

**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 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: Intel Corporation**

**Name of respondent: Gary Niekerk**

**Position of respondent: Corporate Affairs Manager**

**Respondent’s contact information (email): gary.niekerk@intel.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.

* Intel CSR Report: <http://www.intel.com/content/www/us/en/corporate-responsibility/corporate-responsibility-report-overview.html>
* Intel Code of Conduct: <http://www.intel.com/content/www/us/en/policy/policy-code-conduct-corporate-information.html>
* Intel Human Rights Principles: <http://www.intel.com/content/www/us/en/policy/policy-human-rights.html>
* Intel policy on Slavery and Human Trafficking: <http://www.intel.com/content/www/us/en/policy/policy-human-trafficking-and-slavery.html>
* Intel EICC Commitment Letter: <http://www.intel.com/content/www/us/en/policy/eicc-policy.html>
* Intel Supply Chain Sustainability Responsibility: <http://www.intel.com/content/www/us/en/corporate-responsibility/supply-chain.html>
* Intel Supplier Policies: <https://supplier.intel.com/static/governance/supplierpolicies.htm>
* Annual Letter with Intel Supplier Expectations (2015 version linked below):
	+ <https://supplier.intel.com/static/governance/documents/2015%20Annual%20Letter_English.pdf>
	+ <https://supplier.intel.com/static/governance/documents/2015%20Annual%20Letter-Chinese.pdf>
* Trafficking in Persons Federal Government Purchasing Policy: <https://supplier.intel.com/static/governance/documents/Trafficking%20in%20Persons%20Federal%20Government.pdf>
* Intel Corporate Governance and Nominating Committee Charter: <http://files.shareholder.com/downloads/INTC/1868964678x0x296281/88E8EEFB-D387-4A2B-982E-3430CA17C541/2008_01_BOD_Charter_Corporate_Governance_Committee.pdf>

**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.

* As noted in our Code of Conduct Intel “*believe[*s*] human trafficking, forced, debt bonded, indentured, and slave labor are unacceptable, and we are committed to preventing these practices in our operations and supply chain.”*
* Intel Code of Conduct: <http://www.intel.com/content/www/us/en/policy/policy-code-conduct-corporate-information.html>
* As noted in our policy on Slavery and Human Trafficking *“Intel is committed to maintaining and improving systems and processes to avoid complicity in human rights violations related to our own operations, our supply chain, and our products.”*
* Intel policy on Slavery and Human Trafficking: <http://www.intel.com/content/www/us/en/policy/policy-human-trafficking-and-slavery.html>

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.

*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.*

* As noted in our policy on Slavery and Human Trafficking: *“We regularly notify our suppliers of their obligation to comply with the Intel Code of Conduct and the EICC Code. For example, the vast majority of our supplier contracts contain language requiring suppliers to comply with these codes.”* <http://www.intel.com/content/www/us/en/policy/policy-human-trafficking-and-slavery.html>
* Intel’s support of the EICC and the adoption of the EICC Code of Conduct is declared in our EICC Commitment Letter, which is signed by the General Managers of the Global Supply Management organization as well as the Director of Corporate Responsibility. This Letter can be accessed from our Supply Chain Responsibility portal: <http://www.intel.com/content/www/us/en/corporate-responsibility/supply-chain.html> or directly at <http://www.intel.com/content/www/us/en/policy/eicc-policy.html>

The EICC Code can be accessed from our supplier portal: <https://supplier.intel.com/static/governance/supplierpolicies.htm>

* As noted in our Trafficking in Persons Federal Government Purchasing Policy: *“Suppliers will ensure that supplier, its employees, agents, and its lower tier suppliers engaged in any performance of an Agreement with Intel will not: engage in severe forms of trafficking in persons, procure a commercial sex act, or use forced labor in the performance of any agreement with Intel.”* <https://supplier.intel.com/static/governance/documents/Trafficking%20in%20Persons%20Federal%20Government.pdf>
* As noted in our policy on Slavery and Human Trafficking: *“Additionally, we seek to educate our suppliers on our expectations through webinars, workshops, information contained on our supplier website and our annual expectations letter, sent to all of our direct suppliers.”* <http://www.intel.com/content/www/us/en/policy/policy-human-trafficking-and-slavery.html>

This process includes updating suppliers when new versions of the EICC Code are released. Revisions to the EICC Code occur approximately every three years although there was an out-of-cycle change effective 01-Jan-16 which included the prohibition of all employer or agent recruiting fees or other related fees. In addition we update our policy on Slavery and Human Trafficking annually.

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.

