

Pou Chen Corp. (Pou Chen)

TICKER
TAI:9904

MARKET CAPITALISATION
US\$3.37 billion

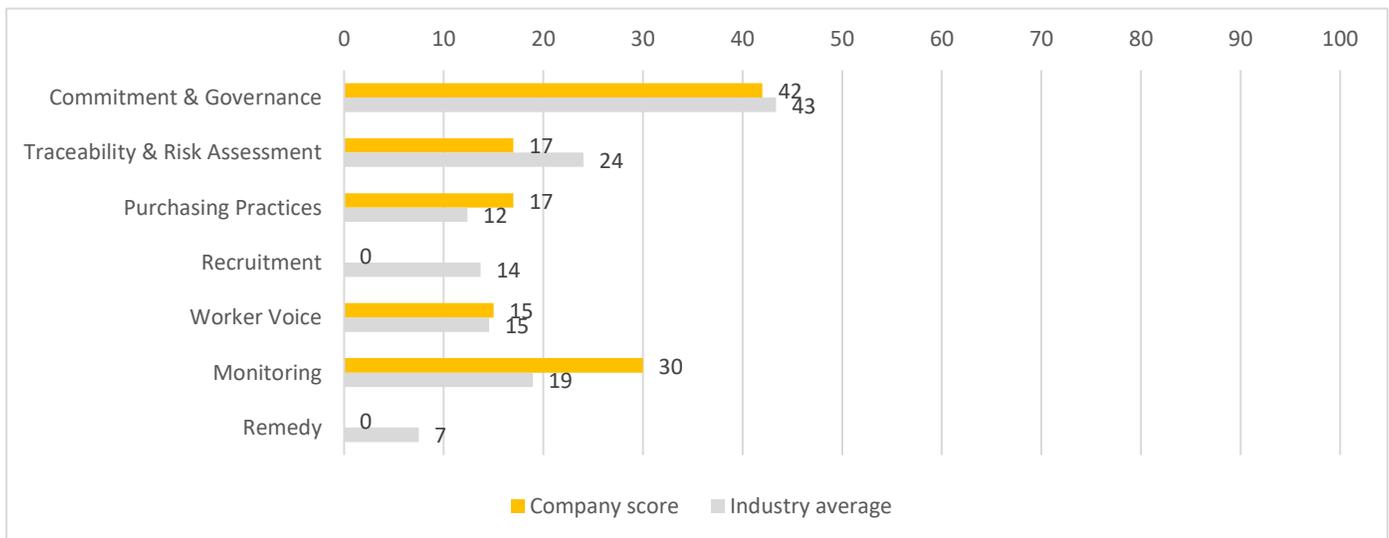
HEADQUARTERS
Taiwan

DISCLOSURES
UK Modern Slavery Act: Not applicable

California Transparency in Supply Chains Act: Not applicable

Australia Modern Slavery Act: Not applicable

OVERALL RANKING
35 out of 65
[2021 Rank](#): 31 out of 37

OVERALL SCORE
17 out of 100
THEME-LEVEL SCORES

KEY DATA POINTS
FIRST-TIER SUPPLIER LIST

Yes (limited)

RISK ASSESSMENT
 No

DATA ON PURCHASING PRACTICES
 No

ENGAGED WITH KNOWTHECHAIN²

Yes

NO-FEE POLICY
 No

REMEDY FOR SUPPLY CHAIN WORKERS
 No

HIGH-RISK RAW MATERIALS¹
 Cotton, leather, rubber, viscose

SUMMARY

Pou Chen Corp. (Pou Chen), a supplier to companies including Asics, Nike and Puma, ranks 35th out of 65 companies. Since 2021, the company improved on the themes of Traceability & Risk Assessment and Monitoring, disclosing a partial first-tier supplier list, data on women and migrant workers at a limited portion of suppliers, and some information on its audit findings. However, the company did not improve across other themes and performed particularly poorly on the themes of Recruitment and Remedy. As such, the company's rank has dropped by 4 places.³ The company is encouraged to improve its performance and disclosure on the themes of Commitment & Governance, Traceability & Risk Assessment, and Recruitment.

LEADING PRACTICES

None.

OPPORTUNITIES FOR IMPROVEMENT

Commitment & Governance: Pou Chen discloses a Code of Conduct and its Supplier-Friendly Workplace Guidelines, which address forced labour. However, it is not explicitly clear within these policies that suppliers are required to comply with the standards. The company is encouraged to ensure it is clear within these policies that suppliers are required to comply. In addition, the company is encouraged to provide oversight of such policies at the board level.

Traceability & Risk Assessment: The company is encouraged to assess and disclose forced labour risks across different tiers of its supply chains, and disclose how it engages with relevant stakeholders including workers, unions, and civil society organisations to address forced labour risks identified.

Recruitment: While the company's Supplier-Friendly Workplace Guidelines state that recruitment fees should be paid by a supplier, it is not clear whether suppliers are required to comply with the guidelines. To avoid exploitation of migrant workers in its supply chains, the company is encouraged to establish a binding policy requiring that workers in its supply chains are not charged fees during any recruitment-related process. The company is encouraged to require that such fees be paid by the employer ("Employer Pays Principle") and disclose how it ensures the implementation of this through the prevention of fees in its supply chains, such as through mapping of migration corridors and labour agencies used by suppliers, specialised monitoring for fees, and evidence of supplier payment of fees to labour agencies directly. It may also consider steps to ensure that such fees are reimbursed to the workers and/or to provide evidence of payment of recruitment-related fees by suppliers.

¹ For further details on high-risk raw materials and sourcing countries, see KnowTheChain's 2023 apparel & footwear benchmark [findings report](#).

² Research conducted through June 2023 or through September 2023, 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](#).

³ KnowTheChain's 2022-23 benchmarks use a revised methodology which prioritises a focus on the implementation of policies and processes and the outcomes they result in, as well as integrating a stronger focus on stakeholder engagement. See [here](#) for more information. In addition, the number of companies assessed in the ranking has increased from 37 in 2021 to 65 in 2023.