FLA Audit Profile Country Factory name IEM Date(s) in facility PC(s) Number of workers Product(s) Production processes	Independent External Verification (IEV)Vietnam12008479C12008479CVGlobal StandardsOctober 28-29, 2004Reebok International, Ltd.11,500FootwearUppers cutting & stitching, rubber bottoms, PU, stock fit, assembly																					
FLA Code/ Complianc	Country Law/Legal ReferenceFLA BenchmarkMonitor's Findings: Noncompliance or Indicatorcorrobo via multicator	entation (If finding orated/ verified ultiple sources, list all)	PC Internal audit findings (Optional)	Target PC Remediation plan Date	Remediation Factory Response (Optional)	Company follow up Documentation	[Status]UpdatesCompleted; Pending; OngoingCompany Follow Up Docu	Third-Party Verification (IEV umentation External Verification (June 14, 2006) (June 14, 2006)	V) Documentation	Company Verification Follow up Company Follow up (August 10, 2006)	UpdatesCompany Follow-Up (December 19, 2006 and June 08, 2007)Documentation	[Status]Completed; Pending; Ongoing	UpdatesCompany Follow-Up (April 10, 2008)Docume	entation Target Completion P Date Co	[Status] ompleted; Pending; Ongoing (Nov 21	Updates / Follow Up 21, 2008)	Documentation Target Completion Date Comple	ng; (Jul 24, 2009)	Updates Documentation	arget pletion Date Completed; Pending; Ongoing	Updates Company Follow Up (Feb 4, 2010)	Solution [Status] Documentation Target Completion Date Completed; Pending; Ongoing
1. Code Awareness Worker/management awareness of Code	FLA Principle of Monitoring, Obligation of Companies: Ensure that all Company factories as well as contractors and suppliers inform their employ ees about the workplace standards orally and through the posting of standards in a prominent place (in the local languages spoken by employ ees and managers) and undertake other efforts to educate employ ees about the standards on a regular basis. Code awareness is low. Company has posted code and provided code training for management. However no code training conducted for staff, supervisors or workers. No code training workers. O interviews and union.	tation for staff, prs, line leaders or Confirmed in s with management h. Confirmed in continue transmitted in continue transmitted in continue transmitted in continue transmitted in continue transmitted in transmitted in	of conduct training and c harassment/abuse training for all c new workers. However, this F	Factory and union must develop a more 15-Dec comprehensive training program for workers that covers all relevant aspects of factory regulations, Reebok Human Rights Production Standards, harassment & abuse and disciplinary procedures.		(Dec. 2004) Factory has hired several new personnel in their human rights department (since audit hav e increase HR staff from 2 to 5). One new member of HR dept is responsible for trainings. Factory assigns an individual in HR accountable for orientation that includes code training. (Jan. 15, 2005) Factory developed its trainings plan 2005 that includes 2 code trainings for local supervisors and managers and 2 for expats. (Aug. 23, 2005) Factory conducted 1 code training for expats April 23 and a number of trainings on Saturdays of July and August 2005 for supervisors, managers, and expats. Reebok conducted 1 code training for local supervisors and managers on July 29.	Completed	Training has been conducted, but many workers are still unaware of Reebok code, principles and policies.	s. worker interviews		(December 19, 2006) Training plan on factory file and training sessions were conducted, but worker interviews demonstrated that the training was still not very effective. (June 08, 2007) Factory improved its training program with tests and evaluation after the training to ensure workers understood training materials.	(\ T - e a - n - n t c -	Deen Letter to Workers (OLW) and Workplace Standards WS) had been posted in the production floors. Fraining for this OLW & WS had been conducted for: All workers starting from Sept 2007 and ongoing training in every 3 days per week from 1:30 to 4:30 (each line will assign 10 to 12 workers for each training) New workers: during the orientation program Local Manager: starting from Dec 3rd -2007 to date: 50 managers have been trained All Korean manager: starting from Dec 2007 to date otally 50 expats have been trained. New Training Plan dated in March 31-2008 is available in place for verification	ion and tation	npleted							
Confidential noncompliance reporting channel 2.Forced Labor	Image: Second state FLA Principle of Monitoring, Obligation of Companies: Develop a secure communications channel, in a manner appropriate to the culture and situation, to enable Company employees and employees of contractors and suppliers to report to the Company on noncompliance with the workplace standards, with security that they shall not be punished or prejudiced for doing so. Image: Company of Company employee shall is the company employee shall is the company employee shall is the company of the company of the company employee shall is the company employee shall be compa	Company posted contacts for workers to communicate directly and securely to Company compliance representativ e																				
3. Child Labor No person will be employ e	of forced labor, whether in the form of prison labor, indentured labor, bonded labor or otherwise dat an age younger than 15 (or 14 where the law of the country of manufacture allows) or younger than mpulsory education in the country of manufacture where such age is higher than 15.																					
Legal compliance for juve workers 4. Harassment or Abuse	apply to young workers, i.e., those between the minimum working age and the age of 18, including regulations relating to hiring, working conditions, types of work, hours of work, proof of age documentation, and overtime							New finding: Factory has employed some juvenile workers under age 18 without providing special protections as required by law: working 7 hrs with full pay, no OT, no hazardous chemicals etc.	ווג	Factory shall transfer the juvenile workers to positions that comply with the legal requirements. In addition, factory shall make retroactive compensation of OT premium for the extra hour of work worked daily since the worker was employed. The recruitment staff shall be re- trained on factory's recruitment policy and procedures, as well as local guidelines. Deadline: September 30, 2006.	 (December 19, 2006) 1. Factory moved juvenile workers to positions that comply with legal requirements and enforced juvenile labor policy. 2. Factory has paid retroactive compensation payment for worker. Payment records on file. 3. Recruitment staff had monthly reports to HR/GA Manager on the implementation of juvenile labor policy. 	c tr	Training relating to juv enile workers policy has been conducted for supervisors and manager. Training plan and raining documentation in place for verification (as mentioned above in row 14)	Doc and place Com	npleted							
Every employee will be treverbal harassment of abuse Progressive Discipline	eated with respect and dignity. No employee will be subject to any physical, sexual, psychological or se. Article 85 of the labor code: Dismissal shall be applied a discipline using steps such as verbal warning, suspension, termination. Any exceptions to this rule, e.g., immediate termination of theft or assault, shall be in writing and clearly communicated to workers. Factory dismissed workers for infractions not included in written policies & work rules in violation of code and local law. Discipline using steps such as verbal warning, suspension, termination. Any exceptions to this rule, e.g., immediate termination of theft or assault, shall be in writing and clearly communicated to workers. Factory dismissed workers for infractions not included in written policies & work rules in violation of code and local law. Discipline using steps such as verbal warning, suspension, termination. Any exceptions to this rule, e.g., immediate termination of theft or assault, shall be in writing and clearly communicated to workers.	