



HP Supply Chain Foreign Migrant Worker Standard

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Objective

The objective of this standard is to set forth the minimum requirements for the appropriate and ethical recruitment and management of foreign migrant workers by or on behalf of suppliers doing business with HP.

Scope and Definitions

All suppliers and supplier facilities globally that are involved in manufacturing HP's products, packaging, parts, components, subassemblies, and materials, or involved in processes related to that manufacturing, and all suppliers that provide services to or on behalf of HP.

- A **foreign migrant worker** is an individual that migrates from his or her home country to another country for specific purposes of employment.¹
- **Recruitment agents** shall mean private employment agencies (PEA), labor recruiters, labor brokers, and any other third parties involved in the recruitment, selection, hiring, transportation, and/or in some cases management of foreign migrant workers in either sending or receiving countries.
- **Sub-agents** are any third parties used by a recruitment agent to help facilitate the recruitment, selection, hiring, and/or transportation of foreign migrant workers.
- **Sending country** is the foreign migrant worker's country of origin and citizenship.
- **Receiving country** is the country where the supplier's facility or business operation is located and where the foreign migrant worker is working.
- **Native language** is the language of the foreign migrant worker's country of origin or a language that the foreign migrant worker speaks and understands.

¹ Excludes foreign workers with permanent residency and/or professional employees on short or long term international assignments. Professional employees are defined as those engaged in work that is predominantly intellectual and varied in character as opposed to more routine mental, manual, mechanical, or physical work; such work involves the consistent exercise of discretion and judgment in its performance and is of such a character that the output produced or the result accomplished cannot be standardized in relation to a given period of time.

Policy

The [HP Electronic Industry Code of Conduct](#) expressly forbids any forced, bonded, indentured, involuntary prison labor, slavery or trafficking of persons. Recognizing the particular vulnerability of foreign migrant workers to exploitative labor practices and risks of forced labor, this policy sets out the minimum requirements for the recruitment, selection, hiring and management of foreign migrant workers by or on behalf of suppliers doing business with HP.

Suppliers must comply with all applicable national and local labor laws, together with the HP Electronic Industry Code of Conduct. Where this standard and the national or local laws and/or guidelines have requirements in the same area, suppliers shall meet the more stringent requirements.

All work shall be voluntary and foreign migrant workers shall be free to terminate their employment with a supplier upon reasonable notice without penalty. Foreign migrant workers shall not be required to pay for their employment. Suppliers shall maintain adequate controls to ensure that workers have not been charged recruitment or placement fees during their recruitment process.

There shall be no fraud, deception, or coercion in the recruitment, placement, transportation or management of foreign migrant workers. Suppliers and their recruitment agents shall be transparent at all times with foreign migrant workers about all aspects of employment terms and conditions. All foreign migrant workers must be employed and paid directly by the supplier, not by agents, sub-agents, or third parties. All foreign migrant workers must be provided a written employment contract, in their native language, prior to departure from the sending country that describes all the terms and conditions of their employment with the supplier.

Neither suppliers, recruitment agents nor any other third parties shall hold original foreign migrant worker identification documents, passports, travel papers or other personal documents, unless required by law.

Suppliers shall establish appropriate due diligence and monitoring programs to screen and manage any recruitment agents used to select, recruit and/or transport foreign migrant workers. Suppliers shall also establish systems to oversee the training and management of foreign migrant workers on equal terms with local workers, consistent with local law and the requirements in HP's Electronic Industry Code of Conduct.

1. Employment Contracts²

- Employment contracts for foreign migrant workers shall be signed directly with the supplier, not with a recruitment agent. Foreign migrant workers shall be employed and managed directly by the supplier.³
- Suppliers shall only hire workers who are legally permitted to work in the receiving country and employment contracts shall be legally valid and enforceable in the receiving country.
- Employment contracts shall be provided to foreign migrant workers with adequate time for review and the opportunity to ask clarifying questions. Contracts may not be provided to foreign migrant workers for signature at the airport.
 - For illiterate foreign migrant workers the contract terms and conditions shall be verbally explained in their native language prior to signing the contract.
- Foreign migrant workers shall be provided a signed copy of their employment contract in their native language prior to their departure from the sending country.⁴
- All employment contracts shall stipulate, at a minimum, the terms in Table 1 of the Appendix.
- Contract substitution is prohibited. Any amendments to the employment contract after arrival in the receiving country must be in line with local labor laws, clearly explained to the foreign migrant workers, and fully and freely consented to. If an amendment is for materially worse terms and the foreign migrant worker does not consent to the change they should be provided the choice to terminate their contract without penalty and be provided return transportation to the sending country.
- The required notice period for foreign migrant workers to terminate their contracts early shall not exceed one month, or less per local law. Foreign migrant workers shall not be penalized for early termination of their employment contract with required notice. See Table 2 of the Appendix for requirements on termination of employment contracts without required notice.

