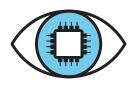




Responsible public procurement.
Rights of electronics workers.



**Electronics Watch** is an independent monitoring organisation for public buyers. We help public sector organisations work together, and collaborate with civil society monitors in production regions, to protect the rights of workers in their electronics supply chains.

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No. 62721445 in the Dutch Chamber of Commerce Trade Register

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# A Message from the Chair and Director

#### Dear reader:

In 2021 the pandemic continued to bring hardships to workers who too often laboured without sufficient protection and without a voice about their own health and safety. Lockdowns challenged monitoring in many countries. Our monitoring partners strengthened remote monitoring methods. They also focused on supporting workers in vulnerable positions, such as migrant workers left stranded in Malaysia, locked into dormitories in Taiwan, or quarantined in Thailand.

Meanwhile we planned and built capacity for future challenges. We adopted a new <u>three-year strategic plan</u>, which strengthens our impact model by:

- Expanding the scope of our monitoring and further building the skills and competence of our monitoring partners;
- Enhancing the capacity of our affiliates to drive change in their supply chains; and,
- Strengthening our industry engagement model.

Critical to this plan is a sustained focus on <u>freedom of association</u>, the most fundamental of labour rights. In 2021, we organized workshops to develop methods for public buyers to protect freedom of association in their supply chains and for our monitoring partners to monitor and report on breaches. Our <u>annual summit</u> highlighted linkages between freedom of association, freedom of employment, and protection of the climate.

At the same time, we strengthened our industry engagement model by negotiating <u>terms of engagement</u> with the Responsible Business Alliance. These terms are a a framework for remediation of rights violations in factories that supply our affiliates and RBA members.

As we look towards 2022 and beyond, we invite you to join us to accelerate the momentum for change based on both worker and public buyer demand.

Sanjiv Pandita

President, Board of Trustees

Björn Skorpen Claeson

Director



#### Key



300+ affiliates from 8 countries



18 monitoring partners from 15 countries



**New Affiliates in 2021** 

Netherlands – Gasunie

Australia - <u>Curtin University</u> and <u>University of New South Wales</u>

Germany – Dataport

UK - <u>Southern Universities</u> Purchasing Consortium

Belgium - <u>City of Ghent</u> and <u>Ghent University</u>



New Monitoring Partners in 2021

Taiwan - Serve the People Association

Hungary – <u>Periféria Policy and</u> Research Center



Addressed freedom of association issues:

Poland, Czechia, the Philippines, Thailand, DRC



Addressed forced labour issues:

Malaysia, Thailand, China, <sup>l</sup> Taiwan, DRC



Addressed occupational health and safety issues:

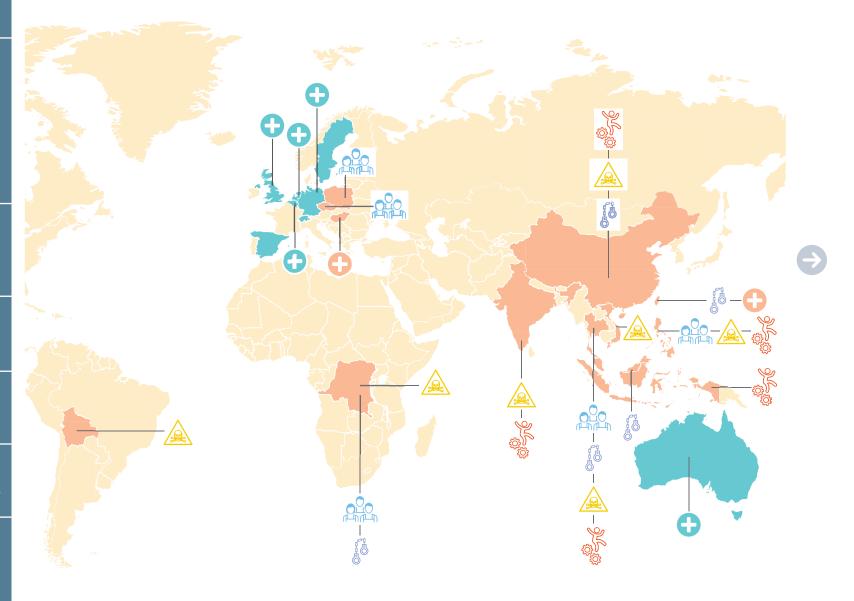
Bolivia, China, DRC, India, Philippines, Thailand, Vietnam