nent interviews, HR	d r b a f r r i i r t (((c a a r r s	Factory management explained that the 3 workers dismissed because of (case #1) using fake personnel records, (case #2) misusing fire alarm, (case #3) not being cooperative with security guards (food not allowed in factory, but worker threw food with rice into face of security guard when reminded of this regulation). Factory alleges that these infractions are included in recruitment policy, security policy, factory regulations, and that Article 85 of labor code allows them to dismiss an employee who breaches 2 rules (case #3 - bringing food & serious harassment) or commits conduct which is seriously detrimental to the assets or wellbeing of company (Case #2). Reebok requests that factory add language to their policies stipulating that workers may be dismissed for presenting falsified documents during the recruiting process.31-Mar		(March 18, 2005) Reebok monitor has reviewed factory policies and found that recruitment policy has now been updated to include presentation of falsified personal identification as a prohibited behav ior warranting dismissal. All other behav iors causing dismissal of workers found by auditor are also documented in factory regulations as indicated by the factory. (March 18, 2005) Documentation review: Revised recruitment policy and disciplinary measures on file. The revised policies were seen posted on bulletin boards.		 No improvement. Factory has experienced many cases of workers applying using false documents and adopted practice of terminating such workers. However, factory has reclear written policy governing such cases to allow the to terminate these workers under local law. Some workers disciplined for various offences not covered by company's work rules and discipline policies, including "signing OT sheet, then not working OT", "selling sweets/cookies in factory", "not followin overseas manager's production demand", etc. As per local law, disciplinary actions should be take for infractions of company's written work rules. Thes should be clearly communicated to managers, worke and all parties. Serious disciplinary actions such as termination must be handled according to proper lega procedure including violation record, verification meeting record with the participation of Trade Union i accordance with local law. 	and document review no hem t t sen ers al	Dismissal in case of falsified records found was already stated by the factory's recruitment policy and procedures, but not in the registered work rules. Factory shall update this issue, along with the other violations (not working OT after signing OT sheet, selling goods in the factory, etc.) in its work rules. Once completed, updated work rules should be submitted to the authorities for approv al. Any violation that is not in the "approv ed" work rules should not be handled as a termination. Deadline: September 30, 2006.	(June 08, 2007) 1. Work rules were updated and approved by the labor service in January 2007. The factory management has also requested to the HR staff to work closely with the union representatives in all the dismissal cases. 2. Discipline records were reviewed, but no noncompliance was found.	h H 2 g U	 I. Record found that Disciplinary and Dismissal process has the participation of Trade Union Representative and HR representative. 2. Also, work rules from page 42 to 48 explains the grievance process in which workers may contact the Trade Jnion, HR or adidas/Reebok SEA for any complaint if worker found disciplinary action unfair. 		npleted							
Physical Abuse	Article 7.3 of Decree No.41/CP dated 6 Jul 1995: All acts offending either the body or the dignity of the workers in the course of application of disciplinary measures are prohibited. Art.5.2 of labor code: Maltreatment of workers and the use of forced labor in whatever form are prohibited. Employers will not use physical discipline). Reports of physical contacts / assaults Complaint manageme interviews	nent & union inv estigating two incidents view involving rimanagers & consumer supervisors. rimeasures needed.	clear non-harassment policy in which includes a procedure, for reporting system, and disciplinary methods. Non- retaliation pledge is also posted in every where. A senior manager is assigned to be responsible for all aspects of non-harassment. Yet, the policy has not been strictly implemented.	Factory must develop a detailed written action plan, including implementation deadlines, addressing the following: (1) organization chart must assign accountability for all aspects of proper implementation of policy, including specific consequences for improper implementation; (2) restructuring the problem-solving committee to ensure active participation of the union and workers; 3) identifying qualified trainers to conduct quarterly manager/supervisor trainings on non- harassment (w/ focus on cultural differences and behaviors). Training schedule for upcoming 12 months must be submitted; (4) specific plan to enforce the disciplinary consequences must be developed, including monthly meeting to review and confirm enforcement, and (5) accountability must be assigned for documenting all actions in a systematic and transparent manner.		(March 18, 2005) Factory re-established and restructured org chart for Problem Solving Committee to include clear accountability and ensure activ e participation of Union and workers. Human Rights dept will conduct 4 trainings for local supervisors/managers and expats in 2005. Human Rights dept, Human Resources dept and Union have met twice since Jan 05 to discuss disciplinary issues, howev er, enforcement plan needs revision. Individual in Human Resources dept now accountable for documentation. (August 23, 05) Factory conducted a number of trainings on the Saturdays of July and August for the supervisors, managers, and expats.(March 18, 2005) Training documentation review: Pictures and training material for local supervisors/managers in Feb. 2005. (Aug. 23, 2005) Reebok monitor reviewed factory's training material and pictures.																
Training of Management in Disciplinary Practices	Image:	nent interviews, HR	۲ s s	Factory must develop clear procedures on disciplinary practices, communicate these procedures to both supervisors and workers in writing. Factory should submit a plan for training supervisors and managers on appropriate disciplinary practices.		March 18, 2005: Factory has developed clear policies and procedures regarding disciplinary practices. Human Rights dept has submitted a plan to conduct 4 trainings on harassment, particularly disciplinary procedures, for both local and expat supervisors and managers throughout 2005.(Jan. 15, 2005) Factory nor harassment trainings plan 2005 on file.(May 18, 2005) Training material and pictures hav e been reviewed.been reviewed.(Aug. 23, 2005) Factory conducted a number of trainings on the Saturdays of July and August for the supervisors, managers, and expats.(Aug. 23, 2005) Reebok monitor reviewed factory's training material and pictures.		Verified. Training was conducted to managers and supervisors on disciplinary procedures. However some further training may be needed to address new work rules to comply with local legal procedures (as noted above).	and document w review		(June 08, 2007) Work rules were updated and approved by the labor service in January 2007.	w 2 ir V c 3 c	 I. Training on new work rules had been conducted to all vorkers including new workers. 2. Documentation of worker's signature has been recorded n place for verification. Work Rules have been distributed to each workers to consult should they need to. 3. PC checked disciplinary document and found some case supervisor/line leader had been disciplined due to their nisbehavior or overriding of power. 	tation Com	npleted							
Record Maintenance	Art.87.4 of labor code: A record on the proceeding concerning disciplinary action shall be made. Employers will maintain written records of discipline files are often incomplete, lacking history of previous warnings or offenses. Discipline files are often incomplete, lacking history of previous warnings or offenses. Discipline files are often incomplete, lacking history of previous warnings or offenses. Discipline files are often incomplete, lacking history of previous warnings or offenses. Discipline files are often incomplete, lacking history of previous warnings or offenses. Discipline files are often incomplete, lacking history of previous warnings or offenses. Discipline files are often incomplete, lacking history of previous warnings or offenses. Discipline files are often incomplete, lacking history of previous warnings or offenses. Discipline files are often incomplete, lacking history of previous warnings or offenses. Discipline files are often incomplete, lacking history of previous warnings or offenses. Discipline files are often incomplete, lacking history of previous warnings or offenses. Discipline files are often incomplete, lacking history of previous warnings or offenses. Written records of discipline to managers are not kept. Image: Discipline files are often incomplete, lacking history of previous warnings or offenses. Discipline files are often incomplete, lacking history of previous warnings or offenses. Bistory of previous warnings or offenses. Image: Discipline files are often incomplete, lacking history of previous warnings or offenses. Image: Discipline files are often incomplete, lacking history of previous warnings or offenses.	