



Reebok

Type of company: Reebok is now part of the adidas Group of companies. The information in this report card relates to its 2005 reporting.

Notes on Findings	Company Score	Question Weighting (% of section)
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1. Governance and Risk Management

1.1 Board level responsibility for ethical issues in the supply chain -No reported evidence of formal board sub-committee or board member with explicit responsibility for ethical issues in supply chain	0	40
1.2 Reporting of labour standards issues in the supply chain as a risk factor -No mention of labour standards issues as a risk factor	0	30
1.3 Risk analysis of labour standards issues in the company's existing supply chain -A risk analysis of labour issues in the supply chain is conducted. <i>p. 19, 2005 Reebok Human Rights Report</i> <i>(http://www.reebok.com/Static/global/initiatives/rights/pdf/Reebok_HRReport2005.pdf)</i>	100	30
Section total score / section weighting	30	X 10%

2. Code for Labour Standards in the Supply Chain

2.1 Quality and scope of the code for labour standards in the supply chain -There are "Human Rights Production Standards" which cover the core ILO conventions. - does not meet the hours of work standard (specifies 60 hours per week rather than 48 regular hours plus 12 hours overtime) - does not have a living wage standard	50	60
2.2 Publication and availability of the code for labour standards in the supply chain -Available on company website <i>http://www.reebok.com/Static/global/initiatives/rights/business/standards.html</i>	100	20
2.3 Application of the code for supply chain labour standards -Standards apply to entire breadth of production <i>http://www.reebok.com/Static/global/initiatives/rights/business/standards.html</i>	100	20
Section total score / section weighting	70	X 15%

3. Stakeholder Engagement

3.1 Multi-stakeholder processes -Member of FLA	100	30
3.2 Engagement with NGOs and/or trade unions relating to labour standards in the supply chain -There is evidence of engagement over time including in the country of supply <i>p. 22, 46-28, 53, 2005 Reebok Human Rights Report</i>	75	30
3.3 Worker and third party complaints - Workers and third parties have access to FLA complaints process. Local Reebok staff contact information is posted on factory walls. <i>http://www.reebok.com/Static/global/initiatives/rights/business/standards.html</i> - Reebok also reports that it refers complaints to local worker representatives to deal with management directly. (<i>http://www.reebok.com/Static/global/initiatives/rights/business/worker_empower.html</i>)	66.7	40
Section total score / section weighting	79.2	X 20%

4. Management

4.1 Resource commitment -VP of Human Rights Program reports to the CEO and Chairman of the Board <i>p. 85, 2006 FLA Annual Report</i>	100	25
4.2 Training for buying agents -"provide[s] human rights training for our sourcing and production teams, as well as external partners including agents and factory managers." <i>(http://www.reebok.com/Static/global/initiatives/rights/business/bcfret.html)</i>	100	25
4.3 Training for factory management personnel and workers -Requires factories to institute worker training programs on Reebok's standards and audits results. Various worker and management training programs reported consistently over a number of years, and factory management training stated as a key requirement of the Reebok labour standards compliance program. <i>FLA 2004 Report (http://www.fairlabor.org/2004report/companies/participating/complianceProgram_reeb.html) p. 86, 2006 FLA Annual Report; p.33 2005 Reebok Human Rights Report; http://www.reebok.com/Static/global/initiatives/rights/business/essay_fa.html</i>	100	25
4.4 Rewards and incentives -labour standards compliance is an explicit positive factor in decisions about where to place orders. <i>p. 10-14, 2005 Reebok Human Rights Report</i>	50	25
Section total score / section weighting		87.5 X 20%

5. Supply Chain Auditing and Reporting

5.1 Commitment to auditing labour standards in the supply chain -commitment to auditing across the entire breadth of the supply chain. <i>p.11,21, 2005 Reebok Human Rights Report</i>	100	15
5.2 Status of the audit schedule -an auditing work plan has been scheduled and is currently being implemented <i>p.32, 2005 Reebok Human Rights Report</i>	100	5
5.3 Public disclosure of manufacturing sites -Has disclosed the names and addresses of all manufacturing sites <i>www.reebok.com/static/global/initiatives/rights/pdf/reebok_hr_factorylists.pdf</i>	100	10
5.4 Transparency of the labour standards auditing methodology -The auditing methodology is publicly available and follows generally accepted practices <i>http://www.reebok.com/Static/global/initiatives/rights/business/factory_am.html</i>	100	15
5.5 External verification of labour standard audits -FLA external verification includes input from NGOs and unions onsite but it is unclear how systematic this third party involvement is <i>www.fairlabor.org</i>	66.7	5
5.6 Reporting the results of audits of labour standards in the supply chain -There is some disclosure and analysis of audit findings at the factory or supplier level. <i>http://www.fairlabor.org/all/transparency/reports.html</i> There is some reporting to workers but not audit results: "In 2003, we began to refer issues reported by workers to appointed workers' representatives and encouraged them to resolve issues directly with factory management. In these factories, management agreed to post the reported concerns and actions taken to address them on a notice board." <i>http://www.reebok.com/Static/global/initiatives/rights/business/worker_empower.html</i>	60	20
5.7 Dealing with non-compliance -There is a publicly available policy for handling instances of non-compliance and it includes a staged approach to dealing with violations. <i>p.23, 2005 Reebok Human Rights Report</i>	100	15
Section total score / section weighting		85.3 X 35%

Total Score 77 /100