grievances, (c) communicating the mandate to all workers, (d) recording all issues raised by worker representatives (in monthly forum meeting) and management decisions on each issue and (e) posting these minutes on factory notice board.	1) Deadline for distributing handbook to all workers, October 2003. 2) September 30.	Factory has suggestion box for workers to report complaints or raise suggestions. Policy and procedure for using box is in worker handbook. Reebok representative, who is always present in factory, has duplicate box key. Workers instructed to seek interview with Reebok representative via complaint box to directly communicate and report a noncompliance. Workers' Forum/Grievance Committee already in place. Committees' worker representatives elected for 6 months by workers in an open democratic election; names displayed on factory notice board, re-election is by workers. Meetings held once monthly with high-level management; minutes posted on notice board. Copy of recent forum meeting minutes sent to Reebok. Reebok's COC poster (Notice) posted in prominent factory location in local language and informs workers that they can contact Reebok, with information on how to do so.	10/1/2003	worker handbook, suggestion box policy, workers' forum mandate, recent meeting minutes from workers' forum/grievance committee (submitted to Reebok's monitor as verification, maintained in Reebok's local files)	visual inspection; grievance committee meeting minutes review, worker and management interviews	Reebok posters with PC info found displayed on all production floors at each unit. Suggestion boxes found installed in toilets and canteen. PC's Compliance Team to continue to monitor this issue in order to ensure effective remediation.			(August 30, 2007) Committees not effective; they tend to be one of management's communication channels to workers, rather than representing workers or acting as an intermediary. Factory must ask worker committees to become independent and representative of workers, involving them in resolving worker grievances with management in a constructive manner.		
2. Forced Labor																
There will not be any use of forced labor, whether in the form of prison labor, indentured labor, bonded labor or otherwise.																
3. Child Labor																
No person will be employed at an age younger than 15 (or 14 where the law of the country of manufacture allows) or younger than the age for completing compulsory education in the country of manufacture where such age is higher than 15.																
Age Verification		In cases where proof of age documentation is not readily available, employers will take precautions to ensure all workers are at least minimum working age, including checking medical or religious records, or other means considered reliable in the local context.	Doctor's certificate pertaining to workers' ages maintained in most of workers' personnel files. However, in many instances, workers stated they had not met the doctor who issued their age proof certificates.	worker personnel files review, worker interviews	Factory will ensure that all workers have credible age documentation. In accordance with local law, an independent medical professional shall, at factory's cost, determine workers' ages. Only a female physician may, with worker's consent, conduct a non-intrusive medical examination to determine age of worker.	9/30/2003	Most workers have school certificates and other age documents. In doubtful cases, dental inspection is being organized.	9/30/2003	proof of workers' ages on (Factory name) roll (submitted to Reebok's monitor as verification, maintained in Reebok's local files)	Proof of age documents for some workers not available in facility. For workers who had dentist issue a certificate certifying their approximate age, a dentist is now examining them physically prior to issuing age certificate.	worker interview, document review (workers' personnel files, proof of age documents)	Verification found that factory has yet not completed process of collecting proof of age for about 20% of workers. Factory is reported to have frequent employee turnover in personnel department. As a result, personnel department often does not complete its tasks properly.	Ongoing	Age proof verification and documentation not complete. Factory must complete age proof verification and documentation process for all workers by August 30, 2007.		
4. Harassment or Abuse																
Every employee will be treated with respect and dignity. No employee will be subject to any physical, sexual, psychological or verbal harassment or abuse.																
Progressive Discipline	Certified Standing Orders mandated for all factories employing 100 workers or more.	Employers will utilize progressive discipline, e.g., escalating discipline using steps such as verbal warning, written warning, suspension, termination. Any exceptions, e.g., immediate termination for theft or assault, shall be in writing and clearly communicated to workers.	Factory has its Certified Standing Orders; however, as legally required, these need to be posted in workplace in local language. Factory resorts to verbal counseling, reprimand and written warnings.	copy of Certified Standing Orders on file, worker and management interviews, review of workers' personnel files	Factory must comply with legal requirement to post Standing Orders in local language in a prominent factory location.	9/30/2003	Standing Orders in local language displayed on notice board.	9/3/2003	copy of Standing Orders, photo of Standing Orders posted in factory, (submitted to Reebok's monitor as verification, maintained in Reebok's local files)	Certified Standing Orders not posted anywhere in facility in local language or English.	visual inspection with factory management	Factory to post certified Standing Orders in English and local language(s).		Ongoing	Factory has posted certified Standing Orders on notice boards.	
Sexual Harassment	Supreme Court of India defines sexual harassment as "unwelcome sexually determined behavior which includes physical contact and advances, a demand or request for sexual favors, sexually-colored remarks, showing pornography, and any other unwelcome physical, verbal or non-verbal conduct of a sexual nature."	Employers shall not offer preferential work assignments or other preferential treatment of any kind in actual or implied exchange for a sexual relationship, nor subject employees to prejudicial treatment of any kind in retaliation for refused sexual advances.	Many female workers complained of harassment by supervisor of Assembly Section and that their complaints about him to concerned supervisor have not resulted in any remedial action. The problem continues.	female worker interviews	1) Factory must develop and implement written non-harassment policy, clearly outlining that management does not condone, create, or contribute to an intimidating, hostile or offensive working environment. Factory will communicate its policy of zero tolerance for any form of harassment through orientation training and worker handbook. Factory must then train supervisors and workers on new policy. 2) Factory must immediately investigate reported incident and take appropriate remedial measures. 3) Factory will designate a female staff member to interact with workers and encourage reporting of such incidents to management.	9/30/2003	1) Non-harassment policy developed and included in worker handbook. Non-harassment training part of training program; training ongoing. 2) Case investigation is closed. Soon after complaint received from worker, investigation ordered and carried out by factory personnel manager. Show cause notice served to concerned supervisor, who declined to accept notice the first time. He was called and served notice again, with warning of pending discipline. In response, he submitted his resignation. He was again asked to reply to show cause notice or give a verbal statement, so true facts of case could be established. He only said a false allegation was made against him which was humiliating and he would like to leave factory. Inquiry from other workers could not establish charge. Factory gave benefit of doubt to complainant. Supervisor's resignation was accepted. 3) A female staff member has been appointed to interact with workers regularly.	1, 3) 10/03/2003 2) 12/03/03	copy of factory harassment policy, photo of its posting inside factory, plan for training supervisors and workers as part of orientation, complaint from worker, notice served to supervisor, supervisor's resignation (submitted to Reebok's monitor as verification, maintained in Reebok's local files)	Section in-charge against whom there were allegations of sexual harassment during the 2003 audit has since left the organization. Factory has developed policy on harassment and abuse. However, no training programs conducted to educate workers on this policy.	policy review; worker and management interviews	Documents verified/workers interviewed stated workers have attended training programs regarding policies and procedures of factory. Sexual harassment policy has been made and circulated among workers.	written policy and procedure, meeting minutes (for all previous meetings held for this concern, collected from factory)	Ongoing	Factory does not have adequate number of female workers on compliance committee against sexual harassment as per SC guidelines. Factory must ensure at all time(s) number of female employees is not less than 50%; it should always be headed by a woman. Training not provided on what constitutes sexual harassment to all workers. Factory must develop training module to explain to workers what constitutes sexual harassment and how sexual harassment cases will be dealt with.	