2. Use of Recruitment Agents

- Suppliers should seek, where possible, to minimize the use of recruitment agents and hire foreign migrant workers directly. Where recruitment agents are used, suppliers shall only use legally licensed recruiters in both the sending and receiving countries.
- Suppliers shall conduct proper due diligence on recruitment agents and sub-agents prior to their engagement. Such due diligence shall evaluate the recruitment agent's legal status, ethical practices, any record of penalties or complaints, and the capability to fulfill the supplier's requirements while meeting the specifications of this standard and the HP Electronic Industry Code of Conduct.
- Supplier shall have a direct contract with any recruitment agents specifying the terms and conditions for recruitment and hiring of foreign migrant workers including adherence to the requirements of this standard and the HP Electronic Industry Code of Conduct.
 - Contracts shall explicitly prohibit the charging of fees to potential foreign migrant workers by either the recruitment agents or any sub-agents.
- Suppliers shall conduct regular audits of recruitment agents to ensure that they meet the requirements specified in the contract, this standard, and the HP Electronic Industry Code of Conduct.

² In countries where the legal employment agreement is other than an employment contract, such as an employment letter or other agreement, such a document may be used, provided it is legally enforceable in the receiving country and meets the requirements contained in this standard.

³ Foreign migrant workers may be employed through an outsourced employment arrangement if the worker is a European Union member country citizen working in another European Union member country.

⁴ Foreign migrant workers already in the receiving country at point of hire with valid working documents shall sign contracts prior to beginning employment.

- Recruitment agents shall conduct due diligence on sub-agents including legal status and compliance history and are to disclose the details of any sub-agents to suppliers including the terms of agreement between the recruiter and sub-agent.
- Suppliers (including employees and representatives) shall not accept any compensation, benefit, reimbursement or other items of value from recruitment agents, sub-agents or other third parties involved in the recruitment process.

3. Recruitment Fees and Costs

- Foreign migrant workers shall not be required to pay for their employment. The costs and fees associated with recruitment, travel and processing of foreign migrant workers shall be covered by the supplier, at a minimum as specified in Table 3 of the Appendix.
- Suppliers should pay the costs of recruitment directly to the extent possible. When not possible, or where the foreign migrant worker is legally required to pay a fee or cost directly, the foreign migrant worker shall be reimbursed by the supplier as soon as practicable upon arrival, but no later than one month after the worker's arrival in the receiving country.

4. Deposits / Forced Savings

- Foreign migrant workers shall not be required to lodge deposits or post bonds at the time of their recruitment or at any point during their employment.
- Foreign migrant workers shall not be required to participate in savings programs, unless legally required. If a foreign migrant worker chooses to voluntarily participate in a savings program, the worker shall retain full access to his or her account at all times. Neither the supplier nor any recruitment agents are allowed access to foreign migrant worker bank accounts at any time.

5. Document Retention

- Neither suppliers, recruitment agents nor any other third parties shall hold original foreign migrant worker identification documents, passports, travel papers, or other personal documents, unless required by law. Where suppliers are legally required to hold documents, they shall securely store and protect the document and must implement alternative means to ensure worker freedom of movement.
- Suppliers must provide foreign migrant workers with individual, safe, secure, lockable storage for documents and other valuables. Such storage shall be adequately protected from unauthorized access.

6. Working Conditions During Employment

- The treatment of foreign migrant workers shall be equal with that of local workers. This includes the same wage rate for the same job, equal opportunity for bonuses, regular and overtime hours, shift arrangements, holidays, insurance and any other benefits, except where different benefits are specified under local law.
- Suppliers shall ensure that foreign migrant workers are treated ethically and humanely, and provided with a safe working environment, consistent with the HP Electronic Industry Code of Conduct and not subjected to any forms of discrimination, threats, harassment or abuse.
- Where suppliers provide accommodations for foreign migrant workers, they shall be safe, hygienic, and well maintained with access to potable water, clean toilet facilities, sanitary food preparation areas (if applicable), appropriate emergency exits, fire suppression and notification equipment, clean bathing / showering facilities, adequate heat and ventilation, reasonable personal space, and secure storage. Foreign migrant workers shall also be provided with safe transportation between their accommodations and place of work where needed.
- Foreign migrant workers shall not be unreasonably restricted in their movements including during working hours to access drinking water and toilets, to leave the facility during meal breaks or from supplier provided accommodations unless there are legitimate security concerns or where required by law. Any such restrictions should be clearly specified in the employment contract and should be applied equally to both local and foreign migrant workers.

- Foreign migrant workers shall be free to return home during leave, without threat of penalty or termination.
- All facility policies and procedures shall be provided in the foreign migrant worker's native language.
- Foreign migrant workers shall be adequately trained in the facility's policies and procedures, health and safety requirements, exit routes in case of fire or other emergencies and any other job related requirements necessary to their role prior to commencing their employment. Such training shall be conducted in the native language of the foreign migrant workers.
- Foreign migrant workers shall be provided access to proper medical care when they are ill or injured with assistance from translators if they do not speak the local language.

