

Intel Corp. (Intel)

TICKER
INTC

MARKET CAPITALIZATION
US\$200 billion

HEADQUARTERS
United States

DISCLOSURES

[UK Modern Slavery Act](#): Yes

[California Transparency in Supply Chains Act](#): Yes

[Australia Modern Slavery Act](#): Not applicable

OVERALL RANKING

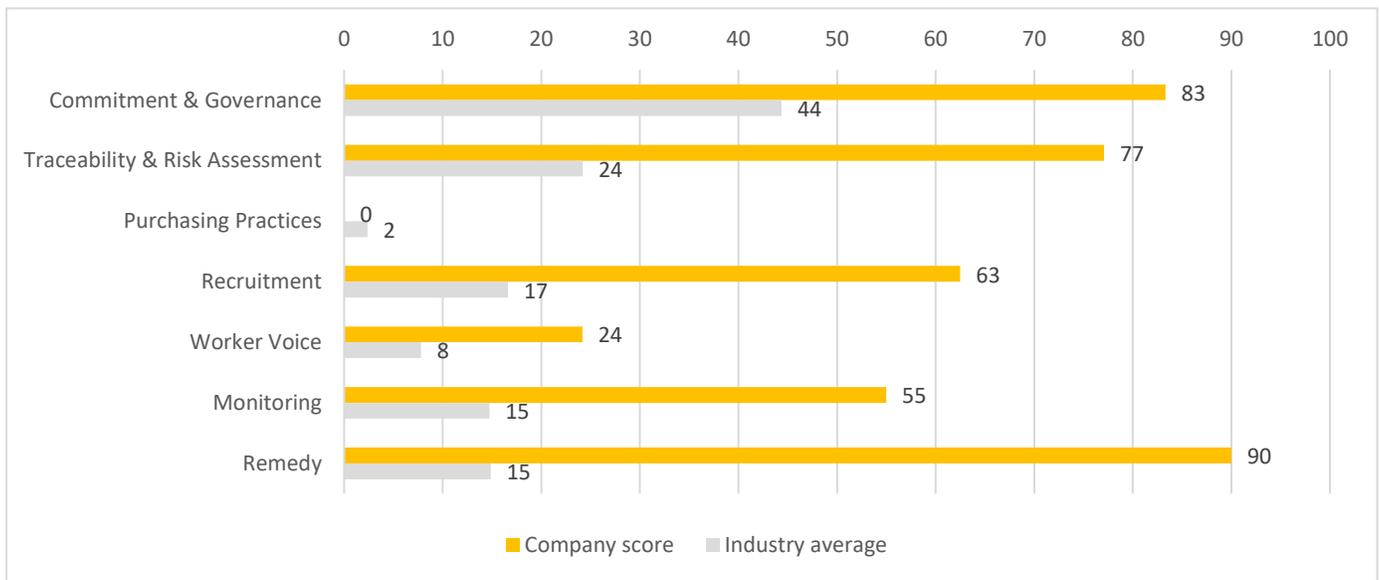
2 out of 60

([2020 Rank](#): 4 out of 49)

OVERALL SCORE

60 out of 100

THEME-LEVEL SCORES



KEY DATA POINTS

SUPPLIER LIST

Yes (Names only, not addresses)

RISK ASSESSMENT

Yes

ENGAGED WITH KNOWTHECHAIN¹

Yes

NO-FEE POLICY

Yes (Employer Pays Principle)

REMEDY FOR SUPPLY CHAIN WORKERS

Yes

HIGH-RISK SOURCING COUNTRIES

🇨🇳 China and Malaysia

SUMMARY

Intel Corp. (Intel), the world's largest semiconductor company,² ranks 2nd out of 60 companies. Compared to 2020, the company improved its rank by 2 places. This is because the company began disclosing, for example, data on the percentage of women and migrant workers in its supply chains, the percentage of suppliers covered by collective bargaining agreements, and additional information on how it works to prevent the charging of recruitment fees to supply chain workers. Notably, the company is among those scoring highest on the themes of Monitoring and Remedy. The company discloses the findings of monitoring at both first and second tier, and remedy outcomes for workers in the second- and third tier of its supply chains. The company performs poorly on the theme of Purchasing Practices, where it scores zero. The company has an opportunity to improve its performance and disclosure on the themes of Purchasing Practices, Recruitment, Worker Voice.

LEADING PRACTICES

Commitment & Governance: Intel is particularly strong in its disclosure of, and practice around supplier capacity building. It discloses the number of suppliers reached (over 135), in which tier (tier 2) and reported on the outcomes of capacity building including: improved staffing and recruitment policies leading to better and larger candidate pools and retention, better engagement with recruiting agents, and fee reimbursement of 1.2 million.

Data on Supply Chain Risks: Intel discloses data based on first-tier suppliers and some suppliers from deeper tiers, stating that 36% of suppliers' workers are women and 3% are migrant workers.

Remedy: The company reports that since 2014, Intel's first and second tier suppliers have returned more than USD 25 million in fees to workers through its audit program, and in 2021 specifically, USD 1.8 million was returned to more than 800 workers. The company also discloses fee remediation in the second and third tier of its supply chains, and the return of workers' passports at second-tier suppliers. Intel reports that fees returned on average represent about 3 months of workers' base pay (or 3-5 months depending on location and situation).

OPPORTUNITIES FOR IMPROVEMENT

Purchasing Practices: To address forced labour risks in its supply chains, the company is encouraged to adopt purchasing practices that decrease the risk of forced labour, such as improving planning and forecasting and prompt payment. The company may further consider separating labour costs from price negotiations such that all direct and indirect labour costs are isolated and incorporated as a distinct costing block in pricing. The company should consider integrating [responsible buying practices in its contracts](#) with suppliers, to ensure that the responsibility for respecting human rights is shared.

Recruitment: While the company discloses a capacity-building program through which second-tier suppliers work with labour agencies, the company is encouraged to disclose information on the recruitment agencies used by its suppliers such as the number of agencies identified in which supply chain locations. The company is additionally encouraged to disclose further detail on how it ensures the implementation of the Employer Pays Principle through the prevention of fees in its supply chains: such as through specialised monitoring for fees, and examples or evidence of supplier payment of fees to labour agencies directly.

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. To guarantee protections for supply chain workers on freedom of association and collective bargaining, the company may consider

entering into a global framework agreement or enforceable supply chain labour rights agreements with trade unions or worker organisations. In addition, while the company discloses the availability of grievance mechanisms to suppliers' workers and their legitimate representatives, it is encouraged to disclose data about the practical operation of the mechanism, such as the number of grievances filed, addressed, and resolved.

¹ For further details on high-risk raw materials and sourcing countries, see KnowTheChain's [2022 ICT benchmark findings report](#). Research conducted through June 2022 or through September 2022, 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](#).

² By revenue. Investopedia (August 2022), "[10 Biggest Semiconductor Companies](#)." Accessed 10 November 2022.