

**Fair Factories Clearinghouse**

**Antitrust and Anti-Competition Policy Statement**

The Fair Factories Clearinghouse (FFC) and its members acknowledge and understand that their activities must at all times be undertaken in compliance with all applicable laws and regulations, including but not limited to laws and regulations relating to antitrust and competition. These laws are intended to preserve and promote free, fair and open competition. Failure to abide by these laws can potentially have extremely serious consequences for FFC and its members.

Therefore, in carrying out its activities, it is the policy of FFC and its members to act at all times in accordance with, and strictly adhere to, the letter and the spirit of all applicable national and international antitrust and competition laws and regulations (“**Anti-Trust/Competition Laws”**). For this reason, the Board of Directors has promulgated this statement of policy to make clear its uncompromising intent to comply strictly in all respects with the Anti-Trust/Competition Laws.

Antitrust compliance is the responsibility of every FFC member. Any violation of Anti- Trust/Competition Laws or of this Policy may result in immediate suspension from membership of FFC and immediate removal from any FFC office held by any official representative violating the same.

# General Rules of Antitrust and Anti-Competition Compliance (“the Rules”)

The following Rules are applicable to all activities of FFC and its members and must be observed in all situations and under all circumstances, without exception or qualification, other than as noted below.

* Neither FFC nor its members will become involved in the competitive business decisions of its members, nor will they take any action that would tend to restrain competition.
* No activity of FFC or its members shall be used to bring about, or attempt to bring about, any understanding or agreement, whether written or oral, formal or informal, expressed or implied, among its members with regard to, but not limited to, price fixing, market sharing, bid- rigging, limiting production or supply, or boycotting.
* No FFC activity or communication (“**Activity”**) shall involve the exchange or collection and dissemination of business secrets or other commercially sensitive information among its members. For the purposes of these Rules, commercially sensitive information includes (but is not limited to) non-public information regarding:
	1. previous, current or future negotiations with individual customers, or negotiation strategies generally;
	2. previous, current or future terms of trade, including but not limited to prices;
	3. capacity, production or sales forecasts;
	4. previous, current or future stock levels;
	5. previous, current or future production and/or export data, whether by asset or otherwise; and
	6. previous, current or future sales data, whether by asset or customer or otherwise.
* Notwithstanding the foregoing, commercially sensitive information does *not* include factory information collected by auditors in connection with social compliance audits of third-party facilities, which may include wage, hour, and similar information relating to conditions at audited facilities. Nor does it include aggregate industry data made up or comprised of commercially sensitive information, provided that such aggregate data is provided in such a manner as to prevent any member from ascertaining company-specific commercially sensitive information from which the aggregate data was derived. Any such aggregated data will be compiled by, or at the direction of, the administrative staff of FFC, and in no case will FFC Members have access to company-specific business secrets or commercially sensitive information of other companies.
* No Activity of FFC or any Member shall include any discussion or action which might be construed as an agreement or understanding to prevent any business entity from gaining or maintaining access to any market or to any customer for goods or services, or to prevent or boycott any business entity from obtaining a supply of goods or from otherwise freely purchasing or selling goods or services.
* No Activity of FFC or any Member shall include any discussion or action that might be construed as an agreement or understanding to refrain from purchasing (or limit the prices paid for) any raw materials, semi-finished products, finished products, equipment, services or other supplies from any supplier.
* Membership in FFC or participation in its activities is in no way intended to limit any company’s freedom or discretion to make its own business decisions, to select suppliers that it will or will not do business with, to prevent the manufacture or sale of any product not conforming to such a specified standard, or to otherwise have the effect of restraining competition.
* No company shall be unreasonably or arbitrarily excluded from FFC’s membership, or from participation in any FFC activity, where such exclusion may impair such company's ability to compete effectively.
* During all meetings of the FFC Board, an external legal counsel shall be present to ensure that FFC conducts itself in accordance with the Policy and these Rules. Legal counsel shall attend other meetings of FFC if necessary, in the view of external legal counsel, to ensure that FFC conducts itself in accordance with the Policy and these Rules.
* In informal or social discussions at the site of, or in connection with, any FFC meeting, all members and representatives must observe the same standards of personal conduct required of FFC in its compliance with the Policy and these Rules.