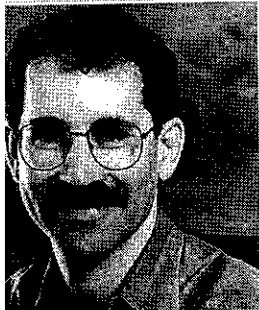


Reebok International, Ltd. (RBK)



DOUG CAHN is Vice President, Human Rights Programs, Reebok International, Ltd. As Vice President of Human Rights Programs, Mr. Cahn oversees Reebok's corporate commitment to international human rights, both through the company's business practices and philanthropic endeavors. He joined Reebok in October, 1991. Mr. Cahn leads the team that develops and implements Reebok's workplace code of conduct for factories making Reebok products. Under Mr. Cahn's direction, Reebok has been an early leader in innovative ways to apply codes of conduct to factories owned and operated by third parties, including the development of a child labor free soccer ball factory in Pakistan, human rights training programs, worker communication systems,

and audit instruments. He is a member of the Child Labor Advisory Committee of the U.S. Department of the Treasury, the International Advisory Committee for the Robert F. Kennedy Human Rights Award and the Committee on Ethics and Fair Trade of the World Federation of the Sporting Goods Industry. Reebok's commitment to human rights also includes the annual Reebok Human Rights Awards program, which recognizes young individuals for their outstanding work on behalf of human rights and "Witness," a program to provide human rights groups with video cameras and other tools of mass communication. From 1983 to 1991, Mr. Cahn was administrative assistant to US Representative Barney Frank (D-MA), directing the legislative team responsible for federal issues. He was also responsible for refugee affairs, immigration and human rights issues. Prior to working with Congressman Frank, Mr. Cahn was a Legislative Assistant to US Representative Robert Drinan (D-MA), where he was responsible for all foreign policy and human rights issues. Mr. Cahn has a Graduate degree from Harvard University's Graduate School of Arts and Sciences in Middle East Studies (1977) and a Bachelor of Arts degree in Anthropology from Colorado College (1975).

SECTOR - FOOTWEAR & FASHION ACCESSORIES

AK600) TWST: What role should the American corporation play in social responsibility?

Mr. Cahn: Corporate social responsibility is here to stay and companies have a variety of ways that they can play a role. Employees of American companies, indeed, companies around the world, spend an increasing number of hours at work. Employees want to be a part of a work environment that allows them to be productive, innovative and, increasingly, to add meaning to their lives. Companies can examine their business practices to make certain that those practices reflect the values of their employees, their customers and their communities. Corporations can provide opportunities for employees to express themselves in ways that support their need to be productive at work, but also meet the demands of family and community. There will not be one way to do this.

TWST: What has caused this increase of social awareness?

Mr. Cahn: I think the need for increased efficiency and productivity that we must all face places constraints on our disposable time. We look to the workplace to provide career opportunities and to add meaning to our lives as well.

TWST: What is Reebok doing in this area?

Mr. Cahn: For over a dozen years, we have focused on supporting the cause of human rights around the world. It began when Amnesty International approached us and asked us to under-

write a concert tour designed to raise awareness of human rights. It was called the Human Rights Now! concert tour and it brought a message of human rights to young people through music in nearly 30 cities on five continents. By showcasing young human rights' heroes, it helped reinvigorate the human rights movement.

We continued in that vein by establishing the Reebok Human Rights Award to recognize young people's accomplishments, often against great odds, to protect and defend human rights around the world. Then, we became the first in our industry to look at ways to apply the principles of human rights in our own business practices. We developed a code of conduct for factories that we neither owned nor operated, but, nonetheless, use to make the products that we bring to market. We created the first corporate human rights department. We support the human rights movement through grantmaking made possible by the Reebok Human Rights Foundation.

TWST: Is there anything that you do on the corporate level that indicates your commitment to this effort?

Mr. Cahn: Our commitment to human rights at the corporate level is well defined. As an early leader in designing and developing systems to apply a code of conduct for factories, we have shared our learning broadly, whether it was how we use an innovative worker communication system that allows us to learn of worker grievances, or sharing the results of an intensive, external assessment of factory workplace conditions that contained information

that could benefit the industry as a whole. These efforts are at the cornerstone of our human rights program.