Addressed precarious labour issues:

China, India, Thailand, Philippines,

# Affiliates, Monitoring Partners and Core Issues in 2021





## Our Year in Numbers. We...

Monitored 36 electronics manufacturing factories in 8 countries

Monitored  $\frac{3}{2}$  mines linked to electronics supply chains in  $\frac{3}{2}$  countries

Detected 17 forced labour cases in 5 countries

Addressed 5 freedom of association cases in 5 countries

Followed up on worker rights complaints in 15 factories in 8 countries

Conducted 16 compliance investigations in 4 countries

Conducted 6 factory risk assessments in 3 countries

Engaged companies to drive improvements in 13 factories in 6 countries

Delivered 10 monitoring trainings in 5 countries



# How Affiliates are Taking Action and Creating Impact

Public buyers continued to drive transformation in 2021 by setting standards to govern their relations with the electronics industry.





Action: Dialogue with HPE and presentation at public forum

**Result:** Foxconn and trade union improve union access to workers



Action: Letter to Dell and follow-up dialogue

**Result:** Dell in Poland improves access to employee rewards

programme for non-English speakers





**Action:** Requested suppliers to use an Electronics Watch gap analysis tool to understand gaps between workers' priorities and companies' priorities in China

**Result:** Dynabook provides detailed analysis of working hours, wages, student labour, workers' freedom to resign, recruitment issues, discrimination, and occupational health and safety





**Action:** Expressed support for effective collaboration between themselves, Electronics Watch, and the Responsible Business Alliance in letter to the RBA

**Result:** Terms of Engagement between Electronics Watch and the RBA





**Action:** Requested suppliers to fill in the Electronics Watch Factory Disclosure Form

**Result:** HP provided names and addresses of assembly factories for desktop computer and printer models and names and addresses of component suppliers of the CPU, RAM, SSD, power supply, battery, and monitor. HP also provided assembly and component supplier information for a laserjet printer.

**Action:** Asked suppliers to fill out the Electronics Watch Human Rights Due Diligence and Covid-19 assessment tool

Result: Engagement with Dell, HP, and Brother



**Action:** Expressed demand that suppliers ensure migrant workers who have paid fees to get their jobs are immediately and fully reimbursed

**Result:** Migrant workers at plastics supplier to Cal-Comp are fully reimbursed for the fees they paid



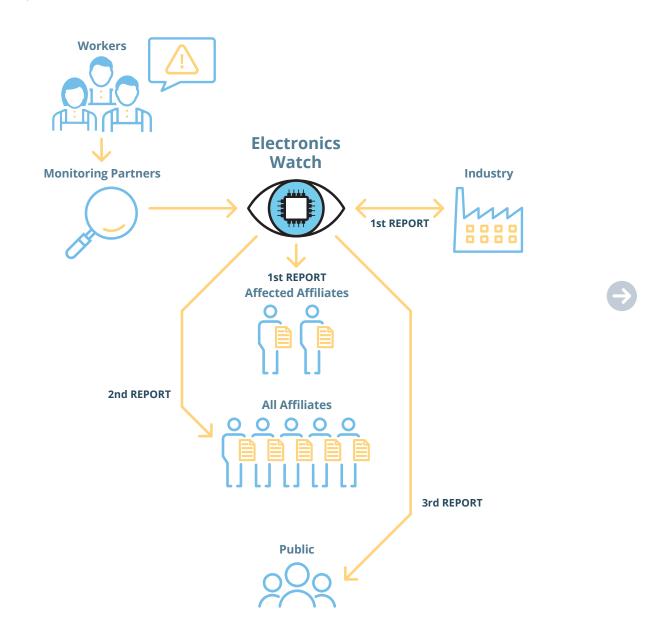
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### Terms of Engagement for the Responsible Business Alliance and Electronics Watch

In March 2021 Electronics Watch and the Responsible Business Alliance (RBA) signed Terms of Engagement. This document establishes a framework for remediation after Electronics Watch has delivered a factory level monitoring report. The goal is to improve compliance with international worker rights standards in the global supply chains of RBA members where products are manufactured for public procurement.

The Terms of Engagement resulted from negotiations that started in 2019 and involved a working group that included affiliates and monitoring partners. APUC, the City of Barcelona, and the Swedish Regions were central in defining the requirements from public buyers' perspective.