nent interviews, HR nterviews r r c r r e a a t t	clear non-harassment policy ir which includes a procedure, f reporting system, and disciplinary methods. Non- retaliation pledge is also posted ir every where. A senior manager is assigned to be responsible for all aspects of non-harassment. Yet, the policy has not been strictly implemented.	Factory must develop a detailed written action plan, including implementation deadlines, addressing the following: (1) organization chart must assign accountability for all aspects of proper implementation of policy, including specific consequences for improper implementation; (2) restructuring the problem-solving committee to ensure active participation of the union and workers; 3) identifying qualified trainers to conduct quarterly manager/ supervisor trainings on non- harassment (w/ focus on cultural differences and behaviors). Training schedule for upcoming 12 months must be submitted; (4) specific plan to enforce the disciplinary consequences must be developed, including monthly meeting to review and confirm enforcement, and (5) accountability must be assigned for documenting all actions in a systematic and		(March 18, 2005) Factory re-established and restructured org chart for Problem Solving Committee to include clear accountability and ensure active participation of Union and workers. Human Rights dept will conduct 4 trainings for local supervisors/managers and expats in 2005. Human Rights dept, Human Resources dept and Union have met twice since Jan. 2005 to discuss disciplinary issues, however, enforcement plan needs revision. Individual in Human Resources dept now accountable for documentation. (Aug. 23, 2005) Factory conducted a number of trainings on the Saturdays of July and August for the supervisors, managers, and expats.(Jan. 15, 2005) The factory organization chart of the problem-solving committee and factory's 2005 training plan on file. (March 18, 2005) Training documentation review: Pictures and training material for local supervisors/managers in Feb 2005. (Aug. 23, 2005) Reebok monitor reviewed factory's training material and pictures.		Completion Verified. Discipline files have generall been improved and some cases of discipline to forei managers have been documented. Further attention needed to following local legal procedures (as noted above).	eign n	Please see above remediation	(June 08, 2007) Work rules were updated and approved by the labor service in January 2007.	-	Record of disciplinary actions are available and in place with complete process including investigation process.	Com	npleted							
Verbal abuse	Art.5.2 of labor code: Maltreatment of workers and the use of forced labor in whatever form are prohibited. Employers will prohibit screaming, threatening, or demeaning verbal language Factory has received complaint reports of verbal abuse, but has failed to take action or document discipline of supervisors/managers in these cases. Complaint managemer reported in but says th fix*	nent admits issue management hav e not been v this is "not easy to fully investigated, resolved or disciplined. Documentation lacking. t	t The factory has developed a clear non-harassment policy which includes a procedure, reporting system, and disciplinary methods. Non- retaliation pledge is also posted every where. A senior manager is assigned to be responsible for all aspects of non-harassment. Yet, the policy has not been strictly implemented.	transparent manner.15-DecFactory must develop a detailed written action plan, including implementation deadlines, addressing the following: (1) organization chart must assign accountability for all aspects of proper implementation of policy, including specific consequences for improper implementation; (2) restructuring the problem-solving committee to ensure active participation of the union and workers; 3) identifying qualified trainers to conduct quarterly manager/ supervisor trainings on non- harassment (w/ focus on cultural differences and behaviors). Training schedule for upcoming 12 months must be submitted; (4) specific plan to enforce the disciplinary consequences must be developed, including monthly meeting to review and confirm enforcement, and (5) accountability must be assigned for documenting all actions in a systematic and transparent manner.15-Dec		(March 18, 2005) Factory re-established and restructured org chart for Problem Solving Committee to include clear accountability and ensure active participation of Union and workers. Human Rights dept will conduct 4 trainings for local supervisors/managers and expats in 2005. Human Rights dept, Human Resources dept and Union have met twice since Jan. 2005 to discuss disciplinary issues, howev er, enforcement plan needs revision. Individual in Human Resources dept now accountable for documentation. (Aug. 23, 2005) Factory conducted a number of trainings on the Saturdays of July and August for the supervisors, managers, and expats.(Jan. 15, 2005) Factory trainings plan 2005 on file. (May 18, 2005) Organization chart of the problem-solving committee reviewed by Reebok monitor. (Aug. 23, 2005) Reebok monitor reviewed factory's training material and pictures.	n g	Improved, but not complete. There have been som cases outstanding in which local supervisors abused workers, as confirmed by HR team's internal investigation, but in some cases these supervisors received only oral (not written) warning.	d worker interview		(June 08, 2007) Work rules were updated and approv ed by the labor service in January 2007.	p T 2 a h f 3	 I. Factory has a documentation of disciplinary actions in place for verification. Documentation indicates that the frade Union participates in disciplinary process. 2. From year to date there is total 70 cases of disciplinary action applied for supervisors (for various mistakes and harassment or abuse). One dismissal case in 2007 applied or expat Manager and 3 warning letters. 3. Disciplinary policy applied for supervisor and manager were included in Chapter II of Human Right Work Rules. 	Iry record Com	npleted							
Other	Suggestion Boxes & Grievance System Suggestion boxes exist but lack policies, procedures or instructions to insure effective system. Some boxes are labeled for Union, others for Reebok, with no real distinction and no individual/ dept. responsible for the system. Replies to workers' letters are not recorded effectively. Factory lacks adequate process/ procedures to insure a functional grievance system. Complaint response, visual inspinate complexity of the system. Complaint response, visual inspinate complexity of the system. Complexity of the system.	, Mgt interviews, spection. No one responsibility or	c n p	Factory to develop procedures to ensure each compliant is adequately investigated and post policies near each suggestion box. Suggest that Union assign a person to be accountable for investigating each compliant and keeping all necessary documentation on file.		(March 18, 2005) Factory developed problem solving committee and Union has assigned an individual responsible for checking boxes, investigating each compliant, and keeping all documentation on file. Reebok also has additional boxes throughout the factory that are checked by Reebok staff should workers choose to contact Reebok directly. Instructions and procedures are posted over each suggestion box so that worker understand whether complaints are being received and handled by the Union or by Reebok. (May 18, 2005) Organization chart of the problem-solving committee and copy of Instructions and procedures are posted over each suggestion box so that worker understand whether complaints are being received and handled by the Union or by Reebok.		Improved, but not complete. Suggestion box syste appears functional, but the system remains unclear and poorly explained. 10 suggestion boxes are prese 6 labeled for factory and 4 for Reebok. Some boxes hav e accompany ing instructions, but others do not. member from Reebok HR team collects all letters weekly, but there is no practical difference between these 2 sets of boxes. Signed complaints are investigated and replied to. Unsigned complaints receive no response. Grievance system appears to improved and functional, but could be more effective Workers do not always receive timely feedback on corrective actions.	ent, s A b be ve.		 (December 19, 2006) 1. Reebok-labeled suggestion boxes in the factory were changed to factory ones with instructions posted. However, some suggestion boxes, particularly the ones in washrooms, lost the instructions. Factory have the instruction re-posted immediately. 2. Records demonstrated that the management is responding to workers complaints/griev ances, including the general unsigned complaints. However anony mous reports on abuses were not addressed due to no specific information. 	2 w f; 7 3 9 tc 4 tc tf	 1. Observation found that instruction on suggestion boxes are clearly posted in the washrooms and production floor. 2. Grievance Process had been mentioned in Work Rules with Flow Chart to demonstrate the grievance steps to acilitate the understanding from worker (page 47 & 48 of Work Rules.) 3. Grievance system in place in which the record of each process has been documented with the worker's signature o acknowledge the case has been satisfactory solved. 4. Based on grievance documentation , some cases related o anony mous reports on abuses have been resolved by he factory by publicizing the investigation result on the bulletin board based on the workers' s survey questionnaires. 	es and on Letter	npleted							