* We have a group, Supply Chain Sustainability, which is part of Intel’s global procurement organization. We have a Program Manager (PM) assigned to working to reduce the risk of forced and bonded labor in our supply chain. The PM reports to the Director of Supply Chain Sustainability. The PM is responsible for a cross-functional team consisting of Legal, HR, Corporate Affairs, Government & Public Policy, commodity managers and colleagues in the Supply Chain Sustainability group who work with the suppliers on training, assessments, audit coordination, corrective action plans and monitoring closing of findings.
* The PM reports on efforts in a monthly status report; including any assessment and audit progress and results, training, developments in laws, customer expectations and progress in the EICC where Intel is very active in several task forces that address human trafficking and forced labor.
* Regular updates on Sustainability (which may include topics such as supply chain sustainability, and human trafficking/forced labor) are provided to Intel’s Board of Directors through the Corporate Governance and Nominating Committee.

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.

* As noted in our policy on Slavery and Human Trafficking: *“Through the* [Intel] *Code of Conduct (which contains specific language on slavery and human trafficking), we seek to promote honest and ethical conduct, deter wrongdoing, and support compliance with applicable laws and regulations…*

*The Code of Conduct directs employees to consider both short-term and long-term impacts on human rights and the community when making business decisions, and to report potential issues as soon as they are identified. All employees are expected to complete training on the Code of Conduct when they join the company and annually thereafter.”*

* We have conducted a number of trainings to ensure that our product suppliers, service providers, and contract labor providers, along with Intel employees in select roles, are aware of and clear on the risks and our expectations. Trainings are targeted to different levels based upon where we have concluded there may be elevated risk of human trafficking or forced labor:
	+ We conduct an annual webinar on the EICC Code of Conduct which includes specific emphasis on what policies and procedures are and are not allowed. This webinar is recorded and available for replay by any Intel supplier or Intel employee.
	+ We contracted with Business for Social Responsibility in 2014, to develop and deliver a detailed training to our entire Supply Chain Sustainability group, and key stakeholders in Procurement, Legal, HR legal, Ethics & Controls and Corporate Affairs.
	+ We conducted a webinar in November 2014, “Preventing Forced Labor in the Supply Chain,” which was also recorded and made available on-demand. Online and On-Demand training is delivered through a portal which can be reached via the Supplier Sustainability Training site: <https://supplier.intel.com/static/training/webcasts.htm>
	+ In Malaysia we worked with three other ICT industry leaders to co-host seven workshops between 2014 and 2015 for suppliers and labor agents who hire and manage foreign workers. These workshops covered elements of slavery and human trafficking, included awareness building, expectation setting, best practice sharing, self-assessments by the attendees and development of action plans. The 2015 workshops included government representatives and were attended by 180 suppliers and agents as well as local Intel procurement professionals.
	+ In Q4’15 we conducted about 30 proactive engagements with suppliers who employ foreign workers in higher risk countries. The objective was to combine capability building and assessment process ahead of the EICC Code 5.1 changes to go to “no fees.” These engagements included detailed 1-to-1 trainings with select suppliers. This training was donated to the EICC and is being repurposed for use across the association.
	+ Currently we are engaging with several other firms to conduct trainings later in 2016.

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.

Our Program Manager (PM) for this effort has been involved in the following ways:

* Beginning in 2013, the PM reached out to Verité and The FAIR Hiring Initiative to build knowledge and to talk about actions Intel could take to combat this issue. From this dialogue, initial third-party audits were conducted at high risk suppliers.
* Intel’s PM has been a strong advocate on human trafficking and forced labor in the EICC, co-developing and proposing changes to the EICC Code of Conduct in 2014 and 2015 which included forbidding substituting of contracts, holding of original personal documents, and charging of fees during recruitment as well as ongoing during employment. The PM co-led efforts to match the audit protocol to the enhanced code; all these changes have become effective in the EICC as of 01-Jan-16 as “Code 5.1.”
* The PM was invited to and attended a number of events related to the combatting human trafficking and forced labor. These included a multi-stakeholder workshop on the US FAR in Washington, several workshops where the PM co-delivered training with the NGO FAIR Hiring Initiative to other NGOs, government officials, and labor agents, and the Global Forum on Migration and Development in Istanbul.
* The PM co-initiated and led a novel effort to develop tools to accredit sending country agents between others in the ICT sector while working with NGOs including The Fair Hiring Initiative (TFHI) and Migrant Forum Asia. The concept has since been rolled into the EICC efforts.

