



FAIR LABOR  
ASSOCIATION®

## INDEPENDENT EXTERNAL ASSESSMENT REPORT



COMPANIES: Jostens Inc.  
COUNTRY: Dominican Republic  
ASSESSMENT DATE: 07/19/18  
ASSESSOR: Yralmi Brito  
PRODUCTS: Apparel  
NUMBER OF WORKERS: 950

## Summary of Code Violations

Companies that join the FLA agree to uphold the FLA Workplace Code of Conduct throughout their entire supply chain. The Code of Conduct is based on International Labour Organization (ILO) standards, and defines labor standards that aim to achieve decent and humane working conditions.

While it is important to note when violations of the FLA Workplace Code of Conduct occur, the purpose of these assessments is not simply to test compliance against a particular benchmark, but rather to develop an understanding of where and how improvements can be made to achieve sustainable compliance. Code of Conduct violations can be found throughout the course of an assessment of the employment and management functions, and are addressed in companies' action plans.

## Findings and Action Plans

### FINDING NO.1

#### SUSTAINABLE IMPROVEMENT REQUIRED

#### FINDING TYPE: Recruitment, Hiring & Personnel Development

##### Finding Explanation

1. The factory does not conduct periodic performance reviews for production workers. Only the administrative staff, supervisors, and managers receive performance reviews. [ER.29]

2. The factory does not communicate to workers how performance reviews are linked to promotions. Promotions are based on abilities, competencies, and skills. As a result, promotions are not conducted in a fair or transparent way. [ER.1, ER.29, ER.30]

##### Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1, ER.29, and ER.30)

#### COMPANY ACTION PLANS

##### Action Plan no 1.

##### Description

1) The company will start a documented process for performance reviews conducted by supervisors of each area on an annual basis. 2) The factory has in place a promotion procedure that is based on a fair process of doing promotions by communicating the job opening allowing everyone to apply (stating minimum requirements), evaluating objectively the competencies needed for the job, and selection based on the supervisors feedback and assessment results along with the employee's HR record (disciplinary actions etc.) All the pertinent individuals are informed of the decision, and the promotions are posted on the HR board.

##### Company Action Plan Update

1) The review process will be implemented throughout the course of the year and is expected to be complete by Dec 1. 2) This item is complete as of 12/19/2018.

### FINDING NO.2

#### IMMEDIATE ACTION REQUIRED

## FINDING TYPE: Hours of Work

### Finding Explanation

1. The factory does not always provide workers with the weekly rest period. 3.9% of the factory's workers did not receive 36 consecutive hours of rest within a seven-day period from January 22-28, 2018. 9.4% did not receive 36 consecutive hours of rest within a seven-day period from May 7-13, 2018. 1% did not receive 36 consecutive hours of rest during the seven-day period from July 2-8, 2018. [HOW.1, HOW.2]
2. Assessors found that workers sometimes work more than 60 hours per week. 2.7% of the factory's workers worked 61.5 to 72.5 hours during the week of January 22-28, 2018. 3.4% worked between 61.5 and 73.5 hours during the week of May 7-13, 2018. 0.6% worked 62.25 to 63.75 hours during the week of July 2-8, 2018. [HOW.1, HOW.8]
3. The factory does not employ enough workers. This has resulted in excessive hours of work. [HOW.6]

### Local Law or Code Requirement

Dominican Labor Code (1999), Articles 147 and 163; FLA Workplace Code (Hours of Work Benchmarks HOW.1, HOW.2, HOW.6, and HOW.8)

### Recommendations for Immediate Action

1. Provide all workers with 36 consecutive hours of rest in every seven-day period.
2. Do not require or allow workers to work more than 60 hours per week.

## COMPANY ACTION PLANS

### Action Plan no 1.

#### Description

See below for completed actions.