	to any discrimination in employment, including hiring, salary, benefits, advancement, discipline, on the basis of gender, race, religion, age, disability, sexual orientation, nationality, political opinion, or																					
or occurring in the course	Article 98.2 of labor code: the workplace, machine All documents required to be available to workers equipment installations, and places and management by applicable laws (such as a sub-			Factory shall provide instructions in Vietnamese at 15-Dec		(March 18, 2005) Factory posted fire alarm instructions March 18, 2005: Visual		Partial improvement. Vietnamese instructions have			(December 19, 2006)	Completed		Com	npleted							
Accessibility	sites and equipment installations, and places holding dangerous and harmful factors within the enterprise must arrangements to prevent risks of accidents, and signboards carrying instructions on occupational safety and hygiene must be posted at places where they can easily noticed and read.and management by applicable laws (such as policies, MSDS, etc.) shall be made available in the prescribed manner and in the local language or language spoken by majority of the workers if different from the local languageSome alarms located outside are not operational but lack any sign to indicate these are not working alarms.	ii ii a b	interviews from time to time	each fire alarm. Non-operational alarms must be removed or marked as such. Factory must continue to train all employees regarding fire safety procedures on an ongoing basis.		in Vietnamese and removed all non-operating alarms. Factory has a plan to train all employees on fire safety procedures three times in 2005. Factory also has an internal auditing schedule for checking alarms on a regular basis. inspection and interviews by Reebok monitor verified factory has adequately resolved fire alarm violations.		been posted on some fire alarms but many are still lacking instructions, both inside and outside the factory, where alarm units are labeled in Korean only All alarms are reportedly in working order, though sor sound alarm only for one factory area, while others sound alarm for the full factory.	y. ome	to the central alarm system and audible in the entire factory. Vietnamese instructions shall be posted on all fire alarms. Deadline: September 30, 2006.	 All fire alarms in all 5 floors were connected to the central alarm system and audible in the entire factory. Vietnamese instructions were posted on all fire alarms. 											
Safety Equipment	ensure that machinery, equipment, workshops and storehouse are checked and repaired periodically in accordance with occupational safety and hygiene standards. fighting equipment, first aid kits, etc.) shall be in place, maintained as prescribed and accessible to the employees of the employees o	terview	chemical storage areas only . e Extinguishers in production areas w are clear and unblocked. n a c	Factory must extend system for maintaining fire extinguishers charged, unblocked and visible to warehouse and chemical storage areas. Factory must submit to Reebok photos of unblocked and clearly marked extinguishers and the name of person accountable for checking extinguishers in these areas on a monthly basis.		(March 18, 2005) Factory has hired several new personnel in their human rights department (since audit hav e to increase HR staff from 2 to 5). One new member of the HR dept is responsible for inspecting all fire extinguishers, including those located in the warehouse and chemical storage areas, on a monthly basis. Fire extinguishers are now all clearly marked and unblocked. March 18, 2005: Visual inspection of fire extinguishers and meeting with new person accountabl for fire safety confirmed appropriate action has been taken.	e	Partial improvement. Fire extinguishers no longer blocked or hidden; most checked regularly, at least in production areas. However, system for checking and maintaining fire extinguishers still needs improvemer Monitors checked about half dozen units in different areas and found 3 had been checked recently (June 10, 2006). However, 1 of these (factory 2) had been discharged. Security noted this issue, but non- functional extinguisher left in place and not removed replaced. 1 unit in materials warehouse not been checked in over 1 month (May 10, 2006). Both units chemical store had not been inspected for a long period of time. 1 unit last inspected Nov. 12, 2005; other unit had no inspection tag at all.	in nd ent. t e n d or s in	A managerial staff or the safety officer must be assigned responsibility for checking the checklist of fire extinguishers to ensure that all of them get checked monthly. Monthly checks should be scheduled ahead of time. Person in charge shall be disciplined in case of infraction. Deadline: September 30, 2006.	 [Employ ee name] appointed to be in charge of supervising 3 staff for checking the checklist of fire extinguishers daily. Records of daily checks kept on file. 	Completed		Com	npleted							
Safety Equipment	Article 98.1 of labor code: the employ er must ensure that machinery, equipment, workshops and storehouse are checked and repaired periodically in accordance with occupational safety and hygiene standards. All safety and medical equipment (such as fire fighting equipment, first aid kits, etc.) shall be in place, maintained as prescribed and accessible to the employ ees First Aid boxes are mostly empty or unstocked. Clinic is too far from many risk areas to be easily accessible. Visual insp officer inter officer inter areas to be easily accessible.		ti d a ir a v f t	The factory must develop a system for ensuring that the kits remain fully stocked after use, including designating staff to conduct regular inspections of first aid kits. This responsibility must be included in these individuals' job descriptions and they must be held accountable for poor performance. Stretchers and wheelchairs must be available in each workshop, and first aid trained in emergency procedures including how to handle stretchers/wheelchairs. Factory may consider establishing another clinic or moving the clinic to the central area.		(March 18, 2005) Factory has an internal checking system and has designated 1 staff on production floor to inspect first aid kits on a daily basis and 1 staff member to audit this system regularly. Stretchers and wheelchairs are set in each workshop. Factory set-up training program to train workers in first aid 4 times in 2005 by a specialist. Clinic, which is located approx. 700m from production areas, will not be relocated. In an emergency, with use of stretchers or wheelchairs, workers can reach the clinic within 3-5 minutes.March 18, 2005: Effectiveness of new inspection system verified by visual inspection of first aid kits, and interviewing of staff. Reebok monitor confirmed placement of stretchers and wheelchairs through visual inspection. Training plan for 2005 on file.	t	No improvement. Factory has provided stretchers and wheelchairs to transport injured workers to the clinic, which is over 700m away in some cases. However all first aid boxes remain empty and not re- stocked. Management reports that boxes are emptie by workers within 1 hour of restocking.	e- ied	Since management reports that boxes are emptied by workers within 1 hour of restocking, factory shall find a better way to manage the first aid boxes, such as locking them and hanging the keys in places that are easily accessible to workers. In addition, factory nurse should continue to check first aid kits on a weekly basis, and restock as needed. Deadline: September 30, 2006.	 (December 19, 2006) 1. [Employ ee name] appointed to be in charge of supervising 3 staff for checking the checklist of first kit boxes daily. 2. Records of daily checks kept on file. 	Completed		Com	npleted							

