



2011

FAIR LABOR ASSOCIATION INDEPENDENT EXTERNAL VERIFICATION REPORT*

COMPANY: MeadWestvaco Consumer &
Office Products

COUNTRY: United States

FACTORY CODE: 450082881GV

MONITOR: Margarita Chiriboga

AUDIT DATE: May 19, 2011

PRODUCTS: Consumer and Office Products

PROCESSES: Manufacturing

NUMBER OF WORKERS: 750

FLA Comment: This report was submitted with a corresponding corrective action plan to the FLA and was reviewed by FLA staff. In an effort to improve the effectiveness of remediation, the FLA has provided feedback and recommendations to the company, however findings: H&A.13 and Non-discrimination-Other have not been agreed or recommendations not incorporated by the company. The report is posted in its current state and is considered finalized. Updates on the progress of the corrective actions will be posted when received by the company.

*To read the original IEM report of this factory, please visit the FLA website [here](#).
For an explanation on how to read this report, please visit the FLA website [here](#).



CONTENTS:

Harassment or Abuse: Violence/Harassment/Abuse 3
Harassment or Abuse: Other - Harassment or Abuse..... 4
Child Labor: Other - Child Labor..... 5
Non-Discrimination: Other - Non-Discrimination 7
Code Awareness:..... 9
Health and Safety: Evacuation Requirements and Procedure..... 10
Health and Safety: Machinery Maintenance and Worker Training 11
Health and Safety: Other - Health and Safety..... 12
Hours of Work: Rest Day..... 13

Harassment or Abuse: Violence/Harassment/Abuse

H&A.13 Employers shall ensure that the workplace is free from any type of violence, harassment or abuse, be it physical, psychological, sexual, verbal, or otherwise. Employers shall refrain from any action – and shall take all appropriate action to ensure that all workers refrain from any action – that would result in an intimidating, hostile or offensive work environment for workers.
(S)

Noncompliance

Explanation: New Finding:

1. There have been instances where the supervisors retaliate against employees for filing complaints. In one instance where a complaint was made, the supervisor held a meeting with the department and denied the accusation. After the meeting the supervisor approached employees asking them to provide the name of the person who filed the complaint.

2. Supervisors give employees unrealistic deadlines to finish a specific job. When employees share their concerns about safety and risk of getting hurt, because the task assigned if not handled correctly can cause strains and/or injuries, supervisors get very upset, and yell at the employees. The employees feel a lot pressure to get the job done and a total disregard for their safety.

Plan Of Action: The factory will conduct supervisory training regarding key elements of entry-level leadership. The program will focus on Code of Conduct, Safety, how to handle difficult employee relations issues, and when to escalate issues/concerns to managers and human resources.

Deadline Date: 11/30/2011

Action Taken: Supervisory training was developed and rolled out to supervisors on 12/7/2011.

Plan Complete: Yes

Plan Complete Date: 12/07/2011



Action Verified: No

Action Verified Text:

Action Verified Date:

Harassment or Abuse: Other - Harassment or Abuse

Other

Noncompliance

Explanation: Interviews described an incident of verbal sexual harassment by one male floor employee to a female floor employee in the shipping department. Facility has clear policies against any type of harassment. This isolated situation was not made known to management and they will institute a follow-up investigation to this allegation.

Plan Of Action: The factory will conduct a survey for the entire Distribution Center to gauge the work environment on 12/8/08. An Action Plan will be developed to address workplaces issues by the leadership team in this area. The HR Director is responsible for investigating all allegations of discrimination at this facility and will monitor this issue.

Employees are encouraged to report all instances of unfair treatment to whomever they are comfortable with reporting to including the supervisor, manager, human resources manager, employee relations manager in the Corporate Human Resources Department, the Law Department, or by using the MeadWestvaco (MWV) Business Conduct Ethics Line. If reported to the MWV Business Conduct Ethics Line, the Vice President of Human Resources is responsible for initiating the investigation. The Division Compliance Committee, headed by the Division President, monitors and tracks all charges and complaints throughout the year. The MWV Code of Conduct, MWV Equal Employment Opportunity Policy, and the MWV Business Conduct Ethics Line number are posted throughout the facility for employees to utilize. Training on these policies is provided every 1-2 years.



