# Dell Technologies Inc.

**TICKER**
NYS:DELL

**MARKET CAPITALIZATION**
US$39 billion

**HEADQUARTERS**
United States

**DISCLOSURES**
UK Modern Slavery Act:  Yes
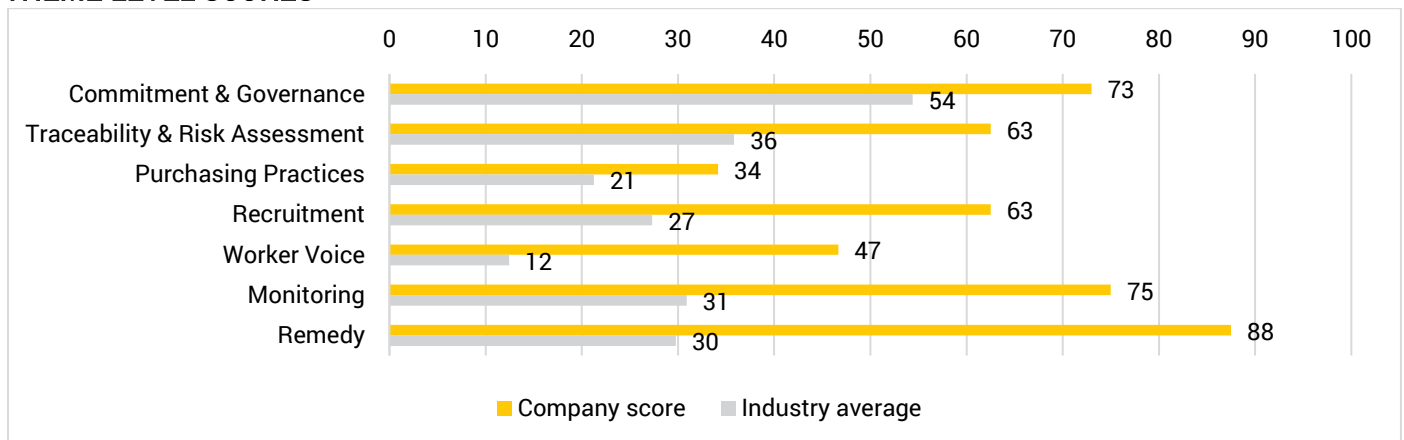
California Transparency in Supply Chains Act:  Yes

**TARGETS**
Yes

**OVERALL RANKING**
## 6 out of 49

**OVERALL SCORE**
## 63 out of 100

**SUMMARY**

Dell Technologies Inc. (Dell), ranks sixth out of 49 companies, disclosing more information on its forced labor policies and practices than its peers across all themes. The company's score is based on its good performance on the themes of Commitment & Governance, Monitoring, and Remedy. Notably, the company is one of the two highest-scoring companies on the theme of Remedy, and it scores second highest (along with other companies) on the theme of Worker Voice. Additional steps the company could take to address forced labor risks in its supply chains include strengthening its disclosure and practices on the themes of Purchasing Practices, Recruitment, and Worker Voice.

**THEME-LEVEL SCORES**

| Theme | Company score | Industry average |
|---|---|---|
| Commitment & Governance | 73 | 54 |
| Traceability & Risk Assessment | 63 | 36 |
| Purchasing Practices | 34 | 21 |
| Recruitment | 63 | 27 |
| Worker Voice | 47 | 12 |
| Monitoring | 75 | 31 |
| Remedy | 88 | 30 |

Research conducted through October 2019 or through January 2020, where companies provided additional disclosure or links. For more information, see the full dataset here. For information on a company's positive and negative human rights impact, see the Business & Human Rights Resource Centre website. It includes an allegation in the company's supply chains regarding forced labor of ethnic minorities transferred from Xinjiang to factories across other provinces in China, which falls outside of the research timeframe.

**KEY DATA POINTS**

SUPPLIER LIST
Yes

NO-FEE POLICY
Yes (Employer Pays Principle)

AVERAGE SUPPLIER SCORE
30/100

REMEDY FOR SUPPLY CHAINS WORKERS
Yes

HIGH-RISK SOURCING COUNTRIES
China, Malaysia[1]

**LEADING PRACTICES**

**Recruitment**: Dell discloses that it invited a supplier that was "skilled in managing risks associated with labor agents to present on their practices" to one of its supplier workshops. The company reports that the presentation emphasized that direct hiring of workers reduces the risk of fees being charged to migrant workers.

**Monitoring**: The company discloses that its audit program includes lower-tier suppliers. It discloses the details of its audit findings, including how suppliers scored on policies regarding freely chosen employment, anti-discrimination, and freedom of association. The details also include findings per commodity and for lower-tier suppliers.

**NOTABLE FINDINGS**

**Training**: Dell discloses that it delivers training for its suppliers on the social requirements of the code of conduct of the Responsible Business Alliance (RBA), which prohibits forced labor. It also holds quarterly orientations for new suppliers that include training on the RBA code and the company's vulnerable worker policy, which contains provisions on exploitative recruitment practices. The company also discloses a pilot model, which it reports trialing with two larger suppliers "to assess and increase the efficiency of their own supplier audit organizations," including for social responsibility topics.

**Worker Engagement**: Dell reports that more than 50,000 workers, including those in its supply chains, have completed training on its policies related to forced labor. It states that a follow-up survey conducted after the training found that 93% of workers understood its policy prohibiting recruitment fees—an increase of 6% from the previous result.

**Remedy:** The company discloses some information on its process for responding to grievances related to forced labor as well as several remedy outcomes for workers in its supply chains. For example, it notes that at 16 supplier sites where workers were charged recruitment fees, it worked with suppliers to return US$825,000 to workers. In addition, it reports that it worked to prevent the charging of health-check fees and to reimburse workers after identifying an increase in the number of its supplier factories that were charging such fees to migrant and other workers.

**OPPORTUNITIES FOR IMPROVEMENT**

**Purchasing Practices:** While the company explains how its purchasing decisions are influenced by supplier performance including on addressing forced labor, it is encouraged to adopt responsible purchasing practices, such as improving planning and forecasting, to avoid having its practices increase forced labor risks. In addition, though the company integrates its supply chain policies addressing forced labor and human trafficking into contracts with suppliers, it may consider requiring its suppliers to do the same.

**Recruitment**: While the company has taken some steps toward promoting the practice of directly hiring workers in its supply chains, it may consider taking additional steps and developing and disclosing a policy that requires direct employment in its supply chains. In addition, the company may consider requiring employment recruitment agencies—and where relevant employment agencies—in its supply chains to uphold the [ILO core labor standards](link), which include the elimination of forced labor. The company is further encouraged to disclose information on the recruitment agencies used by its suppliers.

**Worker Voice**: To support collective worker empowerment, the company is encouraged to work with local or global trade unions to support freedom of association in its supply chains. Where there are regulatory constraints on freedom of association, the company may consider ensuring workplace environments in which workers in its supply chains are able to pursue alternative forms of organizing. While the company discloses a grievance mechanism for its suppliers' workers and their representatives, it should consider disclosing data about the practical operation of the mechanism, such as the number of grievances filed, addressed, and resolved, or an evaluation of the effectiveness of the mechanism.

**ENGAGED WITH KNOWTHECHAIN**
Yes ([Provided Additional Disclosure](link)).

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[1] The US Department of Labor lists China and Malaysia as countries where electronics may be produced using forced labor. US Department of Labor (20 September 2018), "[List of Goods Produced by Child Labor or Forced Labor](link)."