



Date May 6th, 2021

Ms. Beatriz Balbin  
Chief  
Special Procedures Branch  
OHCHR

Dear Ms. Balbin,

We are in receipt of your March 12 letter to our Chairman and CEO, Mr. Young Liu, on matters related to the operation in China of our factories and our China-based supply chain. It is important to note that we have no operations in Xinjiang nor do we have any supply chain partners in that province.

While we can't speak for our industry and the general nature of your questions about our industry in China, we are responding to that communication as part of our commitment to the governments in the jurisdictions in which we operate, our shareholders, our customers, and our employees to the management of facilities and supply chains that are in full compliance with the relevant laws and regulations and with our company's Code of Conduct ([Link](#)), the Codes of Conduct of our many global customers, and the guidelines of any of the industry groups to which we belong.

Let me make it very clear, Foxconn Technology Group is committed to ensuring that the rights of each and every employee are protected and that all employees are treated equally in all aspects of our operations and the operations of those business partners who are part of our supply chain in China and around the world. None of the detailed audits of our operations has found evidence to indicate that there have been any human rights abuses associated with our company or any of our business partners.

As part of our commitment to ensuring the rights of our workers, we have zero tolerance for any violations of workplace laws and regulations or the UN's Guiding Principles on Business and Human Rights, our internal policies or the policies of our customers and the global trade groups which we actively support.

We also have independent audits in place to monitor compliance in our operations and in our supply chain partners. Those internal audits, which are carried out by our dedicated audit teams, are verified and validated by independent audits carried out by our wide range of global customers, and by audit teams from a number of government departments in the localities in which we operate.

All audits are designed to ensure full compliance with laws and the relevant standards of our company and our customers. However, they are also designed to identify any violations of those laws and business practices so they can be immediately corrected. Whenever any infractions are identified, a process is immediately put in place to quickly rectify them. If the infraction is with a supply chain partner, we work with that company to quickly bring them into compliance and, if that is not possible, they are removed as a company partner.

As a member of the Responsible Business Alliance ([Link](#)), our industry's leading global trade group, we also integrate the guidelines that organization mandates for member conduct into our own Code of Conduct to ensure that all employment with Foxconn and with our supply chain partners is entirely voluntary and that the rights of employees to freedom of movement and freedom from forced labor are closely protected and verified. As part of that process, employees are given the training they require to ensure they are familiar with each and every workplace right. In addition, in order to instill awareness and compliance with workplace standards, all

staff must undergo two hours of corporate social responsibility training each year and related training materials are available on our company's training site for self-learning by employees as required.

Equally important, all employees are compensated based on the relevant laws and regulations and their experience and all promotions are based on merit. We have employees from throughout China working in our facilities in that country and I can assure you that ethnic origin, religion, or gender play no role in any aspect of employee recruitment, compensation or promotion. Audits in China of company or supplier compliance with our Code of Conduct and those of individual customers are carried out regularly and, to date, those audits have found no evidence of forced labor or violations of worker rights in any aspect of our operations.

We work hard to ensure that our suppliers are able to meet the high workers' rights standards of our company and our customers. As part of that process, suppliers are required to comply with the Foxconn Supplier Social Responsibility Code of Conduct ([link](#)) and we maintain a supplier management platform that serves as the basis for supplier education and training and to keep our business partners updated on relevant regulatory developments and issues of concern. This platform works to promote supplier education and compliance on all aspects of workers' rights and environmental standards and other issues and it outlines the annual audit process our company and our customers carry out to ensure that compliance takes place.

Our employees are our most important asset and that is why Foxconn has established a range of channels, including employee hotlines, union mailboxes, a Foxconn President's mailbox, a legal office mailbox, and a corruption prevention channel to allow any employee, anonymously if they so choose, to report any violations of our Code of Conduct that could include, among others, information regarding illegal or forced employment. These reports can be made and have been made by any employee without any fear of retaliation or recrimination. All reports are investigated, and any violations are immediately addressed as part of our company-wide continuous improvement program. It is important to note that we have a system in place that ensures that employees of supply chain partners have access to our employee communication channels to ensure that they have the same protections as Foxconn employees.

As noted above, we work very hard to ensure compliance within our company and our supply chain with our high workplace standards and those of our customers. The audits that are part of this compliance process are rigorous and, while they do identify violations which are immediately corrected, neither our internal audits nor those of the independent auditors retained by major global customers have found any abuses of worker human rights. If they did, I can assure you that they would be immediately addressed and the appropriate action taken to hold those responsible fully accountable.

Thank you for your interest in Foxconn Technology Group. You can continue to follow our ongoing commitment to continuous improvement in all aspects of our operations through regular reviews of our CSR website at ([Link](#)).

Sincerely,

Chairman, Hon Hai Technology Group (Foxconn)

