## **Impact story**

## **Public buyers' worker rights** alert triggers changes at one of world's biggest employers



**Brands:** HP

**Products:** Desktop, workstation

Factory: Foxconn

**Location: Czechia** 

In 2016, Electronics Watch and Czech monitoring partner Multicultural Center Prague (MKC Praha) began interviewing workers at Foxconn's factory in the city of Pardubice in Czechia. The Taiwanese manufacturer is one of the largest private employers in the world. The universities of Leeds, Leicester and **Edinburgh had reported buying HP workstations** made in the factory.

After receiving a complaint from a worker, Electronics Watch conducted a risk assessment and then a full compliance investigation. Electronics Watch found legal compliance issues relating to Czech labour law, along with International Labour Organisation and EU labour standards, which are binding on Czechia. This included discrimination against migrant workers and trade union members. Agency workers did not receive full pay slips, a clear violation of Czech law. In addition, the privacy and cleanliness of workers' dormitories did not meet the HP Code of Conduct.

Up to half of the manual workers at Foxconn were found to be migrants employed indirectly - reducing the security and conditions of their work – despite them doing similar work to those employed directly.

Electronics Watch visited the factory and met with local management. It also engaged with the factory union, Kovo, and Most Pro, a non-profit organisation that provides community services to migrants. This helped to gather more information about the concerns of newer Mongolian workers. Mongolian women reported being told not to get pregnant or be unwell - while a lack of interpreters meant people felt their interests weren't being represented in disputes.

HP also conducted investigations reporting their findings transparently to Electronics Watch and discussing remedies.

The outcomes included:

- Improved production planning so workers get stable and predictable working hours, income security and higher wages.
- Expansion of the eight-hour shift, preferred by many workers over the more physically demanding 12-hour shifts.
- Minimum guaranteed income for temporary, indirect workers - during low production periods, workers were often paid below the minimum wage.
- Increasingly workers are directly employed, giving them more security and better access to the trade union.

Electronics Watch and HP presented the case together in a conference in Germany in 2019. German affiliate Dataport reported using the Monitoring Report during their own supply chain engagement with HP and Foxconn.

Electronics Watch is still monitoring conditions at Foxconn in Czechia. Recent reports suggest Foxconn and the union are together supporting Ukrainian migrant workers.

There is evidence to suggest the company is employing more workers directly, but it is believed they are being found outside of the EU, which can restrict rights like their freedom to leave. One EU worker said: "Foxconn is everyone's final stop".



## **Related documents:**

Compliance Reports: Foxconn in Pardubice



Responsible public procurement. Rights of electronics workers.