

Apple discloses names of suppliers

January 18 2012, By Nathan Olivarez-Giles

Apple Inc., which has been criticized for allowing harsh work conditions at some of its China-based suppliers, has for the first time disclosed the names of all of its suppliers and manufacturing partners.

The list was revealed as part of its Supplier Responsibility 2012 Progress Report, which is issued annually and details Apple's efforts to monitor its suppliers to make sure they're operating within legal codes and following the company's policies on environmental standards, human rights and occupational health and safety.

[Apple](#) did not say why it decided to name each of its suppliers this year, though the company has come under scrutiny in the past over workplace problems with its suppliers, such as nearly a dozen employees committing suicide at the Shenzhen, China, plant of [Foxconn](#) in 2010.

In its annual report, the tech giant said that its Supplier Responsibility team conducted a total of 229 audits in 2011, which was an 80 percent increase from 2010.

"More than 100 of these were at [factories](#) that we had not audited before," Apple said in the report. "Facilities where we conduct repeat audits consistently show fewer violations, and the vast majority improve their audit scores year-over-year."

But the Cupertino, Calif.-based company also found that just 38 percent of suppliers it audited were in compliance with its policy of no more than 60 hours in a workweek.

"Ninety-three facilities had records that indicated more than 50 percent of their workers exceeded weekly working hour limits of 60 in at least one week out of the 12 sample period," Apple said in the report. "At 90 facilities, more than half of the records we reviewed indicated that workers had worked more than six consecutive days at least once per month, and 37 facilities lacked an adequate working day control system to ensure that workers took at least one day off in every seven days."

One hundred eight audited facilities "did not pay proper overtime wages as required by laws and regulations," Apple said. "For example, they did not provide sufficient overtime pay for holidays."

In response to that finding, Apple said, it required suppliers to pay workers the wages they were due and to "change their current payment system to prevent recurrence."

The iPhone maker also said it increased the amount of money its suppliers paid out to workers to compensate for migrant laborers paying outrageously high fees to recruiters, middlemen and other companies just to get a job making parts found in Apple goods.

"We increased audits in Malaysia and Singapore, countries known to be destinations for foreign contract workers," Apple said. "As a result, suppliers reimbursed \$3.3 million in excess foreign contract worker fees, bringing the total that has been repaid to workers since 2008 to \$6.7 million."

Apple also said in the report that it found no incidents of underage [workers](#) at its suppliers last year and that it stopped doing business with one supplier over a repeated "core violation," though the company didn't say who the supplier was or what the violation was.

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