Disciplinary Practices	Certified Standing Orders	Employers will utilize consistent written disciplinary practices that are applied fairly among all workers.	Employer resorts to verbal reprimands and written warnings towards erring workers.	worker and management interviews; workers' personnel records review	1) As part of written non-harassment policy requested above, factory will issue written instructions to all supervisory staff to refrain from any form of verbal or physical abuse. It will develop and communicate punitive measures against all violators, workers and staff. 2) Factory will include in orientation training and worker handbook examples of acceptable behavior and language in workplace. Please submit to Reebok a copy of orientation materials and worker handbook once developed. 3) Factory will develop and document disciplinary policies that describe different levels of discipline and various levels of authority inside factory for exercising discipline.	9/30/2003	1) Supervisory staff has been warned about any type of abuse of factory's zero tolerance policy for harassment. 2) The non-harassment policy now explicitly prohibits any form of verbal or physical abuse by supervisors. Non-harassment policy is included in worker handbook. Training on non-harassment policy is now included in worker orientations. 3) Factory has developed draft disciplinary policies, which it will submit to Reebok for recommendations.	1) 10/03, 2) 10/3-12/03, 3) Pending	copy of harassment policy	No complaints of harassment or abusive language being used now.	worker and management interviews			Policy is made, and will be revised as per SC guidelines in order to align definition of sexual harassment as per Supreme Court.		
Training of Management in Disciplinary Practices		Employers will provide training to managers and supervisors in appropriate disciplinary practices.	No formal training, this is handled by Personnel Department.	management interview	Factory will conduct formal training for all supervisory staff regarding acceptable disciplinary measures based on severity of infractions. No disciplinary measure should demean a worker's dignity or result in monetary deductions. Please submit to Reebok copies of training materials developed; training plan outlining when training will be, or has been, conducted; attendance sheet of participants.	9/30/2003	1) Please note references above on factory's harassment policy and training program. 2) Disciplinary policies and procedures are currently under development, as are training materials on acceptable disciplinary procedures. Training plan established and submitted to Reebok.	Pending	copy of training plan for supervisors	Though management claimed they conducted training for supervisors on disciplinary practices, no documentation could be produced in support of this. Some female workers stated that a line supervisor occasionally reprimands them by yelling at the top of his voice, sometimes resulting in some of them breaking down and crying. Workers feel humiliated and insulted, stating that he yells first and reasons or clarifies matters later. These workers felt he should adopt a more humane approach in explaining issues to them, as then they would understand better.	worker and management interviews	Document review and worker interviews stating they attended this meeting. Factory already holds a policy in regards to supervisors and peer behavior; however, factory shall conduct orientation programs for supervisors, etc., and report.	written policy and procedure, meeting minutes (for all previous meetings held for this concern, collected from factory)	Completed	Training will remain an ongoing feature.	
Disciplinary Action Punishment of Abusive Supervisors/Manager		Management will discipline (could include combination of counseling, warnings, demotions, and termination) anyone (including managers or fellow workers) who engages in any physical, sexual, psychological or verbal harassment or abuse.	Many female workers complained of harassment by supervisor of assembly section; their complaints about him to concerned supervisor have not resulted in any remedial action. He tends to get spiteful and often would come and stand/sit next to a female worker, ogling her to her sheer discomfort and disgust. The problem continues to exist.	female worker interviews	Factory will communicate its zero tolerance policy for any form of harassment in orientation training and worker handbook. It will immediately investigate reported incidents and take appropriate remedial measures. Factory will identify a female staff member to interact with workers and encourage reporting of such incidents to management.	10/31/2003	Please note references above on factory's harassment policy and training program. Moreover, case in question is currently being investigated, once completed, appropriate remedial action will be taken.		Please note references above.	No such complaints currently. The supervisor in question has since resigned.	worker and management interviews		Completed			
Gender Sensitive Security		Security practices will be gender appropriate and non-intrusive.	Factory has only male security guards.	visual inspection, worker interviews	Factory must engage a female security guard for frisking workers, when it is needed.	9/30/2003	Female security guard was employed on October 13, 2003.		copies of guard's hiring appointment letter (submitted to Reebok's monitor as verification, maintained in Reebok's local files)	There is no female security guard posted. Male guards check handbags of female employees.	visual observation; female employee and management interviews	Female security guard has been appointed and found on duty.	Completed			
5. Nondiscrimination																
No person will be subject to any discrimination in employment, including hiring, salary, benefits, advancement, discipline, termination or retirement, on the basis of gender, race, religion, age, disability, sexual orientation, nationality, political opinion, or social or ethnic origin.																
6. Health and Safety																
Employers will provide a safe and healthy working environment to prevent accidents and injury to health arising out of, linked with, or occurring in the course of work or as a result of the operation of employer facilities.																
