

# Texas Instruments Inc.

**TICKER**  
NAS:TXN

**MARKET CAPITALIZATION**  
US\$108 billion

**HEADQUARTERS**  
United States

**DISCLOSURES**  
UK Modern Slavery Act: Yes

**TARGETS**  
None

California Transparency in Supply Chains Act: Yes

## OVERALL RANKING

**19** out of **49**

([2018 Rank](#): 13 out of 40)

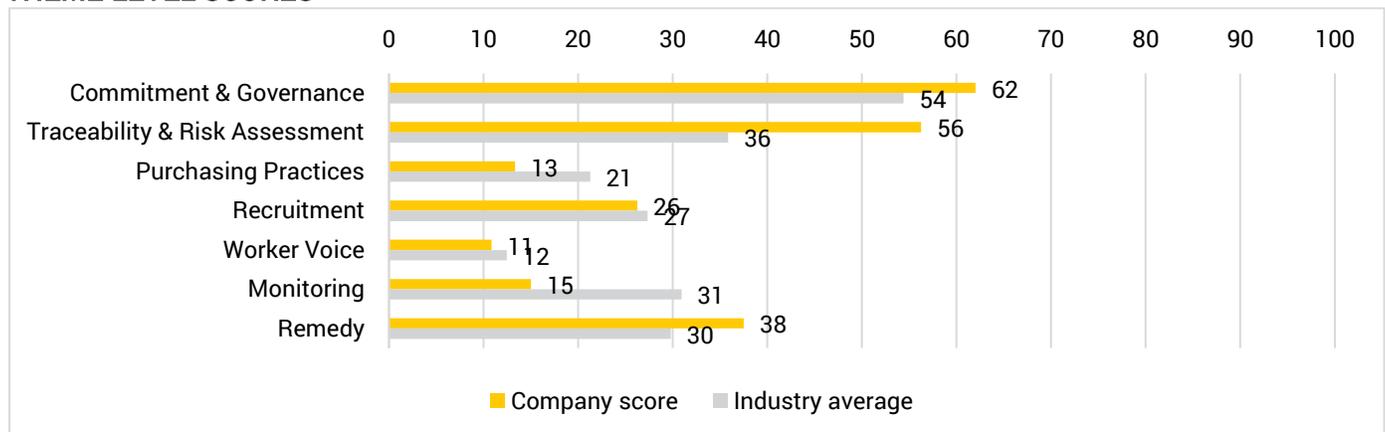
## OVERALL SCORE

**32** out of **100**

## SUMMARY

Texas Instruments Inc. (Texas Instruments), a supplier to companies such as Apple and Intel, ranks 19<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 an annual risk assessment on its supply chains (including forced labor) and a program for incentivizing good labor practices by its suppliers. Compared to 2018, the company's rank decreased by six places, as the company did not improve its performance and disclosure across themes. KnowTheChain identified one allegation of forced labor in the company's supply chains. The company does not disclose engagement with affected stakeholders nor remedy outcomes for workers. 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**Malaysia<sup>1</sup>

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**LEADING PRACTICES**

None.

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**NOTABLE FINDINGS**

**Training:** Texas Instruments discloses that the employees of its purchasing department are trained on version 6.0 of the Responsible Business Alliance (RBA) Code of Conduct, which prohibits forced labor and which the company has adopted as its supplier code. In addition, it reports that its suppliers also receive training on the RBA code. Which suppliers are selected for training is dependent on the results of the company's risk assessment.

**Risk Assessment:** The company reports that it conducts an annual risk assessment on its supply chains. It takes into consideration supplier spend, products made, and location. It discloses that it uses the US Department of State Trafficking in Persons Report, the US Department of Labor List of Goods Produced by Forced Labor, and foreign migrant worker indices to identify high-risk locations.

**Recruitment:** The company's supplier code prohibits worker-paid recruitment fees and requires that they are reimbursed to workers where they have been paid. The code also prohibits the retention of workers' passports and identification documents and requires that workers are provided with employment agreements outlining the terms and conditions of their employment in their native language.

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**OPPORTUNITIES FOR IMPROVEMENT**

**Purchasing Practices:** The company is encouraged to assess the risks of forced labor at potential suppliers before entering into contracts with them and to disclose the outcomes of this process. It is further encouraged to adopt responsible purchasing practices (such as improving planning and forecasting).

**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. Further, the company is encouraged to disclose examples covering different supply chain contexts of how it improved freedom of association and/or collective bargaining for its suppliers' workers, such as migrant workers.

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**ENGAGED WITH KNOWTHECHAIN**

Yes.

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<sup>1</sup> The US Department of Labor lists Malaysia as a country 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.](#)"