	Findings			Remediation	[Status	s] Updates	Third-Party Verification (IEV)	Company Verification Follow	up Updates	[Stat	us] Updates			[Status] Updates		Status] Upd	ates	Status]	Jpdates	[Status]
FLA Code/ Compliance issue Country Law/Legal Reference	FLA Benchmark Monitor's Findings: Noncompliance of Indicator	or Documentation (If finding corroborated/ verified via multiple sources, list all) If not corroborated, Best Prace	Actice PC Internal audit findings (Optional) PC Remediation plan Target Completion Date	n Factory Response (Optional)	Company follow up Documentation Pendin Ongoir	ed; g; Company Follow Up Do ng	ocumentation External Verification (June 14, 2006)	Documentation Company Follow up (August 10, 2006)	Company Follow-Up Documentation (December 19, 2006 and June 08, 2007)	Documentation Pend Ongo	eted; Company Follow-Up ing; (April 10, 2008) bing	Documentation T	Target Completion Date	ompleted; Company Follow Up Pending; Ongoing Characteria (Nov 21, 2008)	Documentation Target Completion Date Or	npleted; Company Follow Up ending; (Jul 24, 2009) ngoing	Documentation Target Co Documentation F Date C	mpleted; Company Follow Up ending; (Feb 4, 2010) engoing	Ta Documentation Com [Target Completed; pmpletion Pending; Date Ongoing
personal protective equipment.	Workers shall wear appropriate protective equipment (such as gloves, eye protection, hearing protection, respiratory protection, etc.) to prevent unsafe exposure (such as inhalation or contact with solvent vapors, noise, dust, etc.) to hazardous elements including medical waste.	ular officer interview, environmental safety testing	The factory must develop a plan, including 31-Dec implementation deadlines for: 1) developing a clear policy on PPE including: what type is used in each location, who dispenses it, how to change it, consequences for not implementing policy, including discipline for workers and their supervisors for not using proper PPE. 2) providing workers and supervisors with training in properly using PPE, in understanding of MSDS and in basic knowledge of chemical safety.		 (March 18, 2005) Factory has developed and posted a policy which requires use of hearing protection and gloves (among other forms of PPE). This policy does not specify additional protection. However, many workers still choose to wear masks and this practice is not prohibited. Reebok monitor verified factory has developed and posted policy. However, policy needs to be better communicated to workers. Factory intends to conduct first training on PPE use for workers on March 24-26, 2005. (June 22, 05) No completed PPE training conducted, except for new workers. Factory must extend trainings for workers and supervisors in properly using PPE on July 20-23. (March 18, 2005) Revised PPE policy and training material has been reviewed. No training documentation. (Aug. 23, 2005) Reebok monitor reviewed factory's training material and pictures. 		Partial improvement. There is no clear and adequate written policy on PPE. Training was provided orally to workers, but no documented training materials were available to verify contents. Use of PPE (hearing protection and gloves) appears somewhat improved but imperfect.	Visual inspection & record reviewFactory to improve its PPE policy by including what type of PPE is required in each factory location, how often PPE must be changed, who is responsible for providing PPE, and disciplinary policy for not following PPE requirements. In addition, factory management must provide training to workers and supervisors on proper use of PPE. Supervisors must enforce the use of all required PPE at all times. Training records must be documented. Deadline: September 30, 2006.	 (December 19, 2006 and June 08, 2007) 1. PPE policy is completed. It covers procedures and accountability. 3. Workers and supervisors were trained on PPE use. Training record is on file. 4. Supervisors are responsible of enforcing the use of the PPE 	Complete	d PPE Training is scheduled every 3 times/week as above mentioned in row 14, with documentation in place.	e Observation and Training Documentation	Com	npleted						
2003 prescribing and guiding the procedures for registration and expertise of assorted machinery, equipment, supplies and substances subject to	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 the safe use of chemicals and other hazardous substances some chemicals used inappropriately.	w/o officer interview, environmental safety testing	Reebok conducted the air quality testing in June 24, 2004, and found that the monitored workers in lamination had excessive chemical exposure. On Oct. 8, 2004, the factory submitted the action plan to improve the ventilation with the completion date on Nov. 30, 2004.Factory must ensure workers use appropriate PPE and ventilation in Laminating room/Silk screen room is improved per plan submitted to Reebok.15-Jan		(March 18, 2005) Reebok monitor confirmed through visual inspection that factory installed new ventilation system. However, the effectiveness of this improvement can not be verified until further air testing is conducted July. Air quality testing conducted in silkscreen area found acceptable exposure level of EF=.07. Reebok will conduct follow-up air testing in lamination and stock fitting to confirm that adequate changes have been made. Testing scheduled to be conducted in July 2005. (Aug. 23, 2005) Reebok monitor conducted an air testing on Aug. 23, 2005. Given that the results may be not accurate, particularly during the low production months of July and August, a re-testing will be conducted end of September.(March 18, 2005) Reebok monitor took pictures of factory improvements: exhaust ventilation system installed, adjustment of workspace and using of gravity-fed priming system.Pending for up air testing results	Illow ng	Partial improvement. Chemical safety has been improved, but remains problematic. Factory has new and improved exhaust ventilation systems in Silkscreen, lamination and stock fit areas. However no MSDS sheets at all posted in silkscreen areas or mixing room for inks. MSDS sheets are posted in stock fit areas but these do not always correspond to chemicals in use (i.e. bowl of Dply 233-BFU found in use with no MSDS. Another bowl of mystery chemical with no label found). Bowls are now covered, but bowls have not been placed in recessed holders at the level of work benches as requested by Reebok to reduce exposure of VOCs.	stations, as constant change of shoe models may result in changes of chemicals used in each line. He claimed production supervisors should be accountable. Factory to improve its chemical safety program that (i) includes def ining clear responsibilities, processes, records of new chemical purchasing; (ii) maintains all records for new chemicals, routine inspection, MSDS, inventory; and (iii) enhances	(December 19, 2006 and June 08, 2007) Factory is in the process of implementing OSHAS 18001, among which the chemical safety program is improv ed. 1. creating flow chart of chemical processes, and accountability 2. the Tech team is in charge of recording new chemicals. 3. training conducted and training records on file	Complete	 d 1. Randomly checked the production floor where chemical is used; found tha bowls containing solvent glue are fully covered. 2. PPE has been provided and is worn by most of worker 3. Reinforce extraction system had been installed 4. OHSAS 18001 and ISO 14001 certification were obtained on Feb 19-2008 	y spot check in Block A & B	Com	npleted						
2003 prescribing and guiding the procedures for registration and expertise of assorted machinery, equipment, supplies and substances subject to	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 the safe use of chemicals and other hazardous substances disposed of properly.	officer interview	As all chemicals used for the factory are flammable and hazardous, factory need not segregate chemicals. However, warehouse should be clearly marked to indicate contents are both flammable and hazardous. Additionally, factory must investigate why person accountable failed to dispose of empty containers properly and submit a plan to ensure this does not recur. Factory to consider buying more appropriate carts for transferring chemical containers and more training for designated individual.		(March 18, 2005) Factory classified and arranged chemicals. Factory has trained the staff who work in the chemical storage dept. Disposed empty containers are now collected by a Licensed company. March 18, 2005: Reebok monitor confirmed chemical handling and storage improvements through visual inspection of the chemical warehouse. Completed		Corrective Actions Verified. Chemicals have been reorganized and laid out according to a logical plan, separating water-based from solv ent-based chemicals. No empty chemical containers were visible.													