Fire Safety, Health and Safety Legal Compliance	Factories Act, 1948, Chapters III (Health) & IV (Safety)	Employer will comply with applicable health and safety laws and regulations. In any case where laws and codes of conduct are contradictory, higher standards will apply. Factory will possess all legally required permits.	1) Factory does not presently have a valid license to run factory. Application has been submitted to obtain license. 2) Factory needs to obtain 'No Objection Certificate' (NOC) from appropriate government authority to operate its power generating sets.	management interview, document review	Factory will produce appropriate evidence of compliance.	9/30/2003	1) Shoes are being manufactured under license for (factory). Factory has 2 sections, it makes leather shoe uppers, the other makes sports shoes for Reebok. As per local law, separate license is not required for each section of a factory. However, factory had applied for separate license. 2) NOC for generator set has been obtained.	1/4/2004	copy of existing license, copy of application for a separate license, (NOC also on file)			factory license		License obtained and verified.		

FLA Code/Compliance Issue	Legal Reference	FLA Benchmark	Findings				Remediation				Third-Party Verification		Company Verification Follow Up			
			Monitor's Findings	Documentation	PC Remediation Plan	Target Completion Date	Factory Response	Completion Date	Documentation	External Verification (May 30, 2006)	Documentation	PC Remediation Plan (December 12, 2006)	Documentation	Status	PC Remediation Plan (June 21, 2007)	Documentation
Document Maintenance/ Accessibility		All documents required to be available to workers and management by applicable laws (policies, Material Safety Data Sheets (MSDS), etc.) shall be made available in prescribed manner and in local language or language spoken by majority of workers if different from local language.	1) MSDS in local language needs to be prominently displayed in chemical store. 2) Factory needs to post policies and procedures on machinery and equipment safety. 3) Signs and diagrams in local language indicating use of permitted protective equipment (PPE) in appropriate work areas should be posted. 4) Procedures dealing in first aid should be posted in work areas.	visual inspection	MSDS with graphics, as appropriate, should be prominently displayed in areas of chemical usage. Appropriate PPE should be available in chemical usage areas. First aid facilities must be adequate and communicated to all workers.		9/30/2003	1) MSDS are prominently displayed in cement-mixing room. 2) Factory has also developed a policy on PPE use and has posted it in a prominent location inside factory. 3) Factory has also developed and posted emergency medical procedures.	Oct-03	copies of factory's MSDS form, PPE policy, emergency medical procedures, photos of their posting inside factory (submitted to Reebok's monitor, maintained in Reebok's local internal files)						Factory to post Chemical Safety Data Sheets (CSDS) in production areas where chemicals are used for relevant chemicals.
Evacuation Procedure	Factories Act, 1948, Chapter - IV - Safety	All applicable legally required or recommended elements of safe evacuation (such as posting of evacuation plans, unblocked aisles, employee education, evacuation procedures, etc.) shall be complied with and workers shall be trained in proper safety, first aid, and evacuation procedures.	1) Emergency lights not installed above some exits or on exit paths, some that were installed not functional. 2) Emergency lights installed are small tube lights which cannot penetrate through smoke. Need to install high-beam type with battery backup. 3) Many aisles in main production hall blocked with bins and cartons, walk-side aisle along soiling plant quite narrow. 4) 1 exit in soiling section partially blocked with chiller machine, while another exit in main production hall near assembly section partially blocked with electric air cooler. 5) Some passage accesses observed blocked with bins. 6) Some aisles and evacuation signs need to be repaired in production hall, no aisles marked nor evacuation signs posted in finished goods warehouse and raw material stores. Suggest evacuation signs be posted in red instead of yellow. 7) Evacuation Plans not posted anywhere. 8) Yellow "Keep Clear" boxes not marked in front of exits in sole processing room and warehouses. 9) Fire extinguisher in canteen installed too high, not easily reachable. 10) 1 fire extinguisher in finished goods store blocked with boxes of shoes.	visual inspection	Factory will attend to all changes required, as appropriate.		9/30/2003	1) Appropriate emergency lights installed. 2) All aisles marked anew and cleared of any obstruction, including warehouse. 3) Evacuation displays in work areas. 4) "Keep Clear" boxes have been painted near all exits. 5) Access to all fire extinguishers and switchboards ensured with clear aisles and markings.	Oct-03	1) photos of emergency lights fixed on exits, all aisles, evacuation plan displayed in factory, all exits, (including Zebra boxes), fire extinguishers, switchboards						
Safety Equipment	Factories Act, 1948, Chapter - IV - Safety	All safety and medical equipment (fire fighting equipment, first aid kits, etc.) shall be in place, maintained as prescribed and accessible to employees.	First aid boxes not adequately stocked, one in inspection molding section empty, another in main production hall needs to have eye wash cup, lotion and latex gloves.	visual inspection	Factory will ensure this is complied with. Factory must stock all first aid kits according to Reebok's Standards. Factory must then develop process (and document process in writing) for ensuring regular inspection and stocking of first aid kits inside factory. Please submit to Reebok a copy of this new process, as well as name of person in charge of its implementation.		9/30/2003	All first aid boxes have been adequately stocked. A new process for their regular inspection has been developed and submitted to Reebok.	By 09/30/2003	copy of process for inspection of first aid kits (submitted to Reebok's monitor as verification, maintained in Reebok's local files)		internal audit documents				
Personal Protective Equipment (PPE)	Factories Act, 1948, Chapter - IV - Safety	Workers shall wear appropriate protective equipment (goggles, eye protection, hearing protection, respiratory protection, etc.) to prevent unsafe exposure (inhalation or contact with solvent vapors, noise, dust, etc.) to hazardous elements including medical waste.	1) Generator operator did not have earplugs. 2) Some workers applying glue on soles and leathers not using gloves. 3) Workers in pasting and cementing operations exposed to fumes from thinners, primers and adhesives provided with and using fabric masks, instead of filtered masks. 4) Worker cutting labels on heated filament does not have any protection for hands.	visual inspection	Factory will need to effect necessary corrections.		9/30/2003	1) Earplugs for generator operators already provided. 2) Gloves and filtered masks have been provided to workers applying glue/primer/cement. 3) Protection of hands against heated filaments being devised. All actions completed by September 30, 2003. 4) Heated filaments have been removed from factory. Labels are being cut using hand scissors.	By 09/30/2003	documentation requested from factory (Reebok's monitor will continue to work with factory to determine whether these items have been submitted.)						