#### Company Action Plan Update

1 & 2 & 3) Our business is seasonal due to the nature of our customized products to be delivered within a short leadtime, particularly around the academic and school sports season. (letter jackets, athletic awards, etc.). The seasonality creates constant challenges. Every effort is made in the planning of each season to reduce or eliminate the need for overtime. Careful consideration is placed on the estimated volume we will produce; we hire and train a contingent workforce to help us each season. Due to these customer-driven deadlines along with the nature of the product we build and the amount of product customization that is offered, we will need our employees to work overtime occasionally. Employees have long periods of time where they will work reduced hours and/or be laid off completely due to lack of work. They count on overtime worked through our peak seasons to supplement their income during the slower seasons. We are often waiting on information from the customers to complete the order, not suppliers. It is also not possible to extend shipping deadlines because we will miss customer recognition ceremonies. Every employee signs a form that states over time is voluntary, and we adhere strictly to this and allow employees to not work overtime if they request.

## FINDING NO.3

## SUSTAINABLE IMPROVEMENT REQUIRED

## FINDING TYPE: Grievance System

### Finding Explanation

1. Management was not able to provide assessors with training records showing that workers were trained on how to use the suggestion boxes. 20% of the workers interviewed stated that they did not know how to anonymously submit grievances or suggestions through the suggestion box and had never been trained on this topic. [ER.1, ER.15, ER.25]
2. The training provided to supervisors and managers on the Grievance System does not cover the principle of non-retaliation against workers who make complaints. [ER.1, ER.17]

### Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1, ER.15, ER.17, and ER.25)

## COMPANY ACTION PLANS

### Action Plan no 1.

#### Description

1) Training now part of new employee orientation; HR will devise a plan to communicate this to all existing employees. 2) HR has developed the content and delivered training to supervisors and managers.

#### Company Action Plan Update

1) Training content is complete. Communication to be completed by Feb 1. 2) Supervisor / manager training complete as of 1/11/2019.

All training was completed in 2019, and is ongoing.

## FINDING NO.4

## SUSTAINABLE IMPROVEMENT REQUIRED

### FINDING TYPE: Environmental Protection

#### Finding Explanation

1. The factory does not have any records available concerning the levels of heat, humidity, and air pollution within the factory. [ER.2, HSE.1, HSE.2]
2. The factory does not yet have an Environmental Permit, however, management has obtained an environmental extension until the permit is issued. [HSE.4]
3. The orientation training provided to workers does not cover Environmental Protection. [ER.1, ER.15]
4. The factory does not provide specific training to workers who work with chemicals on the following topics: chemical handling, what to do in the case of a chemical emergency, the use of MSDS, or access restriction. [HSE.1; HSE.9]
5. The factory does not provide any ongoing training to workers regarding Environmental Protection. [ER.1, ER.15]
6. The factory does not communicate its Environmental Protection policies and procedures or their updates to the entire workforce. [ER.1]
7. The factory has not identified whether its on-site operations generate any negative environmental impacts. [HSE.1]

#### Local Law or Code Requirement

Regulation on Hygiene and Safety in the Workplace (1966), Article 17; General Law on the Environment and Natural Resources (2000), Article 46; Regulation on Health and Safety in the Workplace (2006), Decree No 522-06, Articles 7.8, 9.2, and 9.6; FLA Workplace Code (Employment Relationship Benchmarks ER.1, ER.2, and ER.15; Health, Safety & Environment Benchmarks HSE.1, HSE.2, HSE.4, and HSE.9)

## COMPANY ACTION PLANS

### Action Plan no 1.

#### Description

1 & 2 & 6 & 7) The company is already working with the local government and a third party to begin an environmental permit process, which will include air monitoring and heat monitoring if determined to be required by the local regulations. 3) The orientation process training is completed by the recruiting specialist. Environmental training will be added to this training. 4) This training has been completed for maintenance, warehouse, and janitorial employees. It will be expanded to include screen printing employees as well. Going forward, this will be given to affected employees annually. 5) Policy to be developed and communicated to all employees on an annual basis once the environmental permit is issued. We need this item first in order to ensure the policy

covers all the correct topics.

#### Company Action Plan Update

1 & 2 & 6 & 7) To be completed pending the outcome of government inspection and evaluation conducted by third party consultant. 3) Expected to be completed by Feb 1. 4) Training is complete for all employees except screen printing, and they will be completed by Mar 1. Annually thereafter. 5) to be completed following the government issuance of permit, expected to be in Sept.

