### Overview
A code of conduct is the cornerstone of a responsible sourcing program as it identifies an organization’s guiding principles. A well-written code lays out the standards by which the organization will evaluate factories and trading partners. It serves as a statement of principles of compliance with the laws and regulations of the United States and the regions around the globe in which the organization conducts business.

### Components Of A Code
The actual components of a code of conduct were established to ensure “decent and humane working conditions” across the globe by addressing labor standards as defined primarily by the United Nations, through the International Labour Organization (ILO), a specialized agency of the UN. Based on the ILO’s standards and good labor practices recognized by the international community, the Fair Labor Association (FLA) workplace code of conduct and the unique needs of the promotional products industry, the PPAI code of conduct addresses these standards as:

1. Abuse of Labor
2. Child Labor
3. Freedom of Association
4. Discrimination
5. Hours and Wages
6. Workplace Conditions
7. Environment
8. Subcontractors and Sources
9. Product Safety

### Adoption
The adoption of a code is one way in which industry companies can publicly demonstrate their commitment to responsible business practices. Many end buyers, particularly larger businesses, have already adopted their own code and often look for their business partners to adopt their code as well.

PPAI has created a code and recommends that all members—suppliers, distributors and business services companies—adopt this voluntary code of conduct. Many of the largest and most well-respected companies in the industry have already adopted the code.

### Communication
All employees within an organization and its factories should be aware of the code and trained in its application. Vendors should commit to audits and corrective action plans as part of a sustainable social responsibility program.

It is considered a best practice to translate a code into local languages so that factory personnel understand their rights and responsibilities.

### Law
Across the globe there are a wide range of laws: international, national, state, provincial and local that relate to corporate governance, bribery, corruption, environmental protection and the safety, well-being and fair treatment of consumers and workers. It is important to be aware of the legal requirements of the countries in which you conduct business in order to stay on the right side of the law.
With regard to a code of conduct there is no specific law that requires a code, but adoption of a code gives buyers an extra level of confidence when doing business with a vendor who posts this code of conduct on their website or in their catalog.

**How To Use It**

A code is the tangible presentation of what you are doing to meet the expectations of the end buyer for product safety, social and environmental assurances. It is a document a supplier can hand a distributor, and distributor share with an end buyer as a public statement of the organization's environmental, safety and quality commitments. Refer to PPAI's Code of Conduct web page for more details and to adopt the PPAI Code of Conduct.

**Online Resources:**

- **PPAI Corporate Responsibility:** [www.ppai.org/corporate-responsibility/](http://www.ppai.org/corporate-responsibility/)
- **United Nations Global Compact:** [www.unglobalcompact.org/](http://www.unglobalcompact.org/)