Chemical Management		All chemicals and hazardous substances should be properly labeled and stored in accordance with applicable laws. Workers should receive training appropriate to their job responsibilities, in safe use of chemicals and other hazardous substances.	1) Adhesives/thinners/primers not properly labeled or stored. 2) Factory does not provide any training to workers on safe handling of these chemicals.	visual inspection	1) Please develop and submit to Reebok a policy on chemical safety, addressing MSDS for all chemicals, chemical storage, and training for workers. 2) Labeling must be done for all containers. (Please submit photo of all labels). 3) Workers must be adequately trained in safe handling of chemicals. (Please submit documentation of training, including training materials, attendee list, who conducted training, and dates training was held).		9/30/2003	1) Factory has developed and submitted to Reebok policy on chemical safety. 2) MSDS have been posted on containers and on wall of mixing room. 3) Workers currently being trained on safe handling of chemicals.	1,2) 10/03; 3) Pending	chemical safety policy, photos of MSDS displayed in cement mixing room, photo of containers with MSDS (submitted to Reebok's monitor as verification, maintained in Reebok's local files)		training records	Completed			
Ventilation/Electrical/Facility Maintenance	Factories Act, 1948, Chapter - IV - Safety	All ventilation, plumbing, electrical, and lighting services shall be provided and maintained to conform to applicable laws and prevent hazardous conditions to employees in the facility.	1) Access to some electrical switch-gear blocked with sewing machines in production hall. 2) Electrical switchbox blocked with carton containing foam at rear end of production hall, another blocked with boxes of shoes in finished goods warehouse. 3) Taped joints on electric wires in main production hall. 4) Numerous instances of air coolers and pedestal fans connected to mains without plug. 5) Open switchbox and loose wires in "roughing section." 6) Lighting in most work areas inadequate, ranging from 70-400 lux minimum, should be 500 lux. 7) Ventilation extremely poor in "roughing section," where large quantities of shoe soles in cartons and polybags piled up. 8) Lint accumulation on overhead air pipe in production hall. 9) Exhaust pipe of power generating set not insulated.	visual inspection	1) Factory will need to effect necessary corrections. 2) Factory must also develop process/policy for regular inspection of factory facilities to assess safety (life and operational) risks and ensure ongoing safe factory conditions. Place qualified individual in charge for its implementation. Please submit copies of process and name of person in charge to Reebok.		9/30/2003	1) Access to all electrical switchboards cleared. 2) All taped joints and pruned insulation rectified. 3) All fans/cooler provided with plugs. 4) Proper plugs provided for all fans and air coolers. 5) Roughing section cleared of extra soles. All wiring redone and ventilation improved. 6) Lint accumulation cleared on same day and regularly being checked. All other observations have also been attended to.	Completed by 9/30/2003.	photos (submitted to Reebok's monitor as verification, maintained in Reebok's local files)			Completed			
Record Maintenance		All safety and accident reports shall be maintained for at least one year, or longer if required by law.	Record of minor injuries should be maintained.	visual observation, management interview	Factory will need to effect necessary corrections.			Minor injury book placed with first aid box.	Oct-03	sample injury log (submitted to Reebok's monitor as verification, maintained in Reebok's local files)			Completed			
Machinery Maintenance	Factories Act, 1948, Chapter - IV - Safety	All production machinery and equipment shall be maintained, properly guarded, and operated in a safe manner.	1) Moving transmission belts on sewing machines not adequately guarded. 2) Under-motor pulley guards are missing from some sewing machines.	visual inspection	Factory will need to effect necessary corrections.		9/30/2003	All belts and pulleys have been provided with guards.	All pulleys and belt guards on machines provided by 10/7/2003.	documentation requested from factory (Reebok's monitor will continue to work with factory to determine if these items have been submitted.)		visual inspection	Completed			
Sanitation in Facilities	Factories Act, 1948, Chapter - IV - Welfare	All facilities including factory buildings, toilets, canteens, kitchens, and clinics, shall be kept clean and safe and be in compliance with applicable laws.	1) Door in stall in gentlemen's toilet block needs repair. 2) Outlet pipe from urinal in gentlemen's toilet missing. 3) Some flushes in pasting and cementing operations exposed to fumes from thinners, primers and adhesives provided with and using fabric masks, instead of filtered masks. 4) Soap in hand wash areas in toilets. Workers stated towels provided only during factory inspection. 5) Need to provide 1 additional hand wash in ladies' toilet. 7) Stagnant water on floor of ladies' toilet block, some ladies stated there had been accidents [due] to this.	visual observation, worker interviews	1) Factory will need to effect necessary corrections. 2) Factory must also develop a process/policy for regular inspection of toilet facilities to ensure they are clean and in proper functioning order, and place a qualified individual in charge of its implementation. (Please submit copies of process, and name of person in charge to Reebok).		9/30/2003	1) Door of gentlemen's toilet has been changed. 2) Outlet pipe from urinal provided. 3) All flushes checked and repaired where needed. 4) Proper garbage pails provided. 5) Additional hand wash in ladies' toilet has been provided. 6) All these actions were completed by October 7, 2003. 7) Toilet cleaning/inspection sheet has been created and sample provided to Reebok.	Oct-03	documentation requested from factory (Reebok's monitor will continue to work with factory to determine if these items have been submitted.)		visual inspection	Completed			
Sanitation in Dining Area	Factories Act, 1948, Chapter - IV - Welfare	All food preparation shall be prepared, stored, and served in a sanitary manner in accordance with applicable laws. Safe drinking water should be available in each building.	1) Kitchen and utensil washing area in canteen requires coat of paint. 2) Water purifier should be installed in drinking water station in canteen.	visual inspection	Factory will need to effect necessary corrections.		9/30/2003	1) Washing area in canteen repainted. 2) Drinking water provided from corporation supplies. 3) Sample sent to laboratory for testing. 4) Kitchen area repainted. 5) Workers supplied corporation water for drinking. Copy of laboratory test report submitted to Reebok.	Oct-03	photos, lab report (submitted to Reebok's monitor as verification, maintained in Reebok's local files)			Completed			
Worker Participation		Workers should be involved in planning for safety, including through worker safety committees.	Factory needs to constitute its H&S and Canteen Committees duly represented by workers and management.	worker and management interviews	Factory will need to effect necessary corrections.		9/30/2003	All committees organized by September 30, 2003. H&S Committee constituted comprising of factory manager as H&S Officer, management representatives are personnel manager, maintenance manager, and 1 worker from each section as worker's representatives. Workers elected during morning assembly of factory. Workers nominated a name to represent them. Where more than 1 name proposed, workers asked to vote on a representative.	Oct-03	policy on composition of committees, meeting minutes	These committees exist only on paper. Many workers interviewed were not aware of these committees. Even committee members were not fully aware of their responsibilities. Committee members felt that sometimes appropriate action is not taken/delayed by the management on issues reported by them.	employee and committee member interviews, review of meeting minutes documented every month	Workers interviewed stated that they have attended committees' meetings.	worker interviews, documents for same have been provided as proof.	Ongoing	(August 30, 2007) Committees not effective, as they tend to be one of management's communication channels to workers, rather than active committees for representing workers to management or intermediary. Factory must aid worker committees to become independent, to represent workers; and to become involved in taking up workers' grievances with management in a constructive, problem-solving manner.
