

Senate Finance Committee  
Chairman Ron Wyden

# INSUFFICIENT DILIGENCE: CAR MAKERS COMPLICIT WITH CCP FORCED LABOR

A Democratic Staff Investigation

May 20, 2024



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## I. Introduction

This report summarizes the Senate Finance Committee’s investigation into links between US automakers and forced labor within the People’s Republic of China (“China”). The Committee found exposure to forced labor<sup>1</sup> in the supply chains of major automakers, including BMW Group (“BMW”), Jaguar Land Rover Limited and its wholly-owned sales subsidiary Jaguar Land Rover North America (“Jaguar Land Rover”), and Volkswagen AG (“VW AG”). The Committee’s investigation has determined that (1) BMW manufactured and imported vehicles containing parts presumptively made with forced labor; (2) Jaguar Land Rover imported parts presumptively made with forced labor; and (3) VW AG manufactured vehicles for the US market with parts presumptively made with forced labor and has ongoing business ties to manufacturing in the Xinjiang Uyghur Autonomous Region (“Xinjiang”). The Committee also found:

- Questionnaires, self-reporting and audits of direct suppliers are insufficient to proactively identify forced labor exposure in supply chains, particularly in China.
- Reliance on only the Uyghur Forced Labor Prevention Act (“UFLPA”) Entity List and tools that scan for publicly available information related to critical media of Chinese government-owned or supported companies is not a sufficient means to identify forced labor within supply chains.
- Credible human rights audits cannot be conducted in Xinjiang.

## II. Summary of Investigation

In 2022, Chairman Wyden began an investigation of US automakers’ supply chains following a report by Sheffield Hallam University, which alleged that some US automakers’ supply chains were linked to subsuppliers that use forced labor.<sup>2</sup> The report highlights how complex supply chains can obscure the origin of products made with forced labor.<sup>3</sup> This report and prior US government reports caution that audits conducted within China are subject to interference by the Chinese Communist Party (“CCP”), which maintains strict control over Chinese companies.<sup>4</sup> In January 2023, US automakers assured Chairman Wyden that they maintain robust compliance programs to prevent components made with forced labor from entering their supply chains.<sup>5</sup> However, in February 2024, Volkswagen Group of America, Inc. (“VW”) confirmed public reports that vehicles VW AG produced for the US market contained a component manufactured by a company added to the UFLPA Entity List on December 11, 2023.<sup>6</sup> Inclusion on the UFLPA Entity List carries a presumption that the company’s components were

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<sup>1</sup> 19 U.S.C. 1307, (Defining forced labor as “all work or service which is exacted from any person under the menace of any penalty for its nonperformance and for which the worker does not offer himself voluntarily”).

<sup>2</sup> *Driving Force: Automotive Supply Chains and Forced Labor in the Uyghur Region*, Sheffield Hallam University Helena Kennedy Centre for International Justice, Dec. 2022, <https://www.shu.ac.uk/helena-kennedy-centre-international-justice/research-and-projects/all-projects/driving-force>. (Hereinafter: *Driving Force*).

<sup>3</sup> *Id.*

<sup>4</sup> *Id.*, *Risks and Considerations for Businesses with Supply Chain Exposure to Entities Engaged in Forced Labor and other Human Rights Abuses in Xinjiang*, Xinjiang Supply Chain Business Advisory, July 1, 2020, [https://www.state.gov/wp-content/uploads/2020/07/Xinjiang-Supply-Chain-Business-Advisory\\_FINAL\\_For-508-508.pdf](https://www.state.gov/wp-content/uploads/2020/07/Xinjiang-Supply-Chain-Business-Advisory_FINAL_For-508-508.pdf).

<sup>5</sup> Letters to Chairman Wyden from American Honda Motor Co., Inc., Ford Motor Company, General Motors Company, Stellantis N.V., Tesla, Inc., Toyota Motor North America, Inc., Mercedes-Benz USA, LLC, Volkswagen Group of America, Inc.

<sup>6</sup> Senate Finance Committee meeting with Volkswagen Group of America, Inc., February 2024.

made with forced labor. In May 2024, BMW and Jaguar Land Rover disclosed to the Committee that they also imported components presumptively made with forced labor.<sup>7</sup>

In the case of BMW and Jaguar Land Rover, both companies continued to import the components after the manufacturer was listed on the UFLPA Entity List in December 2023 and after the companies were informed in writing by a direct supplier in January 2024 that the components were manufactured by a listed entity. Furthermore, in April 2024, after the Committee explicitly asked both companies whether they ever “directly or indirectly sourced parts from JWD,” Jaguar Land Rover claimed to be unaware of its links to the manufacturer listed on the UFLPA Entity List, and BMW informed the Committee that JWD was not on their “supplier list.”<sup>8</sup>

The details of these disclosures heightened the Chairman’s concerns that automakers do not possess adequate visibility and compliance procedures to keep their supply chains free of forced labor. VW met with Committee staff and provided information about the events leading up to its early-January 2024 voluntary disclosure to U.S. Customs and Border Protection (“CBP”). BMW and Jaguar Land Rover both made voluntary disclosures to CBP after the Committee contacted both companies and also contacted the supplier that provided them with the component presumptively made with forced labor.<sup>9</sup>

### III. Background

The brutal oppression of ethnic Uyghurs in Xinjiang by the CCP, which includes systemic forced labor, has been classified by the State Department as genocide and a crime against humanity.<sup>10</sup> The CCP has sought to forcibly reduce the birth rate among Uyghurs, and has placed restrictions on Uyghur clothing, grooming, traditional customs, and religious practice.<sup>11</sup> The CCP has detained over 1 million Uyghurs and other Muslim minorities in “reeducation centers,” some of which have been converted to high-security prisons.<sup>12</sup> Uyghurs in these facilities are subject to “threats of physical violence, forcible

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<sup>7</sup> Email and subsequent call from outside counsel for BMW of North America to Ryder Tobin, Majority Staff, Senate Finance Committee, May 6, 2024; email and subsequent call from outside counsel for Jaguar Land Rover North America to Ryder Tobin, Majority Staff, Senate Finance Committee, May 7, 2024.

<sup>8</sup> *Id.*; email from Ryder Tobin, Majority Staff, Senate Finance Committee, to Jaguar Land Rover North America, April 9, 2024; email from Jaguar Land Rover North America to Ryder Tobin, Majority Staff, Senate Finance Committee to, April 16, 2024; email from Ryder Tobin, Majority Staff, Senate Finance Committee, to BMW Group, April 9, 2024 (asking, among other questions, “[h]as BMW ever directly or indirectly sourced parts from JWD?”); email from BMW Group to Ryder Tobin, Majority Staff, Senate Finance Committee, April 10, 2024 (responding that “[w]e don’t have this company on our supplier list”). BMW clarified on April 25, 2024 that “BMW does not source directly from JWD. However, based on our current findings, a supplier of BMW has sourced indirectly from JWD and we are in the process of addressing this matter.” Email from BMW Group to Ryder Tobin, Majority Staff, Senate Finance Committee, April 25, 2024. BMW asserts that its April 10, 2024 response “claimed, accurately, that JWD was not a tier 1 supplier,” and also asserts that BMW began the process of stopping imports of affected products on April 5, 2024. Email from outside counsel to BMW Group to Ryder Tobin, Majority Staff, Senate Finance Committee, May 16, 2024.

<sup>9</sup> Email from outside counsel for BMW of North America to Ryder Tobin, Majority Staff, Senate Finance Committee, May 6, 2024; email from outside counsel for Jaguar Land Rover North America to Ryder Tobin, Majority Staff, Senate Finance Committee, May 7, 2024.

<sup>10</sup> *China Primer: Uyghurs*, Congressional Research Service, September 22, 2023, <https://www.crs.gov/Reports/IF10281?source=search> (Hereinafter: *China Primer*); *Forced Labor in China’s Xinjiang Region*, U.S. Department of State Office to Monitor and Combat Trafficking in Persons, July 2021, <https://www.state.gov/forced-labor-in-chinas-xinjiang-region/>. (Hereinafter: (*Forced Labor in Xinjiang Region*)).

<sup>11</sup> *China Primer; Risks and Considerations for Businesses with Supply Chain Exposure to Entities Engaged in Forced Labor and other Human Rights Abuses in Xinjiang*, Xinjiang Supply Chain Business Advisory, July 1, 2020, [https://www.state.gov/wp-content/uploads/2020/07/Xinjiang-Supply-Chain-Business-Advisory\\_FINAL\\_For-508-508.pdf](https://www.state.gov/wp-content/uploads/2020/07/Xinjiang-Supply-Chain-Business-Advisory_FINAL_For-508-508.pdf).

<sup>12</sup> *Id.*

drug intake, physical and sexual abuse, and torture to force detainees to work in adjacent or off-site factories or worksites.”<sup>13</sup> Efforts to forcibly relocate Uyghurs and other Turkic Muslim communities from their homes in rural areas to urban areas to work in factories are known as “Labor Transfer Programs.”<sup>14</sup>

Section 307 of the Trade Act of 1930 prohibits goods produced with forced labor from entering the US market.<sup>15</sup> Section 307 has typically been enforced on a case-by-case basis when CBP issues a “Withhold Release Order” (“WRO”) citing forced labor at a particular factory.<sup>16</sup> Recognizing the systemic use of forced labor in Xinjiang, in January 2021, CBP issued region- and sector-wide WROs on cotton, tomatoes, and other downstream products from the region.<sup>17</sup>

In December 2021, Congress passed – and President Biden signed into law – the UFLPA, which strengthened America’s commitment to combating forced labor in China.<sup>18</sup> The UFLPA created a rebuttable presumption that goods mined, produced, or manufactured wholly or in part in Xinjiang or by an entry on the UFLPA Entity List are made with forced labor and therefore prohibited from importation into the United States. Pursuant to the UFLPA, importers can overcome this presumption by presenting clear and convincing evidence that the good was not produced or manufactured in whole or in part with forced labor.<sup>19</sup> This evidentiary standard extends beyond the immediate factory to the components, subcomponents, and raw materials.<sup>20</sup>

In 2022, the Sheffield Hallam Report detailed links between Chinese companies with operations in Xinjiang and global automakers that use products made in China, including metals, batteries, wiring and wheels.<sup>21</sup> The Sheffield Hallam Report and others like it prompted Chairman Wyden to initiate an investigation into the automotive industry<sup>22</sup> that uncovered a severe lack of visibility into supply chains, particularly in China.

The Committee’s investigation focused on the procedures used by major automakers (original equipment manufacturers or “OEMs”) and their direct suppliers (“tier 1 suppliers”) to identify forced labor within their supply chains. Throughout the investigation, most automakers and their tier 1 suppliers assured the Committee that they maintain robust due diligence programs that ensure that their supply chains, which contain thousands of suppliers and subsuppliers,<sup>23</sup> are free of forced labor.<sup>24</sup>

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<sup>13</sup> *Forced Labor in Xinjiang Region*.

<sup>14</sup> *Asleep at the Wheel Car Companies’ Complicity in Forced Labor in China*, Human Rights Watch, February 1, 2024, <https://www.hrw.org/report/2024/02/01/asleep-wheel/car-companies-complicity-forced-labor-china>.

<sup>15</sup> P.L. 71-361 (March 13, 1930), §307; 46 Stat. 590, 689, codified as amended at 19 U.S.C. §1307.

<sup>16</sup> *Withhold Release Orders and Findings List*, U.S. Customs and Border Protection, Apr. 12, 2024, <https://www.cbp.gov/trade/forced-labor/withhold-release-orders-and-findings>.

<sup>17</sup> *Id.*

<sup>18</sup> P.L. 117-78.

<sup>19</sup> P.L. 117-78, Section 3(b).

<sup>20</sup> *Uyghur Forced Labor Prevention Act*, U.S. Customs and Border Protection, Oct. 25, 2022, <https://www.cbp.gov/trade/forced-labor/UFLPA>.

<sup>21</sup> *Driving Force*.

<sup>22</sup> Letters to American Honda Motor Co., Inc., Ford Motor Company, General Motors Company, Stellantis N.V., Tesla, Inc., Toyota Motor North America, Inc., Mercedes-Benz USA, LLC, Volkswagen Group of America, Inc. from Chairman Wyden (Hereinafter: *Chairman Wyden’s December 2022 Letters to Automakers*).

<sup>23</sup> Subsuppliers supply tier 1 suppliers (e.g., tier 2 suppliers supply tier 1 suppliers, and tier 3 suppliers supply tier 2 suppliers).

<sup>24</sup> Letters to Chairman Wyden from American Honda Motor Co., Inc., Ford Motor Company, General Motors Company, Stellantis N.V., Tesla, Inc., Toyota Motor North America, Inc., Mercedes-Benz USA, LLC, Volkswagen Group of America, Inc., Robert Bosch North America, Continental AG, DENSO Corporation, Magna International Inc., ZF Friedrichshafen AG, Lear Corporation (Hereinafter: *Responses to Chairman Wyden from Automakers and*

In January 2024, VW disclosed to CBP that a shipment of their automobiles destined for the United States contained a part that was made by Sichuan Jingweida Technology Group Co., Ltd. (“JWD”), a company designated on the UFLPA Entity List effective December 11, 2023.<sup>25</sup> JWD was a tier 3 supplier, producing the part as a contract manufacturer for a tier 2 supplier to VW. The UFLPA Entity List identifies 41 companies<sup>26</sup> whose goods are presumptively banned from entering US markets. This incident underscores the Committee’s findings of both lack of visibility and lack of control over foreign supply chains of the automotive industry, specifically within China. The Committee traced the supply of JWD’s components and determined that, in addition to VW AG, JWD was also a tier 3 supplier to BMW and Jaguar Land Rover,<sup>27</sup> which also used JWD components in vehicles produced for the US market. All three automakers claimed to be unaware that JWD was one of their tier 3 suppliers for the component until after JWD was placed on the Entity List.

#### **IV. General Overview of Investigative Efforts**

In December 2022, Chairman Wyden sent letters to automakers, expressing his concern about alleged links to Uyghur forced labor within their supply chains and requesting information from these companies about their business practices.<sup>28</sup> These letters noted that, although automotive supply chains are vast and complex,<sup>29</sup> the UFLPA affirms the commitment of the United States to not aid in the CCP’s brutal oppression of the Uyghur people in what the United States considers an “ongoing genocide and crimes against humanity.”<sup>30</sup> The letters requested specific information including supply chain mapping practices, analysis of the effectiveness of current protocols and procedures to uncover forced labor, and reliability of audits conducted within China.<sup>31</sup>

By the end of January 2023, Chairman Wyden had received responses from automakers which revealed that companies generally could not trace their supply chains back to their origin.<sup>32</sup> Although a few companies were making substantive efforts to trace high risk components to the mineral level, supply chain visibility generally relies heavily on self-reporting surveys completed by tier 1 suppliers. These surveys ask that tier 1 suppliers provide a list of all relevant subsupplier information including company names and locations along with supporting documentation. Tier 1 suppliers in turn often require that their suppliers provide these surveys to create a record of the supply chain. This information is then utilized to check names of reported entities against lists like the UFLPA Entity List. Broadly, entities are identified because they are located within Xinjiang and utilize forced labor; recruit, transport, transfer or utilize forced labor from Xinjiang; or source materials from Xinjiang or persons working with the government of Xinjiang in any “poverty alleviation,” “pairing assistance,” or any other government-labor schemes that utilizes forced labor.<sup>33</sup> In addition, several automakers use software products to check for adverse media about the names of self-reported entities or for media concerning participation in “poverty alleviation” or

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*Tier 1 Suppliers*). DENSO Corporation was the only automotive supplier that declined an invitation to meet with the Committee.

<sup>25</sup> *Volkswagen AG March 22, 2024 Response*, at 2-3.

<sup>26</sup> *UFLPA Entity List*, Homeland Security, <https://www.dhs.gov/uflpa-entity-list>.

<sup>27</sup> Jaguar Land Rover last imported vehicles with JWD components in May 2022, before UFLPA entered into force.

<sup>28</sup> *Chairman Wyden’s December 2022 Letters to Automakers*.

<sup>29</sup> *Id.*

<sup>30</sup> *Press Statement by U.S. Secretary of State Antony J. Blinken*, UN Office of the High Commissioner for Human Rights Report on the Human Rights Situation in Xinjiang, Sep. 1 2022, <https://geneva.usmission.gov/2022/09/01/statement-on-un-human-rights-office-report-on-xinjiang/> (Hereinafter: *Press Statement by U.S. Secretary of State Antony J. Blinken*).

<sup>31</sup> *Chairman Wyden’s December 2022 Letters to Automakers*.

<sup>32</sup> *Responses to Chairman Wyden from Automakers*.

<sup>33</sup> *Id.*

“pairing assistance” programs, which are CCP euphemisms for its forced labor transfer programs.<sup>34</sup> For example, automaker A (“A”) would require tier 1 supplier B (“B”) to fill out a self-assessment survey that it would then run through software to gauge risk factors for potential human rights violations. B would then require tier 2 supplier C to undergo the same process to provide information in its disclosure to A. This chain of self-assessment and surveys can cascade through twelve or more tiers of a supply chain for a particular component.

In addition to self-assessment surveys, some automakers also utilize on-site audits conducted by trained in-house staff or third party auditors.<sup>35</sup> These audits are mostly conducted by automakers at the tier 1 supplier level and are either done on a regular basis or in response to sustainability or human rights concerns.<sup>36</sup> These audits search for potential violations in working conditions, human rights, and potential forced labor violations.<sup>37</sup> Companies maintain contractual provisions to enforce standards with direct suppliers including pausing shipments or terminating contracts.<sup>38</sup> For example, if automaker A (“A”) had a tier 1 supplier B (“B”) that either was scheduled to undergo a routine audit or an audit triggered by concerns of forced labor, A could proceed with an audit of B’s facilities. A could send either trained in-house staff or third-party auditors to conduct the audit. Should the audit substantiate a concern related to sustainability or human rights violations, A could then elect to work with B to resolve the issue. A would then engage in additional follow-up with B to ensure the improvement of conditions. Should B choose not to cooperate, or the violation could not be remediated, A could choose to place a hold on current and future transactions or ultimately terminate the contract.

In-person meetings between Committee staff, automakers, and their suppliers revealed substantial blindspots in compliance programs intended to prevent forced labor exposure. Companies confirmed that they lacked full visibility into their supply chains with the exception of a select few that traced specific high-risk materials back to mines.<sup>39</sup> Many automakers and tier 1 suppliers stated that effectiveness depends on the truthfulness of questionnaires completed by subsuppliers and potentially unreliable information available to software platforms that cross-references public media as well as databases such as the UFLPA Entity List.<sup>40</sup> Additionally, as fewer Chinese companies publicly announce participation in the CCP’s “poverty alleviation” and “pairing assistance” programs, government and private sector lists of entities that rely on forced labor are increasingly underinclusive.<sup>41</sup>

In response to the Committee’s inquiries, companies also disclosed that although they conduct audits within China, they understand (and adhere to) CCP restrictions that make conducting reliable audits difficult or impossible.<sup>42</sup> This includes, for example, the requirement that audits of tier 1 suppliers as well as joint ventures located within China be scheduled in advance.<sup>43</sup> This advance notice restrains companies’ ability to conduct random sustainability audits that more accurately depict the normal work environment of a given facility. Automakers that enforce on-site audits try to conduct a thorough analysis, but despite these efforts many companies noted that detection of forced labor remains difficult within

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<sup>34</sup> *Responses to Chairman Wyden from Automakers and Tier 1 Suppliers.*

<sup>35</sup> *Id.*

<sup>36</sup> *Id.*

<sup>37</sup> *Id.*

<sup>38</sup> *Id.*

<sup>39</sup> Senate Finance Committee Meetings with American Honda Motor Co., Inc., Ford Motor Company, Tesla, Inc., Toyota Motor North America, Inc., Mercedes-Benz USA, LLC, Volkswagen Group of America, Inc., Magna International Inc., Continental AG, Robert Bosch North America, ZF Friedrichshafen AG, Lear Corporation (Hereinafter: *Automaker Meetings*).

<sup>40</sup> *Id.*

<sup>41</sup> *Id.*

<sup>42</sup> *Id.*

<sup>43</sup> *Id.*

China.<sup>44</sup> With very limited exceptions, companies reported that on-site audits had never detected any indications of forced labor at any facility at any time.<sup>45</sup> Companies also reported, with very limited exceptions, that whistleblower hotlines had never received any credible report of forced labor at any facility at any time.<sup>46</sup>

## V. JWD Incident Exposes Blindspots in Automakers' UFLPA Compliance Efforts

In January 2024, VW disclosed to CBP that a shipment of VW AG vehicles manufactured for the US market contained a part that was made by JWD, a company added to the UFLPA Entity List in December 2023.<sup>47</sup> JWD was a tier 3 supplier, producing the part as a contract manufacturer for a tier 2 supplier to VW. The UFLPA Entity List identifies 76 companies<sup>48</sup> whose goods are presumptively banned from entering US markets. This incident was mentioned in media reports<sup>49</sup> and then reported to Committee Staff.

As described below, this incident underscores the Committee's findings of both lack of visibility and lack of control over foreign supply chains of the automotive industry, specifically within China. The Committee traced the supply of JWD's components and determined that, in addition to VW AG, JWD was also a tier 3 supplier to BMW and Jaguar Land Rover,<sup>50</sup> which also used JWD components in vehicles produced for the US market. All three automakers claimed to be unaware that JWD was one of their tier 3 suppliers for the component until after JWD was placed on the UFLPA Entity List.

### a) Overview

On December 8, 2023, the Forced Labor Enforcement Task Force ("FLETTF"), chaired by the Department of Homeland Security ("DHS"), announced that it had voted to add JWD to the UFLPA Entity List effective December 11, 2023.<sup>51</sup> JWD had previously been identified as a suspected participant in labor transfer programs in a 2020 Australian Strategic Policy Institute paper "Uyghurs for sale: Re-education, forced labour and surveillance beyond Xinjiang."<sup>52</sup> In 2022, the Sheffield Hallam Report also alleged that JWD was exposed to forced labor through its participation in labor transfer programs, and DHS ultimately added JWD to the UFLPA Entity List in December 2023.<sup>53</sup>

Bourns Inc. ("Bourns"), a California-based tier 2 automotive supplier, learned of JWD's addition to the UFLPA Entity List on December 9, 2023 when it was informed directly by JWD.<sup>54</sup> Bourns had sourced components, including LAN transformers manufactured on a contract basis, from JWD since

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<sup>44</sup> *Id.*

<sup>45</sup> *Id.*

<sup>46</sup> *Id.*

<sup>47</sup> *Volkswagen AG March 22, 2024 Response*, at 2-3.

<sup>48</sup> *UFLPA Entity List*, Homeland Security, <https://www.dhs.gov/uflpa-entity-list>.

<sup>49</sup> *US Porsche, Bentley and Audi imports held up over banned Chinese part*, Financial Times, Feb. 14, 2024, <https://www.ft.com/content/ab63cc9b-1c57-43d0-89c2-8f63e5c06eba>.

<sup>50</sup> Jaguar Land Rover last imported vehicles with JWD components in May 2022, before UFLPA entered into force.

<sup>51</sup> *DHS Designates Three Additional PRC-Based Companies to the UFLPA Entity List*, Dec. 8, 2023, <https://www.dhs.gov/news/2023/12/08/dhs-designates-three-additional-prc-based-companies-uflpa-entity-list>.

<sup>52</sup> *Uyghurs for sale: Re-education, forced labour and surveillance beyond Xinjiang*, Australian Strategic Policy Institute, Mar. 1 2020, <https://www.aspi.org.au/report/uyghurs-sale>.

<sup>53</sup> *Driving Force*.

<sup>54</sup> Meeting between Committee Staff and Bourns Inc. and subsequent calls with Bourns' outside counsel, April 19, 2024. Bourns cooperated fully with the Committee's requests for information and documents on short notice.

2012.<sup>55</sup> On December 11, 2023, Bourns placed a hold on all shipments of JWD products and informed customers with pending orders (open backlog) impacted by the holds the following day.<sup>56</sup>

On January 3, 2024, Bourns informed Lear Corporation (“Lear”) that LAN transformers sold to Lear by Bourns had been produced by JWD and that JWD had been placed on the UFLPA Entity List.<sup>57</sup> Lear was incorporating those LAN transformers into components it supplied to several OEMs.

While there was a three-week delay in Bourns’ notification to Lear (Bourns cites the intervening holiday shutdowns at Lear and Bourns as a primary cause of the delay), the Committee has obtained information indicating that Lear knew, or had reason to know, on December 8, 2023 that JWD manufactured the LAN transformers Bourns sold to it.<sup>58</sup> This documentation, from 2013 to 2019, includes:

- A January 2013 Production Part Approval Process (“PPAP”) Report on Lear letterhead. The PPAP identifies JWD as the manufacturer of the LAN transformer.<sup>59</sup>
- Materials arranging and reporting the results of a 2014 in-person audit of a JWD facility in China by Lear employees.<sup>60</sup> The audit report includes materials prepared by JWD that JWD employees presented to Lear employees at the JWD facility in China.<sup>61</sup>
- A slide deck dated September 7, 2018 made by a Bourns employee shown to a Lear employee in person in Valls, Spain in September 2018 and subsequent emails between the two discussing and transmitting a copy of the presentation.<sup>62</sup> The presentation identifies the subject as a “JWD Engineering Change Proposal” on each page.<sup>63</sup>
- A 2019 Product Change Notification (PCN) for the LAN transformer and an email thread between a Bourns employee and a Lear employee discussing details of the attached PCN.<sup>64</sup> The PCN identifies JWD as the manufacturer of the LAN transformer.<sup>65</sup>

Although Lear knew, or had reason to know, on December 8, 2023 that JWD manufactured the LAN transformers, Lear did not take any action to notify its customers that components Lear had sold to them incorporated LAN transformers manufactured by JWD until after Bourns notified Lear.<sup>66</sup> On January 11,

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<sup>55</sup> *Id.*

<sup>56</sup> *Id.*

<sup>57</sup> *Id.*

<sup>58</sup> *Id.*

<sup>59</sup> Attachment A, Document production from Bourns Inc., to Majority Staff, Senate Finance Committee, April 26, 2024.

<sup>60</sup> Attachment B, Document production from Bourns Inc., to Majority Staff, Senate Finance Committee, April 26, 2024.

<sup>61</sup> *Id.*

<sup>62</sup> Attachment C, Document production from Bourns Inc., to Majority Staff, Senate Finance Committee, April 26, 2024.

<sup>63</sup> *Id.*

<sup>64</sup> Attachment D, Document production from Bourns Inc., to Majority Staff, Senate Finance Committee, April 26, 2024.

<sup>65</sup> *Id.*

<sup>66</sup> Senate Finance Committee meeting with Lear Corporation. Lear cooperated with the Committee’s inquiry by sitting for a voluntary meeting with Committee staff and voluntarily waiving a contractual confidentiality provision, allowing Bourns to provide the Committee with documents.

