



Member(s) MEC Mountain Equipment Company Ltd
Country Taiwan
Date of Inspection 10/19/2016

Additional CAP Notes

FLA Assessment Corrective Action Plan
Summary of Corrective Actions Taken or Planned

Benchmark ID	Benchmark details	Question(s)	Finding details	Recommendation for Immediate Action	Recommendation for Sustainable Improvement	Company Plan of Action	Company deadline (MM-DD-YYYY)	Action Taken	Company Progress Status
XX.1	Please refer to the assessment report for benchmark information. For assessments conducted prior to 2020 benchmark numbers reflect the FLA's 2011 Workplace Compliance Benchmarks.	1	The worker integration component is missing from all Employment Functions. This indicates that the factory has not established procedures to receive worker input and feedback on the creation implementation and revision of its policies and procedures. Workers are neither systematically integrated nor consulted in the decision-making processes.			<p>Factory will follow FLA's suggestion to encourage workers' engagement on policy making implementation and revision. MEC has recommended the facility adding a worker integration component into their Employment Functions. It has been requested that the facility established procedures to include workers' input and feedback on the creation implementation and revision of their policies and procedures.</p> <p>Pending an update from the factory.</p>	09-10-2018	07/11/17 : This is complete. The factory has included workers' engagement on policy making and implementation and revision. The factory is now taking more from a bottom up approach rather than a top down approach allowing the participation of the employees on decision and policy making. The factory consulted and invited the workers prior to the creation/revision of the policies to have them involved on the implementation process. The factory also has a document that keeps track of the these implementation: i.e. number of workers interviewed and their opinion. Please see supporting documentation.	Completed

HSE.1	Employers shall comply with all national laws regulations and procedures concerning health safety and the environment.	2	<p>1.The factory has assigned approximately 5% of its 87 young workers jobs which involve hazardous or poisonous materials (e.g. glues and paints).</p> <p>2.The factory has not labeled some chemicals (e.g. machinery oils in the maintenance section gasoline in the warehouse).</p> <p>3.The factory has not provided some chemicals with secondary containers (e.g. paints in the printing section and solvents stored in the warehouse).</p> <p>4.The factory has not installed a emergency exit sign on one of the emergency exits on the first floor of the dormitory.</p> <p>5.The factory has established basic ergonomic procedures and has conducted an internal ergonomic assessment of the production process. However the factory has not taken proactive steps to reduce repetitive-motion stress and injuries. Additionally the factory neither provides individual workstations that are adjustable to fit individual workers nor anti-fatigue mats for standing workers.</p>	<p>1.Reassign juvenile workers to jobs that do not involve hazardous or poisonous materials.</p> <p>2.Label all chemicals and regularly monitor for compliance.</p> <p>3.Provide secondary containers for all chemicals.</p> <p>4.Install safety exit signs on all safety exits in the factory and dormitories and adopt measures to ensure that exit signs are installed and functioning correctly.</p>	<p>1. Factory has stated they have adjusted the working content and procedure of existing young workers so that they do not engage in working with toxic substances. The administrative department has arranged recruiting and work management policies for young and juvenile employees. They conduct training and education for supervisors and human resources departments to protect the health of young/juvenile workers. Pending factory to send supporting evidence of remediation.