Other	Factories Act, 1948, Chapter - IV - Safety		1) Storage in finished goods warehouse and raw material store haphazard. Well-defined rows between stacks of material need to be created and marked. 2) Large quantities of waste material lying in open, exposed to elements. 3) Deep-well outside adhesive storage area partially open and could result in accident, garbage dumped into well through this opening. Water supply to facility appears to be provided from the well. 4) Workers with standing jobs using hard-soled high-heeled sandals, should be using soft rubber-soled footwear or provided rubber mats to stand on. 5) Many workers complained of pain and aches in legs, back, neck, shoulders and head. Proper ergonomics and better lighting could improve situation. 6) Many workers stated quality of food in canteen was poor and utensils not cleaned properly. 7) Some workers stated housekeeping and cleanliness standards in factory and canteen need to improve. 8) Price list of items on sale in canteen needs to be displayed as required by law.	visual observation, worker interviews	Factory will need to effect necessary corrections. (Please address ongoing maintenance of these issues as part of safety program requested to be developed above, for ensuring ongoing safe factory conditions overtime). Once safety plan is completed, please submit it to Reebok.		9/30/2003	1) Storage of material has been re-organized. 2) Factory waste is being cleared once a week. 3) Open well has been covered. 4) Workers have been advised to wear flat rubber sole shoes, particularly those who have to work standing. 5) Stools with adjustable height have also been provided. 6) Efforts are being made to improve quality of food and general cleanliness in canteen and workplace. 7) Price list already displayed in the canteen. 8) A photo of storehouse submitted. 9) A photo of well after closing opening. 10) A Canteen Committee has been formed. Meeting minutes have been submitted.	Oct-03	documentation requested from factory (Reebok's monitor will continue to work with factory to determine if these items have been submitted.)						Factory grounds found unorganized and several areas had scrap. Factory must have a dedicated scrap yard for scrap material and must be managed as per the HSE guidelines.
7. Freedom of Association and Collective Bargaining																
Employers will recognize and respect the right of employees to freedom of association and collective bargaining.																
Other			1) Workers' Forum created by management consists of workers chosen by and rotated periodically by management. Group's function is to address workers' grievances and issues. However, in effect this committee only exists on paper, as most workers not aware of its responsibilities or activities. Some committee members stated they are expected to pursue only management's instructions and nothing else. 2) Suggestion boxes installed in toilet blocks ineffective, as workers rarely express views/problems via this medium. 3) Many workers feel insecure voicing grievances with management for fear of losing their job or reaction. 4) Factory needs to constitute a Grievance Committee which works effectively, duly represented by workers and management. Workers should not feel intimidated in voicing their concerns to this committee.	worker interviews	1) As noted above, factory will revive workers' forum by (a) allowing worker representatives to be elected by fellow workers from each section to retain office for no less than 6 months, (b) providing proper mandate to representatives to gather and report on worker grievances, (c) communicating mandate to all workers, (d) recording all issues raised by worker representatives. (In monthly forum meeting) and management decisions on each issue and posting these minutes on toilet blocks ineffective, as workers rarely express views/problems via this medium. 2) Factory will incorporate in worker handbook, as well as in orientation training, details of how to use suggestion/complaint box and other channels for recording grievances to management, including its protocol for acting on input and maintaining confidentiality. 3) Factory will communicate, through worker handbook and orientation training, its policy of non-retaliation against any worker who voices grievances to Reebok or to factory staff.		9/30/2003	1) Workers' forum started in July 2002 and still continues. 2) Names of workers elected are displayed in work area with instructions that any complaint/grievance must be submitted to them. 3) Minutes of each meeting are recorded, signed by all representatives and displayed on notice board. 4) Use of suggestion/complaint box is being included in worker handbook and orientation training schedule. 5) Non-retaliation policy is being included in new handbook and orientation training. 6) Grievance Committee has been constituted. The members have been briefed about raising their grievances without fear.	Oct-03	details of worker forum, copies of worker handbook (submitted to Reebok's monitor as verification, maintained in Reebok's local files)	Committees exist only on paper and as per records, all committees meet every month. However, some workers felt committee members are not really proactive and (said) they choose to approach specific management staff directly should they have any grievances; others were not even aware of the existence of these committees, as they had not participated in any election process. Workers were aware of suggestion boxes, however, they displayed a lack of interest in utilizing this option. Management claims minutes of committee meetings are posted, no workers stated having seen them.	worker and management interviews, review of various committees' meeting minutes	Workers interviewed stated that they have attended committees' meetings.		(August 8, 2007) Committees are not effective, as they tend to be one of management's communication channels to workers rather than active committees for representing workers to management or intermediary. Factory must aid worker committees to become independent, to represent workers; and to become involved in taking up workers' grievances with management in a constructive, problem-solving manner.	
