

UNIVERSITY OF GUELPH CODE OF ETHICAL CONDUCT FOR SUPPLIERS AND SUBCONTRACTORS IN RELATION TO WORKING CONDITIONS AND EMPLOYMENT STANDARDS

Approved: Board of Governors, June 6, 2012

I Preamble .

The University of Guelph is committed to conducting its business affairs in an ethical manner and in accordance with its own employment policies. The purpose of this Code of Ethical Conduct for Suppliers and Subcontractors is to ensure that the University does its utmost to have a positive impact on working conditions and to minimize the possibility of its contributing to oppressive working conditions. Therefore, the University of Guelph requires suppliers and subcontractors with which it does business and who fall within the scope of this Code to conduct their business and uphold workplace standards in adherence to this Code. The University is committed to the principle of constructive engagement with companies found not to be in compliance with this Code and may use any measures at its disposal to bring about such compliance.

It is the University's hope that the Code will be a positive influence for improving business practices beyond the Code's current scope and it is the University's commitment, all other things being equal, to endeavour to use vendors who conduct business in accordance with the principles enunciated in this document. In addition, the University is committed to working with other institutions of higher learning, and other like-minded organizations, to further these principles.

II Definitions

1. The term *Code (or the Code)* refers to the **University of Guelph Code of Ethical Conduct for Suppliers and Subcontractors in Relation to Working Conditions and Employment Standards.**
2. The term *Procedures (or the Procedures)* refers to the **Procedures for the Implementation of the University of Guelph Code of Ethical Conduct for Suppliers and Subcontractors in Relation to Working Conditions and Employment Standards.**
3. The term *University* includes the University of Guelph, its constituent colleges, ancillary units, retail outlets operated by constituent groups such as elected student governments, and any future affiliated retail outlets.
4. The term *Advisory Committee on the Code of Ethical Conduct (or the Committee)* refers to the Committee whose composition and mandate are outlined in Section VI.C, below.
5. The term *licensee* includes all persons or entities that have entered into an agreement or contract with the University to manufacture items bearing the name, trademarks and/or images of the University.

6. For the purposes of this document, the terms **University supplier** and **supplier** will include licensees and all other persons or entities – such as vendors, contractors, contributors and manufacturers – which have entered into an agreement or contract with the University to provide products to be used, sold or distributed under the authority of the University. The Code does not apply to contracts in existence at the time of the Code’s implementation. However, the Code shall be applied upon renewal of existing contracts.
7. The term **subcontractor** includes all suppliers, vendors, contractors, subcontractors and manufacturers directly contracted by University suppliers to provide products or components of products to be used, purchased or distributed to or by University suppliers or licensees. **Production** includes, but is not limited to, creation, assembly, packaging, shipping and receiving.
8. The term **apparel** refers to clothing, uniforms and footwear.
9. The term **monitoring agency or third-party agency** refers to independent agencies that have been recognized by the University to facilitate the enforcement of the Code (for example, the Workers' Rights Consortium, (WRC) or International Labour Organization (ILO) , which monitor apparel manufacturers and some other industries).
10. The term **child** refers to any person less than 15 years of age, unless the country of manufacture stipulates a higher age for work or mandatory schooling, in which case the higher age would apply. If, however, the local minimum-age law is set at 14 years of age in accordance with developing-country exceptions under International Labour Organization Convention 138, the lower age will apply.
11. The term **child labour** refers to work by a child younger than the age(s) specified in the above definition of a child.
12. The term **young worker** refers to any worker over the age of a child, as defined above, and under the age of 18.

III. Scope

At present, the Code applies to University of Guelph purchases from suppliers and immediate subcontractors involved in the production, distribution and/or sale of any product falling into at least one of the following categories:

- (a) Products bearing the name, logo, image or trademark of the University that are sold or given away as promotional items;
- (b) Products that are monitored by a third-party agency that is independent of the monitored party, excluding books, research materials and research equipment.

IV. Principles

A. General Principles

1. The University of Guelph recognizes that consumer decisions have an impact on those involved in production. The University is committed to working with other postsecondary institutions and with other organizations (such as WRC or ILO) to establish evaluation guidelines, criteria and processes for monitoring and ensuring compliance with these principles and to enhance standards as appropriate.
2. The University of Guelph is committed to building and improving on existing laws and regulations. Where there are conflicts or differences between the standards of this Code, the applicable laws of the country of manufacture, standards set by the International Labour Organization or the outcome of collective bargaining, the highest standard shall prevail.
3. The University of Guelph expects to do business only with suppliers and subcontractors whose workers are present to work voluntarily, are not at undue risk of physical harm, are fairly compensated and are not exploited in any way. University suppliers must operate workplaces, and require that their immediate subcontractors operate workplaces that adhere, at a minimum, to the following statements of principle with respect to working standards and to the detailed standards and practices outlined in the *Procedures for Implementation of the University of the Guelph Code of Conduct for Suppliers and Subcontractors in Relation to Working Conditions and Employment Standards*.