2024, Lear sent letters to BMW, Jaguar Land Rover, Volvo Cars,<sup>67</sup> and VW AG (through its subsidiary, Audi AG) informing them that Lear had sold them LAN transformers manufactured by JWD and that JWD had been listed on the UFLPA Entity List effective December 11, 2023.<sup>68</sup>

The Committee is continuing to investigate Lear's knowledge of JWD in its supply chain prior to January 2024 as well as what information about JWD's role in manufacturing the LAN transformers Lear shared with its customers. In particular, the Committee is examining what PCN and PPAP documents automakers received, and whether information from these documents was appropriately incorporated into automakers' supply chain maps and other components of their due diligence programs.

b) *VW AG manufactured cars for the US market with components made by JWD*

In February 2024, public reports indicated that cars produced by VW AG in transit to the United States for importation by VW in January 2024 included a component presumptively made with forced labor.<sup>69</sup> In response to an additional letter from Chairman Wyden,<sup>70</sup> VW informed the Committee that it voluntarily disclosed to CBP that shipments of vehicles destined for the US market included a LAN transformer produced by JWD, a company currently on the UFLPA Entity List.<sup>71</sup> JWD was placed on the UFLPA Entity List effective December 11, 2023.<sup>72</sup> On January 11, 2024, VW AG (through its subsidiary, Audi AG) was notified by Lear (its tier 1 supplier) that Bourns (its tier 2 supplier) had purchased LAN transformers made by JWD.<sup>73</sup> VW subsequently voluntarily disclosed to CBP that cars en route to several North American ports contained a component manufactured by a company added to the UFLPA Entity List effective December 11, 2023 and arranged to replace the components in the ports before the cars entered the US market.<sup>74</sup> As of May 2024, VW remains the importer of record for VW AG.<sup>75</sup> As importer of record, VW is responsible for ensuring that VW AG shipments to the US comply with US trade law.

VW AG has been aware of possible concerns of forced labor used by JWD since 2020, following the release of the Australian Strategic Policy Institute paper, which describes the transfer of workers from Xinjiang to factories outside of the province including JWD and indicates that JWD produces LAN modules.<sup>76</sup> VW AG was once again made aware of forced labor allegations against JWD in 2022 when the Sheffield Hallam Report was published.<sup>77</sup> The Sheffield Hallam Report describes the transfer of 200 workers to JWD in 2018 and continuing participation in the program in 2020.<sup>78</sup> In both 2020 and 2022, VW AG investigated the allegations and concluded that VW AG had no connections to JWD.<sup>79</sup> Bourns, VW AG's tier 2 supplier,<sup>80</sup> has maintained a business relationship with JWD since 2012.<sup>81</sup> Bourns

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<sup>67</sup> Volvo Cars received the LAN transformers for a new car program not yet in production and, while it planned to source them, it did not ultimately use any JWD components in any of its products. Email from Volvo Cars to Ryder Tobin, Majority Staff, Senate Finance Committee, May 16, 2024.

<sup>68</sup> Senate Finance Committee meeting with Lear Corporation.

<sup>69</sup> *US Porsche, Bentley and Audi imports held up over banned Chinese part*, Financial Times, Feb. 14, 2024, <https://www.ft.com/content/ab63cc9b-1c57-43d0-89c2-8f63e5c06eba>.

<sup>70</sup> Letter to Oliver Blume, Chief Executive Officer, Volkswagen AG, from Chairman Wyden, March 8, 2024.

<sup>71</sup> *Volkswagen AG March 22, 2024 Response* at 2-3.

<sup>72</sup> *Id.* at 2.

<sup>73</sup> *Id.*

<sup>74</sup> *Id.* at 3.

<sup>75</sup> Senate Finance Committee meeting with Volkswagen Group of America, Inc.

<sup>76</sup> *Volkswagen AG March 22, 2024 Response* at 15.

<sup>77</sup> *Volkswagen AG March 22, 2024 Response* at 15-16.

<sup>78</sup> *Driving Force*.

<sup>79</sup> *Volkswagen AG March 22, 2024 Response*.

<sup>80</sup> As a tier 2 automotive supplier, Bourns only communicates with its direct customer, in this case Lear, and had no direct relationship with or line of communication with VW AG or any other automotive manufacturer before the incident described in this report. Senate Finance Committee meeting with Bourns Inc.

<sup>81</sup> *Volkswagen AG March 22, 2024 Response*, at 2-3.

relationship with JWD continued until December 2023 when JWD was placed on the ULFPA Entity List.<sup>82</sup>

In October 2023, Bourns completed a self-assessment questionnaire as a part of a Lear risk assessment.<sup>83</sup> In November 2023, in response to a Lear “UFLPA Risk Assessment,” Bourns provided confirmation that their goods were not made with forced labor.<sup>84</sup> JWD was placed on the UFLPA Entity List in December 2023.<sup>85</sup> VW AG maintains multiple strategies and procedures to maintain supply chain visibility including self-assessment questionnaires, media screening, and their Responsible Supply Chain System,<sup>86</sup> but according to statements given to the Committee, until January 11, 2024, VW AG remained unaware that both Bourns and JWD were within its supply chain.<sup>87</sup> On January 3, after JWD was placed on the UFLPA Entity List in December 2023, Bourns disclosed to Lear its concerns regarding the LAN transformers supplied by JWD.<sup>88</sup> Lear then formally notified VW AG, through its subsidiary Audi AG, on January 11, 2024 of the concerns as well as the presence of Bourns and JWD within its supply chain.<sup>89</sup>

In response to Committee inquiries of supply chain visibility relating to this disclosure, VW AG noted that it requires that Lear comply with all supply chain visibility procedures.<sup>90</sup> This includes being subjected to a routine risk assessment procedure, media screening of 56 different Lear corporate entities, and a “Sustainability Rating process using the industry-standard evaluation tool” where answers and documents provided during the assessment are checked and verified by a third party, NQC Ltd.<sup>91</sup> However, prior to notification by Lear in January 2024, VW AG maintains that it was not aware of the presence of Bourns or JWD within its supply chain for the components presumptively made with forced labor.<sup>92</sup> Lear also maintains policies regarding the prohibition of forced labor within its contracts.<sup>93</sup> Lear conducted a sustainability risk assessment of Bourns in October 2023 which found no indication of forced labor concerns.<sup>94</sup> This assessment included screening against the UFLPA Entity List, documentation provided by Bourns to show evidence of compliance, screening relating to forced labor by an outside law firm, and the use of the program Sayari to analyze corporate ownership data.<sup>95</sup> VW AG further disclosed that Bourns, who contracted directly with JWD, had received a signed Code of Ethics and Conduct confirmation in 2020 from JWD as well as a confirmation in writing in January 2022 that JWD did “not produce in or source components from Xinjiang or use forced labor.”<sup>96</sup> Since 2012, Bourns has conducted eleven on-site audits of JWD, including Responsible Business Alliance (“RBA”) audits, and, starting in 2014, had its own employee on site and working with JWD employees to assure JWD’s compliance with Bourns quality standards and Code of Conduct.<sup>97</sup> Bourns also regularly uses RBA self-assessment questionnaires with its suppliers and conducts risk-based RBA audits.<sup>98</sup> Bourns conducted an RBA-style audit of JWD in July 2023 that concluded no concerns regarding forced labor.<sup>99</sup> Bourns monitors the

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<sup>82</sup> Senate Finance Committee meeting with Bourns Inc.

<sup>83</sup> *Volkswagen AG March 22, 2024 Response*, at 12.

<sup>84</sup> *Id.*

<sup>85</sup> *Id.* at 2.

<sup>86</sup> *Id.* at 4-7.

<sup>87</sup> *Id.* at 10-14.

<sup>88</sup> Senate Finance Committee meeting with Lear Corporation.

<sup>89</sup> *Volkswagen AG March 22, 2024 Response*, at 2.

<sup>90</sup> *Id.* at 4-10.

<sup>91</sup> *Id.*

<sup>92</sup> *Id.* at 10.

<sup>93</sup> *Id.* at 11-13.

<sup>94</sup> *Id.*

<sup>95</sup> *Id.*

<sup>96</sup> *Id.* at 13-14.

<sup>97</sup> Senate Finance Committee meeting with Bourns Inc. and subsequent clarifications by email.

<sup>98</sup> *Volkswagen AG March 22, 2024 Response*, at 13-14.

<sup>99</sup> Senate Finance Committee meeting with Lear Corporation.

UFLPA Entity List, and upon learning that JWD was added in December 2023, Bourns conducted an additional on-site audit of the JWD premises.<sup>100</sup> The audit found no evidence of forced labor being used at that time.<sup>101</sup> Despite all of these safeguards and procedures, until January 2024 VW AG remained unaware of the presence of both JWD and Bourns in its supply chain.<sup>102</sup>

In response to a March 2024 letter from Chairman Wyden which sought further clarification on the scope and effectiveness of VW AG audits,<sup>103</sup> VW disclosed that in China it relies on more than 3,000 tier 1 suppliers including suppliers of controlled entities.<sup>104</sup> These tier 1 suppliers may rely on tens of thousands of sub-suppliers with as many as nine tiers of suppliers within a given supply chain.<sup>105</sup> In the past three years, VW AG has conducted a total of 211 sustainability audits for Chinese-based tier 1 suppliers.<sup>106</sup> VW AG has conducted two audits of indirect suppliers during this time period in connection with forced labor concerns raised through their “Supply Chain Grievance Mechanism.”<sup>107</sup> VW AG has conducted 56 forensic audits relating to battery raw materials in China to identify sub-suppliers.<sup>108</sup> VW AG stated that since the implementation of their C-rating escalation program designed to remediate forced labor concerns, they have terminated six supplier contracts.<sup>109</sup>

*c) BMW continued importing cars with JWD components after JWD UFLPA listing*

BMW learned that JWD would be added to the UFLPA Entity List on December 8, 2023 and acknowledged to the Committee that it received Lear’s January 11, 2024 letter informing BMW that JWD was a BMW tier 3 supplier that manufactured the LAN transformers that Lear sold to BMW.<sup>110</sup> Despite this, BMW disclosed to the Committee that it imported at least 8,000 MINI vehicles, as well as spare parts, with JWD LAN transformers presumptively made with forced labor after December 11, 2023, and continued to import these vehicles and spare parts even after January 11, 2024, when it received written notice that the components were manufactured by a company on the UFLPA Entity List.<sup>111</sup> In fact, BMW continued to import products manufactured by JWD until at least April 2024 and appears to have stopped only after the Committee repeatedly asked detailed questions to Lear and Lear’s OEM customers, including BMW, about their relationship with JWD.<sup>112</sup> BMW has informed the Committee that it voluntarily disclosed to CBP that shipments of vehicles and spare parts that entered the US market after December 11, 2023 included a LAN transformer produced by JWD, a company currently on the UFLPA Entity List.<sup>113</sup>

BMW maintains that it has “robust systems in place to screen their supply chains for various risks, including labor, environmental, and others.”<sup>114</sup> BMW was aware of allegations that JWD products

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<sup>100</sup> Senate Finance Committee meeting with Bourns Inc.

<sup>101</sup> *Volkswagen AG March 22, 2024 Response*, at 14.

<sup>102</sup> *Volkswagen AG March 22, 2024 Response*, at 10.

<sup>103</sup> Letter to Oliver Blume, Chief Executive Officer, Volkswagen AG, from Chairman Wyden, March 8, 2024.

<sup>104</sup> *Volkswagen AG March 22, 2024 Response*.

<sup>105</sup> *Id.*

<sup>106</sup> *Id.*

<sup>107</sup> *Id.* at 5, (“Volkswagen Group has implemented a Supply Chain Grievance Mechanism to process claims of suppliers’ possible violations of the Code of Conduct for Business Partners [. . .] accessible via the channels of Volkswagen Group’s whistleblower system and [. . .] claims are promptly investigated, and serious violations of labor standards and human rights may lead to termination of the contract with the supplier.”)

<sup>108</sup> *Id.*

<sup>109</sup> *Id.*

<sup>110</sup> Email and subsequent call from outside counsel for BMW of North America to Ryder Tobin, Majority Staff, Senate Finance Committee, May 6, 2024.

<sup>111</sup> *Id.*; Email from Ryder Tobin, Majority Staff, Senate Finance Committee, to BMW Group, April 9, 2024.

<sup>112</sup> *Id.*; Senate Finance Committee meeting with Lear Corporation and associated planning communications.

<sup>113</sup> *Id.*

<sup>114</sup> *Id.*

were exposed to forced labor as early as 2020.<sup>115</sup> BMW asserts that it was unaware JWD was a part of its supply chain when it learned of the 2020 Australian Strategic Policy Institute paper which alleged that JWD was exposed to forced labor.<sup>116</sup> Following the 2022 Sheffield Hallam Report, which also alleged that JWD was exposed to forced labor, BMW asserts that “further research by BMW’s supply chain integrity team did not reveal that JWD was in its supply chain.”<sup>117</sup>

The Committee is continuing to investigate several aspects of BMW’s exposure to forced labor through JWD, its tier 3 supplier. This includes whether BMW knew, or had reason to know, on or before December 11, 2023 that JWD manufactured parts in its supply chain; why BMW continued importing vehicles even after receiving the January 11, 2024 letter from Lear; and, whether vehicles, in addition to the 8,000 MINIs, that contain components presumptively made with forced labor were imported after December 11, 2023.

*d) Jaguar Land Rover imported spare parts with JWD components after December 11, 2023*

Jaguar Land Rover learned that JWD had been added to the UFLPA Entity List on December 11, 2023.<sup>118</sup> Jaguar Land Rover disclosed to the Committee that it imported replacement parts that included LAN transformers manufactured by JWD after December 11, 2023.<sup>119</sup> The replacement parts were intended for model year 2017 to 2020 vehicles, which also contained Lear components incorporating the JWD LAN transformers, and were last imported in May 2022.<sup>120</sup> Jaguar Land Rover has initiated a voluntary disclosure to CBP and has quarantined all existing inventory containing the JWD component globally for destruction.<sup>121</sup>

Jaguar Land Rover acknowledged to the Committee that it received Lear’s January 11, 2024 letter informing Jaguar Land Rover that JWD was a Jaguar Land Rover tier 3 supplier that manufactured the LAN transformers that Lear sold to Jaguar Land Rover.<sup>122</sup> However, Jaguar Land Rover’s wholly-owned sales subsidiary and importer of record, Jaguar Land Rover North America, was not informed of the letter by the operational team that received it at its parent company, Jaguar Land Rover Limited.<sup>123</sup> The Committee first asked Jaguar Land Rover about its relationship with JWD in early April 2024.<sup>124</sup> Jaguar Land Rover North America continued importing the replacement part component supplied by Lear, and manufactured by JWD, until shortly after April 22, 2024, when Lear contacted Jaguar Land Rover North America and reiterated the information it shared with Jaguar Land Rover Limited in January 2024.<sup>125</sup>

Jaguar Land Rover was aware of both the 2020 Australian Strategic Policy Institute paper “Uyghurs for sale: Re-education, forced labour and surveillance beyond Xinjiang” and the 2022 Sheffield Hallam Report, which both alleged that JWD was exposed to forced labor.<sup>126</sup> Jaguar Land Rover screened its supplier base but did not conduct any due diligence on JWD after reviewing the reports because it was

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<sup>115</sup> *Id.*

<sup>116</sup> *Id.*

<sup>117</sup> *Id.*

<sup>118</sup> Email and subsequent information from outside counsel for Jaguar Land Rover North America to Ryder Tobin, Majority Staff, Senate Finance Committee, May 7, 2024.

<sup>119</sup> *Id.*

<sup>120</sup> *Id.*

<sup>121</sup> *Id.*

<sup>122</sup> *Id.*

<sup>123</sup> *Id.*

<sup>124</sup> Email from Ryder Tobin, Majority Staff, Senate Finance Committee, to Jaguar Land Rover North America, April 9, 2024.

<sup>125</sup> Email and subsequent information from outside counsel for Jaguar Land Rover North America to Ryder Tobin, Majority Staff, Senate Finance Committee, May 7, 2024.

<sup>126</sup> *Id.*

unaware that JWD was its tier 3 supplier.<sup>127</sup> Jaguar Land Rover asserts that it does not normally retain full production part approval documents and could not locate any documents identifying JWD as its tier 3 supplier for LAN transformers prior to December 11, 2023.<sup>128</sup> The Committee is continuing to investigate if Jaguar Land Rover had reason to know that JWD was its tier 3 supplier for LAN transformers on or before December 11, 2023.

## VI. Potential for Forced Labor at SAIC-Volkswagen's Xinjiang Facility

As evidence of Uyghur forced labor continued to surface over the past decade,<sup>129</sup> many companies faced increased international pressure to sever ties with Xinjiang and companies with facilities there in an effort to keep their supply chains free from exposure to forced labor.<sup>130</sup> Chairman Wyden asked VW AG about its direct ties to Xinjiang through SAIC Volkswagen, its joint venture with SAIC Motor Corp., Ltd. ("SAIC"), a Chinese state-owned company. SAIC Volkswagen operates a facility in Xinjiang through its subsidiary SAIC Volkswagen (Xinjiang) Automotive Co. Ltd. ("SAIC-Volkswagen Xinjiang"). Traces of several forced labor camps are reportedly located within 15 miles of the SAIC-Volkswagen Xinjiang facility.<sup>131</sup>

In response to Chairman Wyden's inquiries regarding the SAIC-Volkswagen Xinjiang facility,<sup>132</sup> VW AG disclosed that although SAIC Volkswagen is a joint venture, it does not control either SAIC Volkswagen or SAIC-Volkswagen Xinjiang.<sup>133</sup> When VW AG was asked its confidence that the SAIC-Volkswagen Xinjiang facility was free of forced labor, it stated that it remains confident that the facility does not rely on forced labor, citing only an audit conducted in 2023 by Löning – Human Rights & Responsible Business GmbH ("Löning").<sup>134</sup> The audit found that of the 197 employees working at SAIC-Volkswagen Xinjiang in November 2023, 47 were members of ethnic minorities, including Uyghurs.<sup>135</sup> The audit found that working conditions satisfied ILO Conventions C029, C111, C115 and no indications of forced labor were present.<sup>136</sup> When asked if they had access to information of SAIC-Volkswagen Xinjiang employees, VW AG stated that it does not control SAIC-Volkswagen Xinjiang and therefore do not have custody or access to employee information.<sup>137</sup> The Chairman asked VW AG to "provide full copies of any audits Volkswagen has conducted of any SAIC Volkswagen (Xinjiang) Automotive Co.

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<sup>127</sup> *Id.*

<sup>128</sup> *Id.*

<sup>129</sup> *China Primer; Driving Force; Forced Labor in Xinjiang Region; Press Statement by U.S. Secretary of State Antony J. Blinken.*

<sup>130</sup> *UAW calls on automakers to move supply chain out of Xinjiang region*, Reuters, December 6, 2022, <https://www.reuters.com/business/autos-transportation/uaw-calls-automakers-move-supply-chain-out-xinjiang-region-2022-12-06/> (Hereinafter: *UAW*); *Ford halts work on \$3.5 billion plant amid strike, forced labor probe*, The Washington Post, September 26, 2023, <https://www.washingtonpost.com/business/2023/09/26/ford-catl-battery-uaw/>; *Press Statement by U.S.S. Anthony J. Blinken; Forced Labor in Xinjiang Region; Uyghur Forced Labor Prevention Act*, U.S. Customs and Border Protection, October 25, 2022, <https://www.cbp.gov/trade/forced-labor/UFLPA>.

<sup>131</sup> *What genocide? Volkswagen's morally expensive bet on China*, Politico, June 20, 2023, <https://www.politico.eu/article/volkswagen-china-xinjiang-forced-labor-how-to-get-away-with-genocide/> ("By the plant, there are seven concentration camps ... so this is what Volkswagen cannot deny, but they say they are not connected with them," Erkin Zunun, the chief coordinator of the World Uyghur Congress based in Munich, said.).

<sup>132</sup> Letter to Oliver Blume, Chief Executive Officer, Volkswagen AG, from Chairman Wyden, March 8, 2024.

<sup>133</sup> *Volkswagen AG March 22, 2024 Response.*

<sup>134</sup> *Id.* at 19-20.

<sup>135</sup> *Id.* at 20.

<sup>136</sup> *Id.*

<sup>137</sup> *Id.* at 21.

facilities in the past three years.”<sup>138</sup> VW AG provided a brief summary of the Löning audit but did not provide a copy of the audit.

VW AG reports that the Löning audit, which was overseen by Loening and undertaken by two lawyers of a Shenzhen based law firm,<sup>139</sup> concluded that no forced labor was found within the SAIC-Volkswagen Xinjiang facility.<sup>140</sup> The audit faced significant criticism from human rights organizations.<sup>141</sup> Following the audit, Löning posted a statement asserting that aside from chief executive Markus Löning and senior strategy adviser Christian Ewert, “no other team member participated in, supported or backed this project.”<sup>142</sup> As of March 2024, the Löning audit was the only audit VW AG had commissioned of the SAIC-Volkswagen Xinjiang facility and VW AG continues to rely on its findings.<sup>143</sup> VW AG has never publicly released the full Löning audit and declined a direct request from the Committee for a copy of the audit.<sup>144</sup> VW AG has also faced recent concerns regarding allegations, by independent researchers, of forced labor utilized in the construction of a test track within Xinjiang.<sup>145</sup>

## VII. Concerns and Recommendations

UFLPA was drafted and implemented in response not only to the abhorrent labor conditions imposed by the Chinese government on Uyghurs and other ethnic minorities, but the inability of US companies to sufficiently review labor conditions within Xinjiang. As such, the law currently allows the import of goods when importers can rebut with clear and convincing evidence the presumption that forced labor is being used in the production of goods.

Automakers continue to utilize parts imported from China. These same automakers overwhelmingly rely on questionnaires, self-reporting and limited audits of tier 1 suppliers to maintain visibility of their supply chains and determine whether their goods comply with US law. As this report highlights, these tools are insufficient to proactively identify forced labor exposure in supply chains, particularly in China. Moreover, the chain of self-assessments and surveys are expected to cascade through twelve or more tiers of suppliers. A single inadvertent or bad-faith omission can conceal exposure to forced labor. In the Chinese market, there is little to prevent obfuscation, signing of inconsequential “Codes of Conduct,” or false self-assessments by subsuppliers.

Automakers report combining the responses from questionnaires and self-reporting of their extended supply chain with publicly reported information regarding the use of forced labor in China and the UFLPA Entity List. Publicly available reports are only as good as the research and evidence available outside of China on the utilization of poverty alleviation or other transfer programs. Moreover, while these public reports list numerous sectors and hundreds of Chinese entities potentially using forced labor,

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<sup>138</sup> Letter to Oliver Blume, Chief Executive Officer, Volkswagen AG, from Chairman Wyden, March 8, 2024.

<sup>139</sup> *Volkswagen AG March 22, 2024 Response*.

<sup>140</sup> *Id.*

<sup>141</sup> *Volkswagen-commissioned audit finds no signs of forced labor at plant in China’s Xinjiang region*, AP News, December 6, 2023, <https://apnews.com/article/china-volkswagen-xinjiang-uyghur-forced-labor-c505dac48bebe92b6f792bafdaae61f9>.

<sup>142</sup> *Senior staff at auditing firm distance themselves from audit of VW’s China plant*, Reuters, December 13, 2023, <https://www.reuters.com/business/autos-transportation/auditing-firm-distances-itself-duos-work-vws-china-plant-2023-12-13/>.

<sup>143</sup> *Volkswagen AG March 22, 2024 Response*.

<sup>144</sup> *Id.* at 21.

<sup>145</sup> *Volkswagen in talks over future of Xinjiang site as pressure mounts*, Reuters, February 14, 2024, <https://www.reuters.com/business/autos-transportation/volkswagen-talks-with-jv-partner-over-future-business-activities-xinjiang-china-2024-02-14/>.

the FLETF has been slow to add new names to the UFLPA Entity List. The process of screening detailed lists of suppliers and sub-suppliers against public reports and the UFLPA Entity List is only effective if both the supply chains are accurately mapped and the lists maintained by the US government are consistently updated.

The failure of two major automakers to discover that a company identified as using forced labor by multiple NGO reports and that had been added to the UFLPA Entity List was one of their tier 3 suppliers, even after being informed of this fact in writing by a tier 1 supplier, demonstrates that existing due diligence regimes are not sufficient to detect exposure to forced labor in automotive supply chains.

Automakers and their parts suppliers must be pressed to fully comply with US law prohibiting the importation of goods made with forced labor. To achieve this, the Committee Majority recommends:

- Given that forced labor transfers are regularly occurring outside of Xinjiang, the FLETF should redouble efforts to identify entities utilizing forced labor from Uyghurs or other religious or ethnic minority groups throughout China and add their names to the UFLPA Entity List. Increasing the pace of new additions will provide further incentive for companies maintaining complicated supply chains within China to better map and understand their sources and proactively exclude companies linked to forced labor.
- As part of the statutorily required strategy to enforce the forced labor prohibition, UFLPA identifies high priority sectors for enforcement including cotton, tomatoes, and polysilicon and allows for the regular updating of this list.<sup>146</sup> As academic research and public reporting like the Sheffield Hallam Report illustrate additional sectors for priority enforcement, DHS should update this list of high priority sectors to provide notice to the trade of serious concerns and ensure appropriate internal distribution of resources.
- CBP continues to share only limited information regarding its enforcement actions. Broad statistics are available on a “dashboard” that aggregates shipments into one of nine categories.<sup>147</sup> This dashboard for instance indicates that there have been 8,142 shipments subject to some sort of action under the UFLPA with 3,262 of those shipments ultimately denied entry to the United States. This dashboard also reveals that 65 of these impacted shipments are automotive or aerospace, and 53 of those shipments have been denied entry. Without significantly more detail about the types, scope, and results of enforcement actions, it is difficult for both the automotive trade and policy makers to understand the impact and effectiveness of UFLPA. CBP should increase information sharing with respect to its UFLPA enforcement while continuing to protect law enforcement sensitive and business confidential information.
- In June 2022, CBP published “Operational Guidance for Importers,” describing the process for UFLPA enforcement and the types of evidence that may be considered “clear and convincing evidence” that a good was not produced with forced labor.<sup>148</sup> This document should be regularly updated based on the information learned by CBP, trends in importation, and an understanding of efforts to hide forced labor. For instance, the current manual describes “credible audits” as a piece of documentation that may prove goods were not made with forced labor, while Thea Lee,

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<sup>146</sup> P.L. 117-78, Section 2(d)(B)(ix).

<sup>147</sup> *Uyghur Force Labor Prevention Act Statistics*, Customs and Border Protection, <https://www.cbp.gov/newsroom/stats/trade/uyghur-forced-labor-prevention-act-statistics>, April 12, 2024.

