

FOXCONN TECHNOLOGY GROUP

TICKER:
TYO: 6501

MARKET CAPITALIZATION:
US\$ 46 billion

HEADQUARTERS:
Taiwan

14 OUT OF 20
Company’s Overall Ranking

29 OUT OF 100
Company’s Overall Score

Hon Hai Precision Industry Co., Ltd. (Foxconn) provides limited disclosure of its policies and programs aimed at mitigating the risk of forced labor and human trafficking in its supply chain. The company ranks fourteenth on the benchmark. Foxconn discloses a commitment to addressing forced labor and that it requires suppliers to communicate its code of conduct throughout their supply chains. To improve its ranking performance, Foxconn is encouraged to improve its disclosure with respect to its supply chain purchasing practices, remedy programs, and approach to recruitment of workers in its supply chain.

THEME LEVEL SCORE

Commitment and Governance	60 out of 100
Traceability and Risk Assessment	13 out of 100
Purchasing Practices	25 out of 100
Recruitment	17 out of 100
Worker Voice	26 out of 100
Monitoring	48 out of 100
Remedy	13 out of 100

LEADING PRACTICES

None.

NOTABLE FINDINGS

Commitment and Governance: Foxconn demonstrates awareness of human trafficking and forced labor issues and commits to address those issues in its supply chain. The company has a Supplier Code of Conduct that is based on the Electronic Industry Citizenship Coalition (EICC) Code of Conduct (version 5.1), which prohibits forced labor practices and requires suppliers to communicate the Code to their own suppliers. Its Supplier Management Division of Global Procurement Service, overseen by the Chief Procurement Officer, is responsible for the implementation of the Code. The company also trains its employees on the Code and its implementation implications.



Recruitment Fees: The company's Supplier Code of Conduct prohibits suppliers from charging workers in its supply chain recruitment fees. In instances when supply chain workers have been charged fees, the company requires workers to be reimbursed.

Grievance Mechanism: Foxconn discloses a grievance mechanism that is available to its suppliers' workers. Moreover, the company states that during on-site supplier audits, its auditors disseminate information to supplier's workers on how to report a grievance or violation.

OPPORTUNITIES FOR IMPROVEMENT

Purchasing Practices: Foxconn is encouraged to adopt and disclose a process for selecting suppliers that includes an assessment of forced labor risks, as well as integrate its Supplier Code of Conduct into its supplier agreements and contracts.

Recruitment Approach and Audits: Foxconn is encouraged to develop and disclose an approach to the use of recruitment agencies in its supply chain, including requiring them to uphold worker rights and requiring suppliers to disclose to the company the recruiters they use. Moreover, Foxconn may consider auditing recruitment agencies to assess risks of forced labor and human trafficking.

Remedy: Foxconn is encouraged to adopt and publicly report a process through which it addresses forced labor violations in its supply chain, in cases when such violations were discovered. In addition, it may consider adopting a corrective action process for guiding suppliers on targeted improvement areas when a supplier is in non-conformance with its Supplier Code of Conduct.

COMPANY PROVIDED ADDITIONAL DISCLOSURE:

[Yes.](#)