	All dormitories shall be kept secure, clean and have safety provisions (such as fire extinguishers, first aid kits, unobstructed emergency exits, emergency lighting etc.).Dormitory for 60 managers lacks sufficient exits, fire extinguishers, signs, lighting etc.Emergency evacuation drills should also be conducted at least annuallyDormitory for 60 managers lacks sufficient exits, fire extinguishers, signs, lighting etc.		Factory must submit an action plan to address all fire safety issues found in dorms referring to the RHRPS Guide 3.0 for specific requirements.		Factory installed 1 fire extinguisher in each room, and 2 fire extinguishers in each area. Also installed emergency lights, exit lamp at door, and fire alarm by Feb. 20. Beebok monitor confirmed adequate changes hav e been made to the dormitory.		Verified. Exits have been improved. Some exit signs and emergency lighting installed and several fire extinguishers are present. Government fire inspection on July 2005 did not cite any infractions in dormitory area.													
Worker Participation Joint Circular No.14/1998/TTLT/BYT-BLDTBXH- TLDLDVN dated 31 Oct 1998, instructing the implementation of labor protection in enterprises and business premises.	Workers should be involved in planning for safety, including through worker safety Safety Committee exists with some worker involvement, but no meetings held yet.	Records, management & Saf ety saf ety officer interviews Saf ety ormmittee is newly founded and has held no meetings.	Although the committee has not yet met, the factory should submit the committees' working plan.		Factory has completed working plan and will hold committee meetings on a quarterly basis with all necessary parties. First meeting held in January 2005.		No Improvement. Some trainings have been conducted for safety committee but no regular documented substantive meetings held.	Record review Safety committee must have periodic meetings and minutes of meeting must be documented. Committee's work plan including training program, shall be submitted by September 30, 2006.	(December 19, 2006) Saf ety committee's minutes of monthly meetings are kept on file. The committee members were also trained in ISO 14001.	Complete	 d 1. Factory has a total of 20 Safety Officers trained by [Training company name] and [Consulting company name] 2. Monthly meeting is conducted by the SEA Division Manager led by [Employee name]. 3. Most issues raised by safety committee will be reported to top management during monthly meeting and the follow up of the noncompliance findings have been monitored w an action plan with target for completion. 4. HSE monthly activities have been submitted to adidas SEA for documentation (Accident/Incident report, HSE activities & training, Environmental Indicator Report and Waste Management report) 	ne]. ted ow with is	Com	npleted						
7. Freedom of Association and Collective Bargaining Employers will recognize and respect the right of employees to freedom of asso	ociation and collective bargaining																			
Agent	In any case where the industrial relations system specifies certain unions as the exclusive bargaining agent, employers will not be required to engage in collective bargaining with other worker groups or organizations on matters covered by the collective agreement.	worker interviews					Follow Up CBA has been negotiated and signed on Oct. 2005.	Record review												
8. Wages and Benefits Employers recognize that wages are essential to meeting employees' basic need least the minimum wage required by local law or the prevailing industry wage, wh																				
	Employers will provide all legally mandated benef its to all eligible workers						New finding: Workers who were dismissed for being absent without permission for 20 day s/y ear were not paid sev erance allowance in violation of labor law.	Record review Factory to update its severance policy that workers dismissed for being absent without permission for 20 days/year are entitled to severance allowance. Staff shall be re-trained in updated policy. Deadline: September 30, 2006.	(December 19, 2006)Factory's sev erance policy is revised and communicated to HR staff during Nov ember meeting. HR staff were well aware of the revision during interviews.	Complete	d Factory has not yet updated the severance pay policy in the work rules applicable for workers who are dismissed f being absent without permission for 20 day s/year. According to the Articles 42 and 85 of Labor Code this dismissal category is still entitled to severance allowance	for	May 10-2008 Pend	ding - Documentation review reflected the severance benefit has been legally paid to worker who took 20 days vacation without permission and was dismissed on Nov 25, 2006. - The severance pay policy was still not updated in Company handbook y et. Factory has planned to do it on March 2009.	Documentation 30-Mar-09 Ongoi	 ng The severance pay policy has been included in the factory handbook under Chapter III/Article 15, and it follows: "Those workers who have fully given 12 more service and above will be entitled to severance pay applicable for workers are provided for being absent without permission for 20 as required by Articles 42 and 85 of Vn Labor Code is mentioned in the company handbook. SEA has suggested to the factory to add this poin Company handbook, and to ensure company regulate with it. 2. Factory should print handbooks and delive workers. 3 Trainings on company regulation and new handbook needs to be provided to all workers. All su training documents should be available for the next for the sector. 	ths of training plan training	 1) The severance pay applicable for workers who dismissed for being absent without permission for day s/y ear as required by Articles 42 and 85 of V Labor Code has been clearly mentioned under CH III/Article 25 and Chapter IX/Article 38/C3 in the or handbook. 2) Factory has printed out the employ ee handbood delivered to all workers (about 16,000 sets) in De Meanwhile, trainings on the new revised policy has been provided to totally 14,500 current workers. I 5,178 newly hired workers have been trained from to Jan 2010 with all training records av ailable. Ra interview with 5 production line workers (2 old and indicated full understanding of this new revised policy has printed full understanding of this new revised policy has indicated full understanding of this new revised policy has provided full understanding of this new revised policy. 	20attendance lists, training20attendance lists, training20quiz, training evaluationapterformsapterformsand, 2009.addition,, 4000Nov 2009, 4000dom, 40003 new), 4000	9 Completed
Legal Compliance for holiday/leave Article 74 of labor code: 14 working days of annual leave for employees working in heavy, toxic or dangerous jobs, Other Other	Workers will be paid for holidays and leave as required by law Factory fails to provide 14 days leave for hard/hazardous jobs as required by law. Other Other	Records review, union, management & worker interviews Records review, management interviews Factory exceed required allowar provisions for transportation, attendance, back	eds legally ance				Verified. Factory policies on leave days now comply with local law.	Record review & worker interview			Chapter IV, point 18 of Work Rules regarding Work time and Break time, states that workers in production are entitled to have 14 day annual leave. Check on payroll, factory has categorized payment of heavy and harmful jobs based on the Decision 1629/DQ-CP and 190/DQ-CP		Com	npleted						
		attendance, na work and provid tampons for fe workers.																		