<sup>148</sup> *Uyghur Force Labor Prevention Act: U.S. Customs and Border Protection Operational Guidance for Importers*, Jun. 13, 2022, [https://www.cbp.gov/sites/default/files/assets/documents/2022-Jun/CBP\\_Guidance\\_for\\_Importers\\_for\\_UFLPA\\_13\\_June\\_2022.pdf](https://www.cbp.gov/sites/default/files/assets/documents/2022-Jun/CBP_Guidance_for_Importers_for_UFLPA_13_June_2022.pdf).

Deputy Undersecretary for International Affairs at the U.S. Department of Labor, has testified that “[a]ny audit occurring in Xinjiang cannot be conducted without government oversight, making objective worker interviews free from reprisal an impossibility [and, ...] auditors have reportedly been detained, harassed, threatened, or stopped at the airport.”<sup>149</sup> CBP should clarify whether audits are suitable evidence and in what context.

- Moreover, CBP should update its “Operational Guidance” to reflect any procedures for voluntary disclosure, abandonment, or remediation it considers acceptable, along with its planned reporting process.

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<sup>149</sup> The Congressional-Executive Commission on China, *Factories and Fraud in the PRC: How Human Rights Violations Make Reliable Audits Impossible*, Testimony of Thea M. Lee, Deputy Undersecretary of Labor for International Affairs United States Department of Labor, April 30, 2024, <https://www.cecc.gov/sites/chinacommission.house.gov/files/documents/hearings/Written%20Testimony%20of%20Deputy%20Undersecretary%20Thea%20M.%20Lee%20%28as%20submitted%29.pdf>.

# ATTACHMENT A

Release of purchased parts - Annex to KC07 - 02

Initial sampling

LEAR P/N:

Part Name:

Category:

**E02840800**

**TRAFO ETHERNET LS030 BOURNS,PT61018AP**

Passive Component

Supplier / Contact data:

Quantity Samples / Cavities:

Bourns

0

Reason for sample:

New Item

CH-6340 Baar/Schweiz

valid till:

06.09.2013

*Applicable PPAP documents / notes*

*1 / 2 / 3 (1 = needed / 2 = received / 3 = fulfilled)*

**IMDS Entry**

IMDS - ID: 442231680 / 1 - 29.05.2013

**Declaration of Conformity of AEC-Q200**

**Solderability acc. J-STD-002**

**Specification / Data Sheet**

**Qualification Report**

**PSW**

*Applicable Lear-internal tests*

*1 / 2 / 3 (1 = needed / 2 = received / 3 = fulfilled)*

**Techn. verification**

via DCH, ok

**internal Material release process (MFA)**

Release status:

Release Date:

Signature:

01.07.2013

Date

Name/Dept.

30.07.2013

SQA

Approval only valid for PPAPed datasheetversion / specification.

Changes have to be notified asap and new PPAP is required! (to be sent to purchasing and quality departments)

Q-DKC-T-014 Vers. 0



PPAP-Report: 3423

Lear Corporation GmbH  
Plant Kronach  
Industriestr. 48  
96317 Kronach  
Germany  
Tel.:++49 (0) 9261-500-0 (Zentrale)

Release of purchased parts - Annex to KC07 - 02

Initial sampling

LEAR P/N:

Part Name:

Category:

E02840800

TRAFO ETHERNET LS030 BOURNS,PT61018AP

Passive Component

Supplier / Contact data:

Quantity Samples / Cavities:

Bourns

0

[Redacted]

Reason for sample:

[Redacted]

New Item

CH-6340 Baar/Schweiz

valid till:

06.09.2013

**Product validation**

via DV ([Redacted]), ongoing

Remark for supplier

Conditions:

- Q certificate for JWD to be provided
- Process Flow JWD + Bourns Xiamen to be provided

[Redacted]

[Redacted]

[Redacted]

Remark internal

Release status:

Release Date:

Signature:

[Redacted]

01.07.2013

Date

Name/Dept.

30.07.2013

[Redacted], SQA

[Redacted Signature]

Approval only valid for PPAPed datasheetversion / specification.  
Changes have to be notified asap and new PPAP is required! (to be sent to purchasing and quality departments)  
Q-DKC-T-014 Vers. 0

# ATTACHMENT B

**From:** [REDACTED] <[REDACTED]@lear.com>  
**Sent:** Monday, July 28, 2014 11:28 PM  
**To:** [REDACTED]  
**Cc:** [REDACTED]  
**Subject:** JWD visit on 07-08 Aug

Dietmar,

I have the plan to visit JWD with Kevin on 07 – 08 Aug.

Would you set the conference call on 07 Aug (Thu) late afternoon (China time) = 07 Aug morning (your time)

I will confirm their activity such as

1. Process audit with latest Control Plan (Updated PFMEA)
2. Change control and record
3. Maintenance procedure (especially PM) and record
4. Training document and record
5. Quality analysis by JWD and Improvement Plan
6. Others (Kevin added Sub-Supplier management)

If somebody has any concern, please let us know ASAP

We can report the progress of above.

Recently, there was some quality issue with plating, we can discuss the corrective action too.

If some new request/concern comes up for JWD operation even this meeting, Kevin & I will be able to investigate it on Friday.

Should you have any question, please let me know

Thank you and best regards,

原 錦一, [REDACTED]  
Supplier Development Engineer  
Lear Corporation Japan  
TEL: +81-82-553-5573  
e-mail: [REDACTED]@lear.com

\*\*\*\*\*  
\*\* LEGAL DISCLAIMER \*\*  
\*\*\*\*\*

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# **LEAR/BOURNS**

**PAMS: N/A**

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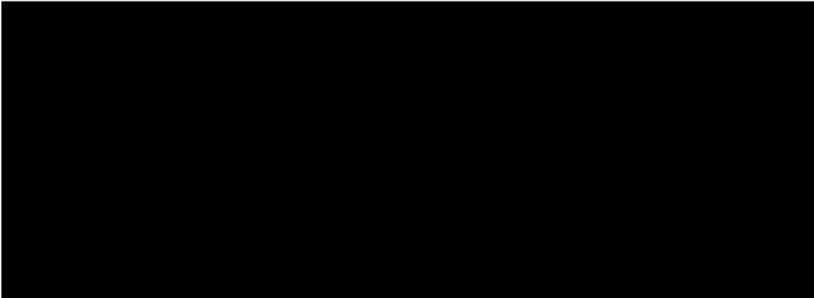
## **Bourns**

**Supplier:** Bourns  
**Site:** JWD / Bourns Xiamen  
**Commodity:** Electronics (Inductance, electronics).

  
SQA Manager Europe & Africa  
Phone + 34 977 61 7619  
Cell +  
 @lear.com">@lear.com

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## 1. Objective

Development of process and product qualification to rise an automotive alternative for Ethernet transformer to replace current non automotive part.

## 2. Team

### 2-1. Lear Corporation

██████████ SQA Manager Europe  
██████████ Supplier Development Engineer

### 2.2. Bourns

██████████ General Manager  
██████████ Distribution Sales Manager

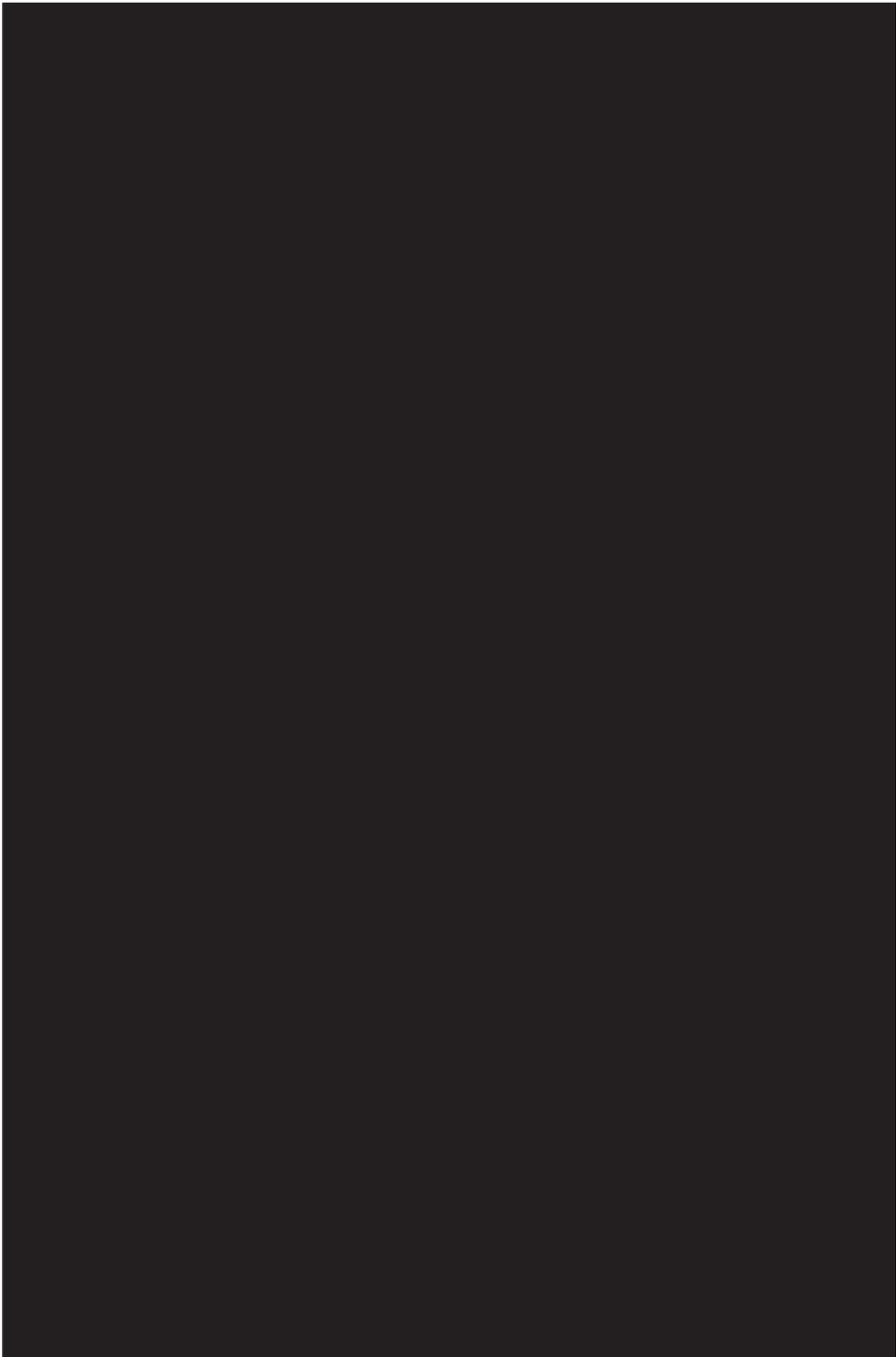
### 2-3. Bourns Xiamen

██████████ Plant Manager  
██████████ Operation Manger  
██████████ Program Manager  
██████████ QA Manager  
██████████ On site Quality Engineer  
██████████ PEM Manager  
██████████ Operation Manager  
██████████ Process Engineer  
██████████ Manufacturing Manager

### 2-4. JWD Team

██████████ General Manager  
██████████ Project Leader  
██████████ QA Manager  
██████████ Process Engineer  
██████████ Production Supervisor

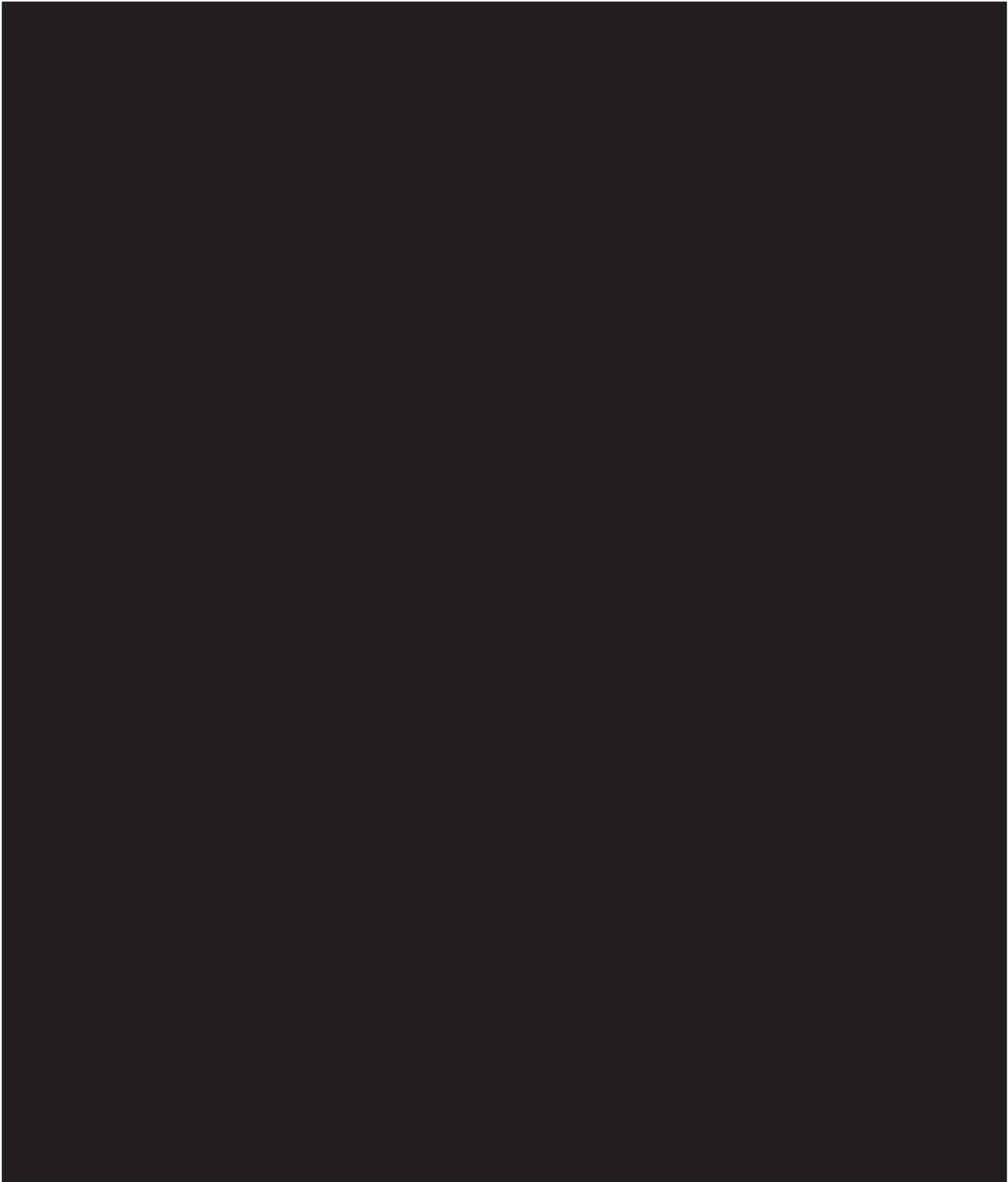


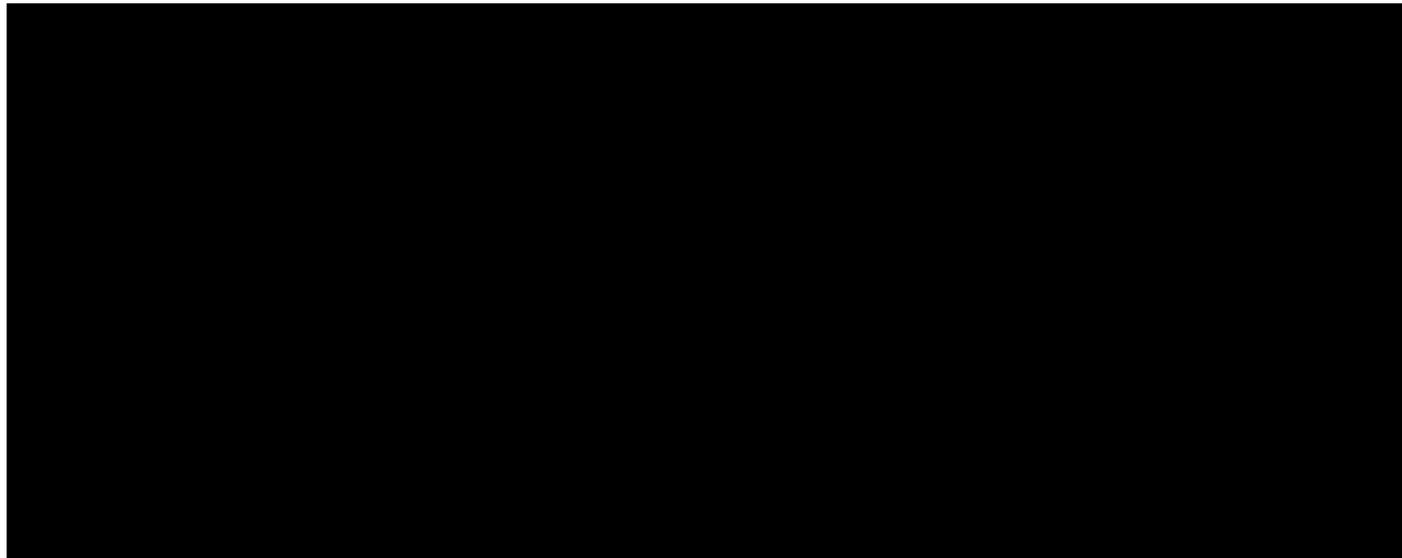
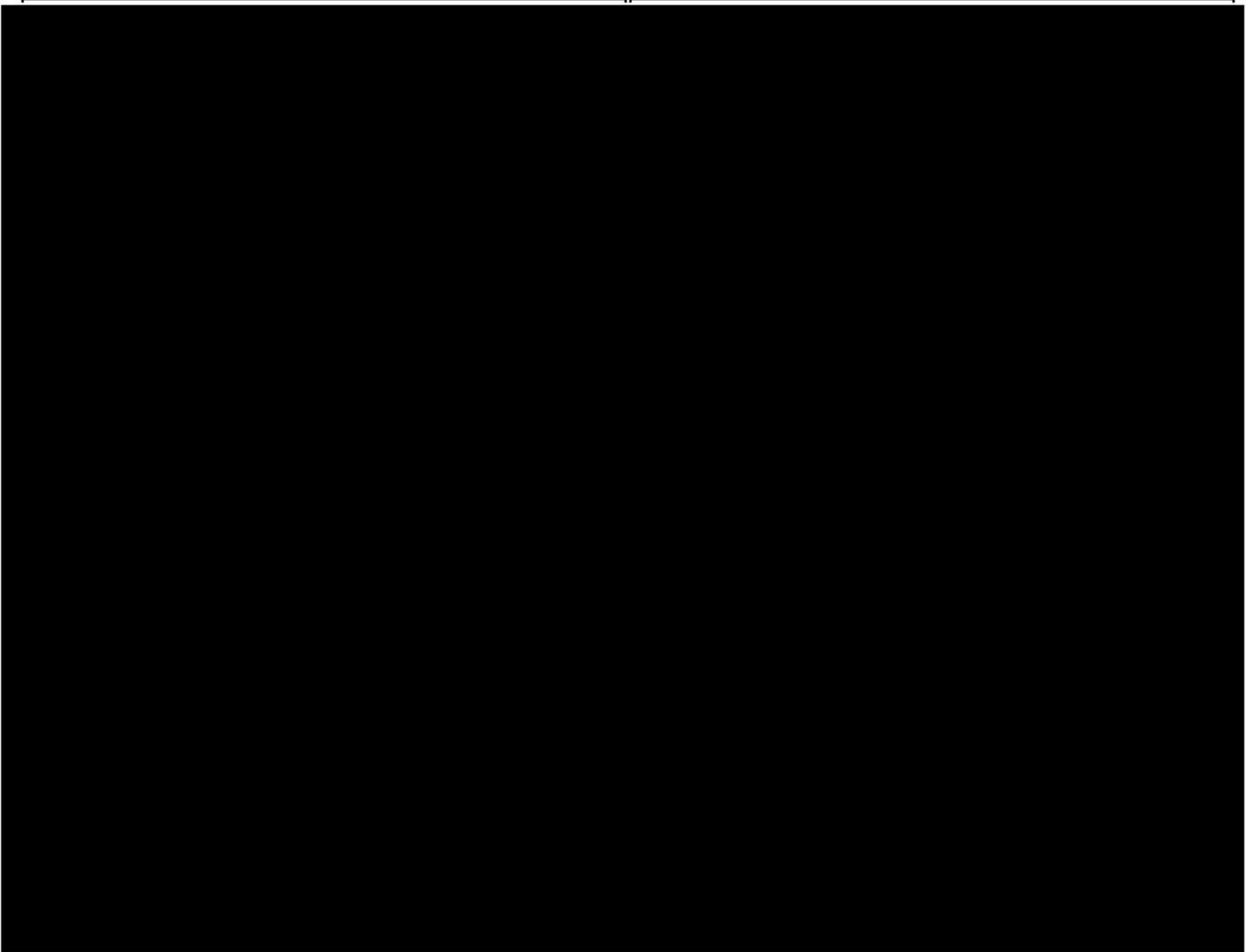


