

## KnowTheChain 2022 ICT Benchmark

### Additional Disclosure

Company Name: Micron Technology

Date: 8/23/2022

Guidance:

- Please add any additional information you wish to provide under the relevant indicator elements below.
- We welcome examples of leading practices.
- Unless you are sharing leading practices, please limit the information to indicators for which KnowTheChain could not yet identify sufficient information on your website.
- Note KnowTheChain has already undertaken a review of your website. Should you wish to include links to existing disclosure, please specify the page number / section you are referring to.

#### INDICATOR 1: SUPPLIER CODE OF CONDUCT AND CAPACITY BUILDING

1.1 has a supplier code of conduct that requires suppliers to respect the ILO core labour standards, which include the elimination of forced labour; and requires suppliers to cascade/implement standards that are in line with the company's supplier code of conduct; and

1.2 engages in capacity building to enable its suppliers to cascade its supply chain policies that address forced labour to their own supply chains and/or trains suppliers below the first tier on such policies, and measures the effectiveness of capacity building.

#### INDICATOR 2: MANAGEMENT AND ACCOUNTABILITY

2.1 has a committee, team, program, or officer responsible for the implementation of its supply chain policies that address forced labour; and discloses how incentives for staff (e.g. bonuses, part of employee performance reviews) are tied to improvements in working conditions in supply chains;

*In addition to the Sustainability Council noted in KTC comments, Micron's [2022 sustainability report](#) responsible sourcing section notes that "To drive our approach [to responsible sourcing], Micron has a dedicated and tenacious team that guides our supplier evaluation and approval process and ensures that new and existing suppliers meet our expectations, including those related to social and environmental criteria." (page 32) Risk assessments and human and labor rights are discussed in more detail on following pages.*

2.2 discloses how it trains relevant decision-makers within the company on risks and policies that address forced labour; and

2.3 has tasked a board member or board committee with oversight of its supply chain policies that address forced labour, and describes how the experiences of affected workers or relevant stakeholders (such as civil society, unions, and workers or their representatives) informed board discussions.

*Micron’s Board of Directors reviews, discusses, and approves the company’s statement on [combating modern slavery and human trafficking](#) annually. This includes a review of Micron’s policies and practices, and human rights risks in the company’s supply chain.*

**INDICATOR 3: TRACEABILITY AND SUPPLY CHAIN TRANSPARENCY**

3.1 the names and addresses of first-tier suppliers;

3.2 the names and locations of below-first-tier suppliers (this does not include raw material suppliers); and

3.3 the sourcing countries of at least three raw materials at high risk of forced labour.

**INDICATOR 4: RISK ASSESSMENT**

4.1 details on how it conducts human rights supply chain risk or impact assessments that include forced labour risks or assessments that focus specifically on forced labour risks, including through engaging with relevant stakeholders (such as civil society, unions, and workers or their representatives) in countries in which its suppliers operate;

4.2 details on forced labour risks identified in different tiers of its supply chains; and

*Micron’s statement on [combating modern slavery](#) notes that “Micron’s audits of suppliers sometimes find labor conditions that do not meet company and industry expectations, in which case Micron follows up until corrective actions are made. Regarding FY2020 supplier findings related to pay, working hours and living conditions among the company’s construction suppliers in Malaysia, corrective actions were made. While Micron is unaware of new findings in FY2021, Micron continues to monitor for potential concerns.”*

4.3 how it has consulted with relevant stakeholders (such as civil society, unions, and workers or their representatives) in steps taken to address the risks identified.

**INDICATOR 5: DATA ON SUPPLY CHAIN RISKS**

5.1 the percentage or number of supply chain workers who are women;

5.2 the percentage or number of supply chain workers who are migrant workers' and

5.3 the percentage or number of supply chain workers that are being paid a living wage.

**INDICATOR 6: PURCHASING PRACTICES**

6.1 commits to responsible buying practices in its contracts with suppliers;

6.2 describes how it has adopted responsible purchasing practices in the first tier of its supply chains, which includes planning and forecasting, and how it ring-fences labour costs; and

6.3 discloses two quantitative data points demonstrating that it has responsible purchasing practices in place that address the risk of forced labour.

**INDICATOR 7: RECRUITMENT-RELATED FEES**

7.1 requires that no worker in its supply chains should pay for a job—the costs of recruitment-related fees should be borne not by the worker but by the employer ("Employer Pays Principle");

7.2 provides detail on the implementation of the Employer Pays Principle in its supply chains by demonstrating how it works to prevent the charging of fees to supply chain workers in different supply chain contexts; and

*Micron checks on this when conducting supplier audits, and it is included in RBA VAP audits that Micron uses to review suppliers (see Micron response to item 11.1 for a screenshot demonstrating supplier VAP audits).*

7.3 in the event that it discovers that fees have been paid by workers in its supply chains, provides evidence of re-payment of recruitment-related fees to workers. The company describes how it engages with affected workers in the remediation process.

