



2008

FAIR LABOR ASSOCIATION INDEPENDENT EXTERNAL MONITORING REPORT

COMPANY: MeadWestvaco
COUNTRY: United States
FACTORY CODE: 450082881G
MONITOR: ALGI
AUDIT DATE: September 25 – 26, 2008
PRODUCTS: Consumer and Office
Products
PROCESSES: Manufacturing
NUMBER OF WORKERS: 1012



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Harassment or Abuse: Other - Harassment or Abuse

Other

Noncompliance

Explanation: Interviews described a situation at the shipping department of verbal sexual harassment by one male floor employee to a female floor employee. Facility has clear policies against any type of harassment. This isolated situation was not 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 December 8, 2008. An Action Plan will be developed to address workplace 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, HR manager, employee relations manager in the Corporate HR 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 HR is responsible for initiating the investigation. All complaints must be investigated. 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 December 8, 2008.

Plan Complete: No

Plan Complete Date: 12/08/2008



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 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 piece (I-9 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: No

Plan Complete Date: 11/12/2008



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 non-discriminatory behavior. These isolated situations were not knowledgeable by facility and will institute a follow up to investigate the allegations.

Plan Of Action: Factory will conduct a survey for the entire Distribution Center to gauge the work environment on December 8, 2008. An Action Plan will be developed to address workplace 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, HR manager, employee relations manager in the Corporate HR 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 HR 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 December 8, 2008.

Plan Complete: No

Plan Complete Date: 12/08/2008



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; facility 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 of 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: No

Plan Complete Date: 10/21/2008



Comments: The MWV Code of Conduct 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.

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 at 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, security completes their own safety inspection bimonthly as well. The updated checklist and process will be reviewed with applicable plant personnel in each department and with Facilities and Security staff. The Manager of 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 No
Complete:

Plan
Complete
Date:

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 the pulley guards. Monitor's opinion is that the observations mentioned are minimal and considered normal/regular breakdowns that occur at any given time. The only procedure that seems to have been missed by facility safety inspections was the pulley guards at the only two sewing machines in the facility.

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 No
Complete:

Plan
Complete
Date:



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 observations mentioned are 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 walkthrough 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: No

Plan Complete Date:



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 [Employee name], payroll administrator. Facility presented a document form from the [US State name] Department of Labor and agreement with [Union ID] that allows Sunday (days of rest) to be worked.

Plan Of Action: The factory has implemented the overtime policy, as stated in the [US State name] issued waiver which allows a variance to Section 161 of the [US State name] Labor Law, that allows for employees to work 7 days in a calendar week as long as no employee works 2 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 name] waiver already obtained.

Plan Complete: Yes

Plan Complete Date: 10/13/2008

Comments: All work performed in excess of 40 hours in any week is paid at one and one-half times the employee's rate. All work performed on an employee's 7th consecutive day of work is paid at rate of double time. Weekly total working hours are limited to 52 hours per week. OT is generally voluntary, but in cases where there are not enough volunteers to make adequate coverage, OT is mandated in reverse seniority order. At least 48 hours notice of OT is generally given, but no less than 24 hours notice of OT is given for required OT. If there is less than 24 hours notice of OT, all OT is voluntary on part of the employee. Due to seasonality and time sensitivity of business, extended hours are sometimes required.