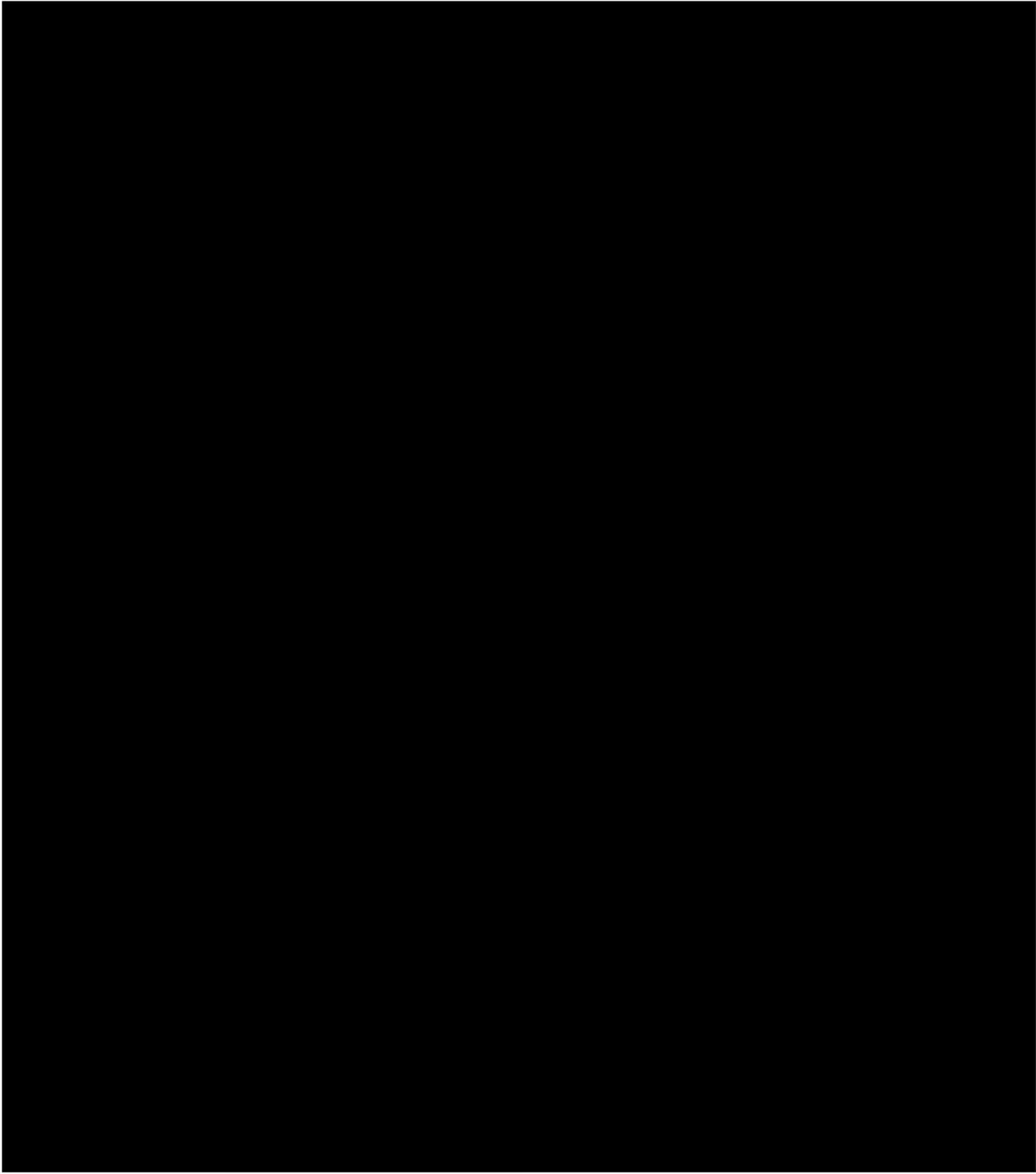


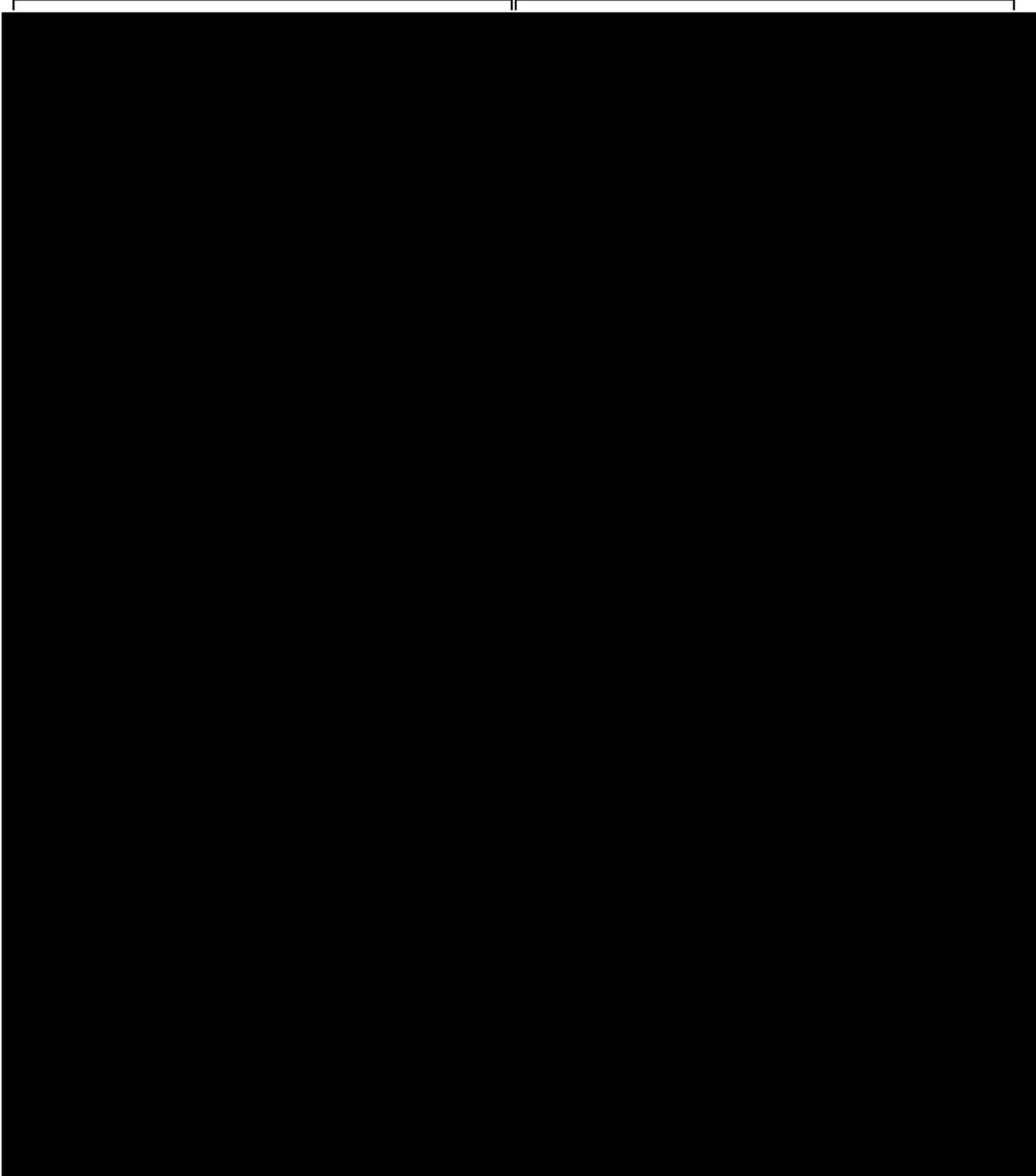
### 3-2 Bourns And JWD Profile

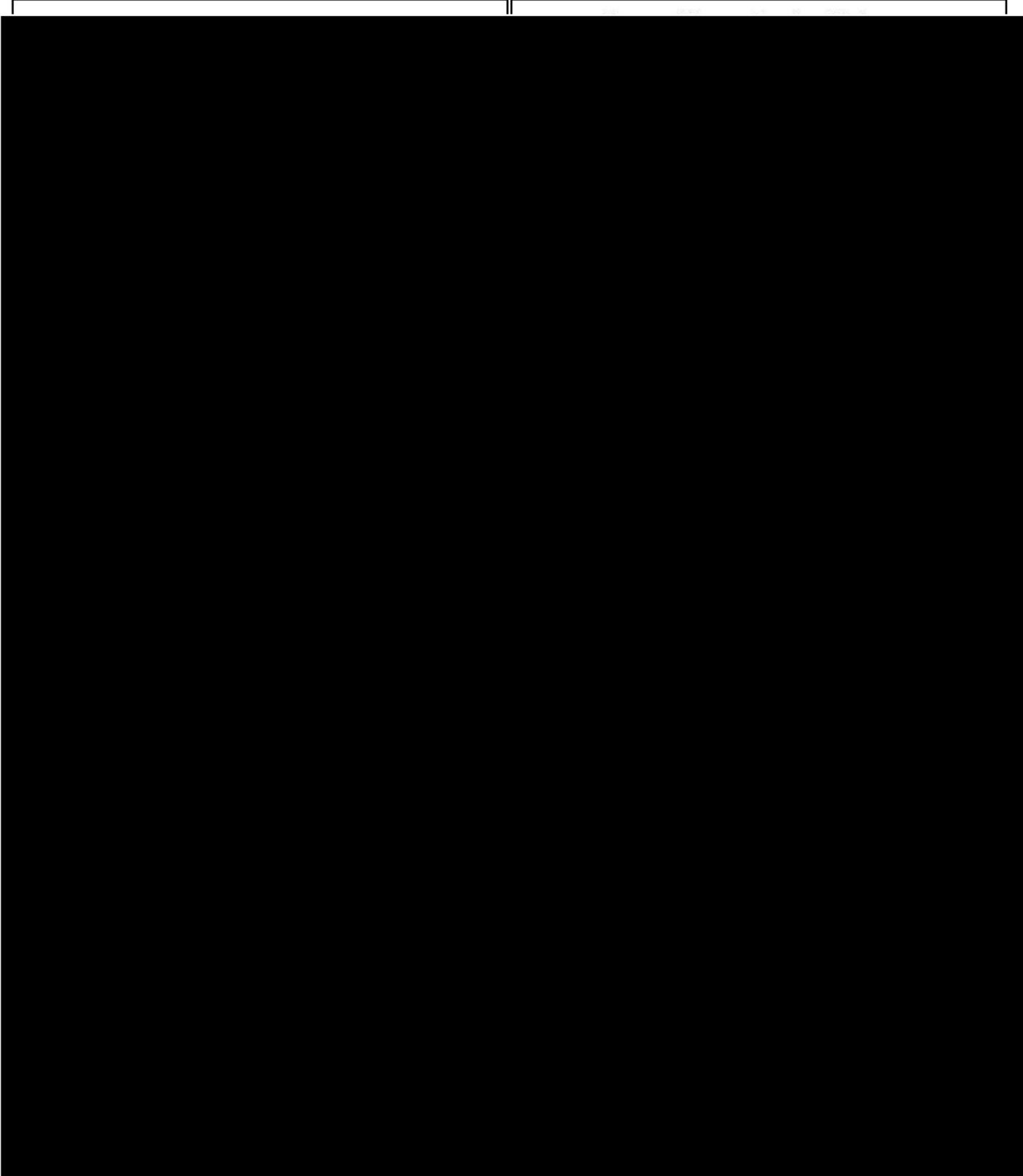
















### **3-2-3 JWD Profile**

热烈欢迎Lear贵宾莅临经纬达

*You are welcome to JWD*

经纬达科技有限公司  
JWD Scientific Co.,Ltd.

公司名称: 绵阳高新区经纬达科技有限公司  
Company Name: Mianyang Highly-tech Jingweida Scientific Co.,Ltd.  
公司地址: 绵阳高新区永興镇工业园区  
ADD: Yongxing Industry Park, Yongxing Town, high-tech Zone, Mianyang City  
成立时间: 2002年1月25日  
Foundation: 25th,Jan,2002

经纬达  
J  
W  
D

品质系统介绍 Quality system

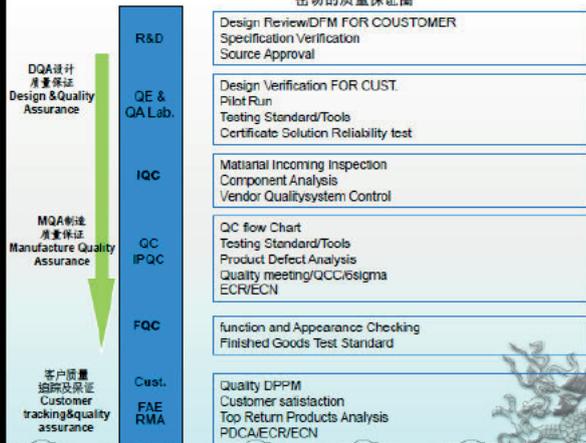
品质方针 Quality principle

为客户提供最优质的产品, 与客户共同发展。  
Supply the best service; Develop with customer

品质管理方针

科技领先 *Leading Technology*      顾客至上 *Customer First*  
节能降耗 *Energy Conservation*      遵章守法 *Legal Compliance*  
绿色制程 *Green Process*      预防污染 *Pollution Prevention*  
持续改进 *Continuous Improvement*      社会满意 *Social Satisfaction*

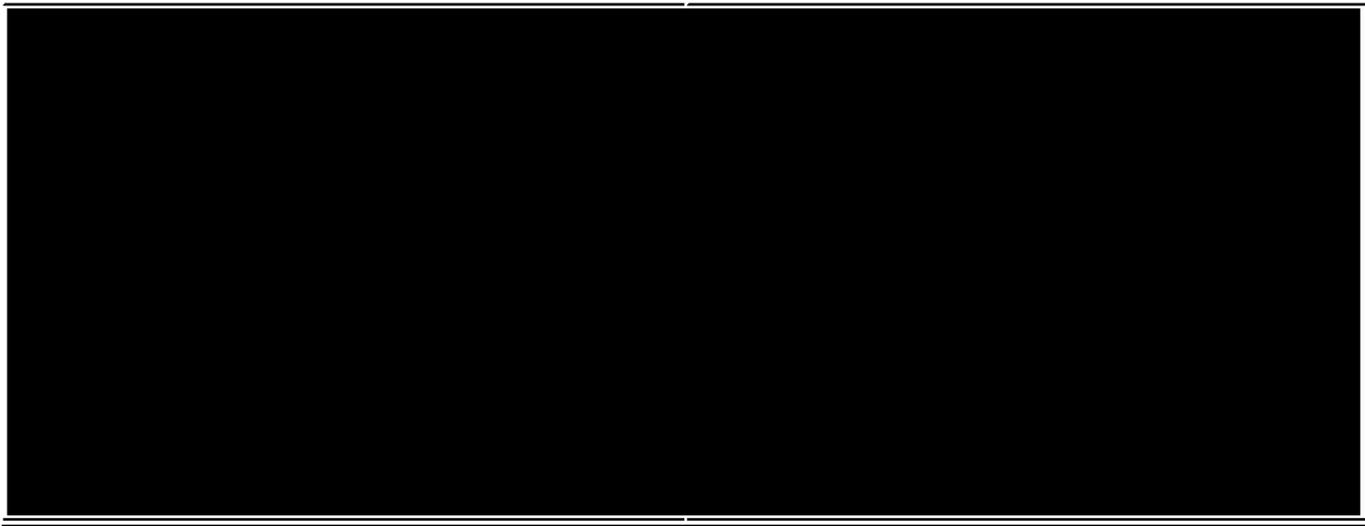
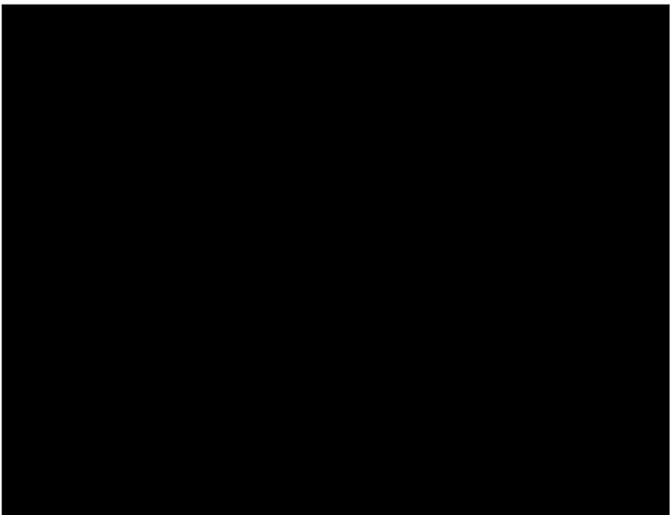
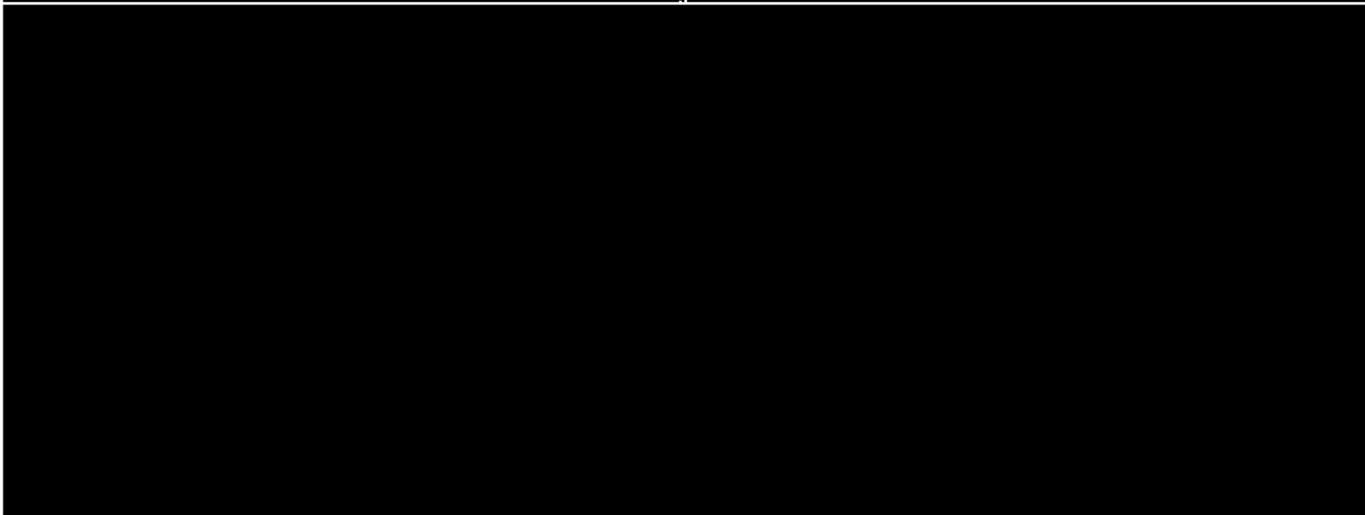
Close Quality Assurance Loop  
密切的质量保证圈



證書  
Certificates

公司先后取得 ISO9001 認證、ISO14000、QC080000  
We have been received certificates of ISO9001,ISO14000,QC080000







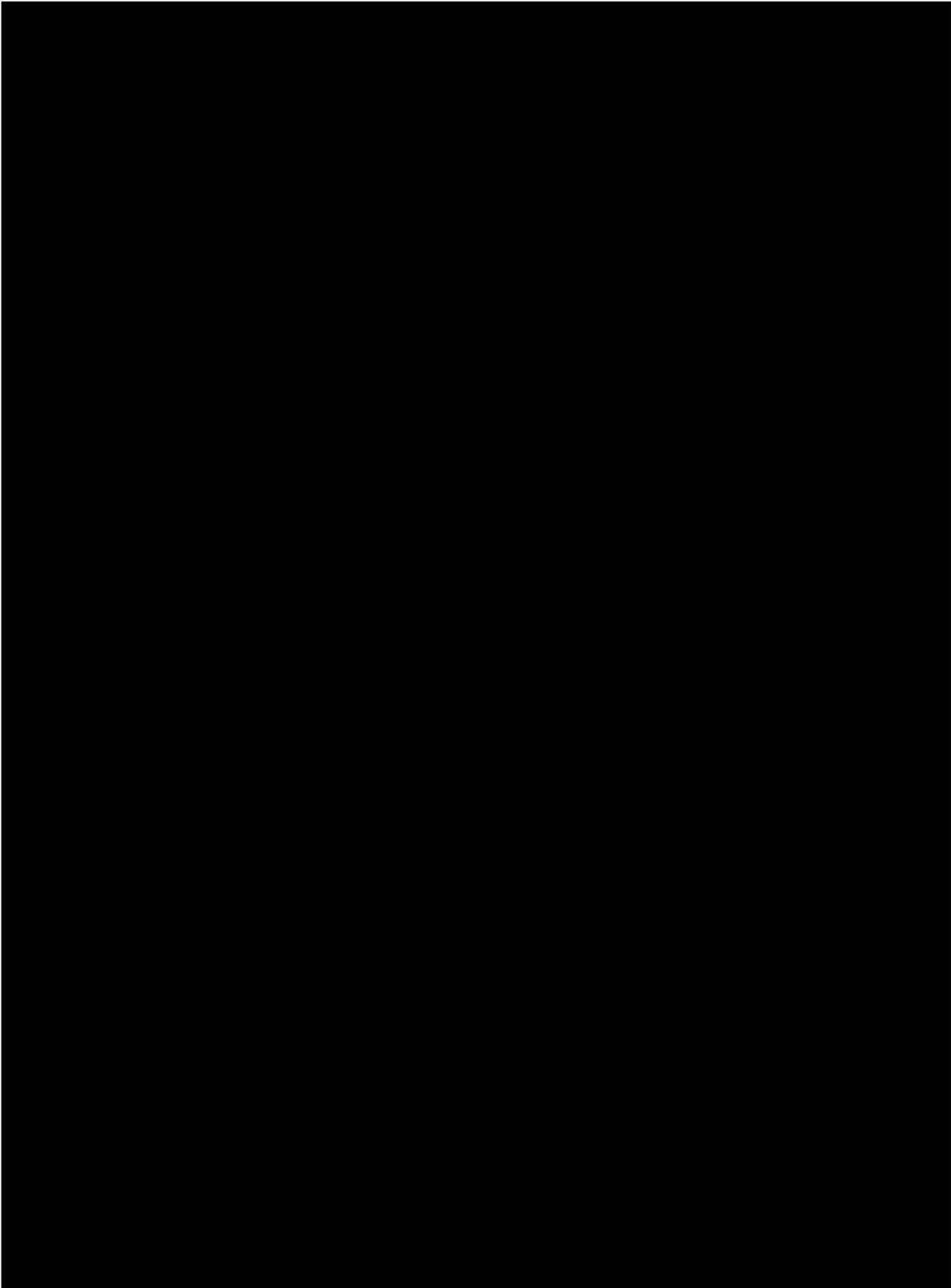
**3-3 JWD Audit finding**

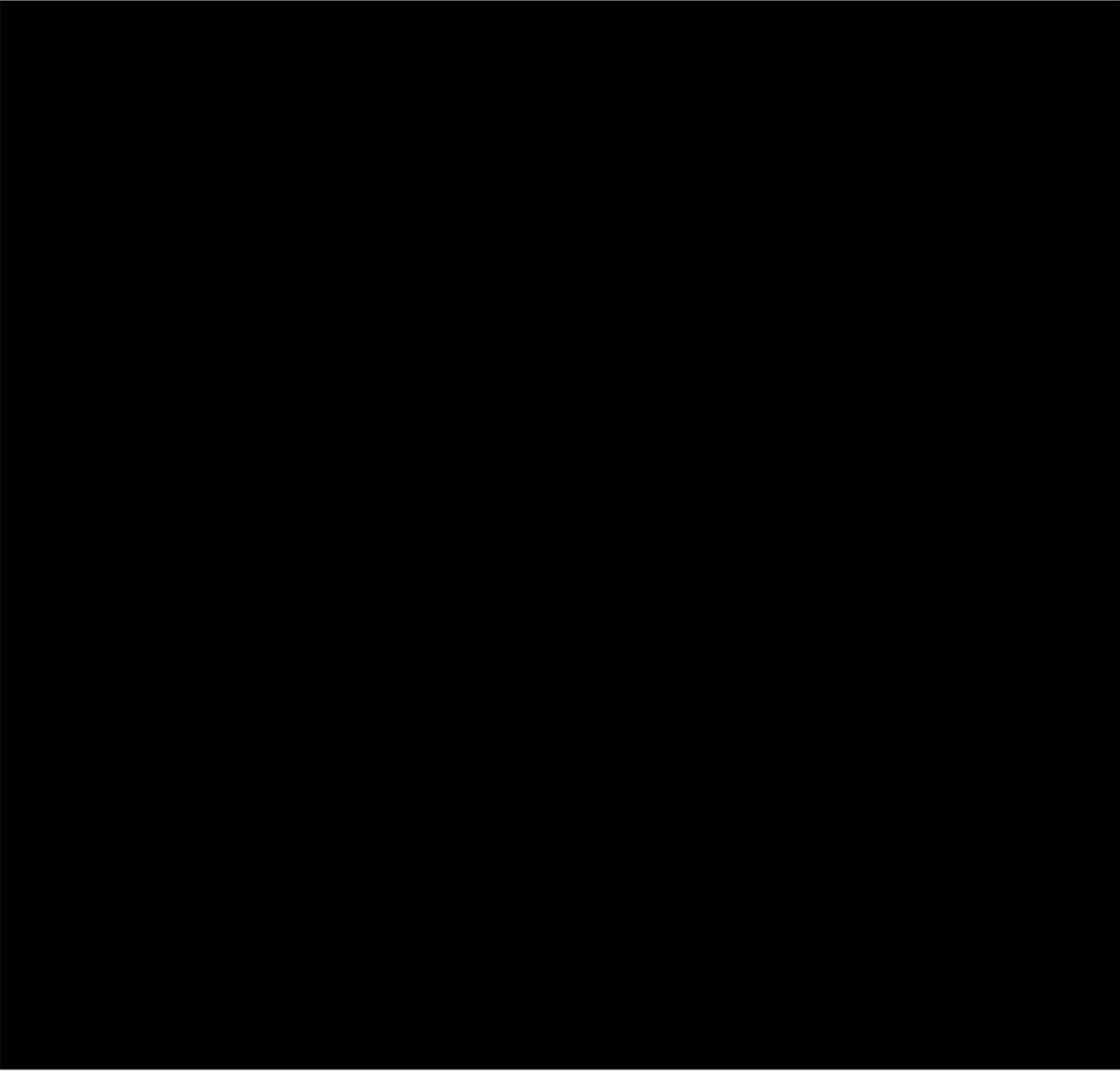
Findings and Action List								
Audit date: <u>2013.4.24-25</u>								
Report date: _____								
Supplier: <u>JWD</u>				<table border="1"> <tr> <td style="background-color: red; color: white;">Need Action</td> </tr> <tr> <td style="background-color: yellow;">In Progress</td> </tr> <tr> <td style="background-color: green;">Closed</td> </tr> </table>		Need Action	In Progress	Closed
Need Action								
In Progress								
Closed								
Auditor: <u>■■■■</u>								
Reference item#	Findings / Deficits	Responsibility (Area / Dept.)	Containment Actions & date implemented	Corrective Actions & date to be implemented	Status			
Previous audit confirmation								
1								
2								
3								
4/25 audit findings								
4								
5								
6								
7								
8								
9								
10								
11								
12								