*In case where fee charges are identified, we ask suppliers to pay back the fees.*

**INDICATOR 8: RESPONSIBLE RECRUITMENT**

8.1 discloses information on the recruitment agencies used by its suppliers; and

8.2 provides details of how it supports responsible recruitment in its supply chains (e.g. by collaborating with relevant stakeholders to engage policy makers to strengthen recruitment standards).

*Recruitment agents involved in foreign migrant worker (FMW) and internal migrant worker (IMW) recruitment are engaged from the start. This is the typical process:*

- *Conduct due diligence assessment of potential recruitment agents (RAs) in both receiving and sending countries and their recruitment processes. One of the selection criteria is RA's participation in RBA-RLI "Responsible Recruitment Program" (RRP) which trains on forced labor avoidance.*
- *Select only RAs with aligned interests in committing to RBA Code of Conduct, RBA VAP, RBA-RLI Definition of Fees and Micron Code requirements.*
- *Set up recruitment process with selected RAs in both receiving and sending countries, in alignment with RBA VAP and Definition of Fees requirements.*
- *Monitor and guide every stage of the recruitment process as it is being executed to bring in batches of FMWs or IMWs.*
- *Attend in person the first deployment of FMWs or IMWs at sourcing countries.*
- *Conduct annual audits of the RAs and their recruitment processes to ensure they are updated with latest changes in RBA and Micron requirements.*

#### INDICATOR 9: FREEDOM OF ASSOCIATION

9.1 works with independent local or global trade unions and/or other legitimate worker representatives to improve freedom of association in its supply chains;

9.2 discloses that it is party to a global framework agreement that covers its supply chains and/or an enforceable supply chain labour rights agreement with trade unions or worker organisations; and

*Unclear definition of global framework agreement - Micron participates in the Responsible Business Alliance and applies the RBA Code of Conduct, which supports freedom of association.*

9.3 discloses the percentage of supply chains covered by collective bargaining agreements.

#### INDICATOR 10: GRIEVANCE MECHANISM

10.1 takes steps to ensure a formal mechanism to report a grievance to an impartial entity regarding labour conditions in the company's supply chains is available to its suppliers' workers and their legitimate representatives across supply chain tiers; and

10.2 discloses data about the practical operation of the mechanism, such as the number of grievances filed, addressed, and resolved; and

10.3 takes steps to ensure that its suppliers' workers or their legitimate representatives are involved in the design and/or performance of the mechanism, to ensure that the workers trust the mechanism.

**INDICATOR 11: MONITORING**

11.1 its methodology for monitoring the implementation of its supply chain policies addressing forced labour;

*Micron uses the Responsible Business Alliance Validated Assessment Program (VAP) for supplier audits that review supplier performance for potential forced labor and other concerns.*

11.2 the findings of monitoring reports, including details regarding any violations revealed in relation to forced labour and indicators of forced labour, across supply chain tiers; and

11.3 the use of worker-driven monitoring (i.e., monitoring undertaken by independent organisations that includes worker participation and is guided by workers' rights and priorities).

**INDICATOR 12: REMEDY AND RESPONSE TO ALLEGATIONS**

A(1) a process for responding to potential complaints and/or reported violations of policies that address forced labour and how it engages affected stakeholders as part of this process; and

*Micron's grievance system includes any complaints about forced labor, and the company's Legal team has a process for addressing these cases as outlined in our sustainability report and online at [Micron's Commitment to Integrity and a Speak Up Culture \(convercent.com\)](https://www.convercent.com)*

A(2) at least two examples of outcomes of its remedy process in practice, covering different supply chain contexts, for its suppliers' workers.

In addition, where an allegation is identified in a company's supply chains:

B.1.1 that it engages in a dialogue with the stakeholders reportedly affected in the allegation(s)

B.1.2 outcomes of the remedy process in the case of the allegation(s); and

B.1.3 evidence that remedy(ies) are satisfactory to the victims or groups representing the victims.

Where an allegation is identified in the company's supply chains, but is denied by the company:

B.2.1 a description of what actions it would take to prevent and remediate the alleged impacts; and

B.2.2 as part of this process, it would engage with affected stakeholders and their representatives.

**NON-SCORED RESEARCH**

**Reporting Legislations**

UK Modern Slavery Act: Where applicable, the company discloses at least one statement under the UK Modern Slavery Act.

Yes/No. Please provide link to a publicly available statement.

California Transparency in Supply Chains Act: Where applicable, the company has a disclosure under the California Transparency in Supply Chains Act.

Yes/No. Please provide link to a publicly available statement.

Australia Modern Slavery Act: Where applicable, the company discloses at least one statement under the Australia Modern Slavery Act.

Yes/No. Please provide link to a publicly available statement.

**High Risk Sourcing**

*Please indicate whether your company sources from China or Malaysia. Note where a company does not provide this information, KnowTheChain will review the company's website as well as third party sources to identify relevant information.*