8. Wages and Benefits																
Employers recognize that wages are essential to meeting employees' basic needs. Employers will pay employees, as a base, at least the minimum wage required by local law or the prevailing industry wage, whichever is higher, and will provide legally mandated benefits.																

FLA Code/Compliance Issue	Legal Reference	FLA Benchmark	Findings			Remediation					Third-Party Verification		Company Verification Follow Up			Company Verification Follow Up	
			Monitor's Findings	Documentation	PC Remediation Plan	Target Completion Date	Factory Response	Completion Date	Documentation	External Verification (May 30, 2006)	Documentation	PC Remediation Plan (December 12, 2006)	Documentation	Status	PC Remediation Plan (June 21, 2007)	Documentation	
Minimum Wage	Unskilled = Rs.2185, Semi-Skilled = Rs.2301 to Rs.2400, Skilled = Rs.2461 to Rs.2640	Employers will pay workers legal minimum wage or prevailing industry wage, whichever is higher.	Some workers on semi-skilled operations like marking, cementing and molding are being paid wages of the unskilled grade.	payroll records, worker interviews, visual observation	Factory needs to review job descriptions of workers and assign them into semi-skilled and unskilled categories for the purpose of wage determination.	9/30/2003	Workers have already been categorized into various grades according to their skills. Copy of job description for footwear industry as laid down by Punjab Government submitted to Reebok. Since production work is being done operation-wise, factory is using grades as for general industries.	Oct-03	job descriptions (submitted to Reebok's monitor as verification, maintained in Reebok's local files)	Workers are now being paid as per skill level.	wage record review, worker interviews						
Pay Statement		Employers will provide workers a pay statement each pay period, which will show earned wages, regular and overtime pay, bonuses and all deductions.	Pay statement providing details of earnings issued to workers at the end of each pay period. However, while it states the amount of earning through overtime, it does not mention the number of overtime hours worked.	payroll record review, review of workers' issued pay stubs, worker interviews	Overtime hours need to be recorded in pay slips issued to workers.	9/30/2003	Overtime hours need to be recorded in pay slips issued to workers. Already started from September 2003. (Please provide copies of new pay slips to Reebok).	9/1/2003	Please submit documentation indicating these actions have been taken.	Appropriate time records still not maintained. Electronic time recording system is under installation. However, workers and management stated factory has not been working overtime since the past 12 months.	worker and management interviews	Time machine found installed. Workers claimed they are in use of time machine for attendance purposes.	attendance record review, worker interviews	Ongoing			
Time Recording System		Time worked by all employees, regardless of compensation system, will be documented by time cards or other accurate and reliable recording systems, such as electronic swipe cards.	Factory does not have a time recording system in place. Only workers' attendance recorded manually.	record review, worker and management interviews	Factory will ensure all working hours are recorded accurately in newly installed punch card machines.	9/30/2003	Electronic time recorder was installed by September 30, 2003 and is since being used.	9/30/2003	documentation requested from factory (Reebok's monitor will continue to work with factory to determine if these items have been submitted.)	Factory does not have proper time recording system in place. Electronic time recording system is under installation and yet to be commissioned. Manual time records maintained, but as stated by management, these records are not complete and inaccurate.	management interviews, visual inspection, manual record review	Time machine found installed. Workers claimed they are in use of time machine for attendance purposes.	attendance record review, worker interviews	Ongoing			
False Payroll Records		Employers will not use hidden or multiple payroll records in order to hide overtime, to falsely demonstrate hourly wages, or for any other fraudulent reason.	OT hours manually recorded at half the number of hours worked. Hours compensated at twice the wage rate to show premium paid on OT in compliance with law; however, in effect, no premium paid and OT paid at 1 time the wage rate, violating law requiring OT to be compensated at 2 times the wage rate.	OT records (cross checked with) worker interviews	Factory will ensure all work hours are recorded accurately in newly installed punch card machines. Factory will investigate allegation of improper overtime records and ensure payment to workers for all arrears dues, if any.	9/30/2003	1) OT records checked against details received from factory and were found to be correct. 2) Wages register, OT register and some pay slips, along with punch cards have been submitted to Reebok.	10/3/2003	wages register, OT register, some pay slips, punch cards (submitted to Reebok's monitor as verification; maintained in Reebok's local files)	Appropriate time records still not maintained. Electronic time recording system is under installation. However, workers and management stated that factory has not been working OT since the past 12 months.	worker and management interviews	Time recording system is found installed. Workers report that they use the new system for attendance-keeping purposes.	attendance record review	Ongoing (Review of attendance records)			
Accurate Benefit Compensation	The Payment of Gratuity Act, 1972	All employees will be credited with all time worked for an employer for purposes of calculating length of service to determine the benefits to which workers are entitled.	Some workers' duration of work as stated by them did not match records available in personnel files. These need to be checked to ensure workers do not lose out on their gratuity benefit should they quit or retire after a minimum continuous service of 5 years. Gratuity is calculated on number of years of service subject to a minimum of 5 years.	workers' personnel files review, worker interviews	Factory should investigate this allegation. It needs to issue workers their appointment letters which accurately record their correct date of joining the factory.	9/30/2003	Personnel records have been checked. The appointment letter shows the correct date of joining.	10/3/2003	copies of appointment letters of some workers (submitted to Reebok's monitor as verification; maintained in Reebok's local files)	Employment documents for some workers are not available in the facility. For those available, date of appointment as per appointment letter row matches with the dates stated by workers during interview.	personnel file review, worker interviews	Factory provided all workers with appointment letters, but some senior workers are not signing them, as they are uncomfortable with clause of transfer, which stipulates workers can be transferred to any unit as and when required. The clause was explained to workers as a requirement of local labor law. Workers requested some more time to reach a decision. Factory shall update on same soon.		Factory has removed the clause of transfer from appointment letters and all employees are now provided with appointment letters.			