**3-4 Automotive & Automation plan(AA Plan)**

**3-4-1 Automotive Requirement plan**

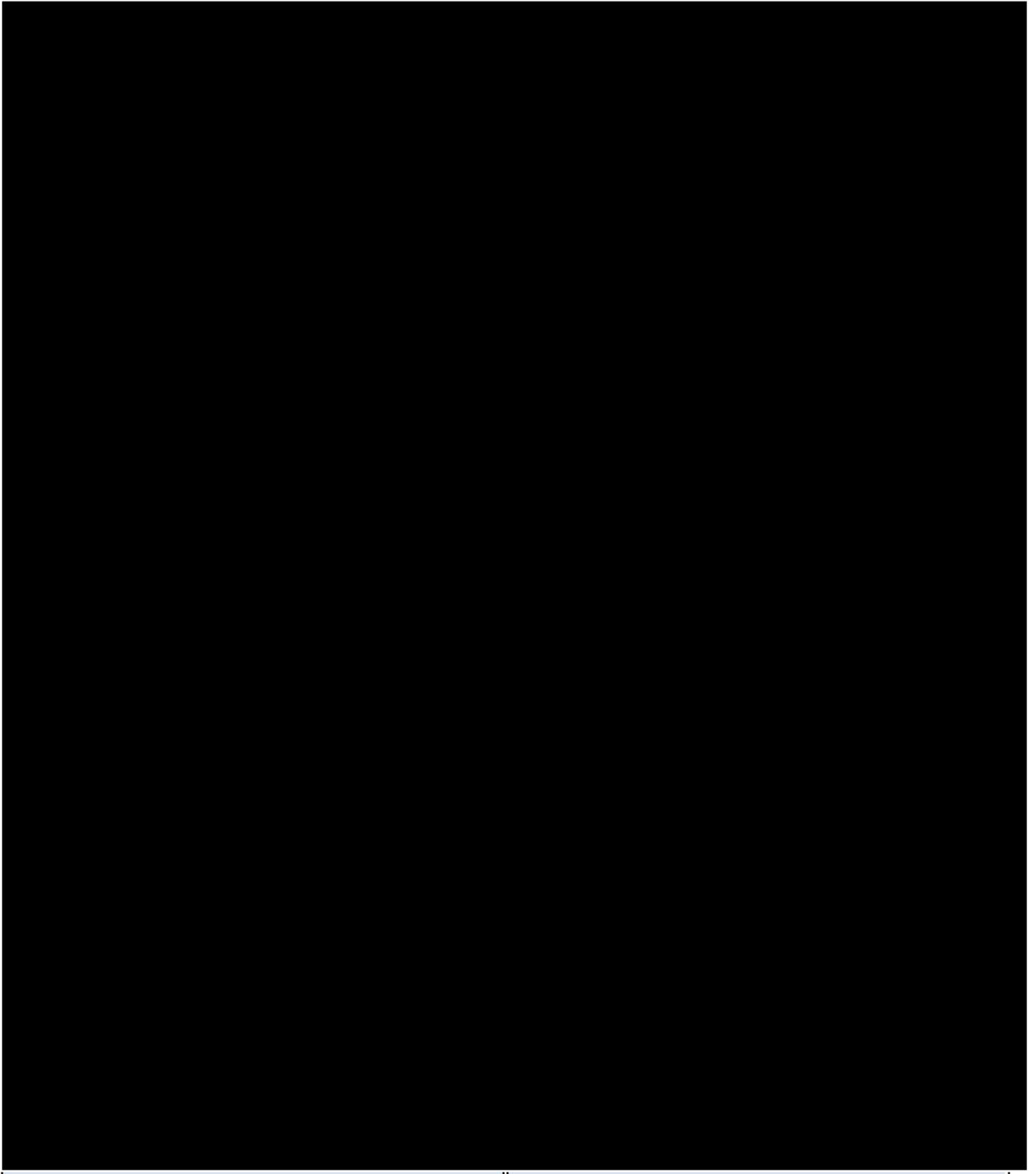
**1. Key Material List**

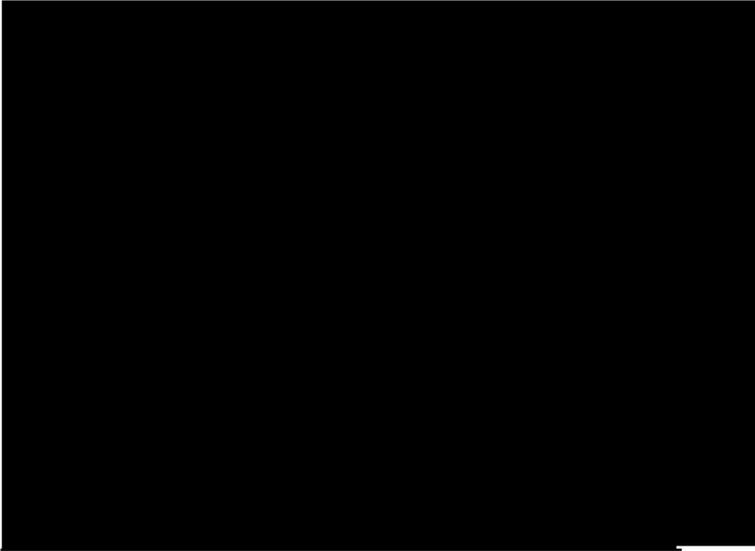




**3-4-2 Automation plan**

**3-4-2-1 JWD Automation production plan**





### **3-4-2-2 JWD Automation production update**

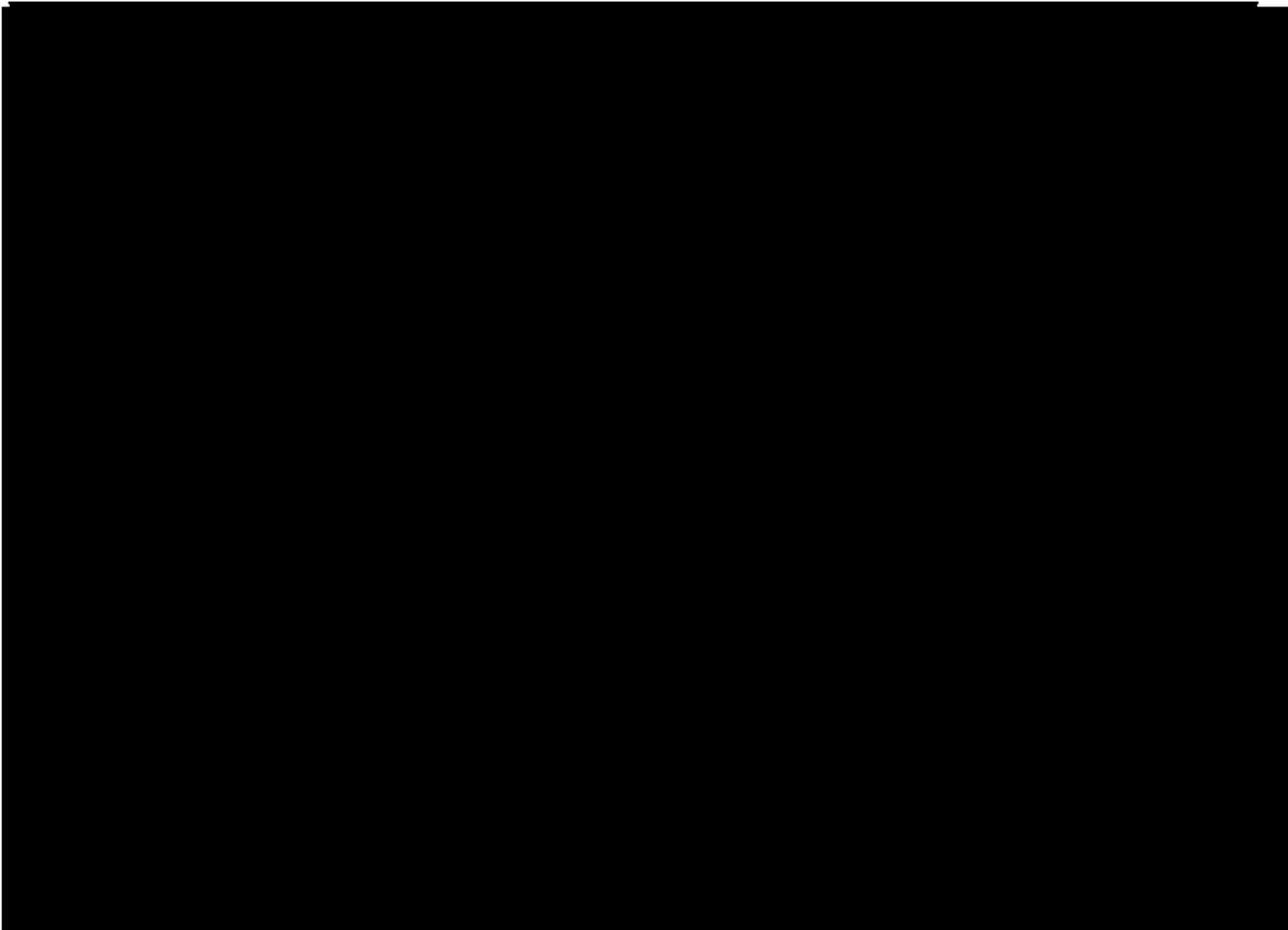


## **4. Project Planning**

### **4.1 Lear Plan**



### **4.2 Bourns Plan**



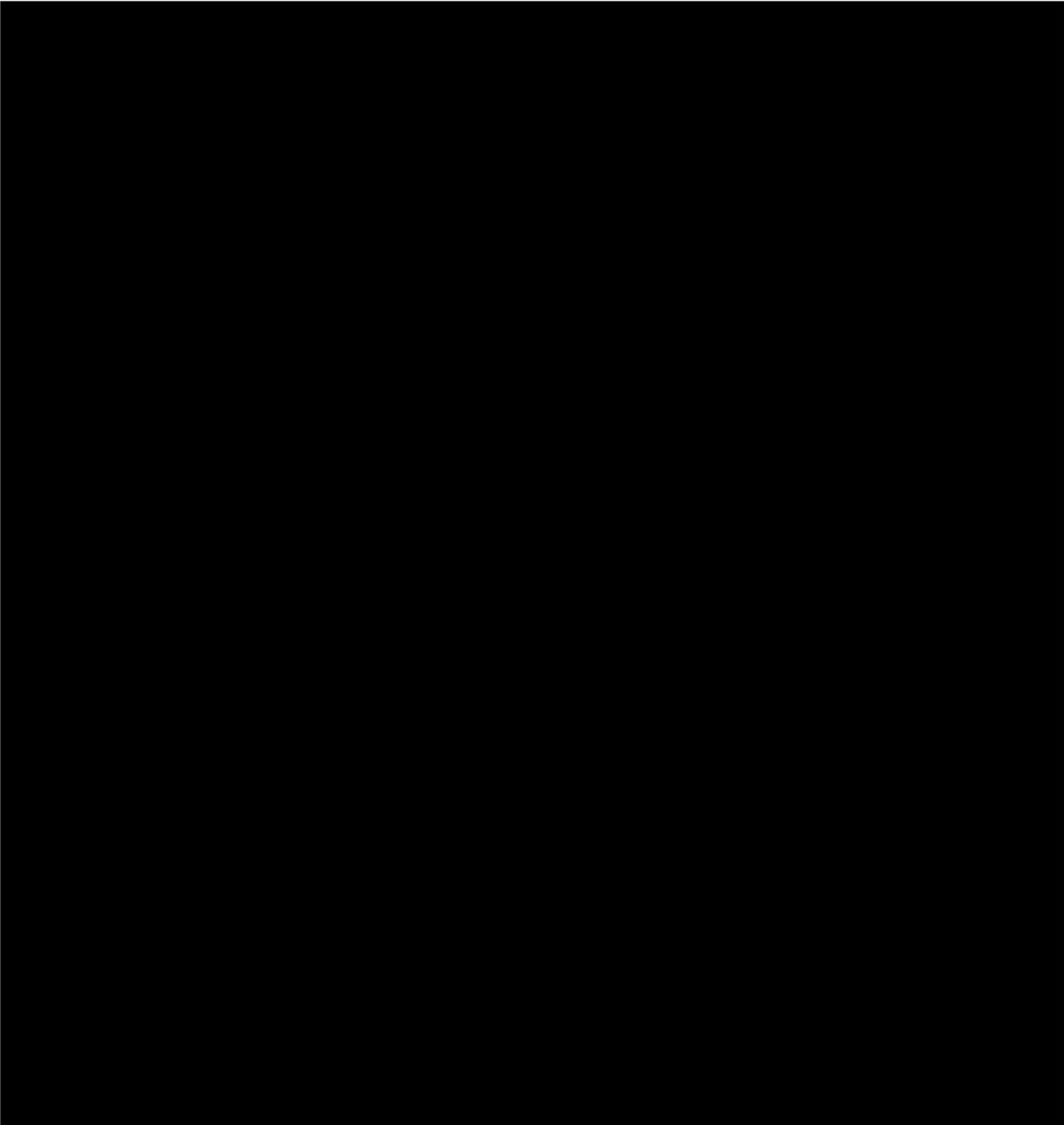
**5. Master plan/Short term plan/Long term plan/Capacity plan**

**5-1. Master Plan**

<b>G</b>	Green - Item is on track to be closed by commitment date.
<b>Y</b>	Yellow - Initial closure date missed. Additional activity needed.
<b>R</b>	Red - Activities to complete item are not on track. Immediate action necessary.
<b>B</b>	Blue - Item is closed

ITEM #	ACTION ITEM	ACTION LEADER	DATE OPENED	TARGET CLOSE DATE	ACTUAL CLOSE DATE	LAST UPDATE	STATUS						COMMENTS / NOTES / CLOSURE				
							#DIV/0!	TOTAL	TOTAL	K	1	2		3	4	5	6
							0		3	K							
											STATUS HISTORY						
											Oldest						Most Recent



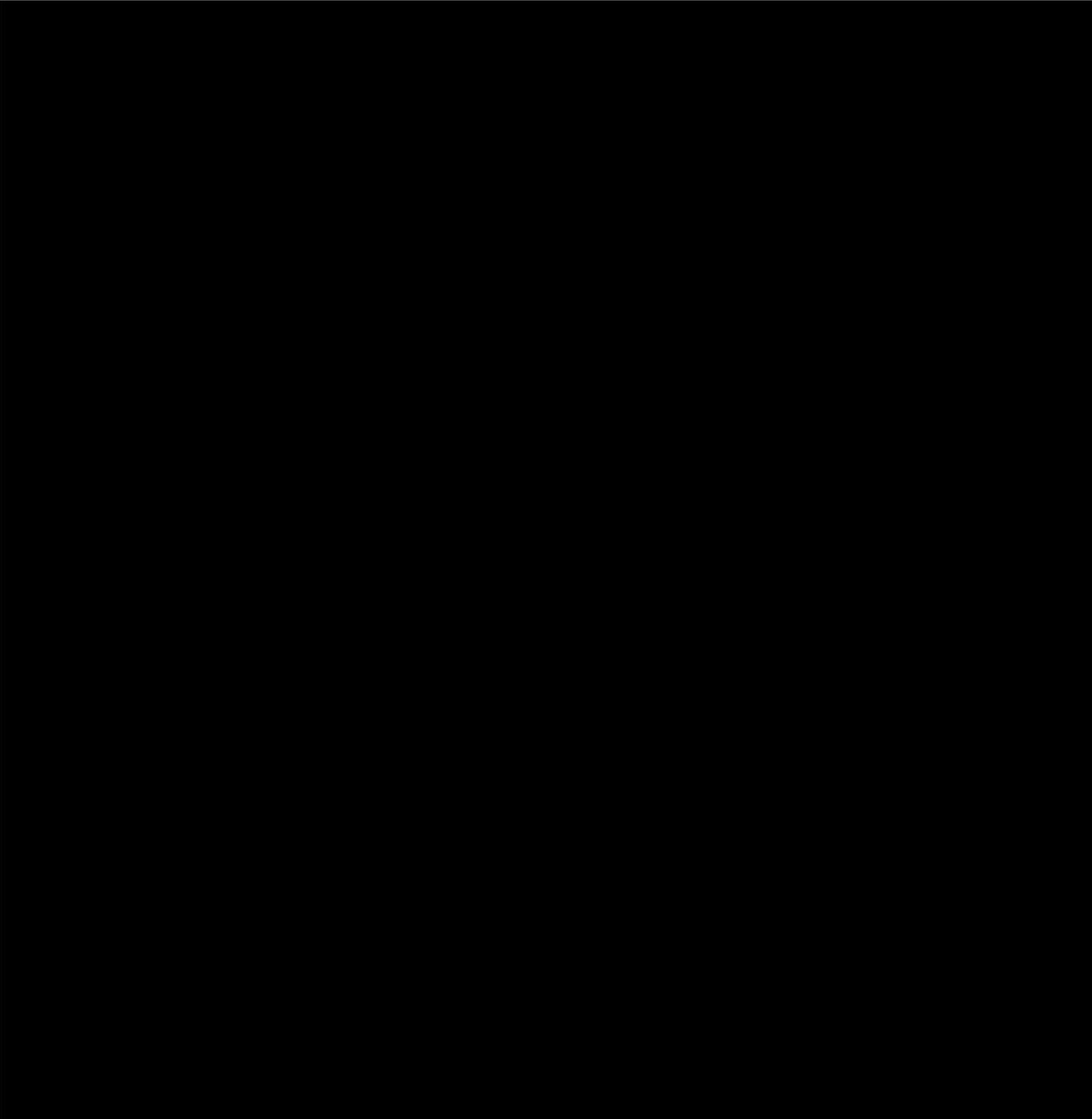
ITEM #	ACTION ITEM	ACTION LEADER	DATE OPENED	TARGET CLOSE DATE	ACTUAL CLOSE DATE	LAST UPDATE	STATUS						COMMENTS / NOTES / CLOSURE			
							#DIV/0!	TOTAL	TOTAL	K	1	2		3	4	5
								STATUS HISTORY								
								Oldest							Most Recent	

## 5-2. Short term plan

<b>G</b>	Green - Item is on track to be closed by commitment date.
<b>Y</b>	Yellow - Initial closure date missed. Additional activity needed.
<b>R</b>	Red - Activities to complete item are not on track. Immediate action necessary.
<b>B</b>	Blue - Item is closed

ITEM#	ACTION ITEM	1/0/00 ACTION LEADER	TOTAL		LAST UPDATE	STATUS						COMMENTS / NOTES / CLOSURE					
			DATE OPENED	TARGET CLOSE DATE		ACTUAL CLOSE DATE	STATUS HISTORY										
						1	2	3	4	5	6						
						Oldest						Most Recent					
			14		11												



### 5-3. Long term plan



		TOTAL		TOTAL		STATUS							
		4		0		1 2 3 4 5 6							
ITEM#	ACTION ITEM	ACTION LEADER	DATE OPENED	TARGET CLOSE DATE	ACTUAL CLOSE DATE	LAST UPDATE	STATUS HISTORY						COMMENTS / NOTES / CLOSURE
							Oldest			Most Recent			

### 5-4. Capacity Plan

JWD PT61018AAPEL Production Capacity Plan - To meet 40K/Day(2 shifts)													
		TOTAL		TOTAL		STATUS							
		2		0		1 2 3 4 5 6							
ITEM#	ACTION ITEM	ACTION LEADER	DATE OPENED	TARGET CLOSE DATE	ACTUAL CLOSE DATE	LAST UPDATE	STATUS HISTORY						COMMENTS / NOTES / CLOSURE
							Oldest			Most Recent			

### 6. PPAP activities & improvement

#### 6-1. Pre-PPAP@JWD

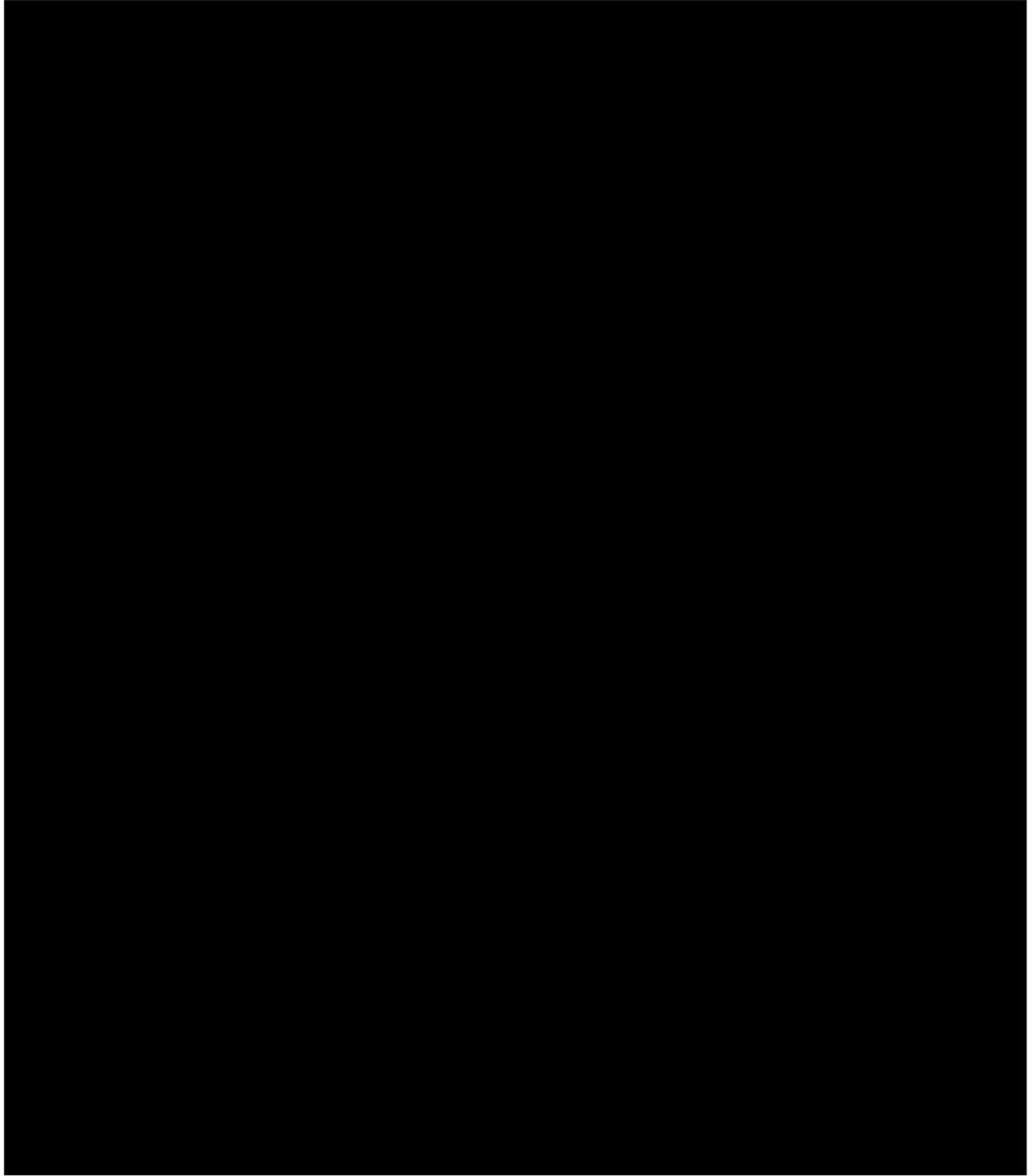
##### 6-1-1. FTA Analysis

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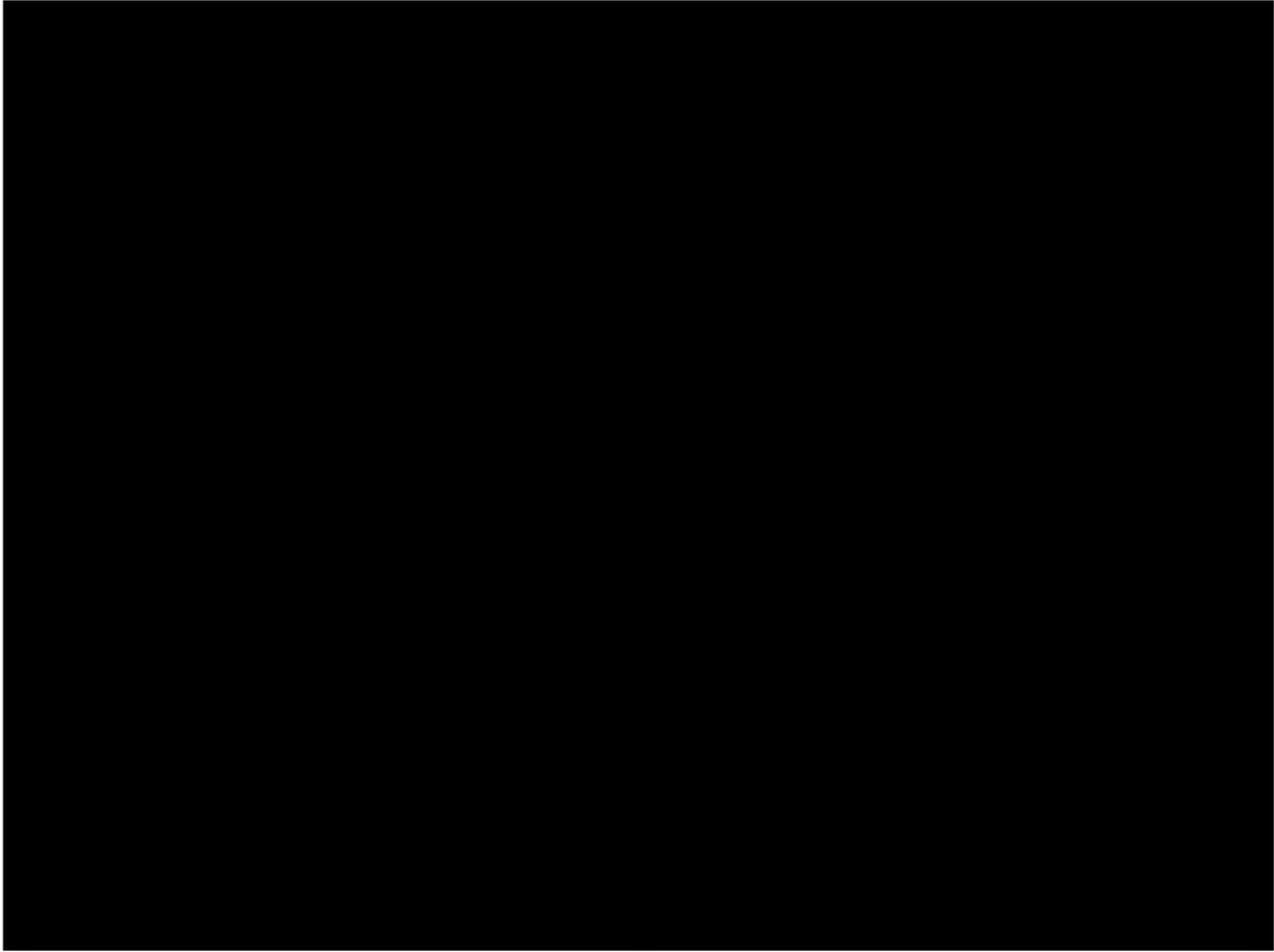
FTA Report					
problem description	Potential Failure Mode	Potential Cause(s) of Failure	Current Design Controls	Responsible person	complete date

