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Forced Labor: Personal Worker Identification and Other Documents

F.15 Workers shall retain possession or control of their passports, identity papers, travel documents or any other personal legal documents. Employers shall not retain any such documents to restrict workers’ access to them for any reason whatsoever; including in order ensuring that workers shall remain in employment in the factory. (S) Employers may obtain copies of original documents for record-keeping purposes.

Noncompliance

Explanation: A review of workers’ files revealed that there were migrant workers whose passports were being kept by the management. However, monitors also found signed letters of consent from the workers allowing the factory to retain their passports for security purposes.

The workers said that they felt safe with this arrangement and were willing to keep their passports in the factory. Management stated that workers are able to access their original passport any time they wish. The workers’ passports are kept in the factory safe box, if workers would like to get it back then they have to go to HR to ask for it. The root cause of the concern is the lack of policy and procedure in implementing a system to manage and keep migrant workers’ passports in the work place.

Plan Of Action: The workers’ passports were returned, as of February 1, 2010. Workers are keeping their passports in the dormitory. Each worker is provided with a lockable wardrobe to keep their belongings. If the passport is lost, the worker needs to bear all the expenses incurred for the replacement of his/her passport. This has been communicated to the workers during the time their passports were returned. However, no procedure has been established on safe keeping of passports.

Deadline Date: 03/19/2010

Action Taken:

Plan Complete: 

Plan Complete Date:
Forced Labor: Storage for Employee Documents
F.16 Employers shall provide, at employee request, secure storage for employee documents. Such storage shall be freely accessible to workers. (P)

Noncompliance

Explanation: A review of workers’ files revealed that there were migrant workers whose passports were being kept by the management. However, monitors also found signed letters of consent from the workers allowing the factory to retain their passports for security purposes.

The workers said that they felt safe with this arrangement and were willing to keep their passports in the factory. Management stated that workers are able to access their original passport any time they wish. The workers’ passports are kept in the factory safe box. If workers would like to get their passport back then they have to go to HR to ask for it. The root cause of the concern is the lack of policy and procedure in implementing a system to manage and keep migrant workers’ passports in the work place.

We are concerned that there is lack of policy and procedure on implementing a system to manage and keep migrant workers’ passports in the work place.

Plan Of Action: The workers’ passports were returned, as of February 1, 2010. Workers are keeping their passports in the dormitory. Each worker is provided with a lockable wardrobe to keep their belongings. If the passport is lost, the worker needs to bear all the expenses incurred for the replacement of his/her passport. This has been communicated to the workers during the time their passports were returned. However, no procedure has been established on safe keeping of passports.

Deadline Date: 03/19/2010

Action Taken:

Plan Complete:

Plan Complete Date:
Harassment or Abuse: Discipline/Progressive Discipline

H&A.2 Employers shall have a written system of progressive discipline (e.g., a system of maintaining discipline through the application of escalating disciplinary action moving, for instance, from verbal warnings to written warnings to suspension and finally to termination). Any exceptions to this system (e.g., immediate termination for gross misconduct, such as theft or assault) shall also be in writing and clearly communicated to workers. (P)

Noncompliance

Explanation: The employee handbook, including the disciplinary policy and procedures, is only written in English and Chinese. This document is not written in the languages of migrant Indian employees working in the factory. Some migrant Indian workers do not fully understand English.

Plan Of Action: The employee handbook including disciplinary policy and procedures has been translated into Hindi to ensure that Indian workers are able to understand it. The factory management has communicated this information to the entire Indian worker population. The factory compliance team is responsible for communicating this information to Indian workers on a regular basis. The PC compliance team will verify the trainings provided.

Deadline Date: 03/19/2010

Action Taken:

Plan Complete:

Plan Complete Date:
Code Awareness:

GEN.2 Ensure that all Company factories as well as contractors and suppliers inform their employees about the workplace standards orally and through the posting of standards in a prominent place (in the local languages spoken by employees and managers) and undertake other efforts to educate employees about the standards on a regular basis.

Noncompliance

Explanation: 1. The brand’s CoC was only posted in English and Chinese. It was not posted in Hindi. The migrant Indian workers were not aware of the CoC and were unable to demonstrate an understanding of the laws and regulation, as highlighted in the CoC elements during the interview.

2. Several documents were not translated into the local language of the Indian migrant workers (e.g., contract of employment, terms and conditions of employment, employment application, memos, safekeeping of passport, notices, policies and procedures).

Plan Of Action: The PCs will provide copy of CoC in Hindi. In addition, as per adidas Group standards, the factory management must provide all workers verbal training on the adidas Group Workplace Standards and on factory policy and procedures in their native language. PC compliance teams to verify training on policies, procedures, and documentation to see its effectiveness during next follow up.

Deadline Date: 05/28/2010

Action Taken: 1. The employee handbook, including the section on disciplinary policy and procedures, has been translated into Hindi to ensure that Indian workers are able to understand it.

2. Factory management verbally communicated this information to the entire Indian worker population. Additionally, the factory management hired a third-party translator to translate and explain the terms and conditions of employment to all Indian workers at the time of hiring. The term and conditions of employment has been translated into Hindi and re-communicated to Indian workers by compliance personnel again.

Plan Complete:
Health and Safety: Bodily Strain

H&S.20 Workstations, including seating and standing arrangements and reach required to obtain tools, shall be designed and set-up in such a manner as to minimize bodily strains. Employers shall train workers in proper lifting techniques and items such as belts shall be provided. (S)

Noncompliance

Explanation: From a walkthrough on the production floor, it was found that the chairs provided for seamstresses on the work floor do not have adjustments for height and back support. Ergonomic design needs were not well addressed.

Plan Of Action:

1. Health and Safety Team is currently seeking chairs which can minimize body strain. Knowledge and training will be imparted to the workers.

2. In addition, as per factory communication, the Health and Safety team is in the midst of sourcing seats with a backrest for the seamstresses. They will replace existing chairs once the new ones are available.

Deadline Date: 06/18/2010

Action Taken:

Plan Complete:

Plan Complete Date:
Hours of Work: General Compliance

HOW.1 Employers shall comply with all local laws, regulations and procedures concerning hours of work, public holidays and leave. (S)

Noncompliance

Explanation: After reviewing the attendance and payroll records, it was discovered that the regular working hours per day equaled 8.5 hours per day (Monday to Friday) at a total of 42.5 per week, which meets the local law requirement of 44 hours per week.

Overtime per day (Monday to Friday) is 1.5 hours, also meeting the local requirement of not working more than 12 hour per day (regular plus overtime hours). Overtime on Saturday is 7 hours, as there is no limit on overtime hours per week in local law. Thus their total overtime hours per week (1.5 hour x 5 days = 7.5 hours, plus 7 hours on Saturday) equals 14.5 hours per week exceeding 12 hour code requirement by FLA.

Plan Of Action:

1. Overtime hours are now under control and have reduced to 12 hours a week since February 1, 2010. The production team has recalculated the workload; it is now based on normal working hours and the team has implemented an operation review to determine causes for excessive overtime. As a result, factory management is instituting control of overtime limits through effective planning and coordination among production section.

2. Overtime work will be proposed by supervisor and approved by management in advance. All the supervisors are aware of the FLA requirement now and thus will schedule overtime work accordingly.

Deadline Date: 03/19/2010

Action Taken: Plan Complete:

Plan Complete Date: