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## Fair Labor Association Accredits Reebok Program to Improve Conditions for Footwear Factory Workers

Reebok Becomes First Company to Receive FLA Designation

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Washington, D.C. – The Board of Directors of the Fair Labor Association (FLA) voted this week to accredit Reebok International Ltd.'s program to implement a rigorous workplace code of conduct in the footwear factories making the company's products. The vote followed FLA's extensive review of independent factory monitoring and verification reports of supplier facilities conducted by accredited external monitors, and a thorough audit of the monitoring protocols, training programs and auditing systems used for Reebok's footwear program.

FLA is a non-profit organization that combines the efforts of industry, non-governmental organizations, colleges and universities to promote adherence to international labor standards and improve working conditions worldwide. When a company's workplace standards program is found to be in substantial compliance with FLA requirements, it achieves the designation, *Fair Labor Association Accredited Compliance Program*.<sup>SM</sup> Participating companies designate which part of their business will be included and are given the choice of seeking accreditation after either a two- or three-year initial implementation period. Reebok chose to focus on its footwear factories and selected a two-year implementation period. Since other companies in the FLA selected the three-year period, Reebok becomes the first FLA company to have a program accredited.

"FLA's independent review of Reebok's compliance program indicates that the company comprehensively monitored its footwear facilities and exceeded FLA requirements," said Aurret van Heerden, FLA President and Chief Executive Officer. "Reebok footwear has been a leader in providing opportunities to workers in China to participate in forms of worker representation," van Heerden continued. "We hope to see the experience gained in Reebok's initiatives extended to more factories in China and to other countries as well."

Van Heerden further noted that Reebok's footwear compliance program provides factory workers with confidential reporting channels to report code concerns directly to local compliance officers, and the company's efforts to facilitate worker communication and representation programs in Thailand and Indonesia.

When a company joins the FLA, it commits to establish a workplace standards program that complies with FLA requirements, opting to implement the program during a two- or three-year initial implementation period. At the end of that period the FLA carries out an in-depth evaluation of the company's performance, and reports its findings in the FLA's annual public report. The FLA's second annual public report, which will be released in coming months, will report on each participating company and complements the FLA's tracking charts, which report on the monitoring of factories by the FLA's accredited independent external monitors. Public reports and tracking charts are published on the FLA's website.

In considering whether to accredit a company's labor compliance program in accordance with the FLA Charter, the staff and Board evaluate the extent to which a company has:

- Adopted and communicated the Workplace Code of Conduct to workers and management at applicable facilities.
- Trained internal compliance staff to monitor and remediate noncompliance issues.
- Conducted internal monitoring of applicable facilities.
- Submitted to unannounced, independent external monitoring visits to factories throughout its supply chain.
- Remediated noncompliance issues in a timely manner.
- Taken steps to prevent persistent patterns of noncompliance, or instances of serious noncompliance.
- Collected and managed compliance information effectively.
- Provided workers with confidential reporting channels to report on noncompliance issues to the company.
- Consulted with non-governmental organizations, unions and other local experts in its work.
- Paid FLA dues and met other procedural and administrative requirements.

The FLA Workplace Code of Conduct specifies compliance with forced labor, child labor, harassment, abuse, nondiscrimination, health and safety, freedom of association and collective bargaining, wages and benefits, hours of work, and overtime compensation.

Next year the program for Reebok's apparel product line and the compliance programs of other participating companies will be considered for accreditation. Accredited programs are reviewed for re-accreditation every two years.

For more information on FLA and its initiatives visit [www.fairlabor.org](http://www.fairlabor.org).

For more information on Reebok and its human rights programs, visit <http://www.reebok.com/x/us/humanRights/index.html>

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