**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.

* As noted in our policy on Slavery and Human Trafficking: “*Each year,* [we ask] *our major suppliers* [to] *complete* [the EICC] *self-assessment questionnaire with more than 300 questions, including questions targeted at assessing slavery and human trafficking risk. Intel uses this questionnaire to determine the risk profile of suppliers for environmental, safety, human rights (including slavery and human trafficking) and other supplier sustainability issues.*

*In addition to this self-assessment questionnaire, we utilize a more detailed survey that covers slavery and human trafficking risks targeted at those companies that we consider higher risk based on their location, foreign worker population, or other risked-based factors…*

*Intel creates an annual risk profile of each of our major suppliers based on their supplier self-assessment questionnaires, our knowledge of their operations and practices, and, where applicable, the results of targeted surveys. Suppliers that we identify as higher risk will undergo an audit and/or capability assessment.”*

* In early 2016, we began to engage formally with an NGO to develop and pilot a novel way to determine the risk of human trafficking or forced labor in the supply chain.

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.

* As noted in our policy on Slavery and Human Trafficking: “*We publicly report significant incidents associated with our supply chain in our annual Corporate Responsibility Report. We have regular meetings with Intel executives to discuss and review our suppliers’ performance related to issues such as slavery and human trafficking.”*

Intel policy on Slavery and Human Trafficking: <http://www.intel.com/content/www/us/en/policy/policy-human-trafficking-and-slavery.html>

* Our Top 75 production materials, capital, and logistics suppliers are disclosed in our CSR report. We also provide the names of suppliers which currently have a Targeted Action Plan with Intel to ensure compliance with Intel’s Supplier Requirements. This information is available in the Supply Chain section of the report.

Intel CSR Report: <http://www.intel.com/content/www/us/en/corporate-responsibility/corporate-responsibility-report-overview.html>

**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.

* As stated in our 2014 CSR Report: *“With sites and suppliers all over the world, Intel must be prepared to respond quickly to a wide range of disasters, while also working proactively with suppliers to optimize risk. A combination of assessments, audits, and capability-building programs help to ensure that our supply chain is both resilient and responsible. Where appropriate, we also enlist the help of others to effect broader change throughout the industry.”*

Supplier selection

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

* From our 2014 CSR Report: *“Our request-for-proposal documents and other supplier selection processes include corporate responsibility metrics and questions.”* This process includes an evaluation of specific issues including recruitment, hiring, transportation, or other fees charged to workers.
* In addition, our supply chain and quality processes result in strong supplier relationships and frequent visits to the suppliers’ facilities, resulting in a reduced risk of undeclared subcontracting.

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

* Our supplier managers regularly meet with major suppliers to review and align on future business demands.

Integration into supplier contracts

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

* As noted in our policy on Slavery and Human Trafficking: “*Intel suppliers must certify that products supplied to Intel comply with Intel’s purchase agreements and/or purchase order terms and conditions. These purchase agreements and/or purchase order terms and conditions require suppliers to represent and warrant compliance with Intel’s Code of Conduct and all applicable laws and regulations and international standards, including without limitation, U.S. laws and the laws in the country or countries in which they do business.”*
* In addition, suppliers are expected to comply with policies on our supplier website including the Trafficking in Persons Federal Government Purchasing Policy.

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.

* As noted in our 2014 CSR Report: “*We expect our employees and suppliers to comply with the EICC Code, which describes best practices adopted and implemented by major electronics companies, our customers, and their supply chains. We also expect our suppliers to ensure that their suppliers abide by the EICC Code.”*
* As noted in our Trafficking in Persons Federal Government Purchasing Policy: *“Suppliers will ensure that supplier, its employees, agents, and its lower tier suppliers engaged in any performance of an Agreement with Intel will not: engage in severe forms of trafficking in persons, procure a commercial sex act, or use forced labor in the performance of any agreement with Intel.”*

**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.

* As noted in our policy on Slavery and Human Trafficking: *“Intel takes steps to verify, evaluate and address risks of slavery and human trafficking in our supply chain. The first step in this process is to set clear expectations for our suppliers. These expectations are codified in Intel’s Code of Conduct and the EICC Code…*

*The EICC Code, in turn, provides that, ‘[f]orced, bonded (including debt bondage) or indentured labor, involuntary prison labor, slavery or trafficking of persons shall not be used.’*

*We regularly notify our suppliers of their obligation to comply with the Intel Code of Conduct and the EICC Code. For example, the vast majority of our supplier contracts contain language requiring suppliers to comply with these codes. Additionally, we seek to educate our suppliers on our expectations through webinars, workshops, information contained on our supplier website and our annual expectations letter, sent to all of our direct suppliers.”*

* As noted in our policy on Slavery and Human Trafficking: “[As part of our verification process] *we utilize a more detailed survey that covers slavery and human trafficking risks targeted at those companies that we consider higher risk based on their location, foreign worker population, or other risk-based factors.”* This survey asks suppliers to disclose the names of the labor recruiters they use.

