



## WORKER RIGHTS CONSORTIUM

### **Villa Altagracia Project Factory: Compliance Assessment Process**

This document outlines the procedures for the verification of compliance with applicable labor standards at the Villa Altagracia Project facility in Villa Altagracia, Dominican Republic.

#### Applicable Labor Standards

The labor standards with which the facility is obligated to comply are those enumerated in the Worker Rights Consortium document titled “Labor Standards for the Villa Altagracia Project Factory.” These standards are an amplification of the standing WRC Model Code of Conduct and differ from the Model Code in that they 1) contain stronger and more detailed obligations with respect to living wage and freedom of association, and 2) are adapted specifically for the Dominican Republic. In addition, the factory is subject to the codes of conduct of colleges and universities that are licensors of Knights Apparel.

#### Monitoring Procedures

In order to verify compliance with the standards, the WRC will undertake the following activities:

- Ongoing monitoring of compliance with the living wage requirement, through regular review of factory payroll records and through worker interviews and review of worker pay slips to ensure that factory records match actual payments to workers.
- Ongoing monitoring of compliance with all other code standards through:
  - Interviews and other communication with union representatives, if applicable (at least every other week)
  - Interviews and other communication with individual workers, conducted off-site, at locations workers choose (at least monthly)
  - Interviews and other communications with factory managers (at least every other week)
  - Regular visits to the facility to review relevant factory records, observe the production process and inspect the work environment, machinery, and safety gear (at least every other week)
  - Real-time troubleshooting, in consultation with all stakeholders, as needed

- Issue-specific assessments, as needed. An issue-specific assessment is a review of a specific labor standard or practice that has been identified as an area of concern through a worker complaint. A mechanism will be maintained to enable workers to submit confidential complaints to the WRC. In the event that a complaint is received, an issue-specific assessment will be carried out in a timely fashion.

### Remediation

The project is subject to the following conditions with respect to the remediation of instances of non-compliance with the project's standards:

- In the event of a finding of a violation of the program's standards, whether through ongoing monitoring or an issue-specific assessment, the factory is obligated to act in a timely fashion to correct the violation. Knights Apparel is obligated to ensure that the factory takes such corrective action.
- If and when a violation is identified, the WRC will provide factory management and Knights Apparel with detailed recommendations for remedial action – developed in consultation with workers, their representatives, and other stakeholders – and an associated timeline to complete such actions.
- If a violation is not corrected within the timeframe specified, the WRC reserves the right to withdraw its verification of compliance. Under such circumstances, the factory and Knights Apparel shall relinquish the right to place a WRC hang tag on the product, or make any other public reference to the WRC's verification, until such time as the WRC has confirmed that the violation has been corrected. If a pattern of repeated violations occurs, the WRC can withdraw the right of Knights Apparel to use the WRC hang tag, and to make any other public reference to WRC verification of compliance, for an extended period of time or permanently, at the WRC's sole discretion.

### The Role of Worker Representatives

The WRC recognizes that the most effective day-to-day monitoring of compliance with labor standards is performed by workers and their representatives, acting through democratic labor organizations. In recognition of this reality, the WRC will communicate regularly about labor rights compliance issues with the representatives of any duly constituted union formed by workers at the facility and will consult with such representatives concerning any problems identified and any corrective action to be recommended.

### Public Reporting

The WRC will issue detailed public reports on its ongoing compliance monitoring every four to six months. These reports will be posted on the WRC website. The WRC will also make public, through the same means, the results of any issue-specific assessments, except where the worker(s) concerned and/or duly elected worker representatives object.