7. Wages and Working Hours

- Foreign migrant workers shall be compensated at the same rates for the same work as local workers and shall be provided with no less than the minimum wage and benefits specified by local law.
- Foreign migrant workers shall be paid directly by the supplier. Foreign migrant workers may not be paid by a third party.⁵
- Foreign migrant workers shall be provided a pay slip with appropriate details to understand the basis on which they are compensated. This shall include separate itemization for overtime, bonuses, deductions and other components of wages.
- Pay slips shall be provided in the foreign migrant worker's native language, or the worker shall be provided a key to enable them to translate the itemization.
- Total working hours as stated in the employment contract are not to exceed local law, or 60 hours per week, whichever is lower.

8. Grievance Mechanisms

- Suppliers shall have effective, confidential grievance mechanisms, available in the foreign migrant worker's native language, and shall ensure that workers can raise grievances without intimidation or fear of retaliation. Such mechanisms should also include the ability to report grievances anonymously if desired, unless restricted by law.
- Suppliers shall have procedures in place to respond to and address grievances in a prompt manner. The resolution of grievances shall be reported back to workers. Workers who disagree with how a grievance is resolved shall be given the opportunity to appeal the decision. No retaliation shall be taken against foreign migrant workers who report grievances in good faith.

9. Freedom of Association

- Foreign migrant workers shall have the right to freely join trade unions in accordance with local law.
- Employment contracts and facility rules must not contain provisions restricting foreign migrant workers from exercising their rights to freedom of association and collective bargaining in accordance with local law.

10. Payment of Transportations Costs and Repatriation

- Suppliers shall pay for inbound transportation costs where the foreign migrant worker has been hired from another country.
- Suppliers shall pay return transportations costs for workers (airfare, taxes, exit fees and/or any other related costs) upon completion of an employment contract.
- Should a supplier need to terminate a worker's contract early due to downsizing, facility closure, or other related event, the supplier shall pay the cost of return transportation to the worker's home country. Alternatively, if other legal employment opportunities are available in the receiving country and the worker wishes to take such employment instead of returning home then they may do so.

⁵ Foreign migrant workers may be employed and paid through an outsourced employment arrangement if the worker is a European Union member country citizen working in another EU member country.

- Suppliers should consider providing for transportation costs if a foreign migrant worker terminates his or her contract early due to unforeseen circumstances such as family emergency or critical illness.
- Suppliers shall not be required to provide return transportation if a worker is terminated for cause through proper discipline and termination procedure. The supplier shall also not be required to provide for return transportation if the worker voluntarily elects to terminate their contract early or if they obtain other legal employment in the country.
- Transportation costs either to the receiving country or return costs to the sending country are not required to be paid by the supplier for foreign migrant workers already within the receiving country at time of hire with valid working documents. Additionally, return transportation costs are not required to be paid by the supplier if the foreign migrant worker finds alternative legal employment in the receiving country upon completion of the employment contract.

Appendix

Table 1: Employment Contract Terms

- Name and address of the supplier (the employer)
- Worker's full name
- Worker's date of birth
- Worker's passport number
- Worker emergency contact information
- Work start date and duration of contract
- Contract termination requirements including notice period not to exceed one month, or less per local law
- Contract renewal provisions
- Description of the location and nature of work to be performed
- Regular wage rate
- Overtime and holiday wage rates
- Regular work hours and shifts
- Anticipated overtime hours with total working hours not to exceed 60 hours per week or local law, whichever is lower
- Estimated minimum net pay per month
- Method and frequency of wage payment
- Any bonuses and conditions for earning them
- Any allowances
- Full listing of any and all deductions including specification of the type and amount of each deduction and which, if any, are optional
- Description of additional benefits including medical insurance coverage, accident/injury insurance, holidays, annual leave, sick leave, and/or any other applicable benefits
- Detailed description of living conditions and breakdown of any deductions for accommodations, meals, transportation or other services provided or offered by the supplier
- Description of repatriation process and specification of the costs to be borne by the supplier and the worker
- Any other terms required by applicable laws and regulations
- Clear prohibition on charging of recruitment or placement fees
- No terms restricting a worker's rights to freedom of association and collective bargaining consistent with local law

Table 2: Payment in lieu of notice for early termination of employment contracts

- If a foreign migrant worker does not give required notice they shall not be charged more than one month base wage as penalty, or less per local law.
- Exemptions from payment in lieu of notice:
 - Termination for cause, through proper discipline and termination procedures
 - The supplier should consider waiving the notice period requirements if the worker requests early contract termination due to family emergencies, health reasons, or other legitimate uncontrollable events

Notice Given	Maximum Penalty
Greater than 14 days	Maximum two weeks equivalent base wage
Less than 14 days	Maximum one month base wage

Table 3: Fees and costs to be covered by supplier

- Agency service fees, recruitment or placement service fees in both sending and receiving countries
- Airfare or fare for other mode of international transportation, terminal fees, and travel taxes
- Passport
- Visa
- Work and/or residence permits (including renewals)
- Pre-deployment skills tests, certifications, medical exams or other requirements for employment by receiving country or supplier
- Receiving country medical exams
- Pre-and/or post departure training or orientation
- Transportation in receiving country to and from airport to supplier facility or provided accommodations
- Security deposits or bonds
- Levy or other government required fees
- Insurance
- Contributions to worker welfare funds or government provided benefits in sending countries required to be paid by supplier