9. Hours of Work																	
Except in extraordinary business circumstances, employees will (i) not be required to work more than lesser of (a) 48 hours per week and 12 hours overtime or (b) limits on regular and overtime hours allowed by law of country of manufacture or, where laws of country will not limit hours of work, regular work week in such country plus 12 hours overtime; and (ii) be entitled to at least 1 day off in every 7-day period.																	
Forced Overtime		Under extraordinary business circumstances, employers will make extensive efforts to secure voluntary overtime work prior to mandating involuntary overtime.	Many workers stated that at times if they did not wish to work overtime or on a day of rest, they were not allowed any option and had to stay behind or come for work on a day of rest.	worker interviews	Factory must develop its overtime policy providing workers' right of refusal under defined circumstances. This should be communicated in worker handbook and through orientation training.	10/31/2003	Overtime policy has been made, and has been included in worker handbook. Also displayed in work area in local language.	10/3/2003	copies of written voluntary OT policy, photos of policy posted inside factory (requested from factory)	Workers stated they have not been working overtime for the past one year. Overtime policy included in the employee handbook and states that overtime is voluntary.	worker interviews, handbook review		Completed				
Positive Incentives	Factories Act, 1948, Chapter VI (Working Hours of Adults), Section-59-Extra Wages for Overtime	Positive incentives will be utilized, and known by the workers.	Premium on overtime is not paid as required by law.	worker interviews	Factory will ensure all working hours are recorded accurately in newly installed punch card machines. Factory will investigate allegation of improper overtime records and ensure payment to workers for all arrears dues, if any.	9/30/2003	New punch card machine functional. The overtime record in personnel department checked and found to be correct.	10/3/2003	wage and OT registers, some pay slips, punch cards submitted to Reebok's monitor as verification (maintained in Reebok's local files)	Factory has not been working overtime for the past 12 months. Overtime policy, posted and included in the employee handbook, states that OT premium will be paid at twice the ordinary wage rate as mandated by law.	worker and management interviews		Completed				
Negative Incentives		Negative incentives or punitive actions will not be used to induce overtime in excess of code standards.	At times workers are not given any option and have to work overtime.	worker interviews	Factory must develop its overtime policy providing workers' right of refusal under defined circumstances. This should be communicated in worker handbook and through orientation training.	10/31/2003	Rights of workers to refuse overtime work has been included in the overtime policy.	10/31/2003	factory requested to submit copies of written voluntary OT policy to Reebok, photos of where policy is posted inside factory	As per overtime policy included in employee handbook, workers are free to refuse overtime. Factory has not been working overtime for past 12 months.	handbook review, worker, management interviews		Completed				
Overtime Limitations	Factories Act, 1948, Chapter VI (Working Hours of Adults). No adult worker shall be required or allowed to work in a factory for more than 48 hours in any week or for more than 9 hours on any day. Overtime is limited to 2 hours per day and 12 hours per week with a restriction of 50 hours per quarter (3 months).	Except in extraordinary business circumstances, employees will (i) not be required to work more than lesser of (a) 48 hours per week and 12 hours OT or (b) limits on regular and OT hours allowed by law of country of manufacture or, where laws of country will not limit hours of work, regular work week in such country plus 12 hours OT; and (ii) be entitled to at least 1 day off in every 7-day period. An extraordinary business circumstance is a temporary period of extra work that could not have been anticipated or alleviated by other reasonable efforts.	No time records maintained by this facility; hence, it is difficult to ascertain actual number of work hours per week. Overtime records maintained manually are inaccurate and workers have also worked late at times and also on days of rest, for which no records are available.	record reviews, worker interviews	Factory will ensure all work hours are recorded accurately in newly installed punch card machines. Factory will investigate allegation of improper overtime records and ensure overtime hours comply with Reebok standard. (Please submit to Reebok reports of the number of hours worked per week for last 3 months, to determine whether factory is in compliance with Reebok's working hours standards).	9/30/2003	Will be complied with.	9/30/2003	factory requested to submit to Reebok reports of number of hours worked per week for last 3 months, to determine if factory is in compliance with Reebok's working hours standards	Actual working hours cannot be verified as factory has not been maintaining accurate time records until now. However, as stated by management and workers, factory has not worked overtime and on rest days over the past 12 months.	worker and management interviews	Attendance records verified. A sheet bearing all workers' names with their card numbers is maintained by SEA Team.	Completed				
Reduce Mandated OT		Employer will demonstrate commitment to reduce mandated overtime and to enact a voluntary overtime system to meet unforeseen situations.	This needs to be implemented.	record reviews, worker interviews	See references above to overtime hours and overtime policies.	9/30/2003	Being implemented.	9/30/2003	factory requested to submit copies of written voluntary OT policy to Reebok, photos of where policy is posted inside factory	Overtime policy is included in employee handbook. As stated by management and workers, factory has not worked overtime and on rest days over the past 12 months.	handbook review, worker and management interviews		Completed				
Explanation of Continued Required OT		If employer repeatedly requires overtime in order to respond to the same situation, employer will explain why it will not have sufficient staff on hand to avoid necessity of overtime.	Can be determined when a reliable time recording system is introduced.	visual observation, record review, worker interviews	Factory will ensure all working hours are recorded accurately in newly installed punch card machines.	9/30/2003	Being complied with.	9/30/2003	factory requested to submit to Reebok reports of number of hours worked per week for last 3 months, to determine if factory is in compliance with Reebok's working hours standards	As stated by management and workers, factory has not worked overtime and on rest days over the past 12 months. Factory is in the process of commissioning an electronic time recording system.	worker and management interviews	Attendance records verified. Sheet bearing all workers' names with their card is maintained by the SEA Team.	Ongoing				