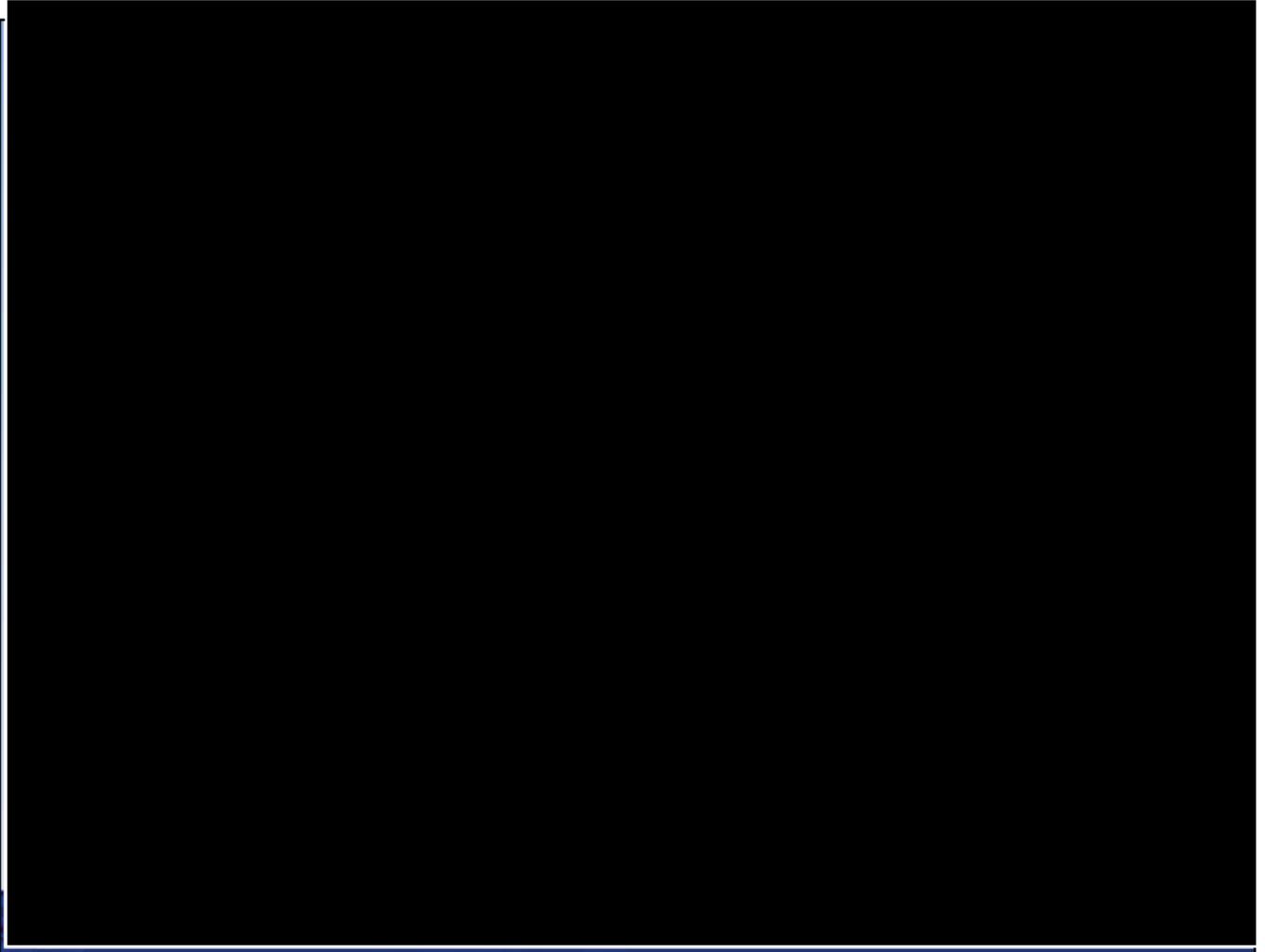


## **6-1-2. Process Parameter Optimization**







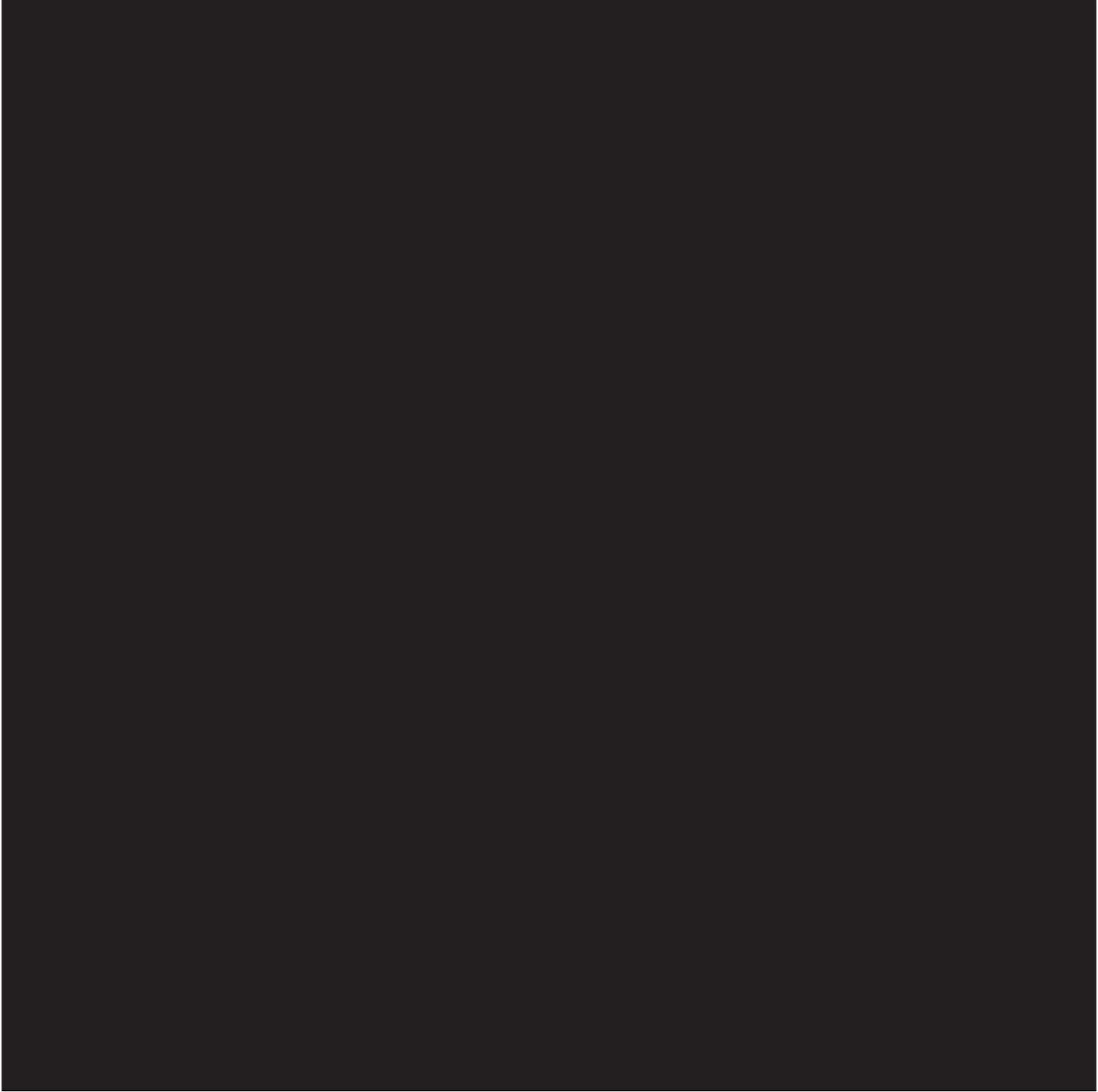


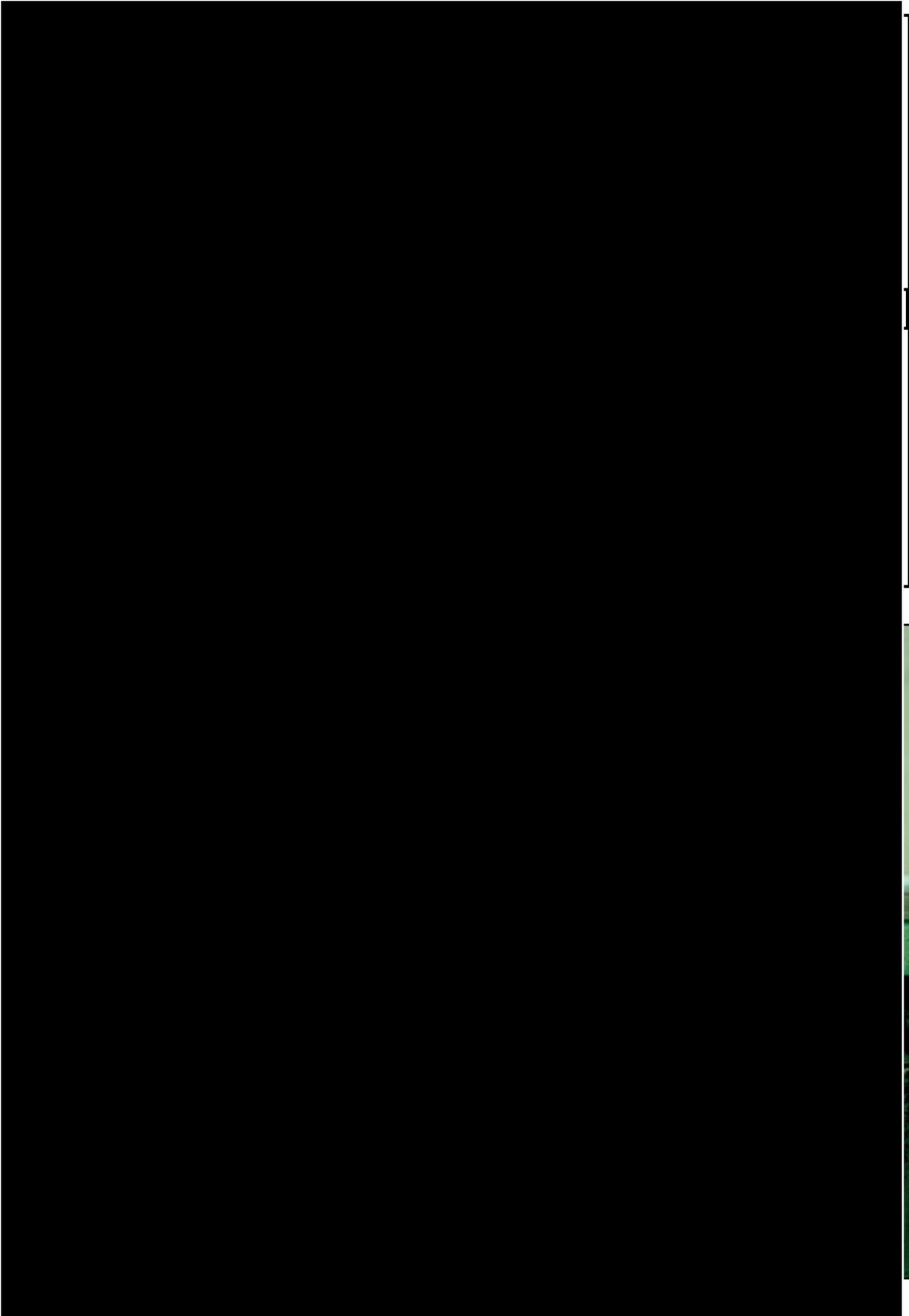
**6-2. 1st PPAP@JWD & AEC-Q200 qualification**

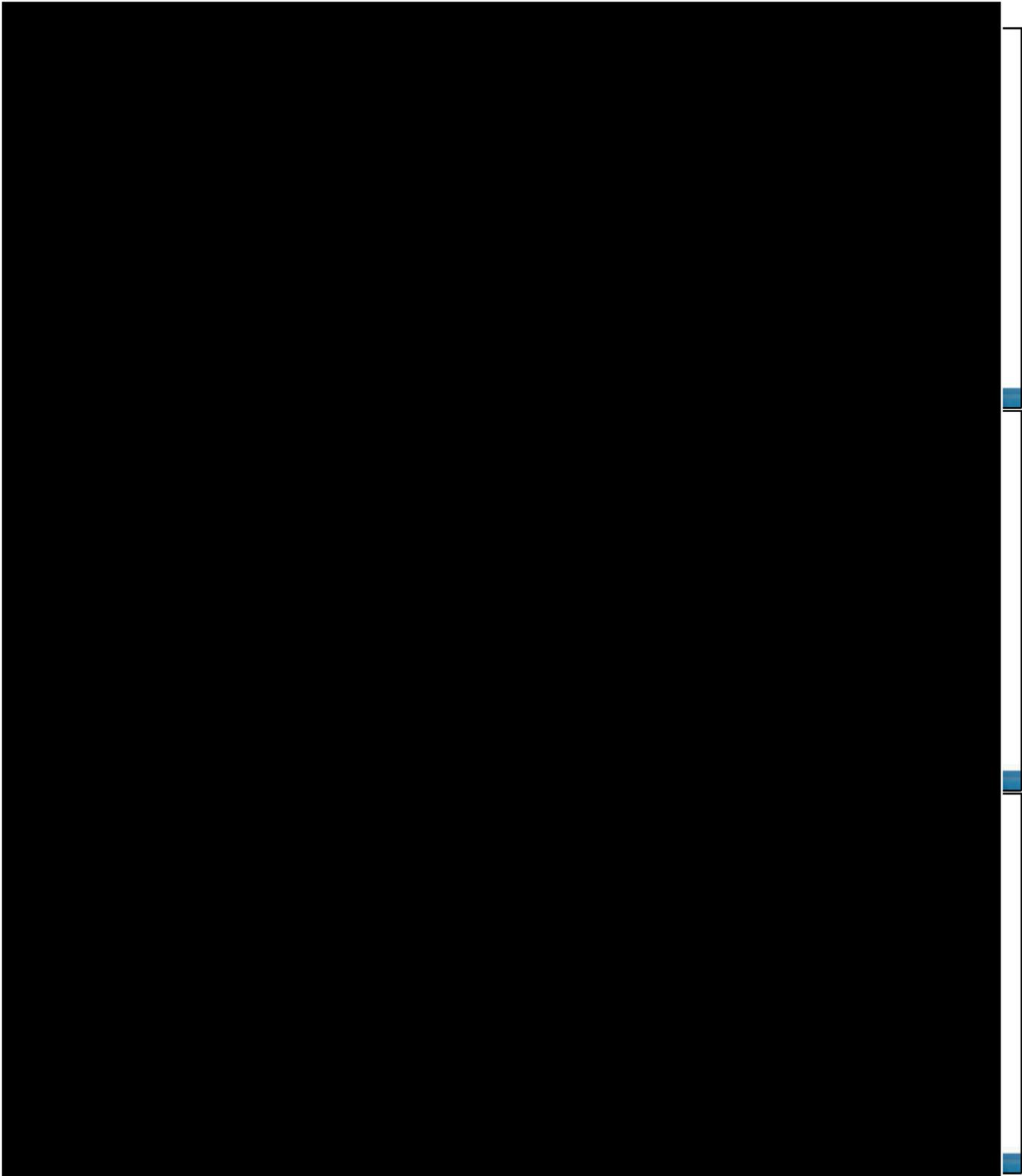
**6-2-1. Base and pin packaging Improvement**

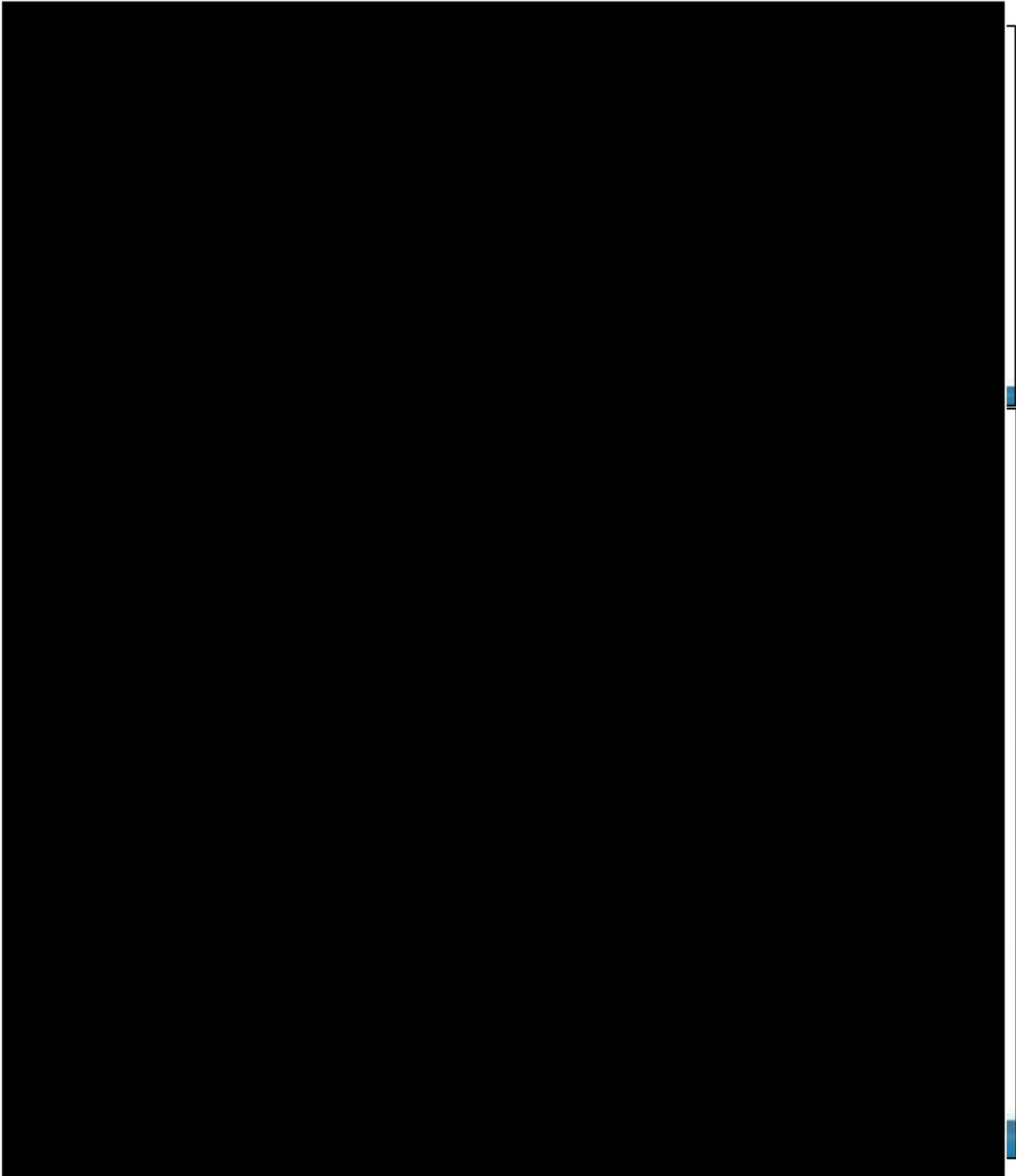


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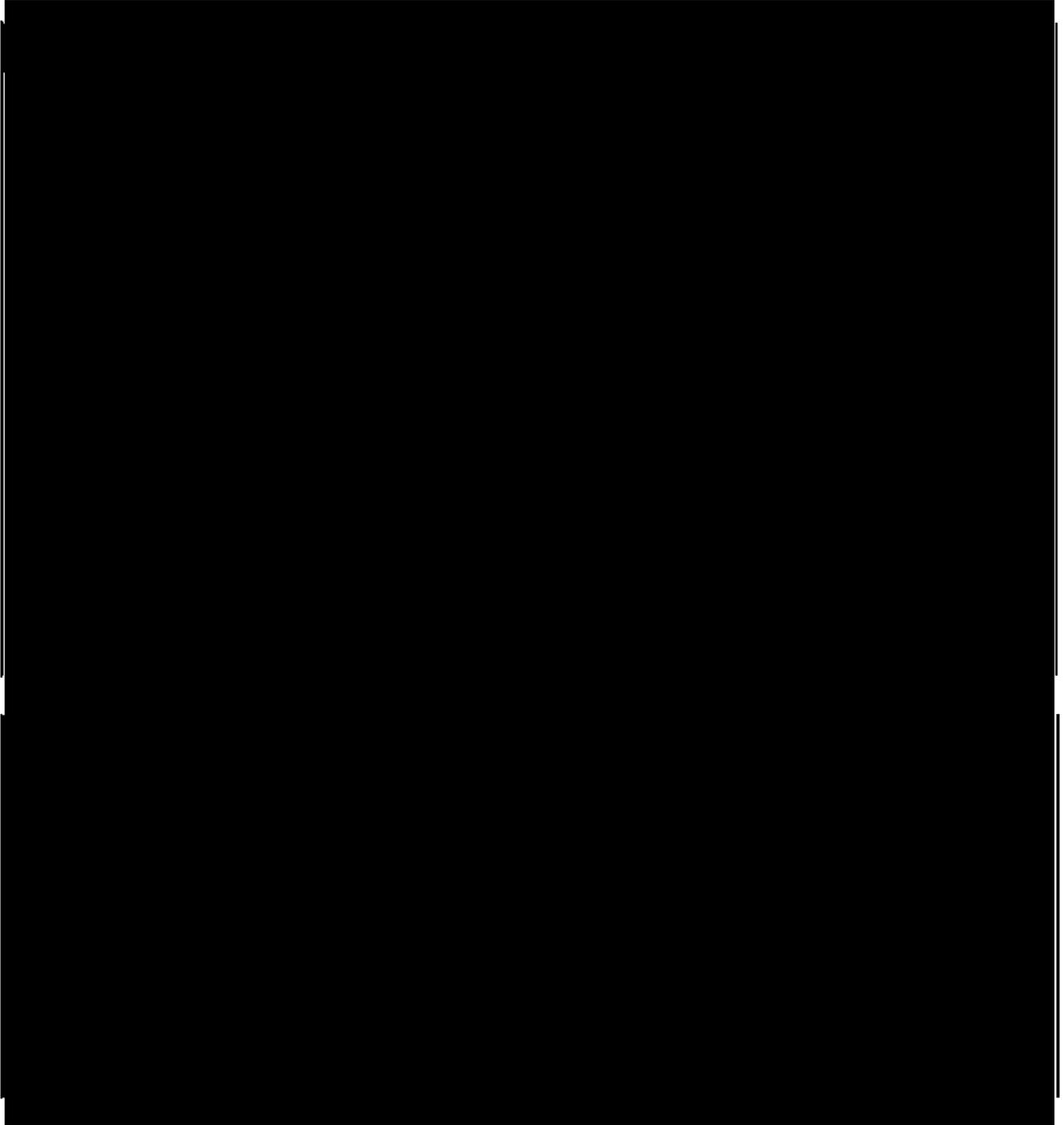