Electronics Watch and the RBA will continue to improve upon the Terms of Engagement and a revised version is expected in 2022.

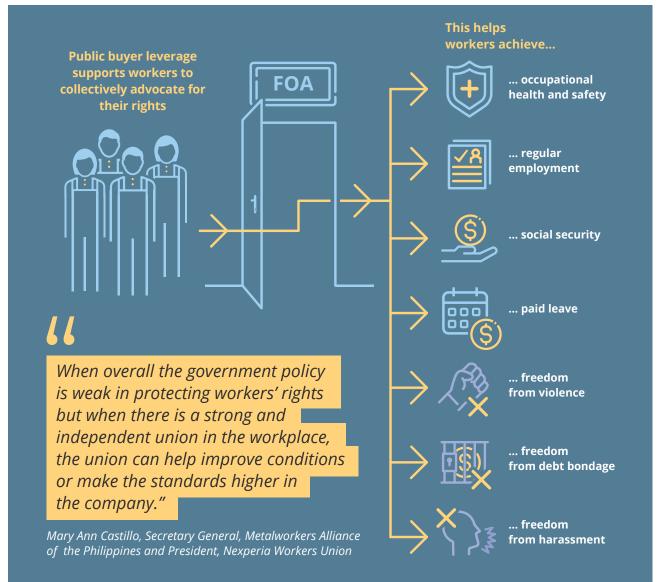




## Freedom of Association

Freedom of Association ensures that workers are free to organize and participate in trade unions and groups that represent them. In the electronics industry, a small minority of production workers are members of independent, democratic trade unions or benefit from collective bargaining agreements. Collective bargaining practices give workers an equal voice and a fair outcome in negotiations with their employers.

When granted access to both, workers are able to protect themselves against workplace abuses, defend their rights, protect their health and safety, and strive for decent working conditions. However, workers in many countries have long reported to Electronics Watch trade union discrimination, employer interference with workers' organising, and violence against trade unionists. This is why freedom of association is a core focus for Electronics Watch.









In 2021, Electronics Watch engaged with industry to protect workers and unions from discrimination, violence and red-tagging. We worked with our monitoring partners, trade unions, worker representatives and workers themselves to monitor these core labour rights issues.



# At the <u>Freedom of Association Summit 2021</u>, participants from across 30 countries learned about:

- Public buyer actions to address illegitimate restrictions on trade union activities in factories in central Europe. These actions contributed to better working conditions, higher wages, and improved access to workers for the trade union.
- Transferable tools and approaches of public buyers to remedy violations of freedom of association in other sectors.
- The need for transparency of supply chains. This is essential for monitoring partners and public buyers to address violations of freedom of association and the right to collective bargaining.
- The need for public buyers to engage with suppliers collectively to support freedom of association and combat

union busting. We formed the Freedom of Association working group of public buyers.

 Tools and guidance for effective monitoring of freedom of association and the right to collective bargaining for monitors and public buyers.

<u>Recordings</u> of the summit sessions are available on our website. These events preceded the summit:

- a <u>webinar</u> on freedom of association in public sector supply chains;
- two <u>workshops</u> for affiliates
- two workshops for monitoring partners
- a <u>statement</u> condemning the killing of Dandy Miguel



## How the Pandemic Affected Workers

Electronics Watch has long been monitoring Cal-Comp in Thailand, a supplier of printers and other peripherals to affiliates. We have seen progress there for migrant workers over the years. However, in 2021, Cal-Comp workers suffered the largest outbreak of Covid-19 among all factories we monitor, with more than 6,900 infected.

Burmese migrant workers were kept in separate quarantine facilities from the local Thai workers. Quarantined migrant workers suffered inadequate supply of water, food and other necessities. This led to tension in the local communities surrounding these factory units.

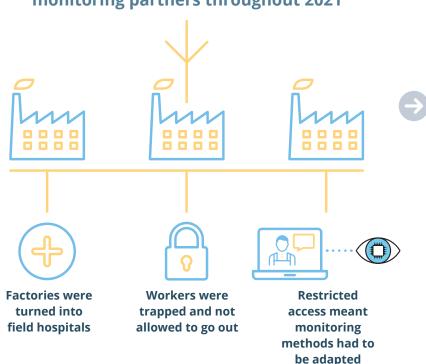
Along with our monitoring partner, the Migrant Worker Rights Network, we raised workers' concerns with Cal-Comp and their buyers. In response, Cal-Comp improved social distancing in the quarantine facility, provided basic amenities, including hot and cold water, fans, toilets and washroom facilities, and improved the quality of food.