B. Principles with Respect to Working Standards

1. Wages and benefits paid must meet national and international legal standards or industry benchmark standards, whichever are higher, and must provide for a living wage for the person(s) and their families (based on local standards), and some discretionary income. Where production operates under a piece-rate system, piece-rate quotas and rates must be adjusted to what can reasonably be accomplished in an eight-hour period and permit this wage and benefits standard to be met.
2. Wages must be paid in a timely manner and in a manner directly accessible by workers.
3. Employees must not be required to work more than the lesser of:
 - (a) 48 hours
 - (b) the maximum number of hours allowable under the Ontario *Employment Standards Act*,
 - or
 - (c) the limits on hours allowed by the law of the jurisdiction of manufacture.
4. Wherever possible, overtime must be voluntary and remunerated at a premium rate and documented.
5. Employees must be entitled to at least one day off in every 7-day period, and holidays and vacations as required by the law of the jurisdiction of manufacture.

6. University suppliers and subcontractors must not engage in or support the use of child labour..
7. The use of any form of forced labour, such as indentured labour, bonded labour or involuntary labour of prisoners, is prohibited.
8. A safe and hygienic working environment must be provided. Accommodation, where provided, must be clean, safe and meet the basic needs of the workers.
9. In accordance with the Ontario Human Rights Code, no worker shall be subject to any discrimination in employment, including hiring, compensation, access to training, promotion, discipline, termination or retirement, on the basis of gender, race, caste, religion, age, disability, sexual orientation, nationality, family and marital status, reproductive status, union membership or activity, political opinion or activity, or social or ethnic origin. Workers must be employed on the basis of their ability to do the job.
10. University suppliers and subcontractors must recognize and respect the legal rights of employees to freedom of association, to freely form and join unions of their choice, and to collective bargaining with bargaining representatives of their choice without being subjected to harassment, intimidation or retaliation.
11. Every employee must be treated with dignity and respect. Employers will not tolerate or engage in any physical, sexual, psychological or verbal harassment or abuse. University suppliers and subcontractors will not use or tolerate any form of corporal punishment.

V. Compliance Principles

A. Suppliers and Subcontractors

1. Suppliers and subcontractors who confirm compliance with this Code are responsible for ensuring compliance by those with whom they directly contract to provide products or components of products to be used, purchased or distributed to or by University suppliers or licensees.
2. University suppliers and subcontractors must allow unannounced inspections of their manufacturing facilities and must provide information required to determine compliance with the Code when requested by the University or its designated representatives.
3. The University is committed to the principle of constructive engagement with companies found not to be in compliance with this Code and may use any measures at its disposal to bring about such compliance. In addition, as a condition of continuing to do business with the supplier, the University may require remediative action by the supplier or subcontractor to correct adverse consequences to workers resulting from Code violations.
4. All suppliers are required to adhere to this Code. However, suppliers may not advertise or represent that they have been certified as being in compliance

B. *Reprisals*

Disciplinary action, dismissal or other forms of discrimination against any worker who provides information related to the observance of the Code will constitute a violation of the Code.

C. *Exemptions*

Where a product is essential to University activities or operations and cannot be obtained from a supplier in compliance with the Code, exemptions can be approved by the Vice-President Finance and Administration in consultation with the Advisory Committee.

VI Implementation Principles

A. *Timetable*

This Code will be implemented in phases according to the ability of independent third-party agencies and the University to monitor goods. The University will re-examine the range of monitored products periodically to ensure the Code reflects the broadest achievable scope given the state of monitoring capacity.

B. *Vice-President Finance and Administration*

1. Primary responsibility for implementation of this Code lies with the Vice-President Finance and Administration and designates. Acting in accord with this Code and with the Procedures, and with advice from the Committee, the Vice-President is responsible for balancing ethical considerations, purchasing criteria, the needs of the University community and other factors to find solutions that are appropriate and that uphold the purposes of the Code.
2. In implementing the Code, the Vice-President Finance and Administration will be assisted by the Advisory Committee on the Code of Ethical Conduct. Advice will be sought from the Committee particularly in cases where there is/was noncompliance, where remediation may be required, or where exemptions to the Code are being considered.

C. *Advisory Committee on the Code of Ethical Conduct for Suppliers and Subcontractors*

1. The President or designate will be responsible for striking the Advisory Committee on the Code of Ethical Conduct on an annual basis in accordance with the Procedures. The Committee will be broadly representative of the campus community and organizations. Representatives will be appointed by their respective organizations as outlined in section 6.1 of the Procedures.
2. The Committee may, at its own behest, make recommendations to the Vice-President Finance and Administration with respect to the implementation and application of the Code, including proposing changes to the Code and its scope. The Committee's detailed mandate will be as outlined in the Procedures.

3. The Committee will elect a Chair annually from among its members, with duties as outlined in section 6.2 of the Procedures. The Committee will develop its own modus operandi and rules of order. However, the procedures and rules must be such as to allow for the expeditious consideration of matters brought to the Committee by the Vice-President Finance and Administration.

VII Report and Review

1. The Vice-President Finance and Administration will report annually to the Board of Governors on the implementation of this Code and on any enhancements or amendments made to the Procedures. The annual report will include information on any exemptions granted under section V. C. of the policy. The Vice-President will invite the Chair or designate to attend as a resource.
2. The Board of Governors will review the Code at a minimum of once every five years or when recommended by the Committee, whichever timeline comes first. Amendments to the Code require the approval of the Board. The Procedures will be revised and updated as appropriate by the Vice-President Finance and Administration, in consultation with the Advisory Committee.