Licensee Code of Conduct

Loyola University of Chicago Licensee Code of Conduct

PREAMBLE

Loyola University of Chicago (the “University”) has established the following policy\(^1\) to guide University relationships with licensees, of licensed apparel and other products. This policy recognizes the educational import of the manner in which the University conducts its business relationships and aspires to align the University’s transactions with the values of its Jesuit Catholic mission.

Introduction

Throughout this Code of Conduct (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 the 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.

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\(^1\) The University’s policy is consistent with that of the Worker Rights Consortium (“WRC”). The University has been a member of the WRC since March 1, 2000, when then-President John J. Piderit, S.J., officially notified the WRC of its intention to be a “fully committed member.”
I. Notice

A. The principles set forth in the Code shall apply to all Licensees.

B. 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 months of notification of the Code and as required in applicable License Agreements.

II. Standards

A. Licensees agree to operate work places and contract with only those companies whose work places adhere to the standards and practices described below. The University prefers that Licensees exceed these standards.

B. Legal Compliance: 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, subject to the considerations stated in Section VI.

C. Employment Standards: Licensees shall comply with the following standards:

1. Wages and Benefits: Licensees recognize that wages are essential to meeting employees’ basic needs. Licensees shall pay employees, as a floor, wages and benefits which comply with all applicable laws and regulations, and which provide for essential needs and establish a dignified living wage for workers and their families.

2. Working Hours: Hourly and/or quota-based wage employees shall (i) not be required to work more than the lesser of (a) 48 hours per week 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.

3. 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.
4. Licensee Responsibility for Unpaid Compensation: Licensees shall be jointly and severally responsible for paying all legally unpaid mandated compensation, including but not limited to severance pay, accrued vacation and holiday pay, and unpaid wages owed to workers employed at factories that have produced Licensees’ apparel, even if the Licensee is not the direct employer of the workers.

5. Child Labor: Licensees shall not employ any person at an age younger than 15 (or 14, where, consistent with International Labor Organization (ILO)\(^2\) 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. If a child is to be employed at an age where he/she is still going through compulsory education, that child shall be employed for a number of hours compatible with his/her education. Licensees agree to consult with governmental, human rights, and nongovernmental organizations, and to take reasonable steps as evaluated by the University to minimize the negative impact on children released from employment because of implementation or enforcement of the Code.

6. Forced/Prison Labor: There shall not be any use of 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 because of the operation of Licensee facilities. In addition, Licensees must comply with the following provisions:

   a) The Licensee shall ensure that its direct operations and those of any subcontractors 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.

   b) The Licensee shall ensure that its direct operations and subcontractors comply with all health and safety conventions of the ILO ratified and adopted by the country in which the production facility is located.

   c) Workers will not be exposed to hazards, including glues and solvents, that present a substantial and documented danger to their safety, including their reproductive health.

\(^2\) The ILO was founded in 1919, in the wake of a destructive war, to pursue a vision based on the premise that universal, lasting peace can be established only if it is based on social justice. The ILO became the first specialized agency of the UN in 1946." (http://www.ilo.org/global/about-the-ilo/lang--en/index.htm).
8. Nondiscrimination: No person shall be subject to any discrimination in employment, including hiring, salary, benefits, advancement, discipline, termination, or retirement, on the basis of gender, race, religion, age, disability, sexual orientation, nationality, political opinion, union beliefs and activities, or social or ethnic origin.

9. 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. Further it is understood that workers have the right for their private lives to remain private.

10. Freedom of Association and Collective Bargaining: Licensees shall recognize and respect the right of employees to freedom of association and collective bargaining. 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 of their choice. Licensees shall allow union organizers free access to employees. Licensees shall recognize the union of the employees' choice. Licensees shall not permit members of factory management to hold office in factory level unions.

11. Persons with a Womb Rights

a) Employees with a womb 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 employees that are without a womb.

b) Pregnancy tests will not be a condition of employment, nor will they be demanded of employees or applicants.

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) In connection with pregnancy and lactation, Licensees shall provide appropriate services and accommodation to an employee with a womb.

12. Natural Disaster/Interruption of Production: In the case of natural disaster or other crisis that causes the disruption of production, Licensees shall make every effort to resume production at the affected worksite(s) to prior levels as soon as feasible and not to move production elsewhere, recognizing that doing so would further intensify the effects of the disaster/crisis on the workers and their community.
III. Compliance and Disclosure: Licensees (for themselves and on behalf of their contractors, subcontractors, or manufacturers) shall disclose to the WRC, the University, and the public the information set forth in Sections A, B, and C below.

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, 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; and

C. At least 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.

IV. Verification: It shall be the responsibility of Licensees (for themselves and on behalf of their contractors, subcontractors, or manufacturers) to ensure their compliance with the Code. The WRC and its Member Institutions will undertake efforts to determine and clearly define the obligations associated with the development of adequate methods and training for independent external monitoring, as guided by the principles in the founding document of the WRC.

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 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 labor standards. In addition to all other rights under the License Agreement, the University reserves the right to refuse renewal of License 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: Remedies herein apply to violations which occur after the Effective Date of the Code.

A. 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.

B. The remedy will, at a minimum, include 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.

C. 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:
   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.

In either event, the University will provide the Licensee with 30 days written notice of termination. To ensure the reasonable and consistent application of this provision, the University will seek advice from the WRC regarding possible corrective measures and invocation of options 1 and 2 set forth in Section VI(C)(1)-(2) above.

Revised: 2/22/24
Definitions

Gender Inclusive Language
Using gender-inclusive language means speaking and writing in a way that does not discriminate against a particular sex, social gender or gender identity, and does not perpetuate gender stereotypes. Given the key role of language in shaping cultural and social attitudes, using gender-inclusive language is a powerful way to promote gender equality and eradicate gender bias.
Source: United Nations

Gender Nonconforming (GNC)/Gender Expansive
Umbrella term for individuals with gender identities outside the man–woman binary (e.g., nonbinary, genderqueer, and agender individuals; Westafer et al., 2022) or who do not follow gender stereotypes. Use the terms people use to call themselves regardless of any prior associations or ideas about those terms. Although some parents and allies use the term “gender expansive,” the preferred term in the LGBTQ+ community is usually “gender nonconforming” (but check with the individuals with whom you are working; PFLAG, 2022).
Source: American Psychological Association

Inclusion
An environment that offers affirmation, celebration, and appreciation of different approaches, styles, perspectives, and experiences, thus allowing all individuals to express their whole selves (and all their identities) and to demonstrate their strengths and capacity (APA, 2021c).
Source: American Psychological Association

Resources

Guidelines for gender-inclusive language in English
Source: United Nations

How To Use Gender-Neutral Language, And Why It's Important To Try
Source: Forbes

Loyola's Mission Statement
We are Chicago's Jesuit, Catholic University - a diverse community seeking God in all things and working to expand knowledge in the service of humanity through learning, justice, and faith.
Source: Mission Integration