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.

* Since January 2014, Intel has prohibited suppliers from charging any fees to workers. This includes recruiting, transportation, onboarding, deposits, government levies (even if legal), or any ongoing charges associated with employment. These actions went beyond the EICC Code requirements at the time, which noted workers were not to be charged “excessive fees.”
* If fees are discovered to be charged to our direct employees or the employees of any of our suppliers or manpower providers, our expectation and operating practice is that the employees are repaid and any debt is forgiven. Until that occurs, the supplier is considered not in conformance.

Recruitment audits

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

* Every year we audit a number of our contract labor providers who provide outsourced services (e.g. café, facilities management, construction, logistics, IT) or temporary services (e.g. short term backfill, administrative). The determination of whether to audit is based upon their responses to our surveys, self-assessments and our independent determination of risk in their location and operations. The audits have been conducted either by a 3rd party or an Intel qualified auditor. Both types of audits are based on the current EICC Code of Conduct and audit protocol. Over the last 4 years we have conducted 40 audits of outsourced or temporary service providers. We have identified various issues, primarily related to working hours and wages, but also to environmental, health, and safety practices. We have also found violations of the EICC Code or our expectations on fees and passport storage. In all of these cases we have or are working to close the issues; one supplier chose to stop doing business with us.
* Each year since 2012, an EICC 3rd party VAP audit has been conducted of an Intel facility. The scope of these audits includes select on-site service suppliers.

**Worker voice**

Communication of policies to workers

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

* As noted in our Code of Conduct: *“We believe human trafficking, forced, debt bonded, indentured, and slave labor are unacceptable, and we are committed to preventing these practices in our operations and supply chain…We expect our suppliers to meet these expectations.”* Our Code of Conduct is communicated to each Intel employee and they are required to attend a training annually to refresh on the expectations of the Code.

Intel requires suppliers to comply with Intel policies and the EICC Code of Conduct. Intel communicates its policy on Slavery and Human Trafficking to its suppliers via Intel’s Supplier Portal. The EICC Code is available in 15 different languages. Another requirement of the EICC Code of Conduct is to provide a mechanism for employees to report concerns free from retaliation.

Intel also maintains a [hotline](https://secure.ethicspoint.com/domain/media/en/gui/31244/index.html), available to suppliers, where they have the ability to report ethics concerns for investigation.

* The EICC Code of Conduct requires suppliers to provide workers with a contract in their native language. The contract includes: details of their work assignment, pay, hours, benefits, any fees/deductions, notice requirements and a statement stating that all work is voluntary. Additionally, the contracts are required to be explained verbally.

To determine conformance with the Code, workers are interviewed during audits to verify the contract requirements were communicated to them in a manner which they understood.

During the audit, items including the following will result in a finding requiring correction: lack of contract, any contract substitution, contracts not delivered prior to departure from home and before work began - in the workers native language - without all of the required elements and contracts that contain any language which limits the workers’ right to voluntarily terminate employment.

* As noted in our 2014 CSR Report: “*We expect our employees and suppliers to comply with the EICC Code, which describes best practices adopted and implemented by major electronics companies, our customers, and their supply chains. We also expect our suppliers to ensure that their suppliers abide by the EICC Code.”*

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).

* The EICC Code of Conduct requires suppliers to maintain a functioning grievance process which provides workers with a confidential reporting mechanism for any concerns without the fear of retaliation. In audits where the suppliers have been deficient, Intel has driven corrective actions.

We encourage anyone (including employees, contractors, suppliers, distributors, and customers) to report in good faith any issues or concerns about potential ethical, legal, or regulatory violations, including improper or unethical business practices such as fraud or bribery. Concerns can be raised via our corporate governance and ethics website <http://www.intel.com/content/www/us/en/corporate-responsibility/governance-and-ethics.html> and directly via <https://secure.ethicspoint.com/domain/media/en/gui/31244/index.html>

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.

* As members of the EICC, Intel requires suppliers to comply with the EICC Code of Conduct which has clear requirements around Freedom of Association.

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.