July 2020 Update: the environmental permit was received on 7/27/2020.

## FINDING NO.5

### IMMEDIATE ACTION REQUIRED

#### FINDING TYPE: Health & Safety

##### Finding Explanation

1. There is no secondary containment for the chemical called Lubricant RM-100. [HSE.1, HSE.9]
2. During factory tour assessors observed that machine oil was being stored in a juice bottle. There was no label on the bottle identifying the substance it contained or main hazards. [HSE.1, HSE.9]
3. The eye wash station located in the screen printing area is obstructed and does not have instructions in the local language. [HSE.9, HSE.14]
4. The access to the main chemical storage was restricted during the audit. However, access to the screen-printing area located on the production floor which stores printing materials was not restricted on the day of audit. [HSE.1, HSE.9]
5. During the documentation review, it was noted that the factory does not have a program to segregate, store, and dispose of non-hazardous waste. [HSE.1]

##### Local Law or Code Requirement

Regulation on Industrial Hygiene and Safety (1966), Article 91; Labor Law of the Dominican Republic, Resolution 4-2007, Articles 9.1; FLA Workplace Code (Health, Safety & Environment Benchmarks HSE.1, HSE.9, and HSE.14)

##### Recommendations for Immediate Action

1. Install secondary containment for all chemicals, including the Lubricant RM-100.
2. Store chemicals in containers designed for chemical storage. Label all chemical containers with their contents and main hazards.
3. Clear obstructions from the eye wash shower located in the screen printing area. Monitor regularly to ensure that it is easily accessible at all times. Post instructions next to the eyewash shower in the local language.
4. Restrict access into the chemical storage areas.
5. Create a program to segregate, store, and dispose of non-hazardous waste.

### COMPANY ACTION PLANS

#### Action Plan no 1.

##### Description

1) This drum has been moved into the secondary containment section of the chemical storage area. 2) This container was removed to the waste oil area. Chemical containers are reviewed in the weekly inspections to ensure they are labeled correctly. 3) Obstructions from this area have been cleared and a sign will be added with instructions. 4) The screen printing area is an active production area and the inks there are used on a daily basis. It is a large production area and therefore restriction to the area is not feasible. Training regarding proper handling of hazardous chemicals have already taken place for Maintenance and Warehouse employees, it will be expanded to include employees in this area. 5) A procedure does exist, but is not in written form. HR and the Safety Coordinator will complete the documentation and have it reviewed by maintenance personnel.

## Company Action Plan Update

1) complete as of 12/31/2018. 2) complete as of 12/31/2018. 3) The sign will be hung by Jan 31. 4) Training to be complete by March 1. 5) Written procedure to be complete by Feb 15.

July 2020 update: Item #4 is set to be completed with updated training of affected staff by 8/31/2020.

## FINDING NO.6

### IMMEDIATE ACTION REQUIRED

### FINDING TYPE: Health & Safety

#### Finding Explanation

1. The administration office located on the second floor of the Chenille Warehouse does not have a secondary emergency exit. [HSE.5]
2. There are no smoke detectors in the factory. [HSE.1, HSE.5, HSE.6]
3. The factory does not have a designated area to store finished product. Currently finished product is stored in the Sewing Area. This product obstructs the evacuation route. [HSE.5]
4. The alarm system is in the process of being replaced. The current alarm system is not audible in the baseball area, three out of seven push buttons are out of service in the production area, and the production floor does not have warning lights. [HSE.1, HSE.5]
5. The emergency exit door in the Cutting Area does not have a lighting system installed (not illuminated) and does not open outward. [HSE.1, HSE.5]
6. Five of the 120 fire extinguishers that assessors observed were not marked and sequentially listed on the evacuation plan. [HSE.1, HSE.5, HSE.6]

#### Local Law or Code Requirement

Regulation on Health and Safety in the Workplace, Decree No 522-06, Resolution 04-2007, Articles 1.37, 1.38, 1.39, 1.40, and 1.41; FLA Workplace Code (Health, Safety, and Environment Benchmarks HSE.1, HSE.5, and HSE.6)

#### Recommendations for Immediate Action

1. Install a secondary emergency exit door for the administration office on the second floor of the Chenille Warehouse.
2. Install smoke detectors throughout the entire facility.
3. Designate an area to temporarily store finished products. Finished products should be placed in a separate, marked, and enclosed area where access is limited to authorized personnel. The area should not be shared with other production areas in the facility.
4. Replace the emergency alarm system.
5. Install a lighting system for the emergency exit door in the Cutting Area. Replace the door so that it opens outwards.
6. Mark and sequentially list all fire extinguishers in the factory.

