

Member Institution--Western Michigan University

Western Michigan University Code of Conduct—Licensed Merchandise

ARTICLE 1

GENERAL PRINCIPALS AND APPLICABILITY

1.§1 Western Michigan University Licensees are required to adhere to the Western Michigan University Code of Conduct (“Code”). Licensees (for themselves and on behalf of their contractors, subcontractors, or manufacturers) shall disclose to Western Michigan University, or if directed by the University, to the University’s licensing agent, information regarding compliance and/or deviation from this Code’s requirements.

1.§2 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 Western Michigan University. 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.

1.§3 ***Notice: The requirements and standards set forth in the Code shall apply to all Licensees manufacturing or supplying Licensed Articles. As a condition of being permitted to produce and/or sell Licensed Articles, Licensees must comply with the Code. Licensees are required to adhere to the Code within six (6) months of notification of the Code and as required in applicable license agreements.***

ARTICLE 2

STANDARDS

2.§1 Licensees agree to operate workplaces and contract with companies whose workplaces adhere to the standards and practices described below. The University prefers that Licensees exceed these standards.

ARTICLE 3

LEGAL COMPLIANCE

3.§1 Licensees must comply with all applicable legal requirements of the country(ies) of manufacture in conducting business related to or involving the production or sale of Licensed Articles. Where there are differences or conflicts with the Code and the laws of the country(ies) of manufacture, the higher standard shall prevail, except that

3.§1.1 In countries where law or practice conflicts with this Code, Licensees agree to consult with governmental, human rights, labor and business organizations and to take effective actions as evaluated by the University to achieve full compliance with each of these standards. Licensees further agree to refrain from any actions that would diminish the protections of these standards.

3.§2 In addition to all other rights under the Licensing Agreement, the University reserves the right to refuse renewal of Licensing Agreements for goods made in countries where:

3.§2.1 Progress toward implementation of the employment standards in the Code is no longer being made; and

3.§2.2 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/or business organizations and after consultation with the subject Licensees.

ARTICLE 4 **APPLICABILITY**

4.§1 Code provisions apply not only to the licensees, but also to the supplier factories but also to the primary manufacturers of components of the licensed articles.

ARTICLE 5 **FORCED LABOR**

5.§1 Licensees shall not use (or purchase materials that are produced using) any form of forced labor, whether in the form of prison labor, indentured labor, bonded labor, or otherwise.

ARTICLE 6 **CHILD LABOR**

6.§1 Licensees shall not employ any person at an age younger than 15 (or 14 years of age, where, consistent with International Labor Organization practices for developing countries or 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 the Code.

ARTICLE 7 **PROHIBITION OF HARASSMENT OR ABUSE**

7.§1 Licensees shall require that every worker shall be treated with dignity and respect, and licensees shall strive toward mutual respect and cooperation between employees and management. Management of licensees are required to promptly and appropriately deal with complaints and known circumstances of physical, sexual, psychological or verbal harassment or abuse. Failure to do so will subject the licensees to termination of their contracts.

ARTICLE 8

NONDISCRIMINATION

8.§1 Illegal discrimination in employment, including hiring, salary, benefits, advancement, discipline, termination or retirement, on the basis of gender, race, marital status, reproductive or familial situation, religion, age, disability, sexual orientation, nationality, political opinion, or social or ethnic origin, shall be prohibited.

ARTICLE 9

HEALTH AND SAFETY

9.§1 Licensees shall require the working environment to promote health and safety, including measures to prevent accidents and injury to health, including reproductive health, arising out of, linked with, or occurring in the course of work or as a result of the operation of Licensee facilities.

9.§2 The Licensee will comply, and require all subcontractors to comply, with all workplace safety and health regulations established by the national government where the production facility is located. Production facilities located in the United States of America shall be operated so as to be in compliance with all applicable federal and state laws and regulations relative to occupational safety and health for workers.

9.§3 The Licensee shall work toward the goal of ensuring that its direct operations and subcontractors comply with all applicable health and safety conventions of the International Labor Organization (ILO) ratified and adopted by the country in which the production facility is located.

ARTICLE 10

WOMEN'S RIGHTS

10.§1 Licensees shall abide by the following conditions:

10.§1.1 Except for those positions involving a bona fide occupational qualification, female workers shall have the same work opportunities as men, without arbitrary restriction on the types of jobs or special limits on hours of work.