FLA Code/ Compliance issue	Finding Country Law/Legal Reference FLA Benchmark	Image: second system Monitor's Findings: Noncompliance or Indicator Documentation (If finding corroborated/ verified via multiple sources, list all) If not corroborated, explain why Best Practice	PC Internal audit findings (Optional)	PC Remediation plan Date	Remediation On Factory Response (Optional)	Company follow up	[Status]DocumentationCompleted; Pending; Ongoing	Updates Company Follow Up Documentation	Third-Party Verification (IEV) External Verification (June 14, 2006)	Documentation	Company Verification Follow upCompany Follow up (August 10, 2006)Documentation	Updates[Status]OnCompany Follow-Up (December 19, 2006 and June 08, 2007)DocumentationCompleted Pending; Ongoing	Updates ; Company Follow-Up (April 10, 2008)	Image: DocumentationTarget Completion DateComplete Pending Ongoing	s] Updates ed; g; lg (Nov 21, 2008) Documentation	arget Completion Date	Updates Company Follow Up (Jul 24, 2009) Docu	nentation Target Completed; Date Ongoing	Updates Company Follow Up (Feb 4, 2010)	[Status]DocumentationTarget Completion DateCompleted; Pending; Ongoing
week and 12 hours overtime of where the laws of such count (ii) be entitled to at least one Overtime Limitations	 Labor Code, Article 69: An employ er and an employ ee may agree on additional hours worked is no more than 4 hours a day or 200 hours annually, except in a number of special cases where number of additional hours worked is no more than 300 hours annually as stipulated by the Gov ernment after consulting the Vietnam General Conf ederation of Labor and representatives of employees. Except in extraordinary business circumstances. employees will (i) not be required to work more than 4 hours a day or 200 hours annually, except in a number of special cases where number of additional hours worked is no more than 300 hours annually as stipulated by the Gov ernment after consulting the Vietnam representatives of employees. Except in extraordinary business circumstances. employees will (i) not be required to work more than 300 hours annually as stipulated by the Gov ernment after consulting the Vietnam representatives of employees. Except in extraordinary business circumstances. employ ees will (i) not be required to work more than 4 hours a day or 200 hours annually, except in a number of special cases where number of additional hours worked is no more than 300 hours annually as stipulated by the Gov ernment after consulting the Vietnam representatives of employees. 	OT exceeded code & legal limits in a few instances in April, May, August, & September. Records review, management interviews Irr Interviews Interviews	on keeping working hours to 60 hours per week and legal limits per y ear is a difficult achiev ement for most factories, Reebok is allowing an implementation period for factories to meet this standard,		posted it on this issue. Factory commits to enforcing Reebok's working hour policy and will submit monthly ov ertime records to demonstrate compliance with local la and Reebok standard beginning Jan 1, 2005. If necessar for a worker to exceed 60 hours/week due to extraordina	and the legal limit of 300 OT hrs/year. Working hours reports sent monthly to Reebok. (March 18, 2005) Document review confirmed by worker interviews confirm factory is complying. Factory working hrs reports verified monthly by Reebok monitor. Part of the	working hour reports and all sanction plan for use of sanction funds funds are maintained at Reebok headquarters office.		OT hours improved. Factory time and payroll records provided to monitors show no cases of excess OT for production workers.				 adidas SEA had issued Warning Letter 1 to the factory in September 2007 due to excessive OT and Sunday wor Factory committed to immediately remedy this issue and has submitted to adidas SEA a monthly forecast of 0 for verification. Factory was also aware that any application for Sunda Work should be informed and applied to adidas Sourcing before implementation. 		 OT policy has been revised, which includes that OT is voluntary, will not surpass 12 hours per week or 300 hours per year. Documentation review and worker interview reflected OT request has been communicated to workers 1 day in advance. Accordingly, OT Voluntary Registry Form was signed by workers at 2pm daily. Bad practice of implementing disciplinary actions when worker refused OT has been removed; OT is voluntary, workers absolutely can refuse OT even when they already signed up (unless they communicate in advance for easier workload arrangement, but this suggestion was not mandatory). 	ay 10-2008 Completed				
	Labor Code, Article 72: In every week, each employ ee shall be entitled to a break of at least 1 day (24 consecutive hours). Except in extraordinary business circumstances employ ees will (i) not be required to work more than the lesser of (a) 48 hours per week and 12 hours overtime or (b) the limits on regular and overtime hours allowed by the law of the country of manufacture or, where the laws of such country will not limit the hours of work, the regula work week in such country plus 12 hours ov ertime; and (ii) be entitled to at least one day off in every seven day period. An extraordinary business circumstance is a temporary period of extra work that could not have been anticipated of alleviated by other reasonable efforts	7 in violation of code & legal limits in a few cases in May, August, & September.		All instances of Sunday work must receive prior approval by Reebok, and workers must receive a compensatory day off. Any further Sunday work without prior Reebok approval will result in an additional Sanction that Benefits workers.	implementation. However, in the few instances found, production managers required particular workers to do samples or preparations without any prior notice to HR department. According to management, workers given compensation time off, but refused to take it. Factory commits to enforcing Reebok's working hour policy. Workers that work on Sunday compensated a day off an submitting monthly OT records to demonstrate compliance with local law and Reebok standard beginning	 managers. Those who violate the policy shall be disciplined. [Training document review] (June 22, 2005): [Document review of the last 6 months, confirmed by workers] Factory operated on Sunday April 24. This was approved by Reebok. Part of the sanction was used in April-May, the rest will be used before August 30, 2005. (Aug. 23, 2005) Due to safety concerns raised by union and Reebok Vietnam office, the factory canceled the outing trips, and is instead using the funds to construct play grounds and bike maintenance/repairing shop for the workers. Anticipated completion date: Sept. 20, 	documents by Reebok all sanction monitor and document funds review of working hour records from January to June 2005	1	OT hours improved. Factory time and payroll records provided to monitors show no cases of Sunday OT for production workers.	Record review & worker interview			 Found many Sunday work from Jan to July of 2007 without any approv al from adidas. By this non complianc issues adidas SEA had issues Warning Letter 1 to the factory in September 2007 relating to this excessive OT and work on Sunday. Factory must set up the clear policy about OT in which OT must be approved by Factory Management, not by supervisor or line leader Amend in the Work Rules that Sunday work is not only be paid 200% but worker who works on Sunday are also entitled to one day off-without paid- as compensation for Sunday worked. 		 