We also published updates on the impact of the pandemic on workers in <u>Malaysia</u>, and the <u>Philippines</u>. In the Philippines, the clampdown on human rights defenders further hindered the work of our monitoring partners.

The pandemic brought obvious challenges which gave rise to new methods of remote monitoring. We began to develop guidelines for systems to monitor online testimonies of workers' rights infringements. We will continue to use and develop these in the future to reach many more workers.



The pandemic continued to have an enormous impact on factories, workers and monitoring partners throughout 2021





# **Analysing Risk of Forced Labour**

A Call to Action to end forced labour, modern slavery, human trafficking, and the worst forms of child labour by 2030 was endorsed by almost 90 Member States at the UN General Assembly.

In 2021 the Australian government asked Electronics Watch to develop a Modern Slavery risk assessment focusing on the main shared ICT hardware suppliers across the government. The result of this work is the forced labour risk mitigation tool that you see on the next page.

The challenge for any government or public buyer is three-fold: first, to understand and mitigate the risk of forced labour in complex global supply chains; second, to monitor these supply chains effectively to be able to detect actual forced labour in fields, factories, or mines; and third, to achieve remedy for victims and prevent recurrence of violations. Electronics Watch helps our affiliates meet all three challenges.

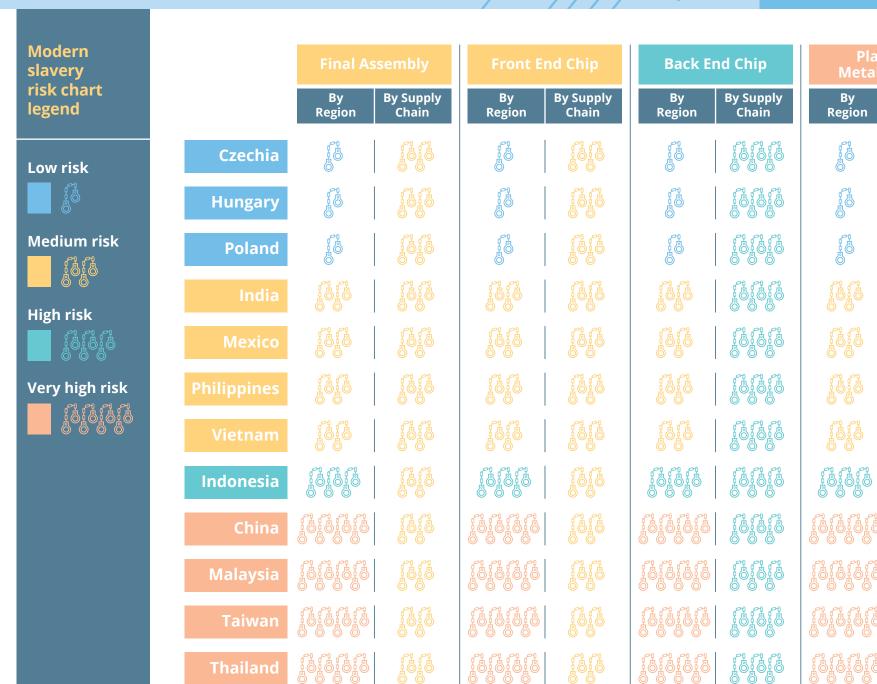
Fundamental to all our monitoring is in-depth, long-term, engagement with workers. This includes victims of forced labour. We also seek to empower our affiliates to engage directly with their suppliers to address forced labour risks. This is why we created the forced labour risk mitigation chart. Public buyers use the chart based on factory location information provided by the supplier. They can then provide a risk score for a certain product. The score tells them if they need to apply special contract terms or other measures to mitigate risk. Electronics Watch staff are available to support this process.







By Supply Chain





# Mining - How and What We are Monitoring



#### **Used** in







for processes

#### Monitoring of tin mine

30+ interviews of up to 2 hours.

Major issues found: Health and safety hazards and very low incomes of miners. The cooperatives are dependent on prices set by the global tin supply chain.



#### Used in

Solder











#### Monitoring of cobalt and copper mine

25 interviews with operators, security guards, signallers and drivers. Written complaint submitted by 18 workers to labour inspectorate of Kolwezi.