Deadline Date: 12/31/2008

Action Taken: The survey was provided to the Distribution Center employees on 12/8/08

Plan Complete: Yes

Plan Complete Date: 12/08/2008

Action Verified: No

Action Verified Text: Completed: Through employee interviews it was confirmed that there have been no issues of this nature. The facility has conducted a survey in April 2009. In addition the facility has factory "Info Center" computer stations where employees can access company information regarding stocks, policies and updates. HR Director demonstrated to the auditors how to access information.

Action Verified Date: 05/17/2011

Child Labor: Other - Child Labor

Other

Noncompliance

Explanation: Although the facility has a policy on prohibition of child labor, there are no written procedures for age verification. It is the monitor's impression that the facility did not create an age verification written procedure because it is not required by local (Federal or State) regulations.

Plan Of Action: Factory already has an age verification procedures for new employees and does not hire anyone under the age of 18, but these procedures are not written into a formal policy. Factory to formalize their procedures into a written policy and list the age verification form in the New Employee Orientation Checklist.



Deadline Date: 11/14/2008

Action Taken: A "Verification of Age Process" policy was written and is maintained in the HR Policy Binder with the other HR policies. The New Employee Orientation Checklist was updated with the age verification check-off.

Plan Complete: Yes

Plan Complete Date: 11/12/2008

Action Verified: No

Action Verified Text: Completed: Through document review and management interview it was verified that the facility has a written policy for age verification. The policy is called FLA Verification of Age Process, which requires all new employees to attend employee orientation.

During orientation the "New Employee Orientation Checklist" is used to ensure that HR covers all necessary information and verifications. The checklist covers the following areas:

- Forms to collect or complete
- Code of Conduct Video & Affirmation
- Substance Abuse Awareness Policy Video
- Hazcom Video & Affirmation
- Ergonomics Video
- Intellectual Property Agreement
- TSCA Training-annual - General Safety Rules
- Equal Employment Opportunity Letter & Policy
- Policy Against Harassment
- Notice of Privacy Practices
- IPPE (Individual Performance Plan Evaluation) Job description, job postings procedure
- Benefits New Hire Enrollment Checklist

Action Verified Date: 05/17/2011



Non-Discrimination: Other - Non-Discrimination

Other

Noncompliance

Explanation: 1. Employees complaint that union delegates give priority to their co-worker friends' needs over them whenever they request for union support on different matters.

2. Employees complained that supervisor from shipping department gives preferences in assigning specific jobs that are sometimes easier to handle than others. Facility has clear policies to no-discriminatory behavior. These isolated situations were not knowledgeable by facility and will institute a follow up to investigate the allegations.

Plan Of Action: The factory will conduct a survey for the entire Distribution Center to gauge the work environment on 12/8/08. An Action Plan will be developed to address workplaces issues by the leadership team in this area. The HR Director is responsible for investigating all allegations of discrimination at this facility and will monitor this issue.

Employees are encouraged to report all instances of unfair treatment to whomever they are comfortable with reporting to including the supervisor, manager, human resources manager, employee relations manager in the Corporate Human Resources Department, the Law Department, or by using the MWV Business Conduct Ethics Line. If reported to the MWV Business Conduct Ethics Line, the Vice President of Human Resources is responsible for initiating the investigation.

The Division Compliance Committee, headed by the Division President, monitors and tracks all charges and complaints throughout the year. The MWV Code of Conduct, MWV Equal Employment Opportunity Policy, and the MWV Business Conduct Ethics Line number are posted throughout the facility for employees to utilize. Training on these policies are provided every 1-2 years.

Deadline Date: 12/31/2008

Action Taken: The survey was provided to the Distribution Center employees on 12/8/08.



