

**Company Engagement Questions:**

**KnowTheChain Information and Communications Technology Sector benchmark**

Companies can use these questions to provide additional information relevant to KnowTheChain’s benchmarking of companies commitments and programs targeted at addressing human trafficking and forced labor in the supply chain.

***Please note that answers to these questions will be made publicly available on the*** [***website of Business & Human Rights Resource Centre***](http://www.business-humanrights.org/en/knowthechain-company-disclosure) ***(BHRRC)***, one of the partners in KnowTheChain. The project will maintain a strict standard of only including information provided via a company’s public website or BHRRC’s website in the evaluation.

Please send your answers to Annabel Short, Program Director, Business & Human Rights Resource Centre: short@business-humanrights.org, with a cc to Megan Wallingford, Senior Advisor, Advisory Services, Sustainalytics: megan.wallingford@sustainalytics.com.

We encourage companies to answer r as many of the questions as possible. You may wish to focus particularly on those for which your company currently does not have information available on its website.
 **Name of company: Foxconn Technology Group**

**Name of respondent: Michael Liao**

**Position of respondent: Supervisor of Foxconn Global Social & Environmental Responsibility Committee**

**Respondent’s contact information (email): michael.kc.liao@foxconn.com**

**Documents**

1. Please share links to any policy statements, reports, or other documents that you would like to be taken into account in a review of your company’s approach to managing forced labor risks in the supply chain.

Foxconn SER Website: <http://ser.foxconn.com/>

Foxconn Supplier SER Management Website: <http://www.sser.foxconn.com/Portal/SupplierLogon.aspx>

**Commitment and governance**

Awareness and commitment

2.Has your company made a formal commitment (e.g. adopted a policy) to address human trafficking and forced labor? Please include a link to the commitment.

Yes, Foxconn has issued a CoC which declares non-use of human trafficking and forced labor. Please click to the link: <http://ser.foxconn.com/GroupCocShow.do> for further information.

Supply chain standards

3. Does your company have a supply chain standard that requires suppliers to uphold workers' fundamental rights and freedoms, including the elimination of forced labor? Please include a link to the standard, and provide information on how frequently the standard is updated.

Yes, Foxconn issues the Supplier CoC which includes the requirements on elimination of forced labor.

Please click to the link: http://www.sser.foxconn.com/Portal/SupplierLogon.aspx for further information.

*Note on EICC membership: Many ICT companies are members of the Electronics Industry Citizenship Coalition, EICC. If your company is a member and provides a link from its own website to the latest version of the EICC Code (i.e. version 5.1 effective January 1, 2016), then that code will be considered by KnowTheChain in reviewing the company’s supply chain standards.*

Yes, Foxconn is member of the EICC. The link of EICC Code version 5.1 on EICC website is as the following:

 <http://www.eiccoalition.org/media/docs/EICCCodeofConduct5_1_English.pdf>

Management

4. Who within your company is responsible for the implementation of your company's supply chain policies and standards relevant to human trafficking and forced labor? Please indicate the committee, team or officer, and describe their scope of responsibility.

Supplier Management Division of Global Procurement Service which is in charged by CPO Lin.

Training

5. Does your company conduct training programs for internal decision-makers and suppliers on risks, policies and standards related to human trafficking and forced labor? Please describe.

Yes. Foxconn provides CoC and SER management training courses to each employee annaully.

Stakeholder engagement

6. In the last three years, has your company engaged a) with local stakeholders such as NGOs, trade unions or policy makers or b) in multi-stakeholder initiatives on human trafficking and forced labor, especially as it relates to the supply chain? Please describe with whom your company has engaged, the purpose of the engagement, and your company's role.

Because of Chinese Laws and Regulations, human trafficking and force labor belong to serious crime. Foxconn follows local Law and regulation to implement them. We engage with local NGOs and Labor Unions to initiate programs of worker-employer harmony working relationship, female workers self-protect training, as well as satisfaction survey to remediate the gap between workers and employer. All of such are taken charge by Foxconn Labor Union and SER committee.

**Traceability and risk assessment**

Traceability and risk assessment

7. Please describe your company's supply chain tracing and risk assessment processes. Include any specific examples of when your company has conducted forced labor risk or impact assessments focused on a particular commodity, region or group.

Our supply chain tracing and risk assessment processes is such as the following steps:

Step 1: Conduct risk assessments to suppliers;

Step 2: Implement on-site audits;

Step 3: Suppliers submit corrective action plan and take action, then, Foxconn keeps monitoring them.

Transparency

8. Does your company disclose a) identified forced labor risks b) the names and locations of first-tier suppliers, and c) some information on suppliers beyond the first tier? If yes, please provide a URL.

Yes. We ask suppliers providing SAQ which includes the items related to forced labor risks. During implementing on-site audits, Foxconn auditors will look into those issues closely. So far, we do not find forced labors issues in supplier chain.