Documentation review and worker interview reflected overtime status have been checked and are now approved by personnel supervisors and admin. manager, not by any line leaders or production supervisors. As per suggestion, monthly forecast of OT the monthly is being submitted to adidas' SEA Team for OT for verification. Statistic from 2008 reflected that Factory has strictly followed adidas requirements for Sun works. Accordingly all necessary Sun work has been fully communicated and requested to adidas Sourcing before implementation. Because the big quantity of handbooks that have been printed for 2008, handbook has not been revised as factory would like to use all remaining copies. The deadline to update handbook is March 2009. However, each training session for current workers and newcomers, include training on compensation for OT work during rest day by HR and factory compliance team 	not loca folk regu Prin Sep regu of S - W the 200 SEA com app	The Company handbook has been revised on April 4, 2009 but of yet printed out. As informed by Industrial Zone all enterprises cated in this area need to update their company regulations ollowing the standards. As per the plan, Factory will submit their egulation to the Industrial Zone for approval by Aug 15, 2009. Trinting plan for handbook will therefore be delayed until early eptember 2009, training for all workers on new revised factory egulations and hand book will be conducted during second week if September 2009 Work Rules has not updated in the factory handbook to include the policy that when workers work on Sunday are not only paid at 200% as required by the Law but also entitled to one day-off. EA has suggested to the factory to include this point in the company handbook, such policy should be reviewed and oproved before printing schedule is completed. Also trainings on his new rule need to be provided to all workers and management	ok n sement of ach al Zone	 Factory has submitted their regulation to the Industrial Zone for approval on Aug 15, 2009 and received written approval from the Industrial Zone Management on October 20, 2009. Printing of employ ee handbook was finished on Oct 2009. As stated above, 100% of the workforce received the handbook. Also training on these newly revised factory regulations and handbook has been fully conducted with all supported documents available. Work Rules indicating that Sunday work is paid at 200% in addition to receiving a day off, as required by the Law has been updated in the Factory handbook (under Chapter V, Article 21, Point 2) and in the CBA (under Chapter IV, point 18). This policy has been approved by Industrial Zone Management on Oct 20, 2009. Trainings on this new rule have been provided to all workers and management from early Nov to Jan 2010 with all training records available. 	training records, written approv al of factory handbook and regulation
	Art.115 of labor code: a female employ ee nursing a child under 12 months of age shall be entitled to 60 minutes off in every working day with full pay. The factory will comply with all applicable laws gov erning work hours, including those regulating limiting the nature and volume of work performed by women or workers under the age of 18	management, supervisors leave cards to pregnant	r ; ,																	
Voluntary OT	Art. 69. Employ er and employ ee may agree on working ov ertime. Ov ertime hours worked in excess of code standard will be v oluntary	Factory policies and procedures on voluntary OT are insufficiently clear and documented with regard to discipline for workers who sign OT volunteer forms and subsequently refuse OT. In at least 3 cases reviewed, workers in this situation received discipline letters for refusing OT. One worker pledged in writing "I promise to work OT in the future, if I refuse again I will be punished to have salary decrease for 6 months." Such cases indicate a voluntary OT system that is unclear and open to potential abuse.Interviews with management supervisors and workers, discipline recordsFacility has systems to request volunteer OT, but some evidence of pressure to work OT						i i i i i i i i i i i i i i i i i i i	Voluntary OT policies & procedures are adequate. Factory procedures on voluntary OT are clear. Workers sign up for OT daily. Workers who sign up for OT and then do not show up receive a warning letter. However, this discipline infraction is not written in the factory work rules as cause for discipline. Therefore these warning letters are improper under local law. (See discipline above)	& record review	W This discipline practice is already mentioned in the voluntary overtime policy, but not in the registered work rules. Factory shall update this in its work rules, and submit to the authorities for approval. Once OT policy is amended, factory management must verbally train all supervisors, managers, and workers on new OT policy. Deadline: September 30, 2006.	(June 08, 2007) Work rules were updated and approved by the labor service in January 2007.	 Disciplinary policy applied for supervisor who harass/abuse, force OT or threat to take action against al workers who refuse to work OT has not been added to the work rules. 2. Factory shall update this item in the work rules, and submit to the authorities for approval. Factory commits to post the OT regulation on the notic board by May 2008 Factory commits to update this policy in the work rules by June 2008 	ny e	 Disciplinary policy has been created for instances when supervisors harass/abuse other workers, force OT or threat to take action against any workers who refuse to work OT. Such will be included in the revised version of the factory handbook once policy is approved by government authorities. Factory had posted the OT regulation on the notice board from May 2008. 	clea sup wor fac thes Tra disc	Factory handbook/Chapter IX/Article 37/Point B/14&15 has early stated that the disciplinary actions will be taken if once upervisor surpasses his or her power to harass/abuse or threat orkers. However, forced OT or threat to take action against any orkers who refused to work OT weren't clearly stated in the actory handbook. SEA has suggested factory to review and add nese points into factory handbook before printing it out. Training on new revised factory handbook especially for sciplinary action should be provided to ALL workers, supporting bocuments of trainings should be available for next follow up	y draft ok g plan g materials ory on & factory ok	any workers who refuse to work OT mentioned in Factory handbook under Chapter IX, article 38- B, points 16 and 25. As stated above, factory has finished printing handbook and delivered such to ALL workers. To highlight voluntarily nature of OT, Chapter IV/ Article 17 mentions "As over- time- working needed, company will carry out the agreement with	attendance list, factoryhandbook delivery records,training evaluation forms,disciplinary records,complaint letters,disciplinary records fromSep 2009 to Feb 2010.
	Labor Code, Article 69: An employ er and an employ ee may agree on additional working hours provided that number of additional hours worked is no more than 4 hours a day or 200 hours annually, except in a number of special cases where number of additional hours worked is no more than 300 hours annually as stipulated by the Gov ernment after consulting the Vietnam General Conf ederation of Labor and representatives of employ ees.	Educational OT column used to conceal OT in excess of annual legal limits. Interviews with management supervisors and workers, pay roll & hours records		The factory must then commit to Reebok, in writing, to eliminate the practice. The elimination must be communicated to all employ ees.	communicated orally and written this issue to all workers	(Jan. 7, 2005) Factory submitted its overtime plan 2005, and commitment to strictly comply with 60 hrs work week and the legal limit of 300 OT hrs/y ear. (March 18, 2005) Though the factory was not able to achieve its overtime target as per the plan, no case exceeded 60 hrs/week.	by the union and workers	 	Educational OT category remains in use despite request from Reebok for it to be discontinued. Factory normally works OT on Monday, Wednesday and Friday. OT on other days is generally categorized as "Educational OT". This occurs regularly and frequently and constitutes a supplemental category of OT not recognized by local law. There were also some reports of workers attending trainings on Sunday, but these reports could not be confirmed or verified.		W Factory must eliminate the practice immediately. Company is considering issuing a warning for repeated violation.	A reminder message was deliv ered to the factory management during the meeting on September 22, 2006. Factory discontinued the practice as of August 2006. (June 08, 2007) PC's monitor inspected the factory working hours records during high production months April-June 2007, and found no more educational OT practice.	1. Monthly OT has been submitted to FO	5 s. iis	Documentation review reflected that monthly OT status has been checked and monitored by SEA, HR; also OT status has been submitted to SEA adidas monthly. Bad practice of forcing workers to arrive to work 15 min earlier has been immediately stopped. Documentation review reflected working hour regulation and OT trainings have been provided to all workers, supervisors and line leaders. Besides, all workers are always encouraged to directly voice their concerns to HR, SEA, Trade Union if they are forced to work 15 minutes before official working hours.	ay 10-2008 Completed				
	on for regular hours of work, employees will be compensated for overtime hours at such premium e country of manufacture or, in those countries where such laws will not exist, at a rate at least equ sation rate.											Image: Section of the section of th								