To maintain a credible Reebok Human Rights Award, we have an outreach program to solicit nominations for worthy candidates from around the world. We use graduate students to research the nominees, making certain that they are fulfilling the requirements of the Awards. Nominees must be 30 years of age or under, must be working on an issue related to the UN Universal Declaration of Human Rights, and must be working nonviolently.

We benefit from a Board of Advisors that selects the Award recipients. The Board is composed of representatives from the corporation, but is made up of a majority of men and women from outside the company. We have an annual ceremony during which we seek to shine a light on the young recipients for their courage and their accomplishments. Then, we support their work through grants from the Reebok Human Rights Foundation.

Taken together, this human rights program is quite unique and that is something employees have taken a great deal of pride in.

TWST: How involved is the management of the company in this effort?

Mr. Cahn: This corporate commitment is well expressed and articulated by Reebok Chairman and CEO, Paul Fireman. Paul is a member of the Board of Advisors of the Reebok Human Rights Award. As the Vice President for human rights programs, I am in regular dialogue with him about the direction of our human rights initiatives. His support has been key to our success, and that, together with broad employee-based support, has made it a vibrant part of our corporate culture.

"To maintain a credible Reebok Human Rights Award, we have an outreach program to solicit nominations for worthy candidates from around the world. We use graduate students to research the nominees, making certain that they are fulfilling the requirements of the Awards. Nominees must be 30 years of age or under, must be working on an issue related to the UN Universal Declaration of Human Rights, and must be working nonviolently."

TWST: How is human rights integral to Reebok?

Mr. Cahn: You can talk to company employees around the world, and they will tell you that human rights has special meaning at Reebok, whether they're sitting in our offices in New Delhi or in London or at our World Headquarters in Canton, Massachusetts. It is one of the things that binds us together as colleagues. As a result of our business success, Reebok provides the opportunity for us to take a stand for human rights, to create awareness about young people fighting injustices around the world and what can be done about those injustices, and to model best practices in our own work.

TWST: From a purely financial point of view, what is the corporate commitment to this effort?

Mr. Cahn: We don't measure our success or our impact in financial terms. When it comes to social responsibility, we look at our

impact on human rights. Obviously, it costs money to establish and maintain the Reebok Human Rights Award and to have a credible factory monitoring system. That is not insignificant. But measuring it is something that we do in terms of results, rather than of dollars.

"Reebok provides the opportunity for us to take a stand for human rights, to create awareness about young people fighting injustices around the world and what can be done about those injustices, and to model best practices in our own work."

TWST: How do you measure the results?

Mr. Cahn: We measure results by the qualitative feedback we get from people in the community, from those who have attended the Awards ceremony, from employees who say that they learned something from one of the recipients that they didn't know about and that, as a result caused them to look differently at an issue, to take an action, to be more aware of not only the problems that face large numbers of people around the world whose human rights are violated, but what they can do in their own way to mitigate those problems. So you get it from the stories, you get it from the feedback, you get it from the recognition that we have, through these efforts, changed people's perspectives, changed the way people looked at issues and, ultimately, in some small way, changed some people's lives.

For example, there was a 12-year old boy from Pakistan, Iqbal Masih. He broke away from a carpet manufacturer where he was chained to a loom as a bonded laborer. After he ran away, he encouraged others to do the same thing by making use of a new, but little used law that allowed him and others like him to declare their freedom from bondage.

We heard about him and brought him to the United States in 1995 so that people could hear his story and learn more about an issue that was little known in this country at that time. We wanted people to know that bonded child labor continues to exist, even in our day, and that child labor is still a reality for 250 million people around the globe.

The people who met Iqbal during this visit to the US won't forget him. When Iqbal went to a middle school in Quincy, Massachusetts, to tell his story to a classroom of fellow 12-year olds, those kids created a Website to raise money for a school for former child laborers in Pakistan. Twelve dollars at a time, they raised over \$150,000 to build a school in Pakistan so that children like Iqbal would be able to go to school, instead of having to work.