* As noted in our policy on Slavery and Human Trafficking: *“Intel maintains a robust process for reporting slavery and human trafficking, including online channels, and our Code of Conduct also contains a non-retaliation policy. Processes for informing senior management about allegations of slavery and human trafficking include periodic internal reports of slavery and human trafficking statistics within the supply chain, as well as details about key investigations that are in progress or completed.”*

We encourage anyone (including employees, contractors, suppliers, distributors, and customers) to report in good faith any issues or concerns about potential ethical, legal, or regulatory violations, including improper or unethical business practices such as fraud or bribery. Concerns can be raised via our corporate governance and ethics website <http://www.intel.com/content/www/us/en/corporate-responsibility/governance-and-ethics.html> and directly via <https://secure.ethicspoint.com/domain/media/en/gui/31244/index.html>

* The EICC Code of Conduct requires suppliers to maintain a functioning grievance process which provides workers with a confidential reporting mechanism for any concerns without the fear of retaliation. In audits where the suppliers have been deficient, Intel has driven corrective actions.
* Through our supply chain, we are also involved in a pilot grievance program for the ICT industry.

**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.

* As noted in our policy on Slavery and Human Trafficking: “*Intel creates an annual risk profile of each of our major suppliers based on their supplier self-assessment questionnaires, our knowledge of their operations and practices, and, where applicable, the results of targeted surveys. Suppliers that we identify as higher risk will undergo an audit and/or capability assessment. The audits are performed utilizing one of two methods: (1) an on-site audit performed by qualified, independent third-party auditors or (2) an on-site audit performed by qualified Intel auditors. These audits are performed against either the full EICC Code or a targeted portion of the EICC Code based on a supplier’s risk profile and our specific compliance concerns. Audits are scheduled with the supplier in advance. We typically do not conduct unannounced audits.”*
* As noted in our 2014 CSR Report: *“[A]ll high-risk suppliers must undergo an on-site audit using qualified third-party auditors following the EICC Validated Audit Process (VAP), or an on-site audit specialized according to risk and compliance concerns for a particular supplier or facility and completed by a qualified Intel auditor.”* Both types of audits follow the EICC VAP audit protocol which requires a review of relevant documents and interviews with workers. Additional information can be found in the EICC VAP Introduction available on the EICC website.

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.

* We disclose the number of audits completed in the supply chain section of the Intel CSR report.
* We typically do not conduct unannounced audits.
* We provide an explanation of the audit process and information on those who completed the audits in the Supply Chain section of the Intel CSR Report.
* We provide a summary of the audit findings in the Supply Chain section of the Intel CSR Report. We also provide the names of suppliers which currently have a Targeted Action Plan which are designed to ensure compliance with Intel’s supplier requirements.
* Intel CSR Report: <http://www.intel.com/content/www/us/en/corporate-responsibility/corporate-responsibility-report-overview.html>

**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.

As noted in our policy on Slavery and Human Trafficking:

* “*Audit findings or non-conformances are ranked on a scale from minor to priority issues. When we identify priority issues, such as those involving potential slavery and human trafficking violations, we demand an urgent, if not immediate response from the supplier. When such potentially serious issues come to our attention we, as appropriate, work with experienced outside counsel or other experts to investigate the matter. When other serious, but potentially less urgent, nonconformance issues are identified through an audit, we work with the supplier to drive improvements in their management systems and controls.*

*Suppliers are required to draft comprehensive corrective action plans to address all audit findings, and we work with them to document actions taken and ensure closure. Intel has a Management Review Committee that reviews a supplier’s gap closure plans and closure evidence on a quarterly basis, or more frequently if needed. When we conclude that a given supplier is not making sufficient or timely progress to address audit findings, or the supplier’s actions do not result in sustainable change, we work with the supplier to develop a “get well action plan.”*

*Our goal when working with a supplier on an action plan is for that supplier to successfully address our findings. We engage and monitor the progress of the supplier until the issues are satisfactorily resolved. However, if satisfactory progress is not made, we are prepared to take additional action, such as not awarding new business until issues are resolved, placing the supplier on a “conditional use” status, or ending the supplier relationship. Moreover, Intel may report supplier misconduct to relevant government authorities.”*

* Since 2014 we have published in the supply chain section of our CSR report a list of suppliers who have not made satisfactory progress on their action plans.

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.

Out of an audit, examples of gaps and the changes we expect include:

* As fees are discovered to have been charged to our direct employees or the employees of any of our suppliers or contract labor providers, our expectation and operating practice since January 2014 is that the employees are repaid and any debt is forgiven. Until that occurs, the supplier is considered not in conformance.
* If passports are found to be held or stored, even voluntarily, they must be returned and personal storage provided.
* If contracts are incomplete, misleading, not in native language, contain notice period greater than one month or resignation penalties greater than 60% of one month’s base wages, they must be adjusted for the future.