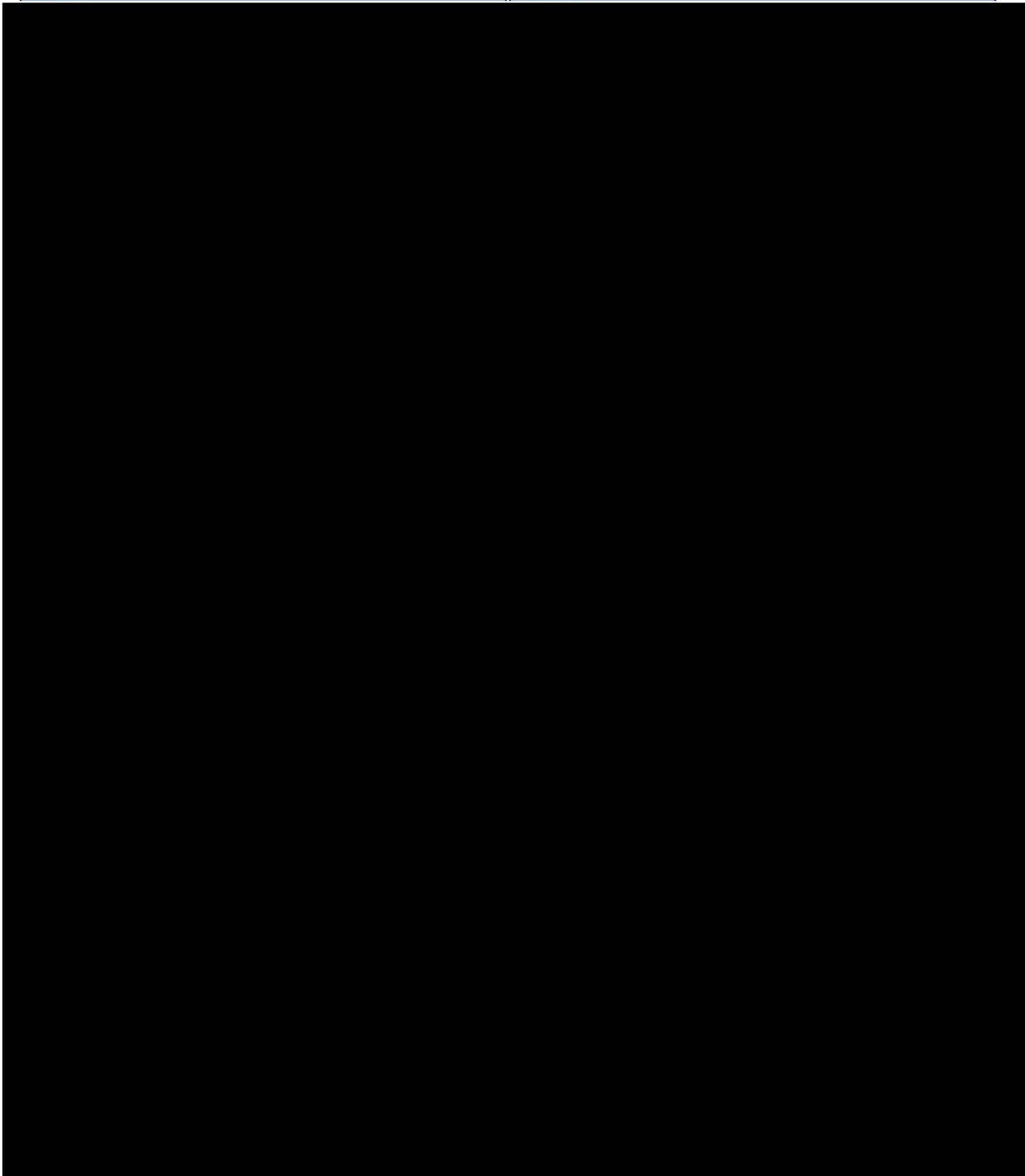


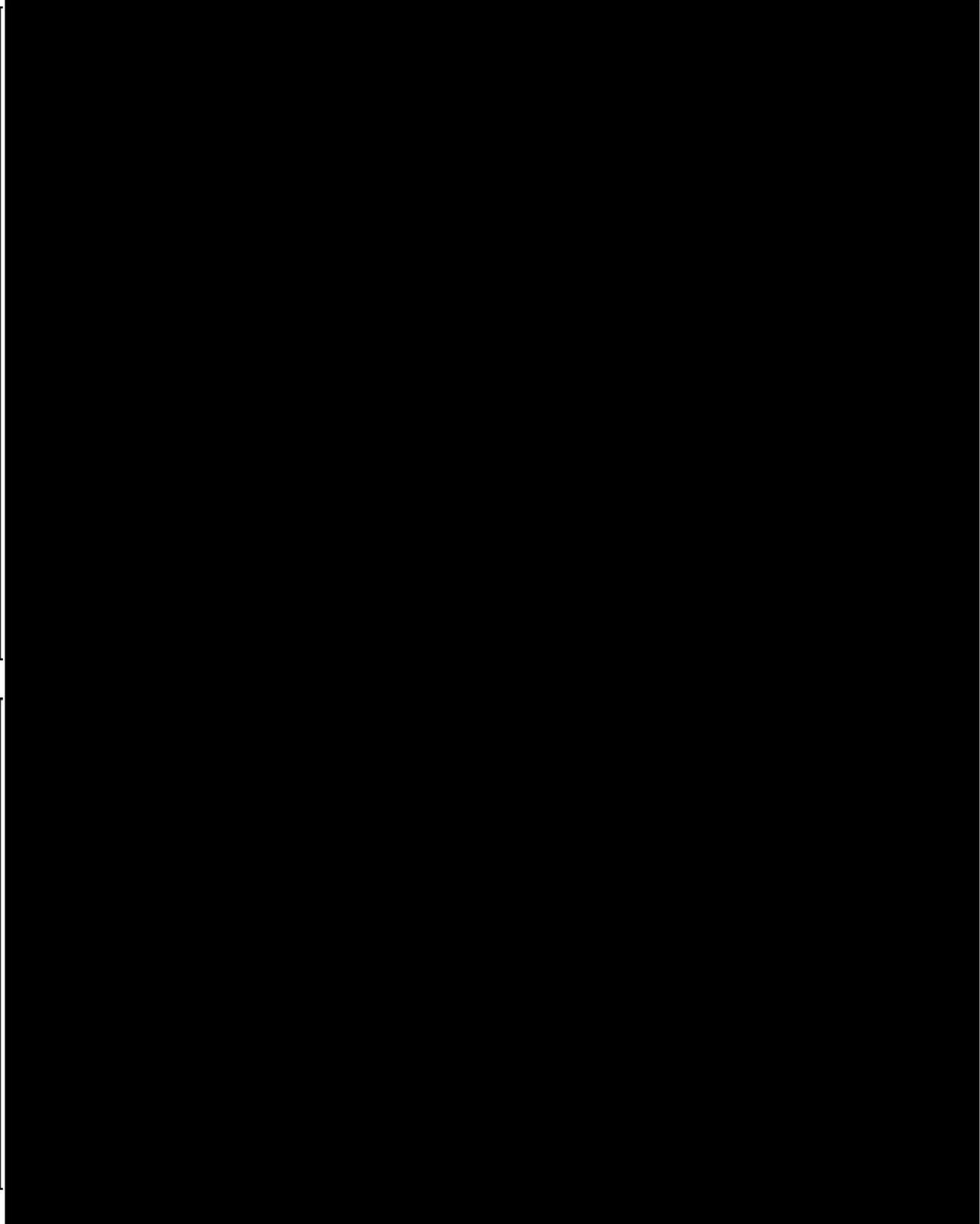




## 6-2-6. Pin solderability verification

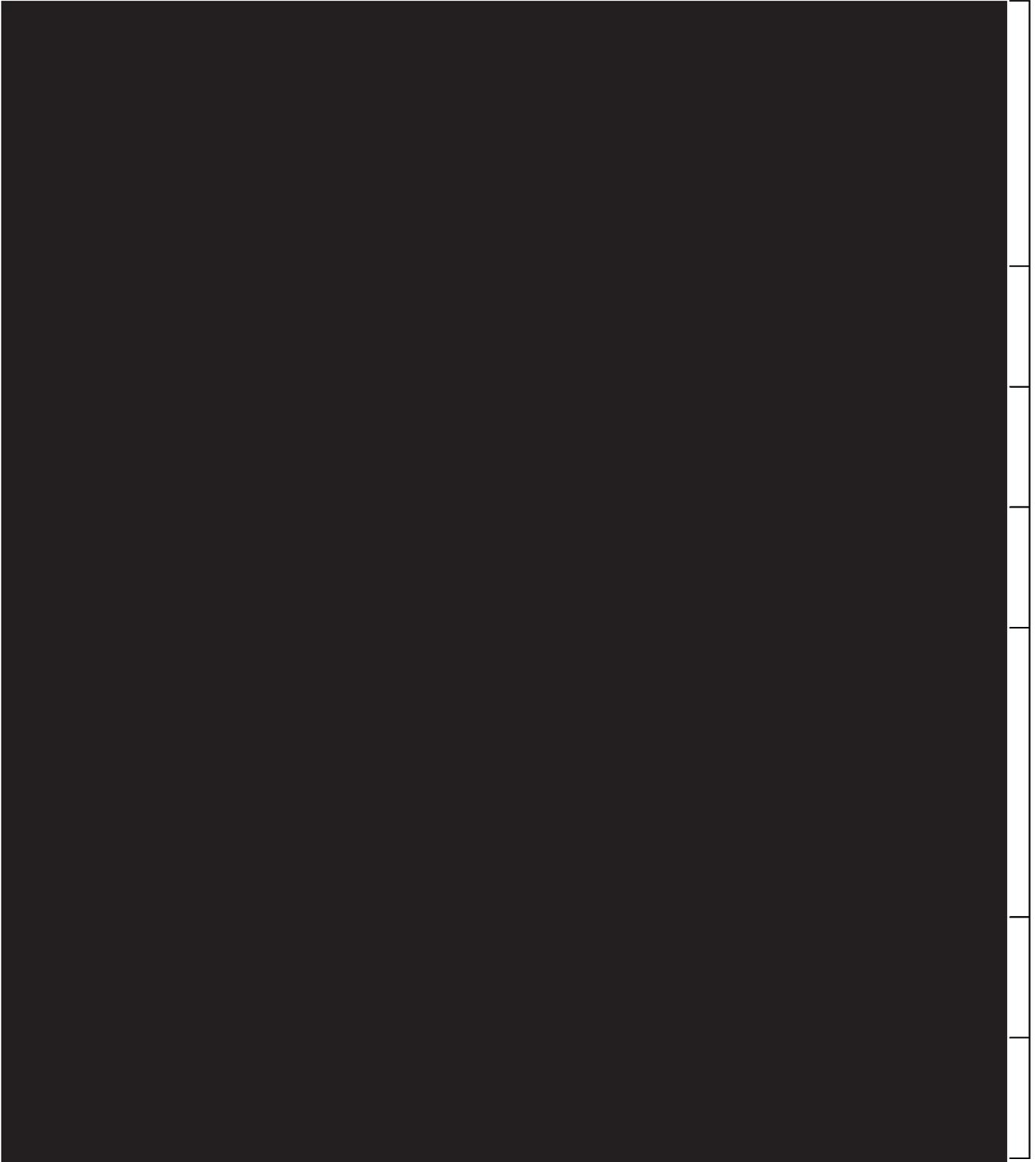






**BOURNS**<sup>®</sup>**RELIABILITY TEST****STATISTICAL SUMMARY**

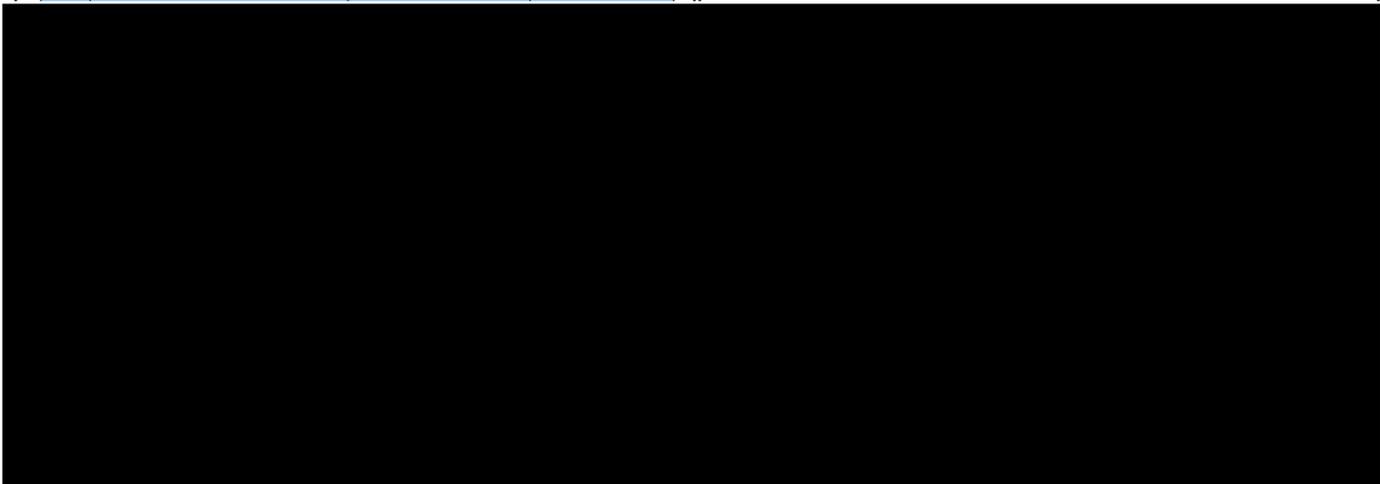
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Date Code: <a href="#">1321</a>	Report No.: <a href="#">PT61018AAPLEP13238</a>	Date: <a href="#">06/11/13</a>
Group: <a href="#">1</a>	TR No.: <a href="#">M13238</a>	Type: <a href="#">EP</a>

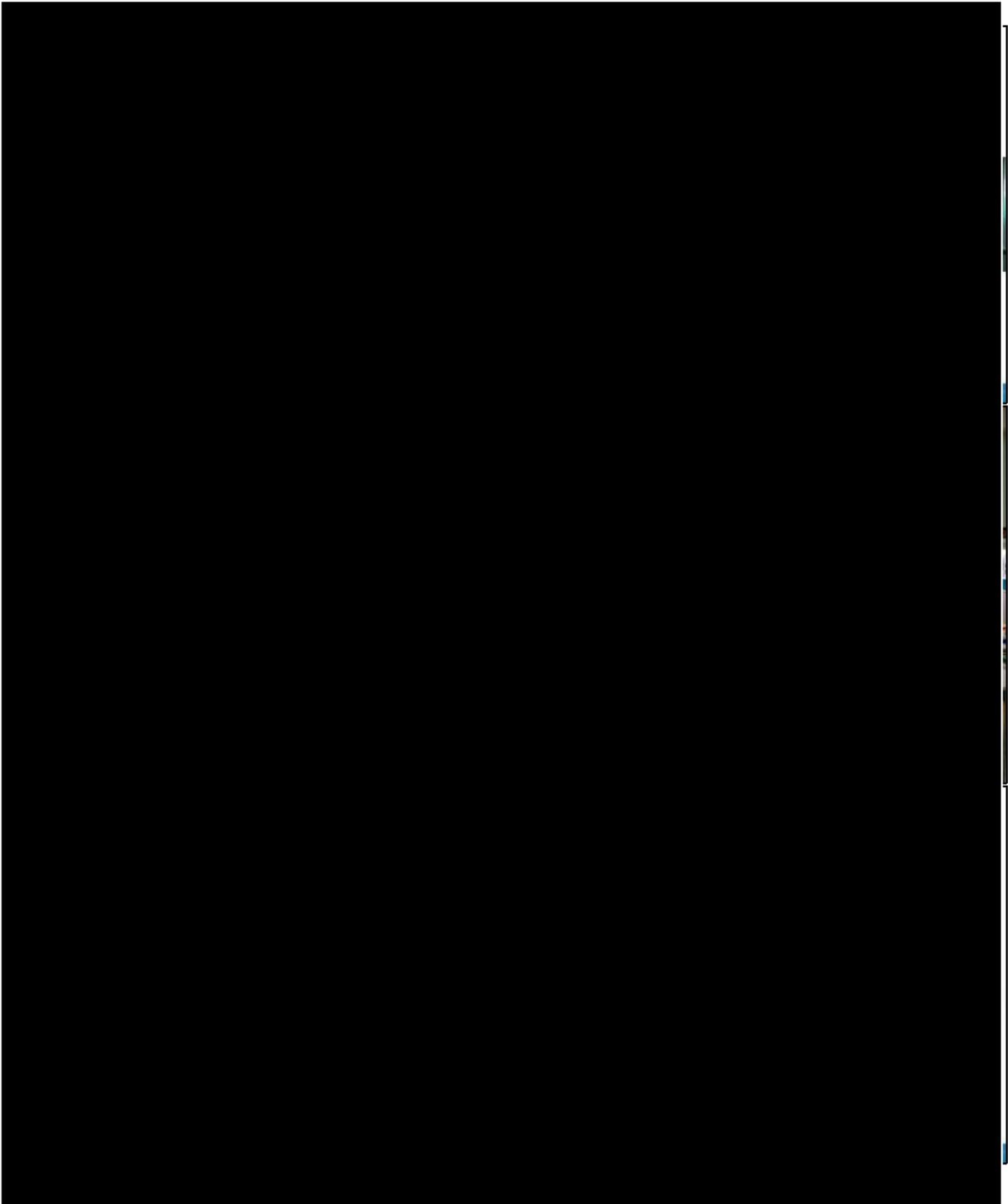


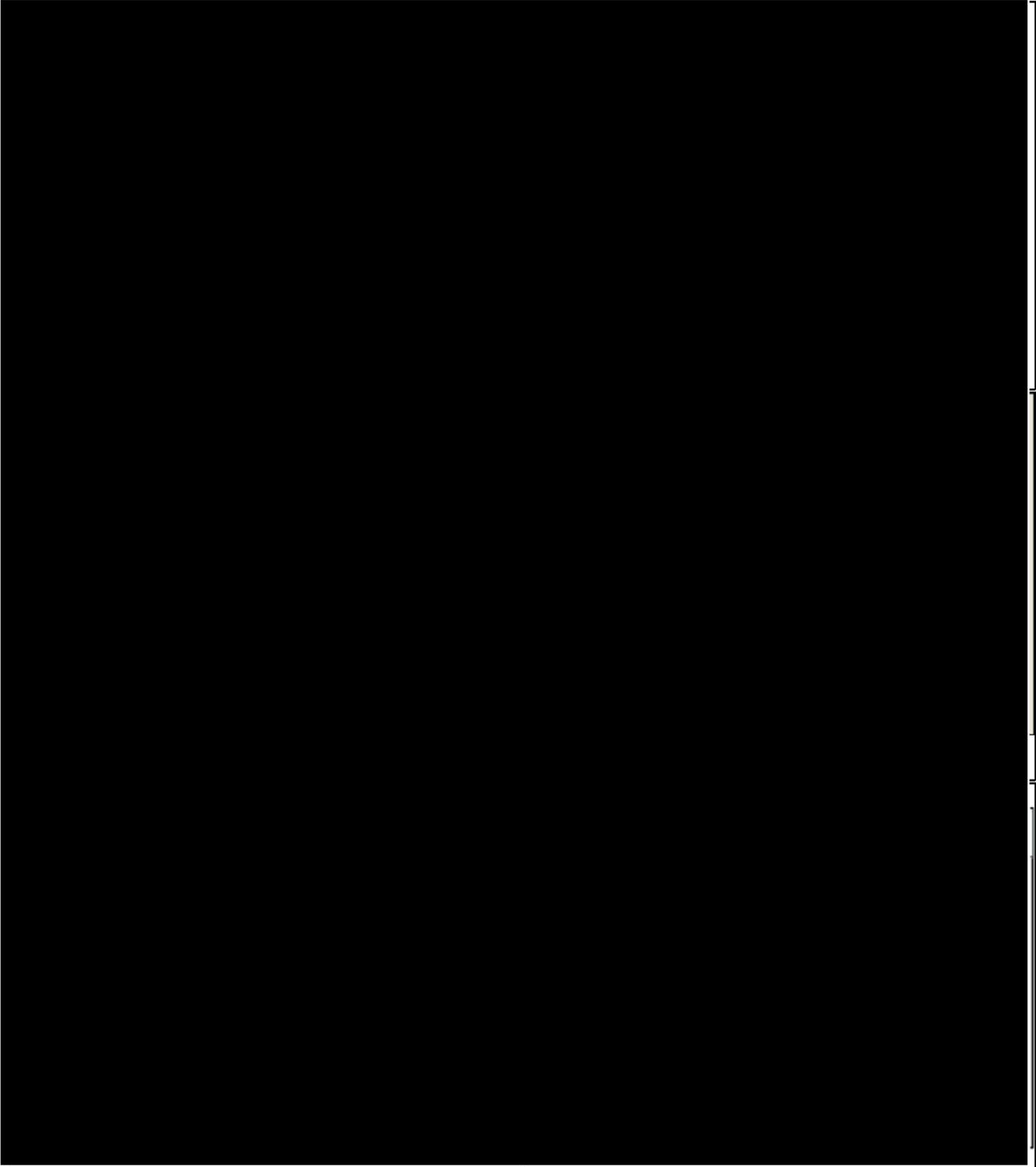


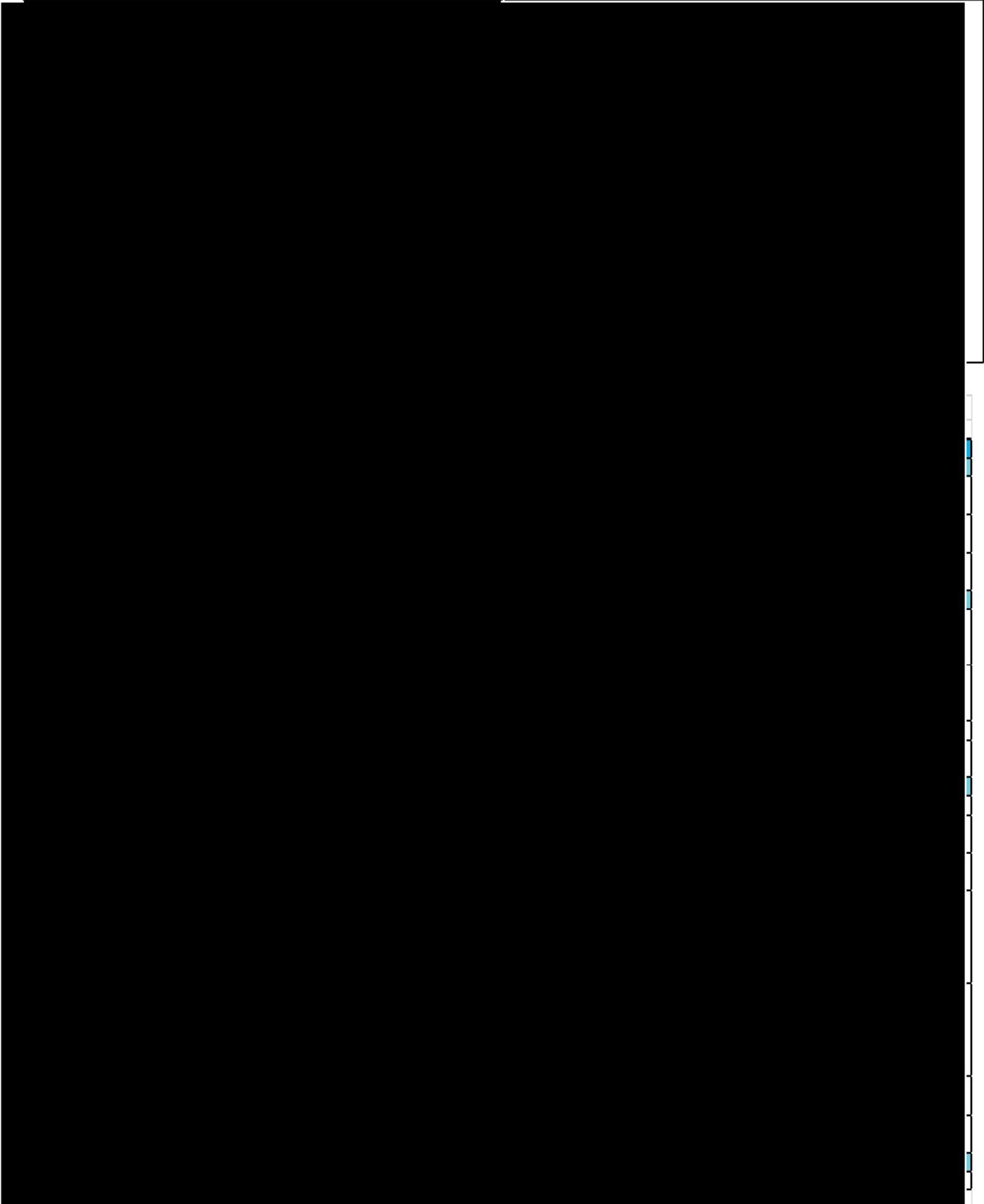
**6-3. 2nd PPAP per re-location & automation improvement & AEC-Q200 qualification**  
**6-3-1. JWD re-layout plan (Compliant with flow chart to achieve continuous flow)**

<b>PT61018AAPL Material Processes Flow</b>				<b>PT61018AAPL Material Processes Flow</b>			
<b>1. JWD Processes</b>				<b>2. BXL Processes</b>			
No.	Process代碼	Location - PPAP	Location - After				









### **6-3-4. 2<sup>nd</sup> AEC-Q200 Test Report**

**BOURNS®**

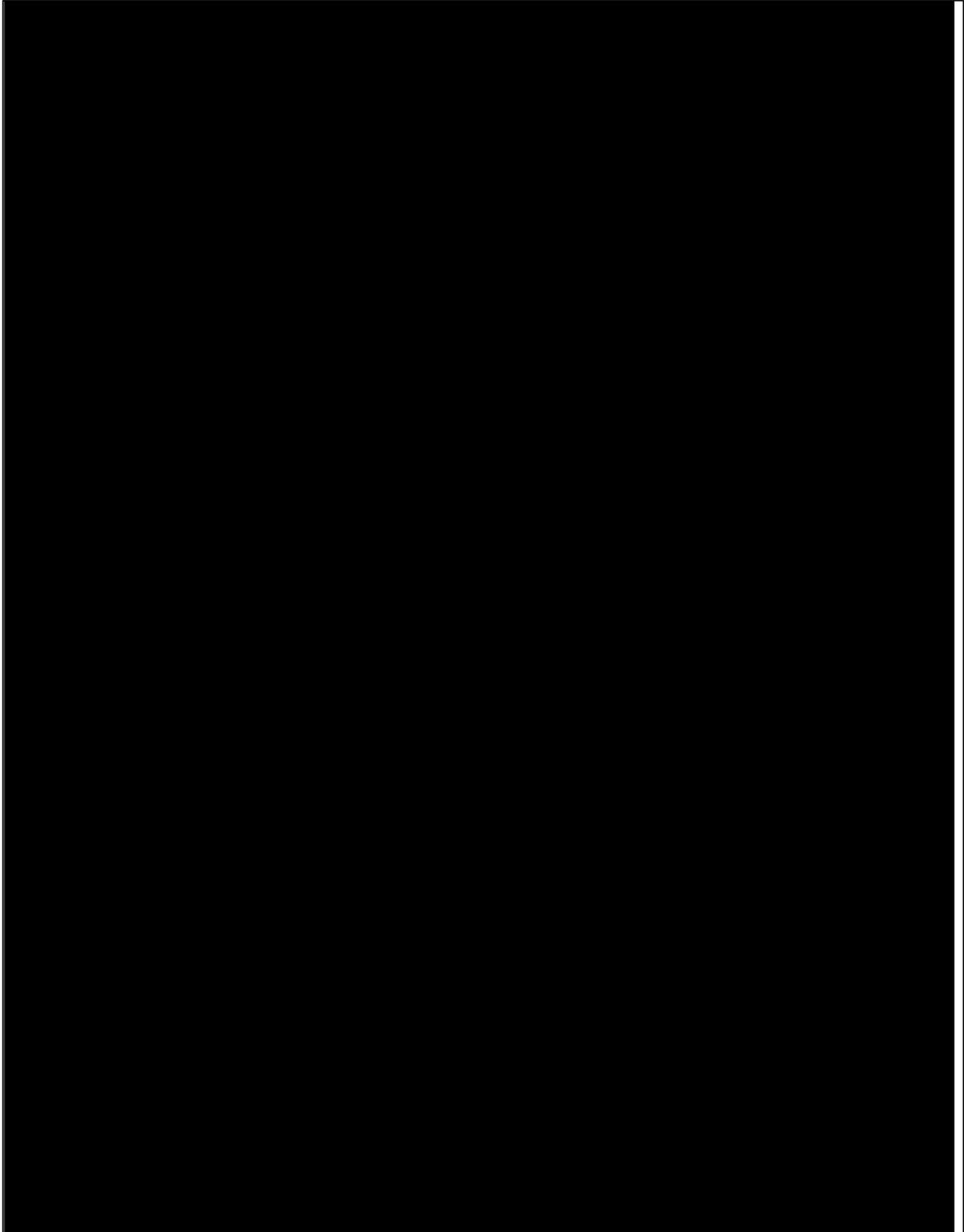
# RELIABILITY TEST

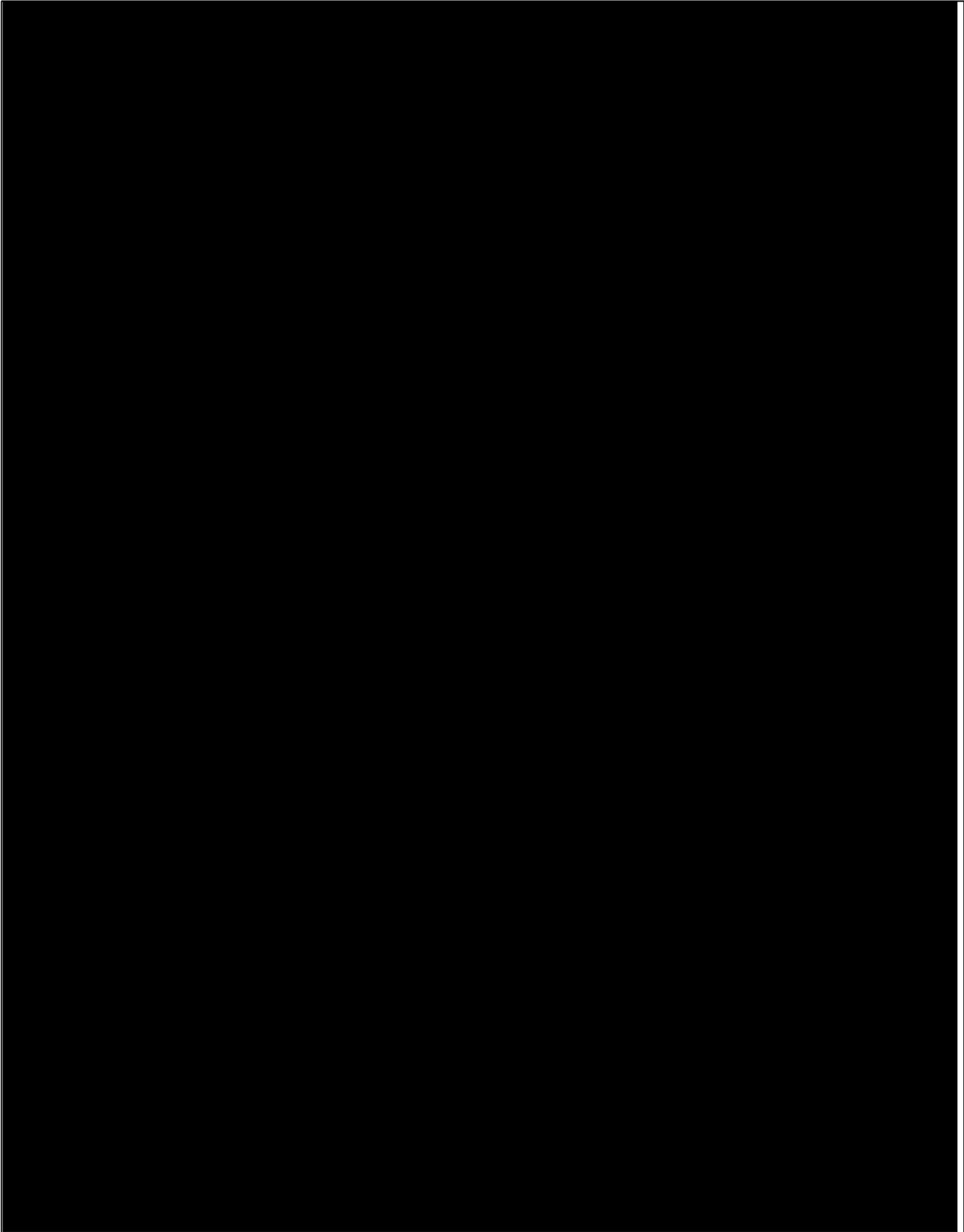
## STATISTICAL SUMMARY

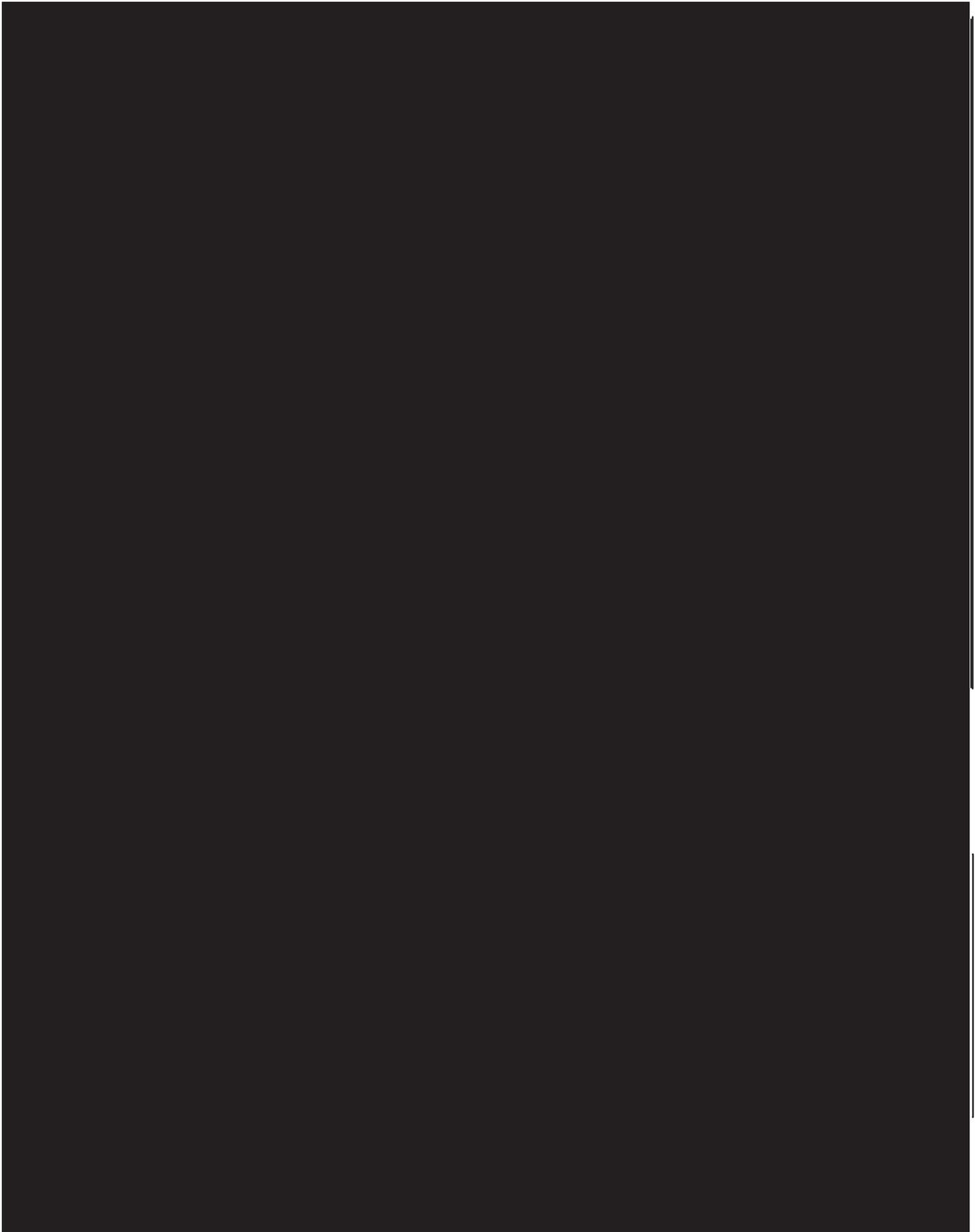
Model: <a href="#">PT61018AAPL</a>	Plant: <a href="#">Lear</a>	Tech.:  
Date Code: <a href="#">1333</a>	Report No.: <a href="#">PT61018AAPLEP13316</a>	Date: <a href="#">08/20/13</a>
Group: <a href="#">1</a>	TR No.: <a href="#">M13316</a>	Type: <a href="#">EP</a>