Overtime Explanation		Employers shall be able to provide explanation for all periods when extraordinary business circumstances exception has been used. Employers shall take reasonable steps to inform workers about the nature and expected duration of the circumstances.	This needs to be implemented.	record reviews, worker interviews	Please develop a factory policy on working hours, with Reebok's working hours and rest day standards, and submit the policy to Reebok.	9/30/2003	The factory is currently in the process of developing a factory policy on working hours, with Reebok's working hours and rest day standards, and will submit the policy to Reebok once completed.	Pending	Reebok's monitor will follow up with factory to determine if policy development is on track; will request factory to submit documentation.	Factory's policy on working hours is included in the employee handbook. As stated by management and workers, factory has not worked overtime and on rest days over the past 12 months.	employee handbook review, worker and management interviews		Completed				
Legal Compliance With Protected Workers	By law women cannot work between 7:00pm to 6:00am (Chapter - VI of the Factories Act - Working Hours for Adults, Section - 66).	The factory will comply with all applicable laws governing work hours, including those regulating or limiting the nature and volume of work performed by women or workers under the age of 18.	Cannot be determined for want of a reliable time recording system. Some women stated that occasionally they worked up to 7:30pm.	female worker interviews	Factory will ensure all working hours are recorded accurately in newly installed punch card machines. (Please also develop, as part of the factory's working hours policy, policy for working hours for women in accordance with local law. Once developed, please submit a copy of the policy to Reebok as verification.)	9/30/2003	Factory is ensuring all working hours are recorded accurately in newly installed punch card machines. Factory's work hours policy, as well as policy for work hours for women, is pending. Once developed, factory will submit a copy of the policy to Reebok as verification.	Pending	factory has been requested to submit copies of factory's working hours policies	Factory does not have proper time recording system in place. Electronic time recording system is under installation and yet to be commissioned. So far, manual time records maintained, but records not complete and accurate. However, female workers stated factory has not been working overtime for a year and their workday ends at 5:00pm.	manual time record review, visual inspection, female worker and management interviews	Verified: Machine found installed and in use. Attendance sheet found posted on notice board daily for workers to review. Workers are using time machine for recording their daily attendance as stated in interview.	attendance records verified, review of sheet bearing all workers' names with their card numbers	Ongoing			
Voluntary OT		Overtime hours worked in excess of code standard will be voluntary.	This needs to be implemented.	worker interviews	Factory must develop its OT policy providing workers right of refusal under defined circumstances. This should be communicated in workers' handbook and through orientation training. Please see references above to overtime policies.	10/31/2003	Please see references above to the factory's voluntary overtime policies.	10/3/2003	copies of written voluntary OT policy, photos of policy posted inside factory (requested from factory)	Overtime policy is included in employee handbook and states that overtime will be on a voluntary basis.	employee handbook review		Completed				
10. Overtime Compensation																	
In addition to their compensation for regular hours of work, employees will be compensated for overtime hours at such premium rate as is legally required in the country of manufacture or, in those countries where such laws will not exist, at a rate at least equal to their regular hourly compensation rate.																	
Accurate Recording of OT Hours Worked		Employees will be paid for all hours worked in a work week. Calculation of hours worked must include all times that employer allows or requires worker to work.	Only half the overtime hours that workers work are recorded against their names.	worker interviews (compared with), OT records	Factory will ensure all working hours - including overtime work - is recorded accurately in newly installed punch card machines.	9/30/2003	Please indicate the factory's efforts in this regard.		copy of time recorder dates, OT register record (maintained in Reebok's files)	Factory has not worked overtime and on rest days over the past 12 months. Factory is in process of commissioning an electronic time recording system.	worker and management interviews	document review, worker interviews	Completed				
OT Compensation	Overtime must be compensated at twice the ordinary rate of wages. (Chapter - VII of the Factories Act, Section - 59 - Extra Wages for Overtime).	The factory shall comply with applicable law for premium rates for overtime compensation.	Overtime is compensated at one time the wage rate. However, records are maintained to show it is compensated at twice wage rate to be in compliance with law.	worker interviews (compared with), OT records	Factory will investigate allegation of improper overtime records and ensure payment to workers for all arrears dues, if any.	9/30/2003	New punch card machine functional. The overtime record in personnel department has been checked and is found correct.		copy of payroll record for October (submitted to Reebok, maintained in Reebok's files)	Factory has not worked overtime and on rest days over past 12 months. Present manual time recording system is erratic, ineffective and unreliable. An electronic time recording system is under installation and is expected to be commissioned shortly.	worker and management interviews	Verified: Machine found installed and in use. Attendance sheet found posted on notice board daily for workers to review. Workers are informed about of the newly installed system.	attendance records	Ongoing			
OT Compensation Awareness		Workers shall be informed about overtime compensation rates, by oral and printed means.	Workers have been coached to say that overtime is compensated at twice the wage rate when in fact it is not.	worker interviews	1) Factory will record OT premium calculations in worker handbook, include explanation of this in worker orientation training, and post this on factory notice board. (Please submit to Reebok copies of these materials). 2) Factory will investigate allegation of improper OT records and ensure payment to workers for all arrears dues, if any. (As requested above, please submit to Reebok copies of payroll records indicated proper payment of OT wages). 3) Factory must investigate allegation of coaching workers and take appropriate actions against staff guilty of such practices.	9/30/2003	1) Factory will record overtime premium calculations in workers' handbook, include explanation of this in workers' orientation training, as well as post this on factory notice board. 2) Overtime is correctly recorded. 3) No staff had coached the workers; in fact, it was a surprise visit by FLA team.	2, 3) Ongoing 1) Pending	factory requested to submit documentation on OT premium calculations (to be included in worker handbook and orientation) and photos of posting (Reebok's monitor will continue to work with factory to determine if these items have been submitted)	Factory has not worked OT and on rest days in past 12 months. Present manual time recording system erratic, ineffective and unreliable. An electronic time recording system is under installation and expected to be commissioned shortly. OT premium, as mandated by law, is explained in policy on working hours, which is posted and included in the employee handbook.	worker and management interviews; employee handbook review; posting review	Factory management has installed new time recording system. All workers are currently using new system and as a result, hours of work could properly be verified.	worker interviews, document review	Completed			
Miscellaneous																	