

Wal-Mart Stores, Inc.

STANDARDS FOR SUPPLIERS

Wal-Mart Stores, Inc. ("Wal-Mart") is successful by adhering to three basic beliefs since its founding in 1962:

1. Respect for the Individual
2. Service to our Customers
3. Strive for Excellence

Wal-Mart strives to conduct its business in a manner that reflects these three basic beliefs and expects its suppliers to adhere to these beliefs in their contracting, subcontracting, and other business relationships. Additionally, because the conduct of Wal-Mart's suppliers can be attributed to Wal-Mart and its reputation, Wal-Mart requires its suppliers, and their contractors, to meet the following standards, and reserves the right to make periodic, unannounced inspections of suppliers' facilities and the facilities of suppliers' contractors to ensure suppliers' compliance with these standards:

Compliance with applicable laws and practices: Suppliers shall comply with all local and national laws and regulations of the jurisdictions in which the suppliers are doing business as well as the practices of their industry. Should the legal requirements and practices of the industry conflict, suppliers must, at a minimum, be in compliance with the legal requirements of the Jurisdiction in which they are operating. If, however, the industry practices exceed the country's legal requirements, Wal-Mart will favor suppliers who meet such industry practices.

Wal-Mart expects its suppliers to comply with the following conditions of employment:

Compensation: Suppliers shall fairly compensate their employees by providing wages and benefits which are in compliance with the local and national laws and regulations of the jurisdictions in which the suppliers are doing business, or which are consistent with the prevailing local standards in the countries, if the prevailing local standards are higher.

Hours of Labor: Suppliers shall maintain reasonable employee work hours in compliance with local standards and applicable laws of the jurisdictions in which the suppliers are doing business. Suppliers' employees shall not work more than 72 hours per 6 days or work more than a maximum total working hours of 14 hours per calendar day (measured midnight to midnight). Supplier's factories should be working toward achieving a 60-hour workweek. Wal-Mart will not use suppliers who, on a regularly scheduled basis, require employees to work in excess of the statutory requirements without proper compensation as required by applicable law. Employees should be permitted reasonable days off (at least one day off for every seven-day period) and leave privileges.

Forced/Prison Labor: Forced or prison labor will not be tolerated by Wal-Mart.

Child Labor: Wal-Mart will not tolerate the use of child labor. Wal-Mart will not accept products from suppliers or subcontractors who use child labor. No person shall be employed at an age younger than the legal minimum age for working in any specific jurisdictions. In no event shall suppliers or their subcontractors employ workers less than 14 years of age.

Discrimination / Rights: All conditions of employment must be based on an individual's ability to do the job, not on the basis of personal characteristics or beliefs. Wal-Mart favors suppliers who do not discriminate on the basis of race, color, national origin, gender, sexual orientation, religion, disability, and other similar factors.

Freedom of Association and Collective Bargaining: Suppliers will respect the rights of employees regarding their decision of whether to associate or not to associate with any group, as long as such groups are legal in their own country. Suppliers must not interfere with, obstruct or prevent such legitimate activities.

Immigration law and compliance: Only workers with a legal right to work shall be employed or used by a supplier. All workers' legal status, must be validated by the Supplier by reviewing original documentation (not photocopies) before they are allowed to commence work. Procedures which demonstrate compliance with these validations must be implemented. Suppliers must regularly audit employment agencies from whom they obtain workers to monitor compliance with this policy.

Workplace Environment: Factories producing merchandise to be sold by Wal-Mart shall provide adequate medical facilities and ensure that all production and manufacturing processes are carried out in conditions that have proper and adequate considerations for the health and safety of those involved. Wal-Mart will not do business with any supplier that provides an unhealthy or hazardous work environment or which utilizes mental or physical disciplinary practices.

Security: Suppliers will maintain adequate security at all production and warehousing facilities and implement supply chain security procedures designed to prevent the introduction of non-manifested cargo into outbound shipments (e.g. drugs, explosives bio- hazards and/or other contraband). Additionally, each production and warehousing facility must have written security procedures and maintain documented proof of the adequate controls implemented to guard against introduction of non manifested cargo.

Concern for the Environment: We encourage suppliers to reduce excess packaging and to use recycled and nontoxic materials.

Right of Inspection: Wal-Mart or a third-party designated by Wal-Mart will take certain actions, such as inspection of production facilities, to implement and monitor these standards.

Confidentiality: Suppliers shall not disclose to others and will not use for its own purposes or the purpose of others any trade secrets, confidential information, knowledge, designs, data, skill, or any other information considered by Wal-Mart as "confidential". The "Standards for Suppliers" must be posted in a location visible to all employees at all facilities that manufacture products for Wal-Mart. If you know of a violation of these standards by a supplier, factory, or Wal-Mart associate, please call 1-800-WM-ETHIC (1-800-963-8442). Alternatively, write to: Wal-Mart Stores, Inc., Wal-Mart Ethics Office, 702 SW 8th St., Bentonville, AR 72716-0860 or e-mail to: ethicalstnds@wal-mart.com

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