</p> <p>2 and 3. Factory's environment safety and health responsible manager holds an occupational safety and health administrator qualification (according to law received re-training after every 2 years). He is responsible for all chemical management. He will arrange chemical inspections of the whole plant and complete all label/marked and set up the chemical containers (please see provided documentation for corrective actions taken to date). He will revise the safety and health management procedures to include weekly inspections.</p>	09-10-2018	08/02/2018: May 7 2018: 1. Completed. As per the Factory's update in Jan 2018 the Factory has completed the third party annual environmental assessment monitoring report. This assessment report includes the monitoring of ""butyl acetate"" as per MEC's recommendation. Please find supporting documentation attached. The report also confirmed the concentration level of all 8 chemicals were within the legal requirement. Juvenile workers also follow the government regulation requirement to work in the factory for three months and then back to school for three months. MEC reviewed the assessment report and discussed the Factory practice with our internal teams and deem this item as complete.	Completed
XX.2	Please refer to the assessment report for benchmark information. For assessments conducted prior to 2020 benchmark numbers reflect the FLA's 2011 Workplace Compliance Benchmarks.	3	<p>1.The factory does not have written policies or procedures on Personnel Development.</p> <p>2.The factory does not have written procedures for workers to appeal disciplinary action taken against them.</p> <p>3.The factory does not have written policies or procedures on the Grievance System.</p> <p>4.The factory's procedures on safe evacuation in case of an emergency does not contain either (a) steps on how to ensure that all personnel visitors contractors service providers are safely evacuated or (b) steps on how to ensure that all special categories of workers safely evacuated.</p>		<p>1. Factory will follow FLA's suggestion to set up the written personal development policy & procedures according to FLA recommendation.</p> <p>2. Factory will follow FLA's suggestion to set up the detail disciplinary policy and procedure.</p> <p>3. Factory will follow FLA's suggestion to set up detail grievance policy and procedure.</p> <p>4. Factory will follow FLA's suggestion to add the element in the existing factory's procedure on safe evacuation in case of an emergency need to include (a) steps on how to ensure that all personnel visitors contractors service providers are safely evacuated or (b) steps on how to ensure that all special categories of workers safely evacuated.</p>	09-10-2018	<p>10/05/17 : July 19 2017: uploaded the factory grievance policy into the supporting document. Aug 4 2017: 3. The factory submitted the 2017 internal annual training and that was not included the grievance system and environmental protection subject. The factory had done the internal training for these two subjects in May 2017 and the factory provided the internal training record as supporting document. The factory will add these two training when planning for 2018 annual internal training.</p> <p>07/11/17 : Marked as complete. 1. The factory has in place a written personal development policy & procedure that includes the details as to how the workers are evaluated on training requirements in relation to career path goal setting methodology and evaluation. 2. The factory has in place a written disciplinary policy and procedures that includes</p>	Completed