**Purchasing practices**

Purchasing practices

9. Does your company make an effort to avoid purchasing practices that increase the risk of human trafficking and forced labor in the supply chain (e.g. short-term contracts, excessive downward pressure on pricing, sudden changes of workload?) Please elaborate.

Yes. Foxconn require suppliers must follow Foxconn supplier CoC which states clearly about MUST DO and MUST NOT DO terms, issues of human trafficking and forced labor are in there.

Supplier selection

10. Does your company assess risks of forced labor at potential suppliers prior to entering into contracts with them? Please describe.

Foxconn has frozen new supplier application for years.

11. How does your company take into consideration the capacity of suppliers to meet fluctuating demands?

Foxconn always do assessments of suppliers to ensure its capacity through their technique, finance, equipments, labors, SER management and so on.

Integration into supplier contracts

12. Does your company integrate its supply chain standards addressing forced labor and human trafficking into supplier contracts?

Foxconn requires suppliers to sign a Social Responsibility Undertaking which is a part of supplier contract.

Cascading standards

13.Does your company have a process to cascade standards on forced labor down the supply chain (e.g. requiring first-tier suppliers to ensure that their own suppliers implement standards that are in line with the company's standards)? Please describe.

According to our Supplier CoC, suppliers are required to communicate their suppliers to meet our requirements without any conditions

**Recruitment**

Recruitment approach

14. Please describe you company's recruitment approach, including whether your company requires recruitment agencies in its supply chain to uphold workers' rights, whether it has a policy on direct employment, and whether it requires suppliers to disclose to the company the recruiters that they use.

Foxconn recruitment policy is abide by Chinese Laws and Regulations and requires suppliers shall follow the same standard in their recruitment processes.

Recruitment fees

15. Please describe your company’s approach to recruitment fees, including whether your company requires that no fees be charged during recruitment processes, and whether and how it ensures that fees paid are reimbursed.

According to Foxconn CoC, employers and the agencies shall not ask workers to pay fee for recruitment purposes.

Recruitment audits:

16. Does your company audit recruiters to assess risks of forced labor and human trafficking?

Foxconn setups our own recruitment centers to process workers recruiting issues. All new workers must be interviewed.

**Worker voice**

Communication of policies to workers

17. Please describe how your company communicates human trafficking and forced labor related policies and standards to workers in its supply chain.

Foxconn hold supplier workshop for suppliers periodically. According to Supplier CoC, suppliers are required to post their CoCs in the facility in the local language; suppliers are required to set a process for communicating clear and accurate information about their policies, practices, expectation and performance to workers.

 Worker voice

18. Please describe how your company engages with workers outside of the context of the factories in which the work (whether directly or in partnership with stakeholders).

Foxconn does not engage with the workers outside of factories.

Worker empowerment

19. Please elaborate on whether and how your company encourages its suppliers to ensure workplace environments where workers are able to organize, including through alternative forms of organizing where there are regulatory constraints on freedom of association.

According to Suppliers CoC, suppliers should respect the right of all workers to form and join trade unions of their own choosing, to bargain collectively and to engage in peaceful assembly as well as respect the rights of workers to refrain from such activities, under the premise of following local laws.

Grievance mechanism

20. Please describe your company's grievance mechanism, including whether it is available to suppliers' workers, and how it is communicated to suppliers' workers.

We have a grievance mechanism for all Foxconn employees, including phone call, mail, e-mail etc. unless prohibited by law, Foxconn ensure the confidentiality and protection of employee and accept anonymous complaints with clear and specific descriptions of person/time/place/event etc. During on-site audit on supplier, our auditors will post contact information to supplier workers if they have grievance issue related to Foxconn.

**Monitoring**

Auditing process

21. Please describe your companies auditing process including whether the process includes a) scheduled and non-scheduled visits, b) a review of relevant documents, and c) interviews with workers.

Foxconn schedules SER audits twice a year, including review of relevant documents, on-site audits and interview with workers.

Audit disclosure

22. Does your company disclose a) the percentage of suppliers audited annually b) the percentage of unannounced audits c) information on who carried out the audits, and d) a summary of findings, including details of any violations revealed? Please provide a URL.

Foxconn disclose the amount of supplier audits on Foxconn CSR report Chapter 4-Supplier Management. Please click to the link: http://www.foxconn.com.tw/index\_En.html for further information.

**Remedy**

Corrective action plans

23. Does your company have a process for creating corrective action plans? Please describe this process and the elements of a corrective action plan.

Foxconn have a process for corrective action on supplier to follow. Supplier shall reply the findings during audit and submit an action plan which should include following elements: how to correct, when it can be completed, whose in charge, endorsement of high-level administrative officer.

Remedy

24. Does your company have a process to provide remedy to workers in its supply chain, including for responding to instances of forced labor and human trafficking? If yes, please provide examples of outcomes of this program.

Foxconn requires all suppliers to communicate their CoC to workers to prevent the situation of forced labor and human trafficking.