Plan Complete: Yes

Plan Complete Date: 12/07/2011

Action Verified: No

Action Verified Text: Completed:
1. There were no complaints from the employees related to preferential treatment from union delegates. This was verified through employee interviews. Employees were very clear that the issue exists with the supervisors.

Ongoing:
2. During employee interviews it was confirmed that the preferential treatment still persists, whereby supervisors assign easier tasks to certain employees. Employees feel that they have voiced their concerns but it seems to make the situation worse as supervisors retaliate against them. It is important to note that this issue is not department-specific. It appears to be a common behavior in all departments as explained by the employees.
The facility conducted a survey in April of 2009. The factory also has an "Info Center." The Info Center is a computer station where employees can access company information regarding stocks, policies and updates. HR Director demonstrated to the auditors how to access information.

A memo was sent to all employees by the CEO of MWV on May 1st 2011, reinforcing Equal Employment Opportunity was reviewed. Employees are encouraged, to discuss questions and/or concerns with their supervisors or local HR Department, or use the toll-free business ethics telephone number.

Action Verified Date: 05/17/2011

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. MeadWestvaco does have a document named "Principles of Conduct" that contains all the social benchmarks, like the FLA Code of Conduct. This Principle of Conduct is not distributed among employees and is intended, as per management, to be distributed to the supply chain (outside vendors). This Principle of Conduct was not observed posted on any bulletin boards throughout the facility work areas and offices.

2. As per management and employee interviews, it is confirmed that facility does communicate MeadWestvaco Code of Conduct, document which does not comprise of all the social benchmarks, but does not communicate the Principles of Conduct, which does.

Plan Of Action: Review MWV Code of Conduct and associated compliance policies to ensure they compare with the FLA Workplace Code of Conduct. In addition, training on these programs to be completed annually and the policies are posted in all locations and are available for all employees.

Deadline Date: 10/31/2008

Action Taken: The Manager, Compliance Programs reviewed the MWV Code of Conduct, MWV Compliance Policy Manual, MWV Policy Against Harassment, MWV Equal Employment Opportunity program, and MWV Consumer & Office Products Policy on Forced Labor and Child Labor. MCOP has programs in place that cover all of the social benchmarks in the FLA Workplace Code of Conduct.

Plan Complete: Yes

Plan Complete Date: 10/21/2008



Action Verified: No

Action Verified Text: Completed: The MWV Code of Conduct was found posted. The Code and associated policies are applicable to all MWV locations worldwide. The MCOP Principles of Conduct are applicable to MCOP's third party suppliers only. This location is owned by MWV - so only MWV policies apply to this factory. Those employees that work directly with third party suppliers or customers that may have additional compliance requirements - such as Purchasing, Sales, and Marketing - receive Social Accountability/Factory Certification training every 1-4 years, which includes information on the MCOP Principles of Conduct.

Action Verified Date: 05/17/2011

Health and Safety: Evacuation Requirements and Procedure

H&S.9 All applicable legally required or recommended elements of safe evacuation (such as posting of evacuation plans, the installation and maintenance of an employee alarm and emergency lighting systems, ensuring aisles/exits are not blocked and that workers are not blocked within their workstations, employee education, evacuation procedures, etc.) shall be complied with. Workers shall be trained in evacuation procedures. Alarm systems shall be regularly tested and evacuation drills shall be undertaken at least annually. (S)

Noncompliance

Explanation: 1. One out of 34 exit lights was not working.

2. One fire alarm pull-down plate is missing in the mezzanine area. Monitor's opinion is that the observations mentioned are minimal and considered normal/regular breakdowns that occur at any given time.

Plan Of Action: Work notification will be submitted to repair/replace exit sign and missing fire pull down plate. To prevent this from happening again in the future, all exit lights and fire pull stations will be inspected monthly to ensure proper function and that no damaged or missing parts are found. The inspection checklist will be updated to include inspecting Emergency Equipment. The inspection is completed monthly by the department. In addition, the security department will complete their own safety inspection on a bimonthly basis. The updated checklist and process will be reviewed with applicable plant personnel in each department and with Facilities and Security staff. The Manager, Quality Safety and Regulatory Assurance is responsible for overseeing this process.