Major issues found: Violations of freedom of employment, working hours, occupational health and safety, wages and benefits.





#### **Used** in











Wires

#### Monitoring of nickel mine and nickel processing operations

133 interviews with indigenous Palawan households. Analysis of annual water samples since 2009.\*

Major issues found: Hexavalent chromium levels above WHO safe water standards. Related and other health issues amongst communities, violation of the Philippines Indigenous Peoples Rights Act 1997 regarding consent, and inadequate remediation activities.

\*In the run up to the UN Climate Change Conference, COP 26, we released two films on nickel mining which demonstrate the need for a Just Transition to achieve the climate goals: A Cry from Palawan - The Environmental and Social Cost of Energy Transition and What is at Stake Behind the Energy Transition? - The Real Cost of Nickel Mining in the Philippines.

Special thanks go to Bread For All, for supporting our monitoring activities in these three countries.

# Human Rights and Environmental Due Diligence

66

Due diligence can only be realized with sufficient supply chain transparency and meaningful stakeholder engagement."

Heidi Hautala, Member of European Parliament and Chair of the Parliament working group on Responsible Business Conduct

Human Rights and Environmental Due Diligence (HREDD) debates often do not reflect voices of central stakeholders and rightsholders: affected workers and communities, smallholders, civil society organisations, and trade unions in different parts of the supply chain. This leaves the intended beneficiaries out of the picture.

In 2021 with IndustriALL, Fair Trade Advocacy Office and Rethinking Value Chains, we launched a new <u>webinar series</u> bringing together these stakeholders and public buyers. Together we started to develop a concept of due diligence that is measurable and enforceable and benefits workers, communities, and our common environment.



Watch Session 1 "Scope of Due Diligence: Tiers, Risks, and Transparency" here



## **Electronics Watch is...**

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#### **Daisy Arago**

Center for Trade Union and Human Rights, Philippines

#### **Gopinathan Parakuni**

Civil Initiatives for Development and Peace, India

#### Ioanna Unterschütz

Polish Institute for Human Rights and Business, Poland

## **Elected representatives**

#### **BLOCK 1:**

300+ Affiliated public buyers

#### **Elected representatives**

#### **BLOCK 2:**

49 Experts in human rights, labour rights, occupational health & safety, and global supply chains

#### **Elected representatives**

#### **BLOCK 3:**

28 civil society organisations that represent or advocate for workers in the electronics industry supply chain

