



CHARTERED 1693

## THE COLLEGE OF WILLIAM AND MARY IN VIRGINIA

### Licensee Code of Conduct

#### **I. Introduction:**

The College of William and Mary is dedicated to conducting its business affairs in a socially responsible and ethical manner. At a minimum Licensees of the College will be required to adhere to the principles set forth in the following Code of Conduct. Throughout the Code, the term “Licensee” shall include all persons or entities which have entered into a written “License Agreement” with the University to manufacture “Licensed Articles” (as that term is defined in the License Agreement) bearing the names, trademarks and/or images of one or more Member Institutions. The term “Licensee” shall for purposes of the Code and unless otherwise specified in the Code, encompass all of Licensees’ contractors, subcontractors or manufacturers which produce, assemble or package finished Licensed Articles for the consumer.

The College will make every reasonable effort to do business only with Licensees firmly committed to compliance of the Code, and will be proactive in issuing specific guidelines for compliance. The Code shall be clearly posted on the website of the Licensing Office, and shall be available upon request from the Licensing Office. The College reserves the right to change the Code and will notify all Licensees within 30 days of such changes.

#### **II. Notice:**

The principles set forth in the Code shall apply to all Licensees as a condition of producing and/or selling the College of William and Mary Licensed Articles.

#### **III. Standards:**

It is the responsibility of the Licensee to ensure that they and their contractors operate workplaces that adhere to the following minimum standards and practices:

- A. Legal Compliance:** Licensees must comply with all applicable legal requirements of the country in which products are manufactured. Where there are differences or conflicts between the Code and the laws of the country of manufacture, the higher standard shall prevail subject to the considerations stated in Section V.
- B. Environmental Standards:** Licensees shall act in a manner

consistent with the protection and preservation of local environments. Disposal of garbage and waste shall not endanger the health or wellbeing of affected communities. Licensees shall minimize fossil fuel consumption and emissions to the extent practicable. The College may impose specific caps on emissions; such decisions will include a reasonable timeline for compliance, and will be issued at least six (6) months in advance of the first mandatory goal.

C. **Employment Standards:** The College will only do business with Licensees whose workers are present at work voluntarily, are not under risk of physical harm, are fairly compensated and are not exploited in any way. In addition, the following specific guidelines must be followed:

1. **Wages and Benefits:** Licensees recognize that wages are essential to meeting employees' basic needs. Therefore, Licensees must provide, as a floor, a dignified living wage and benefits, which meet the basic needs of the average-sized family, The living wage must meet basic food, housing, medical, clothing, educational, and other essential needs and provide a discretionary amount for workers to meet other needs and to reinvest in their communities.

Deductions from wages for disciplinary measures shall not be permitted nor shall any deductions from wages not provided by national law and/or collective bargaining agreements be permitted without the expressed permission of the worker concerned. All workers shall be provided written and understandable information about the conditions in respect to wages and their conditions of employment before they enter employment and of the particulars of their wages for the pay period concerned each time they are paid.

2. **Piece Rates:** Recognizing that most apparel production operates under a piece-rate system, and that piece-rates are closely connected with a living wage, Licensees will ensure that the piece rate quotas are adjusted to what can reasonably be accomplished in an eight (8) hour period.
3. **Working Hours:** Hourly and/or quota-based wage employees shall (i) not be required to work more than the lesser of (a) 40 hours per week and 8 hours overtime, or (b) the limits on regular hours allowed by the law of the country of manufacture, and (ii) be entitled to at least one day off in every seven day period, as well as holidays and vacations.
4. **Overtime Compensation:** All overtime hours must be worked voluntarily by employees. In addition to their compensation for regular hours of work, hourly and/or quota-based wage employees shall be compensated for overtime hours at such a premium rate as is legally required in the country of manufacture or, in those

countries where such laws do not exist, at a rate at least one and one-half their regular hourly compensation rate.

5. ***Child Labor:*** Licensees shall not employ any person at an age younger than 15 (or 14, where, consistent with International Labor Organization practices for developing countries, the law of the country of manufacture allows such exception). Where the age for completing compulsory education is higher than the standard for the minimum age of employment stated above, the higher age for completing compulsory education shall apply to this section. Licensees agree to consult with governmental, human rights, and non-governmental organizations, and to take reasonable steps to minimize the negative impact on children released from employment as a result of implementation or enforcement of this Code. Priority for employment shall be given to relatives of a child released from employment as a direct or indirect result of this Code. Young workers past the age of compulsory education are encouraged to attend night school, and under no circumstances will they be forced to work overtime hours that would prevent them from attending these classes.
6. ***Forced Labor:*** There shall not be any use of forced prison labor, indentured labor, bonded labor or other forced labor.
7. ***Health and Safety:*** Licensees shall provide a safe and healthy working environment to prevent accidents and injury to health arising out of, linked with, or occurring in the course of work or as a result of the operation of Licensee facilities. Licensees will comply with all workplace safety and health regulations established by the national government where the production facility is located, or with Title 29 CFR of the Federal Code of Regulations, enforced by Federal OSHA (Occupational Safety and Health Administration), whichever regulation is more health protective for a given hazard. The Licensee shall ensure that its direct operations and subcontractors comply with all health and safety conventions of the International Labor Organization (ILO) ratified and adopted by the country in which the production facility is located.
8. ***Nondiscrimination:*** No person shall be subject to any discrimination in employment, including hiring, salary, benefits, advancement, discipline, dismissal or retirement, on the basis of gender, race, religion, age, disability, sexual orientation, nationality, political opinion, or social or ethnic origin. This clause is not to be construed as preventing the pursuit of equal opportunity employment policies.
9. ***Women's Rights:*** Because the overwhelming majority of apparel workers are women, assuring and safeguarding women's rights is of particular interest to all parties. In addition to not discriminating on the basis of sex, pregnancy, marital status, or

sexual orientation (as detailed above in section IV. D. 8), the following specific guidelines must be followed:

- a. Women workers will receive equal remuneration, including benefits; equal treatment; equal evaluation of the quality of their work; and equal opportunity to fill all positions open to male workers.
- b. Pregnancy tests will not be a condition of employment, nor will they be demanded of employees.
- c. Workers who take maternity leave will not face dismissal nor threat of dismissal, loss of seniority or deduction of wages, and will be able to return to their former employment at the same rate of pay and benefits.
- d. Workers will not be forced or pressured to use contraception.
- e. Workers will not be exposed to hazards, including glues and solvents that may endanger their safety including their reproductive health.
- f. Licensees shall provide appropriate services and accommodation to women workers in connection with pregnancy.

**10. *Harassment or Abuse:*** Every employee shall be treated with dignity and respect. No employee shall be subject to any physical, sexual, psychological, or verbal harassment or abuse. Licensees will not use or tolerate any form of corporal punishment.

**11. *Freedom of Association and Collective Bargaining:*** Licensees shall grant to their employees all protections of the right to freedom of association and collective bargaining accorded to private-sector employees under Section 40.1 of the Code of Virginia. No employee shall be subject to harassment, intimidation or retaliation in their efforts to freely associate or bargain collectively. Licensees shall not cooperate with governmental agencies and other organizations that use the power of the State to prevent workers from organizing a union to promote their interests (pursuant to Code of Virginia 40.1-57.3).

#### **IV. Compliance and Disclosure:**

Licensees (for themselves and on behalf of their contractors, subcontractors, or manufacturers) shall disclose to the College, and the public the information set forth in Sections A, B, C and D below. Licensees wishing to protect proprietary information from public disclosure must submit their request in writing to the Licensing Code of Conduct Committee (see Section VI.A.), referencing section 2.2-3705.1 of the Code of Virginia.

- A. Upon execution and renewal of the License Agreement and upon the selection of any new manufacturing facility which produces Licensed Articles, the company names, contacts, addresses, phone numbers, e-mail addresses, and nature of the business association for all such facilities

- which produce Licensed Articles;
- B. at least sixty (60) days prior to the end of each contract year of the License Agreement, (i) a report listing weights of each garment by each contractor and factory and (ii) a report listing wages of every employee;
  - C. at least sixty (60) days prior to the end of each contract year of the License Agreement, written assurance that (i) Licensees are in compliance with the Code and/or (ii) Licensees are taking reasonable steps to remedy non-compliance in facilities found not to be in compliance with the code;
  - D. at least sixty (60) days prior to the end of each contract year of the License Agreement, a summary of those steps taken to remedy material violations, and/or difficulties encountered, during the preceding year in implementing and enforcing the Code at all of Licensees' facilities which produce Licensed Articles. This information will be published on the College's website not less than thirty (30) days prior to the date of the annual renewal of a license agreement.

#### **V. Labor Standards Environment:**

In countries where law or practice conflicts with these labor standards, Licensees agree to consult with governmental, human rights, labor and business organizations and to take effective actions as evaluated by the College to achieve full compliance with each of these standards. Licensees further agree to refrain from any actions that would diminish the protections of these labor standards. In addition to all other rights under the Licensing Agreement, the College reserves the right to refuse renewal of Licensing Agreements for goods made in countries where:

- A. progress toward implementation of the employment standards in the Code is no longer being made; and
- B. compliance with the employment standards in the Code is deemed impossible. The University shall make such determinations based upon examination of reports from governmental, human rights, labor and business organizations and after consultation with the relevant Licensees.

#### **VI. Remediation:**

It is the principle of the College to work together with its Licensees toward a mutually acceptable resolution of any alleged violations of the Code of Conduct. The College discourages Licensees from terminating relationships with manufacturers and contractors without due efforts to remedy the original cause of the violation.

The College is an affiliate member of the Worker Rights Consortium (WRC) which is a non-profit organization created by college and university administration, students and labor rights experts. The WRC's purpose is to assist in the enforcement of manufacturing Codes of Conduct adopted by the College. Allegations shall be brought before the Licensing Code of Conduct Committee, which is a representative group of College faculty, staff and students. If the Committee determines that a Licensee has violated the Code and failed to self-correct the violation, then the College will consult with the Licensee (for itself and

on behalf of its contractors, subcontractors, or manufacturers) to determine appropriate corrective action. The remedy will, at a minimum, include:

- A.** requiring the Licensee to take all steps necessary to correct such violations including, without limitation:
  - 1.** Paying all applicable back wages found due to workers who manufactured the Licensed Articles.
  - 2.** Reinstatement of any worker found to have been unlawfully dismissed.
- B.** If agreement on corrective action is not reached, and/or the action does not result in correction of the violation within a specified reasonable time period, the College reserves the right to:
  - 1.** require that the Licensee terminate its relationship with any contractor, subcontractor, or manufacturer that continues to conduct its business in violation of the Code, and/or
  - 2.** terminate its relationship with any Licensee that continues to conduct its business in violation of the Code.
- C.** The College will provide the Licensee with thirty (30) days written notice of termination. In order to ensure the reasonable and consistent application of this provision, the College will seek advice from the Worker Rights Consortium regarding possible corrective measures and invocation of options 1 and 2 above.

---

Signature

---

Title

---

Company Name

---

Date

---