Deadline Date: 12/31/2008

Action Taken: Work notification submitted to correct exit light and fire alarm pull down plate.

Plan Complete: Yes

Plan Complete Date:

Action Verified: No

Action Verified Text: Completed: During facility walkthrough it was observed that exit lights are working and fire alarm pull down plate was fixed. All exit lights, fire pull stations and fire extinguishers are inspected on a monthly basis. The factory has updated the inspection checklist to prevent this issue from happening.

Action Verified Date: 05/17/2011

Health and Safety: Machinery Maintenance and Worker Training

H&S.18 All production machinery, equipment and tools shall be regularly maintained and properly guarded. Workers shall receive training in the proper use and safe operation of machinery, equipment and tools they use. Employers shall ensure safety instructions are either displayed/posted near all machinery or are readily accessible to the workers. (S)

Noncompliance

Explanation: Two sewing machines were missing pulley guards. The monitor's opinion is that the observation mentioned is minimal and considered a normal/regular breakdown that occurs at any given time.

Plan Of Action: Pulley guards will be purchased or fabricated and installed on the two sewing machines. Operators will be retrained on the hazards and consequences of operating equipment without proper machine guarding. Daily inspections will be required by operators and management to ensure guards remain in place.



Deadline Date: 12/31/2008

Action Taken: Work notification submitted to install guards on the sewing machine pulleys.

Plan Complete: Yes

Plan Complete Date:

Action Verified: No

Action Verified Text: Completed: During facility walkthrough it was observed the sewing machines had the pulley guards installed. The fire hose sign was removed. The facility conducts inspections to ensure that all machinery has the proper guards in place, this was verified through employee interviews and review of safety records and policies.

Action Verified Date: 05/17/2011

Health and Safety: Other - Health and Safety

Other

Noncompliance

Explanation: One fire hose sign was not removed when the fire hose was decommissioned. Monitor's opinion is that the observation mentioned is minimal and considered normal/regular breakdowns that occur at any given time.

Plan Of Action: Fire hose sign will be removed or covered over. The facility no longer uses fire hoses as part of its fire protection system. A facility walk-through will be done to ensure all old signage is removed.

Deadline Date: 12/31/2008



Action Taken: Work notification submitted to remove fire hose signage and inspect for any additional locations in the facility.

Plan Complete: Yes

Plan Complete Date:

Action Verified: No

Action Verified Text: Completed: During the facility walkthrough it was verified that the fire hose signage was removed.

Action Verified Date: 05/17/2011

Hours of Work: Rest Day

HOW.2 Workers shall be entitled to at least one day off in every seven-day period. If workers must work on a rest day, an alternative day off must be provided within that same seven-day period or immediately following the seven-day period. (P)

Noncompliance

Explanation: Review of time ledgers and management interview, revealed that on occasions, employees in the press area and shipping department volunteer to work on Sundays (day of rest).

This was acknowledged by the payroll administrator. Facility presented a document from the ****US STATE**** Department of Labor and an agreement with *****Union ID***** that allows employment on Sunday (days of rest).



Plan Of Action: The factory has implemented the overtime policy, as stated in the ****US STATE**** issued waiver which allows a variance to Section 161 of the ****US STATE**** Labor Law, that allows for employees to work 7 days in a calendar week as long as no employee works two consecutive calendar weeks without 24 consecutive hours off and that working on the rest day is voluntary.

Deadline Date: 10/13/2008

Action Taken: ****US STATE**** waiver already obtained.

Plan Complete: Yes

Plan Complete Date: 10/13/2008

Action Verified: No

Action Verified Text: Completed: Through management and employee interviews and payroll review, it was verified that employees work five days a week, with two days off. The Department of Labor waiver was available for review, effective July 23rd 2010 – July 25th 2011.

Payroll reviewed: May 2011, July 2010, April 2011

Action Verified Date: 05/17/2011