So there are stories like this one that show that when people have knowledge of human rights abuses and are stimulated to reflect on these abuses, they will take actions that can make a lasting difference.

TWST: As we look down the road over the next year or two, will Reebok continue this same effort?

Mr. Cahn: Human rights has been a consistent focus. When the stock price has been high and when the stock price has been low, our commitment to human rights has remained constant.

We will be honoring four new recipients of the Reebok Rights Award this spring in Boston. Once again, we will have the opportunity for school children, community leaders and employees to learn about courageous and accomplished people.

We will continue monitoring factories, leveraging our in-house resources and our business partners to protect workers. We will seek the best, to listen to the views of workers. This is an ongoing effort, and one in which we continue to do a better job, increasingly improving factory workplace conditions. It takes a concerted effort in order to see a sustained improvement. We have the right to do it.

We'll find new ways to prevent problems from occurring through factory training programs, and through the continued use of better communication systems. These are things that are in place now that were not in place seven or eight years ago.

There is no doubt that there is a greater awareness today among factory managers that this is not just a one-time interest, but an ongoing concern that is tied to our business. Factory managers know we take this seriously.

Are conditions getting better? Yes, all the time. Is there more to do? Yes, indeed, there is. We are committed to doing this progressively with the same rigor that we have brought to it.

TWST: Do you feel they've learned you are not going to back down?

Mr. Cahn: I think so. If you go into a factory with an checklist, conduct a visual inspection, report your findings, and if you don't come back, it will be difficult to succeed in the long run. On the other hand, you come back and look at the same factory, and you're asking factory managers to do more, again and again, then you understand that providing decent conditions for workers is the right matter. That is what we are doing.

TWST: Were there other goals that were part of the program when it was initiated?

Mr. Cahn: It may not have been the expectation at the beginning, but our human rights program is good for business in unintended ways. For instance, we have come to see a very strong correlation between good workplace conditions and good products. It is hard to imagine a factory where workers are working more than 60 hours a week, week after week, producing quality products. There will be a fall off in quality. There will be quality problems if workers are working excessive hours.

On the other hand, if a factory pays a great deal of attention to health and safety, it is likely to have reduced accident rates, reduced absenteeism from accidents or illness. So the correlation between good quality products and good workplace conditions is very strong.

That is a message which we articulate regularly when we talk to factory managers, and I think, increasingly, factory managers understand that the more they pay attention to workplace conditions, the more it will help them in their business, generally speaking. That is a very positive development.

TWST: When you look at these programs, how do you judge the benefit to the company, employees and to shareholders?

Mr. Cahn: Many stakeholders, like the social investment community, benefit from the knowledge that we have a human rights program. College students are keenly interested in these issues. The human rights community and the labor rights community as well, want assurances that global brands are taking steps to manage workplace conditions in their supply chain.

Employees have told us that the fact that we have a human rights program factored into their decision to join the company. In a competitive marketplace for talent, that's important. As a group of people living around the world, we have the opportunity to make this contribution. It adds value to us all.

TWST: Anything else that we should have touched on?

Mr. Cahn: The human rights movement used to focus on what governments should be doing. This has shifted somewhat to what the private sector should be doing. I think, in large part, that is a function of the growing importance of the private sector around the world, and the growing voice of the advocacy community.

Corporations ought to be looking for ways to communicate with the human rights community, to understand human rights better, as part of a corporate social responsibility program.

We live in very dynamic times. "Human rights" and "business" are no longer non-sequiturs when appearing in the same sentence. Rather, increasingly there are programs such as the one we have been privileged to develop at Reebok. I think that general direction is a very positive thing that will lead to better practices for business and better communities for us to live in.

TWST: Thank you. (TM)

DOUG CAHN
Vice President
Human Rights Programs
Reebok International, Ltd.
1895 J.W. Foster Boulevard
Canton, MA 02021
(781) 401-5000
(781) 401-7402 - FAX
www.reebok.com

Each Executive who is the featured subject of a TWST Interview is offered the opportunity to include an Investors Brief or other high-light material to be provided and sponsored by and for the company.