

DePaul University

Code of Conduct for Licensees

- I. Introduction:** Depaul University, as a Catholic and Vincentian institution, embraces the Catholic Church's belief in the dignity of workers, as reflected in the writings and deeds of our namesake, St. Vincent de Paul, and in such pronouncements as Pope Leo XIII's Encyclical Letter, *Rerum Novarum* (On the Condition of the Working Classes). In that tradition, DePaul recognizes that the right to a job that pays fair and decent wages in a safe and healthy work environment, free from discrimination, coercion and exploitation, is a fundamental human right worthy of protection. DePaul is dedicated to conducting its business affairs in a socially responsible manner that supports these ideals of social justice, and sees this as an essential aspect of its educational mission. DePaul expects its Licensees to adopt business practices that are compatible with these standards, which are embodied in DePaul's Code of Conduct for Licensees. DePaul unequivocally supports this Code of Conduct and encourages other institutions of higher education to adopt similar standards to safeguard the human rights and dignity of workers throughout the world.
- II. Application:** The Code of Conduct shall apply to all Licensees of DePaul University or its affiliates. The Term "Licensee" shall include all persons or entities who have entered into a written license agreement with DePaul, as well as their respective contractors, subcontractors, vendors, manufacturers and related entities which produce, assemble, package or sell products or materials used in the production of items bearing the name, trademarks or images of DePaul University. As a condition of being permitted to produce or sell licensed products bearing the name, trademarks or images of DePaul, each Licensee must comply with this Code of Conduct. If DePaul, in its sole discretion, determines that any Licensee has failed to comply with this Code, then the University may either terminate this business relationship and license agreement with the Licensee or require that the Licensee implement a corrective action plan on terms acceptable to DePaul. All Licensees are required to adhere to this Code within six (6) months of notification of the Code or as required in applicable license agreements.
- III. Compliance:** Prior to the date of an annual renewal of a license agreement, the Licensees shall be required to provide the following to DePaul University, as set forth in the license agreement:
- A. The company names, owners and/or offices; and addresses, phone numbers, email addresses of all the Licensees' contractors and manufacturing plants which are involved in the manufacturing process of items which bear, or will bear, the name, trademarks and/or images of the University. DePaul shall make public the names of all its Licensees and subcontractors that product licensed DePaul articles, and DePaul will make public the location of all facilities used to manufacture said products.
 - B. Written assurances that the Licensee and its contractors adhere to this code; and
 - C. A summary of the steps taken, and/or difficulties encountered, during the preceding year in implementing and enforcing this Code at each site.
- IV. Disclosure:** Licensees shall be required to report immediately to the University any changes in their business operations which materially affect the application of this Code, such as the selection of a new factory.
- V. Verification:** Licensees are responsible for ensuring that they are in compliance with the Code, and to verify that their contractors are in compliance with this Code. All facilities operated by Licensees and/or their contractors shall submit to inspection by DePaul's authorized representatives. Licensees shall require all contractors to submit to inspection of facilities by DePaul's authorized representatives.
- V. I. Work Place Standards and Practices:** Licensees must operate work places and contract with employers whose work places adhere to the following minimum standards and practices:
- 1. Wages and Benefits:** Employees must be paid wages and benefits sufficient to meet their essential living needs. These wages and benefits must provide a fair and decent standard of living and allow employees to live in dignity and above the poverty level. Employers shall pay

employees, as a floor, at least the minimum wage required by local law or the prevailing industry wage, whichever is higher, and shall provide legally mandated benefits. It shall be in DePaul's sole discretion to determine whether such wages and benefits meet an employee's essential living needs

2. Working Hours: Except in extraordinary business circumstances, hourly or quota-based wage employees will be required to work no more than 48 hours per week and the salary for such work shall be sufficient to meet the employee's essential living needs. Employees will be required to work no more than 12 hours overtime per week, or no more than the limits on overtime hours allowed by local law, whichever is less. Employers may not require employees to work overtime regularly although employees are free to choose to work overtime on a regular basis. Employees will be entitled to at least one day off in every seven-day period.

3. Overtime Compensation: Employees shall be compensated for overtime hours at such premium rate as is legally required in the country of production, but not less than at a rate equal to their regular hourly compensation rate.

4. Child Labor: The use of child labor is not permissible and will not be tolerated. Licensees shall not employ any person at an age younger than 15 unless, where consistent with International Labor Organization practices for developing countries, the law of the country of manufacture allows 14 as an exception. Where the age for completing compulsory education is higher than the standard for the minimum age of employment, the higher age for completing compulsory education shall apply.

5. Forced Labor: There will be no use of forced prison labor, indentured labor, bonded labor or other forced labor.

6. Health and Safety: Licensee 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's facilities, including residential facilities operated by the Licensee or its subcontractors. The Licensee shall ensure that its direct operations and any subcontractors comply with all workplace safety and health regulations established by the national government where the production facility is located, and the Licensee shall ensure that its direct operations and any subcontractors comply with all health and safety conventions of any international labor or human rights organizations ratified and adopted by the country in which the production facility is located.

7. Nondiscrimination: While DePaul recognizes and respects cultural differences, no person shall be subject to any discrimination in employment on the basis of gender, race, religion, age, disability, sexual orientation, nationality, political opinion, social status or ethnic origin.

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

9. Freedom of Association and Collective Bargaining: Employers shall recognize and respect the right of employees to freedom of association and collective bargaining. No employee shall be subject to harassment, intimidation, retaliation or termination in their efforts to freely associate or bargain collectively. DePaul prohibits the manufacture of licensed products in any country which does not recognize the legal rights of workers to organize and engage in collective bargaining.

10. Women's Rights: Women workers will receive wages and benefits equal to those as male workers and when the work performed is the same or of a similar nature. Women workers will receive equal opportunity in hiring, evaluation, promotion and in all other areas of employment. Pregnancy tests will not be a condition of employment, nor will they be demanded of employees. Workers who take maternity leave will not face dismissal nor threat of dismissal, loss of seniority nor deduction of wages, and will be able to return to their former employment at the same rate of pay and benefits. Workers will not be forced or pressured to use contraception. Workers who are pregnant will not be exposed to hazards that may endanger the safety of their unborn child.