## COMPANY ACTION PLANS

### Action Plan no 1.

#### Description

1) This small office accommodates 3-4 people; it is not feasible to put a 2nd exit and stairway. We will ensure a fire extinguisher is located at the point of the exit and at the bottom of the stairway. Affected employees have been trained to use fire extinguisher. 2 & 4) The company has begun to install a fire alarm system, which includes smoke detectors, pull stations, audible alarm and visual alarm thru the whole facility. 3) The company has designed a new layout where finished goods will be in a bigger and restricted area; this change is expected to be made at the end of Q2. In the meantime all area will be stored out of aisles to ensure no exits

are blocked. Weekly inspections are conducted by Safety Coordinator to verify aisle are not obstructed. 5) The door will be changed by maintenance to swing the correct direction. An emergency exit light will be added as well. 6) New fire extinguishers will be marked and added to the company inventory list.

#### Company Action Plan Update

1) This item is complete. 2 & 4) The installation is currently underway by an alarm contractor. Completion is expected by 2/1/2019. 3) The inspections are being completed weekly; the new layout for finished goods will be implemented in Q2. 5) This is expected to be complete by the end of February. 6) The map of fire extinguishers has been updated, and new labels will be affixed to the extinguishers by January 15. are b

2020 update: fire alarm installed and operational in December 2019. The cutting room door was installed correct in December 2019.

## FINDING NO.7

### IMMEDIATE ACTION REQUIRED

#### FINDING TYPE: Health & Safety

##### Finding Explanation

1. The factory is not taking proactive steps to prevent repetitive-motion stress and injuries. 20% of the sampled chairs do not comply with ergonomic standards. They are made out of metal and are too low. [HSE.17]

2. There is a wooden mezzanine on the second floor of the Chenille Warehouse where fabric rolls are stored. This mezzanine should be fire resistant. [HSE.1]

3. 3% of the lock-stitch machines that assessors observed on the production floor are not properly guarded. The guards have been removed. [HSE.14]

##### Local Law or Code Requirement

Regulation on Health and Safety in the Workplace (2006), Decree No 522-06, Article 8.2; Regulation on Industrial Hygiene and Safety (1966), Article 4; FLA Workplace Code (Health, Safety & Environment Benchmarks HSE.1, HSE.14, and HSE.17)

##### Recommendations for Immediate Action

1. Provide seated workers with padded, adjustable chairs with removable armrests.
2. Rebuild the mezzanine using a resistant material to ensure a safe environment. This material could be concrete or steel.
3. Install proper guards on all lock-stitch machines.

### COMPANY ACTION PLANS

#### Action Plan no 1.

##### Description

1) A budget is being set up to replace a number of chairs each year. Chairs will be replaced starting with those that are most worn. this budget will recur annually so existing chairs can be evaluated and cycled out as necessary. 2) Local regulations do not prohibit a wood mezzanine. The building materials in use were designed by the building owner. A meeting with the building owner is being arranged to assess the current structure and ensure it meets applicable codes. 3) All guards on the stitching machines have been replaced. Weekly inspections are conducted by the Safety Coordinator to verify guards are maintained properly.

#### Company Action Plan Update

1) Budget planning is underway with the plant controller and the Safety Coordinator. As of Jan 2020, chairs have been purchased and put into place. 2) We are waiting a structural and code analysis from the landlord. July 2020 update: it has been confirmed that the mezzanine materials conform with the local labor code, building code, and safety code. Therefore we feel the mezzanine is acceptable and does not present any additional risk. 3) All stitching machine guards have been replaced. This item is complete.