10.§1.2 Licensees shall not use criteria related to marital or reproductive status (for example, pregnancy tests, the use of contraception, fertility status) as conditions of employment or retention of employment.

10.§1.3 New mothers shall be entitled to reasonable leaves of absence (with the right to return to work) for childbirth and recovery from childbirth. Workers will not face dismissal nor threat of dismissal, loss of seniority or deduction of wages solely for taking such leaves of absence, and will be able to return to their former employment at the end of their leave of absence at the same rate of pay and benefits.

10.§1.4 No adverse employment decisions shall be based on marital, reproductive, and/or family status.

ARTICLE 11
FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

11.§1 Licensees shall recognize and respect the right of workers to freedom of association and collective bargaining. Licensees shall prohibit harassment, intimidation or retaliation for her/his 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 of their *choice*. Licensees shall allow union organizers access to workers. Licensees shall recognize the union of the worker's choice.

ARTICLE 12
HOURS OF WORK AND OVERTIME

12.§1 Licensees shall comply with applicable laws and industry standards on working hours. In any event, workers shall not, on a regular basis, be required to work in excess of 48 hours per week and shall be provided with at least one day off in every seven-day period. Mandatory overtime shall be limited to extraordinary and short-term business circumstances and the policy concerning mandatory overtime shall be explained to employees before they are hired. Regular working hours plus mandatory overtime shall not exceed 60 hours per week. All overtime shall be remunerated at an appropriate premium rate, which is generally accepted to be one and one-half times the regular hourly rate.

ARTICLE 13
COMPENSATION

13.§1 Licensees recognize that wages are the principal means of meeting the basic needs of individuals, including housing, food, potable water, and health care. Licensees shall commit themselves to working toward a wage goal that enables employees to satisfy these needs, **and each Licensee shall provide documentation to the University or its agent upon request as to the minimum wage legally required in the country(ies) in which its goods are produced and its progress toward this wage goal. This documentation shall be provided in accordance with the wage data disclosure protocol provided to Licensees.** Licensees shall ensure that wages and benefits for a standard working week meet at least legal minimum standards, **and shall report to the University or its agent on a yearly basis the pay scale(s) of wages paid to its employees.** Compensation standards will be adjusted periodically based on experience and increased knowledge concerning local labor markets and living conditions.

ARTICLE 14
DISCLOSURE

14.§1 Within three months of executing a license agreement with Western Michigan University, Licensees shall provide to the University or its designated representative and the Workers Rights

Consortium full public disclosure of the site locations of all factory facilities, including those run by contractors or subcontractors.

14.§2 Upon execution and renewal of the License Agreement and upon the selection of any new manufacturing facility which produces Licensed Articles, Licensees shall provide to the University or its designated representative and the Workers Rights Consortium the company name(s), contacts, addresses, phone numbers, e-mail addresses, and nature of the business association for all such facilities which produce Licensed Articles.

14.§3 At least sixty (60) days prior to the end of each contract year of the License Agreement, written assurance that (i) Licensees and all subcontracting facilities 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;

14.§4 *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.*

ARTICLE 15 **REMEDIATION**

15.§1 *Remedies herein apply to violations, which occur after the Effective Date of the Code.*

15.§2 If a Licensee has failed to self-correct a violation of the Code, the University will consult with the Licensee (for itself and on behalf of its contractors, subcontractors, or manufacturers) to determine appropriate corrective action.

15.§3 The remedy will, at a minimum, include requiring the licensee to take all steps necessary to correct such violations including, without limitation:

15.§3.1 Paying all applicable unpaid back wages found due to workers who manufactured the licensed articles.

15.§3.2 Reinstatement of any worker found to have been dismissed contrary to this Code.

15.§4 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 University reserves the right to

15.§4.1 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

15.§4.2 Terminate its relationship with any Licensee that continues to conduct its business in violation of the Code.

15.§5 In either event, the University 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 University will seek advice from the Worker Rights Consortium regarding possible corrective measures and invocation of options 1 and 2 above.

15.§6 Nothing in this Code shall be construed to limit or reduce, and Western Michigan University and its contracting agents expressly reserve and do not waive, any of the University's or contracting agents' other rights provided to them by contract and law.

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