XX.3	Please refer to the assessment report for benchmark information. For assessments conducted prior to 2020 benchmark numbers reflect the FLA's 2011 Workplace Compliance Benchmarks.	4	<p>1. There are 123 Thai workers currently working in the factory. Their migrant agent collects from the workers NTD 1800 (USD 56) in service fees the first year of the contract NTD 1700 (USD 53) the second year and NTD 1500 (USD 47) the third year which is permitted under the prevailing legislation in Taiwan. Additionally based on information provided by migrant workers their recruitment agent in Thailand collected approximately THB 65000 (USD 1823) for the recruitment fee and other costs before arranging them work in Taiwan. The factory currently does not have a system in place to monitor the migrant workers' recruitment fees and to cover any of the costs paid by workers in their home country.</p> <p>2. There is curfew in the dormitory which begins at 22:00 restricting migrant workers (who are the only residents in the dormitory) from moving in and out at night.</p>	<p>1. Implement a monitoring system to oversee the fees of recruitment agents in Thailand so as to prevent the migrant workers from being charged excessive fees in their home countries. In order to work in Taiwan. Respective policy shall be properly communicated to agents in both Taiwan and in migrant workers' home countries.</p> <p>2. Carry out a multi-stakeholder engagement to ensure that migrant workers are not charged any unreasonable recruitment fees in either their home country or in Taiwan.</p> <p>3. Lift curfew in the dormitory and revise dormitory rules to allow workers freedom of movement.</p>	<p>1. All Thai employees received the ""foreign nationals working costs and wages information"" - the document that outlines all agent fees. Thai employees review and retained the information when they start to work at the factory. The Taiwan agent fees is in line with the Act/legal requirement. Please see attached supporting documents. The factory has committed to ensuring they maintain all copies of the ""foreign nationals working costs and wage information"". MEC has also required the factory to ensure all foreign workers have a copy and ensure everything stated in the document are legally valid. Currently all Thai workers pay the legally allowed monthly fees. All files are maintained in the financial dept. Factory will follow FLA's suggestion to start to investigate the recruitment fees in Thailand (the migrant workers home country) step-by-step to ensure no unethical activities of overcharging the workers. MEC is working to support the factory by developing a step by step process to first understand all fees that are being paid and to then remediate accordingly.</p>	09-10-2018	<p>08/02/2018: Mar 3 2018: In progress. 1. The Factory has shared fee breakdown information with MEC; increasing our understanding on all fees that workers pay in their home country and in Taiwan. Please find supporting documentation attached. As per the fee breakdown in Taiwan workers are paying the fees as per the legal requirement: NT\$ 1800/month for the first year \$1700/month for the second year and \$1500/month for the third year and onward. As per the fee breakdown in Thailand workers paid maximum THB25150 to the agency it is within the legal limit of no more than THB 56000. Noted workers should not pay any fees even if they pay within the legal limit set by the Government of Taiwan and Thailand. MEC will continue the conversation to eliminate the fee. Officials from the Workforce Development in the Ministry of Labor department visited the</p>	
XX.4	Please refer to the assessment report for benchmark information. For assessments conducted prior to 2020 benchmark numbers reflect the FLA's 2011 Workplace Compliance Benchmarks.	5	<p>1. The factory has not provided specific training for the relevant supervisors or HR personnel on the following Employment Functions: Recruitment Hiring & Personnel Development Compensation Hours of Work Termination & Retrenchment Industrial Relations Workplace Conduct & Discipline Grievance System and Environmental Protection.</p> <p>2. The factory has not provided specific training to production supervisors on Hours of Work.</p> <p>3. The factory has not provided specific training for the general workforce on the Grievance System or Environmental Protection.</p>	<p>1. 2 3 Factory will follow FLA's suggestion to set up the training plan specific for supervisors HR personnel and general workforce on respective topics and deploy appropriate resource to ensure that these training plans are able to be carried out.</p> <p>MEC has suggested to the factory that they arrange an annual training plan for all relevant supervisor and HR personnel on all factory policies and procedures including: Recruitment Hiring & Personnel Development Compensation Hours of Work Termination & Retrenchment Industrial Relations Workplace Conduct & Discipline Grievance System and Environmental Protection. MEC has provided guidance and references as to how to arrange an annual training plan. We will continue to support the factory to arrange this management system in regards to training.</p>	<p>1 2 3 Factory will follow FLA's suggestion to set up the training plan specific for supervisors HR personnel and general workforce on respective topics and deploy appropriate resource to ensure that these training plans are able to be carried out.</p> <p>MEC has suggested to the factory that they arrange an annual training plan for all relevant supervisor and HR personnel on all factory policies and procedures including: Recruitment Hiring & Personnel Development Compensation Hours of Work Termination & Retrenchment Industrial Relations Workplace Conduct & Discipline Grievance System and Environmental Protection. MEC has provided guidance and references as to how to arrange an annual training plan. We will continue to support the factory to arrange this management system in regards to training.</p>	09-10-2018	<p>07/25/18 : Jan 23 2018: The Factory prepared a 2018 training plan and has arranged the first training in Jan 2018. Information has been uploaded in the FLA platform.</p> <p>10/05/17 : 09/27/17: 3. The factory arranged training to the general workforce on the grievance system and environmental protection. The factory also set up an annual training plan to the general workforce on the grievance system and environmental protection. Please see supporting documentation. This is complete.</p> <p>07/11/17 : In progress. 1. The factory has set up an annual training plan for the relevant supervisors and/or HR personnel on Recruitment Hiring & Personnel Development Compensation Hours of Work Termination & Retrenchment Industrial Relations Workplace Conduct & Discipline Grievance System and Environmental Protection. This is complete. 2. The</p>	Completed