

# Hon Hai Precision Industry Co. Ltd. (Foxconn)

**TICKER**  
TAI:2317

**MARKET CAPITALIZATION**  
US\$55 billion

**HEADQUARTERS**  
Taiwan

**DISCLOSURES**  
UK Modern Slavery Act: No

**TARGETS**  
None

California Transparency in Supply Chains Act: Not available

## OVERALL RANKING

**24 out of 49**

([2018 Rank](#): 19 out of 40)

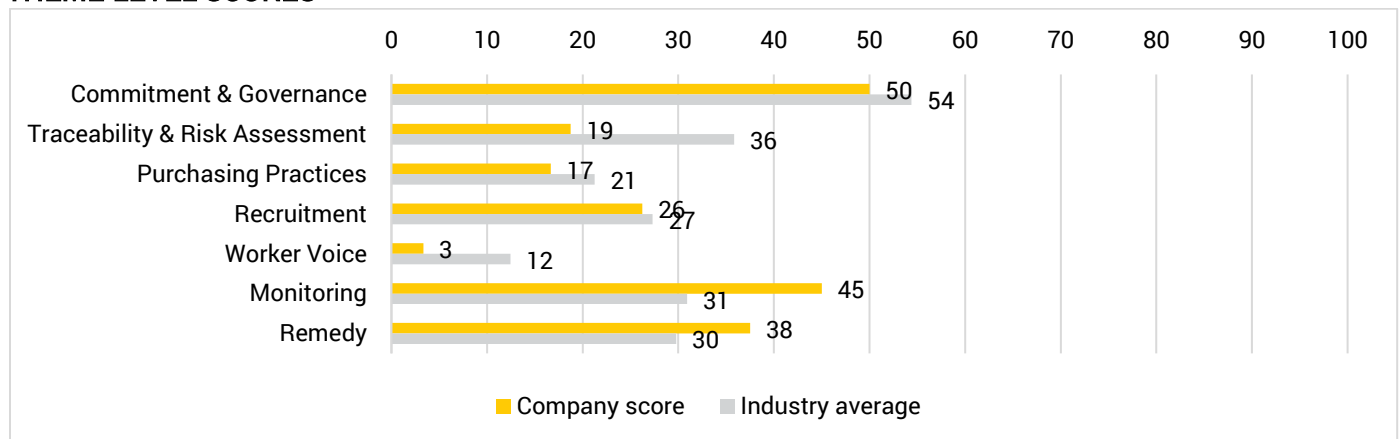
## OVERALL SCORE

**28 out of 100**

## SUMMARY

Hon Hai Precision Industry Co. Ltd. (Foxconn), an electronics manufacturer supplier to companies such as Apple and Microsoft, ranks 24<sup>th</sup> out of 49 companies, disclosing about the same amount of information on its forced labor policies and practices as its peers. Since 2018, the company has improved by disclosing some additional information on its monitoring and corrective action process for suppliers. Compared to 2018, the company's score decreased by five points, as the company did not improve its performance and disclosure across themes. The company offers some disclosure on all the themes, and it scores higher than average on the themes of Monitoring and Remedy. The company is encouraged to improve its performance and disclosure on the themes of Purchasing Practices, Recruitment, and Worker Voice.

## THEME-LEVEL SCORES



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](#).

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**KEY DATA POINTS****SUPPLIER LIST**

No

**NO-FEE POLICY**

Yes (Employer Pays Principle)

**AVERAGE SUPPLIER SCORE**

N/A

**REMEDY FOR SUPPLY CHAINS WORKERS**

No

**HIGH-RISK SOURCING COUNTRIES**Likely from Malaysia and/or China<sup>1</sup>

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**LEADING PRACTICES**

None.

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**NOTABLE FINDINGS**

**Commitment & Governance:** Foxconn reports that it is a member of the Responsible Business Alliance (RBA), and has adopted version 6.0 of the RBA Code of Conduct as its supplier code. The code prohibits forced labor and includes a requirement to cascade standards to the next tier of suppliers.

**Recruitment:** The company's supplier code of conduct prohibits worker-paid recruitment fees and specifies that fees should be repaid where they have been charged. The policy also prohibits the retention of workers' passports and identification documents.

**Corrective Action Plans:** Foxconn discloses that it requires its suppliers to implement corrective action plans where non-compliances are found and that it will conduct closure audits to verify corrective actions. In addition, it states that it helps suppliers with capacity building and that further audits will be conducted the following year. It reports that where corrective actions are not implemented, suppliers will be "frozen or penalized."

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**OPPORTUNITIES FOR IMPROVEMENT**

**Purchasing Practices:** The company may consider taking steps to address forced labor risks in its raw materials sourcing. It is further encouraged to adopt responsible purchasing practices (such as improving planning and forecasting) and to provide procurement incentives (such as price premiums or increased orders) to suppliers to encourage or reward good labor practices. To enforce its expectations with its suppliers, the company may consider integrating its supply chain policies addressing forced labor and human trafficking into contracts with its suppliers and requiring suppliers to do the same.

**Recruitment:** To avoid the exploitation of migrant workers in its supply chains, the company is encouraged to ensure that employment and/or recruitment agencies used in its supply chains are monitored. It may also consider providing details of how it supports responsible recruitment in its supply chains (for example, by sharing due diligence findings on recruitment fees with peers or by supporting the development of responsible recruitment schemes).

**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. In addition, the company is encouraged to work with relevant stakeholders to engage with and educate workers in its supply chains on their labor rights.

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**ENGAGED WITH KNOWTHECHAIN**

Yes ([Provided Additional Disclosure](#)).

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<sup>1</sup> Most electronic devices are produced at least in part in China and/or Malaysia, two countries where electronics may be produced using forced labor. KnowTheChain (June 2020), "[2020 KTC ICT Benchmark Report](#)."