#### Staff

Björn Skorpen Claeson Director

#### **Omana George**

**Monitoring Coordinator** 

#### Martina Hooper

Director of Communication

#### **Nuala Keyser**

Finance Manager

#### **Harpreet Kaur Paul**

Public Procurement Specialist

#### Peter Pawlicki

Director of Outreach and Education

#### **Country Representatives**

**Brigitte Demeure Julie Petticrew** France

Australia

**Judith Talvy** Spain

\*For identification purposes only

#### **Monitoring Partners**

#### **WELCOME NEW MONITORING PARTNERS!**

**Periféria Policy and Research Center**, Hungary

**Serve the People Association**, Taiwan

Center for Development and Integration (CDI), Vietnam

Centro de Investigación y Servicio Popular (CISEP), Bolivia

Center for Trade Union and Human Rights (CTUHR), Philippines

Centre for Social Issues (SPOT). Czechia

Centro de Reflexión y Acción Laboral (CEREAL), Mexico

Civil Initiatives for Development and Peace (CIVIDEP), India

Economic Rights Institute (ERI), Hong Kong

Migrant Worker Rights Network (MWRN), Thailand

Pacific Asia Resource Centre (PARC), Japan

Polish Institute for Human Rights and Business (PIHRB), Poland

**Sedane Labour Resource Center (LIPS)**, Indonesia

**Southern Africa Resource Watch (SARW)**, South Africa

Tenaganita, Malaysia

Workers Assistance Center (WAC), Philippines

\*Some monitoring partners prefer to remain anonymous

#### **Affiliates**

#### **WELCOME NEW AFFILIATES!**

**City of Ghent and Ghent University**, Belgium

Curtin University and University of New South Wales. Australia

**Dataport**, Germany

**Gasunie**, Netherlands

Advanced Procurement for Universities & Colleges\*, United Kingdom

Amsterdam City Council, Netherlands

Associació Catalana de Municipis, Spain

Barcelona City Council\*, Spain

Ministerie van Onderwijs, Cultuur en Wetenschap\*, Netherlands

**Durham University\***, United Kingdom

Ethical Culture Fieldston School\*, United States of America

Generalitat de Catalunya, Spain

Greater London Authority, United Kingdom

Haarlem City Council, Netherlands

Hanze University of Applied Sciences\*, Netherlands

ITSH-edu\*, Germany

Kingston University\*, United Kingdom

**Lewisham Council**, United Kingdom

London South Bank University\*,

United Kingdom

London Universities Purchasing

Consortium\*, United Kingdom

Manchester Metropolitan University, United Kingdom Organization for Security and Co-operation in Europe (OSCE)

Partenariat des achats informatiques romand. Switzerland

Sant Boi City Council\*, Spain

SKL Kommentus, Sweden

Southern Universities Purchasing Consortium, United Kingdom

State of Vaud\*, Switzerland

Stockholm Region\*, Sweden

Swansea University\*, United Kingdom

Swedish Regions, Sweden

The University of Edinburgh\*, United Kingdom

**Tower Hamlets London Borough Council\***, United Kingdom

**Transport for London**\*, United Kingdom

**Transports Metropolitans de Barcelona**, Spain

**Unison**, United Kingdom

University of Aberdeen\*, United Kingdom

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University Medical Centre Utrecht (UMC-Utrecht)\*, Netherlands

University of Plymouth, United Kingdom

**University of Reading**, United Kingdom

University of Sussex, United Kingdom

University of Westminster\*, United Kingdom

University of Winchester, United Kingdom

Utrecht City Council\*, Netherlands

Vlaamse Overheid, Belgium

**Zurich University of the Arts**, Switzerland

\*Founding members

#### **Consortium Affiliates**

Advanced Procurement for Universities & College (APUC), United Kingdom

Associació Catalana de Municipis (ACM), Spain

Generalitat de Catalunya, Spain

Greater London Authority (GLA), United Kingdom

ITSH-edu, Germany

London Universities Purchasing
Consortium (LUPC), United Kingdom

North Western Universities Purchasing Consortium (NWUPC), United Kingdom

Partenariat des Achats Informatiques
Romand (PAIR), Switzerland

Southern Universities Purchasing Consortium, United Kingdom

Swedish Regions, Sweden

#### Electronics Watch is a member of the following networks:

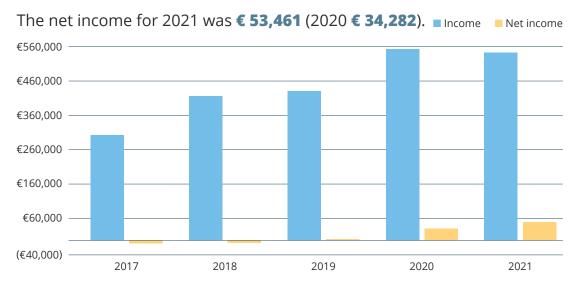
Asian Network for the Rights of Occupational and Environmental Victims (ANROEV)

**Clean Electronics Production Network** 

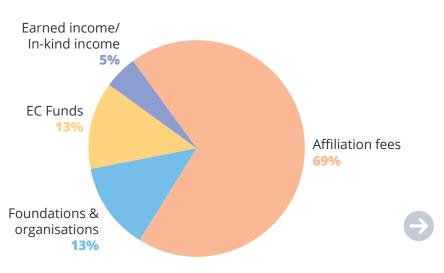


# **Financial Development**

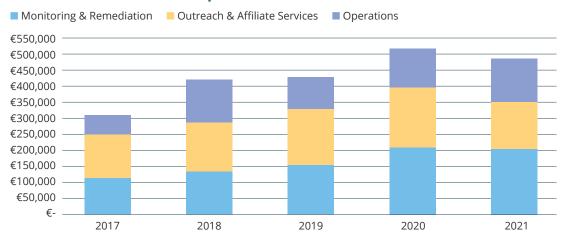
#### Income



### Sources of Income 2021



## **Distribution of Expenditure**



**Monitoring & Remediation** – Monitoring partners, staff, training events, and travel

> Annual Accounts 2021

**Outreach & Affiliate Services** – Country representatives, staff, annual conference and events, materials design, legal consultations, development of supply chain database and procurement tools

**Operations** – Administration, accountancy, audit, insurance, rent, communication and other infrastructure





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