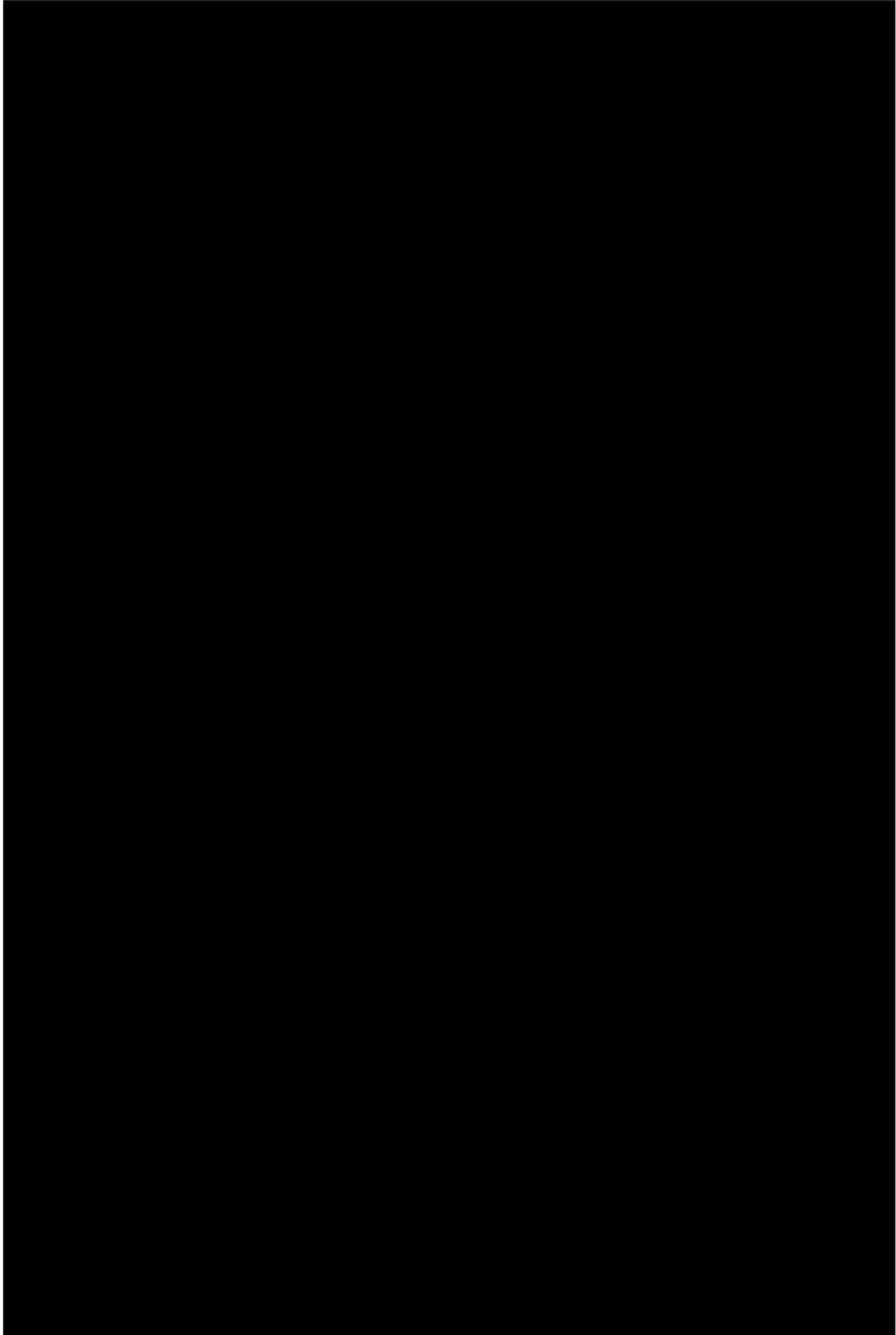


### 6-4. PPAP Approval from Lear

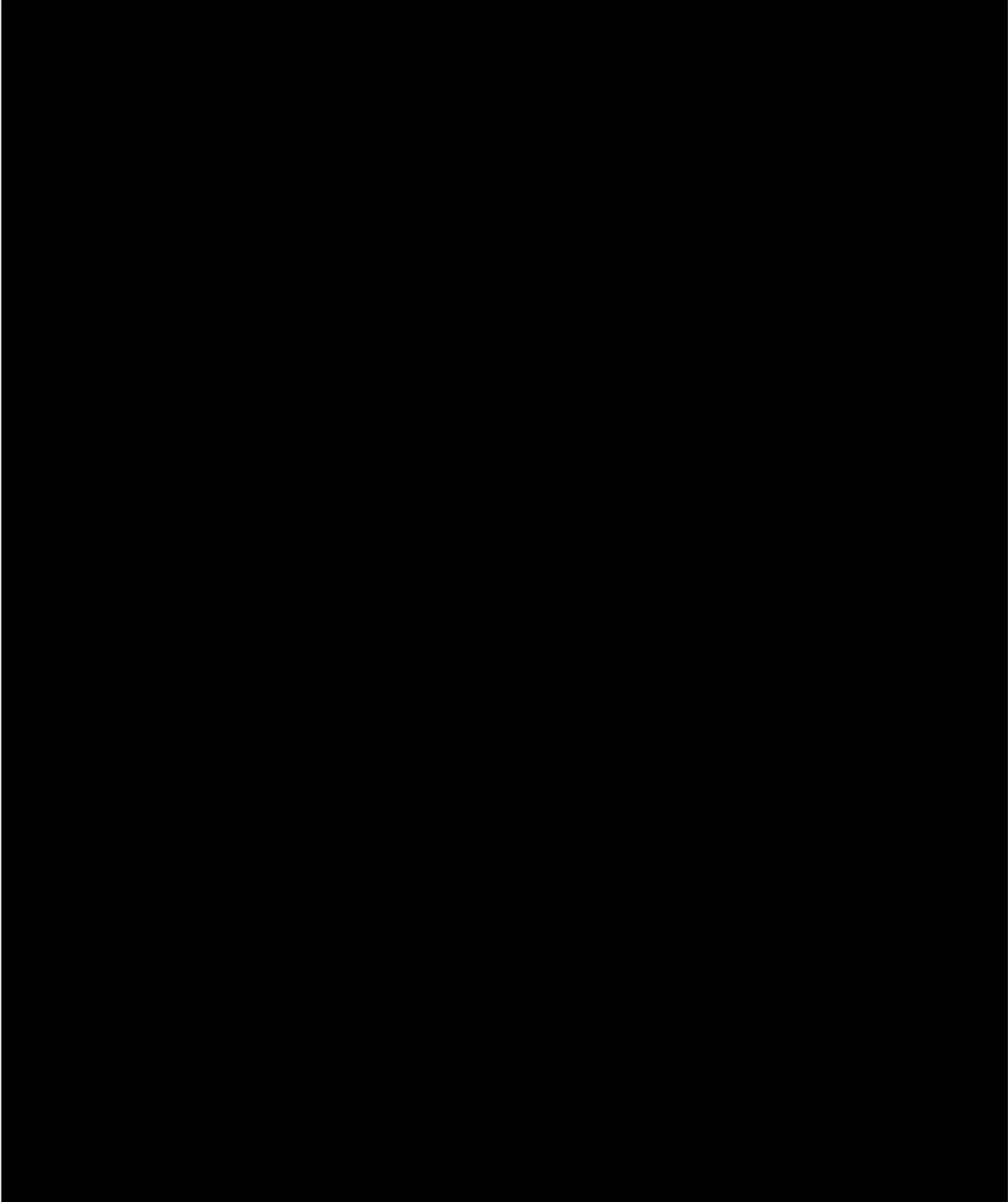


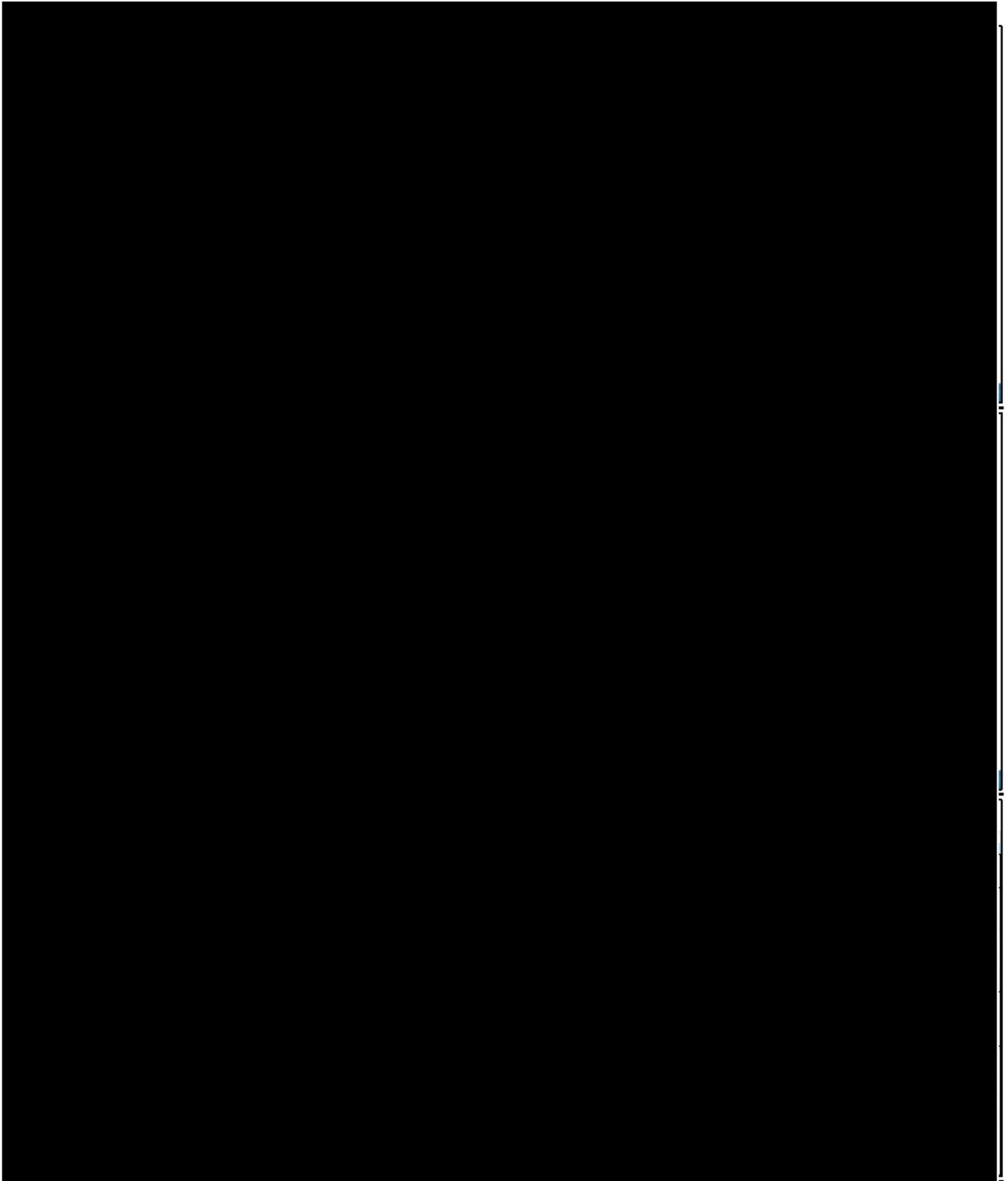


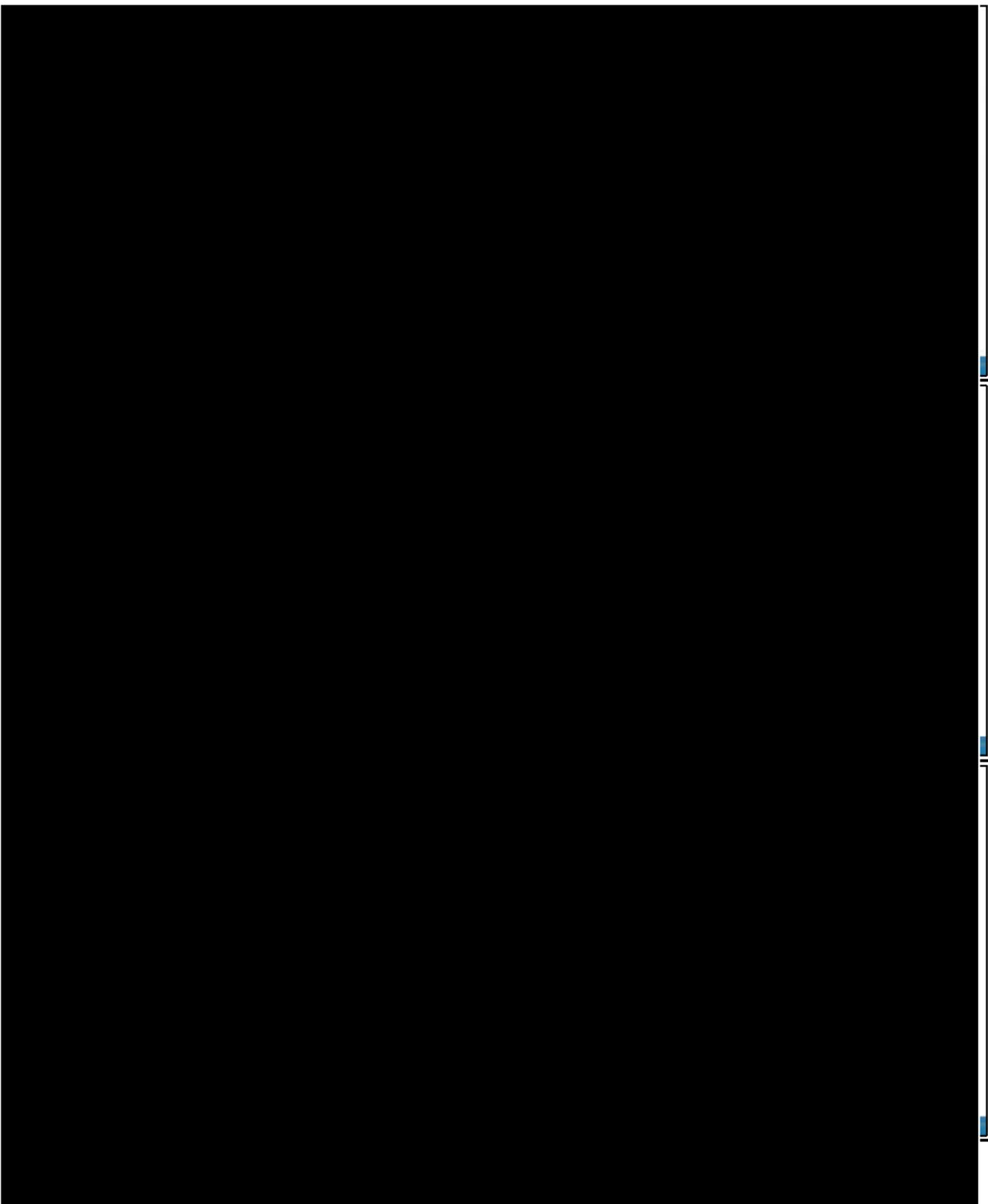




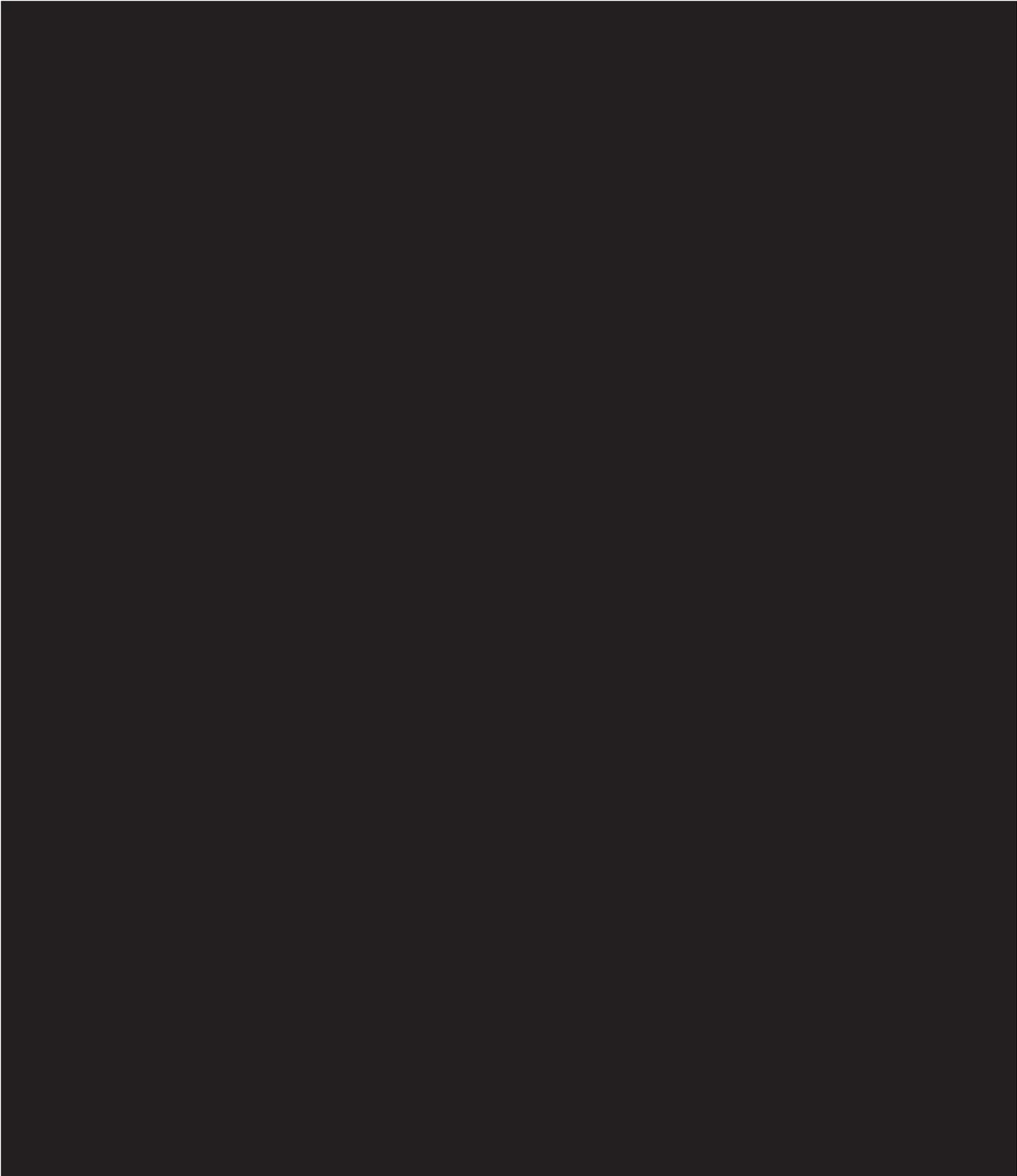
















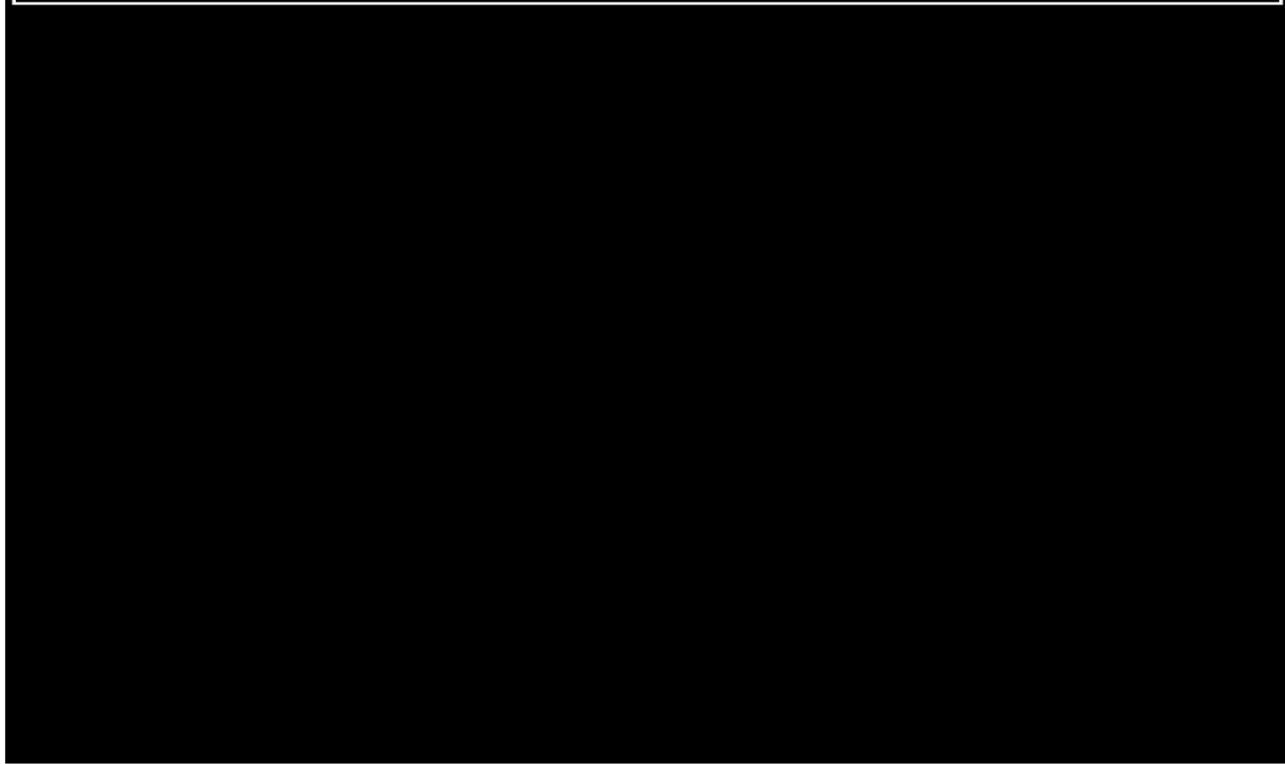
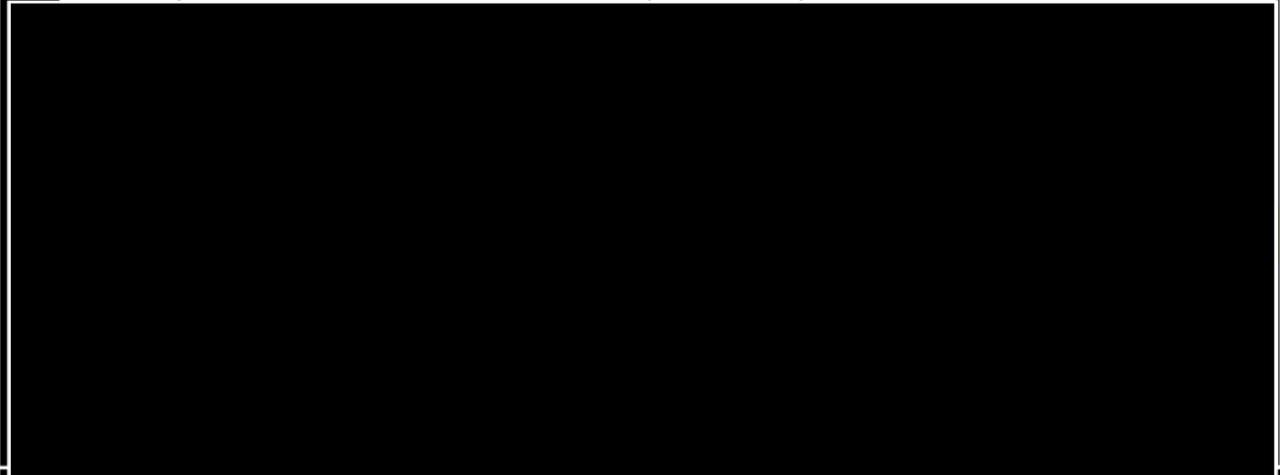


## 9. Run @ Rate audit

## Run at Rate

**Note: ALL CELLS HIGHLIGHTED IN YELLOW MUST BE COMPLETED BY LEAR SQE**

PROGRAM:		DATE:	October 23, 2013
SUPPLIER NAME:	Bourns / JWD	LOCATION (CITY/STATE):	Mianyang, China
PART NUMBER(S):	E02840800 (SPN: PT61018AA)	DESCRIPTION:	LAN Transformer



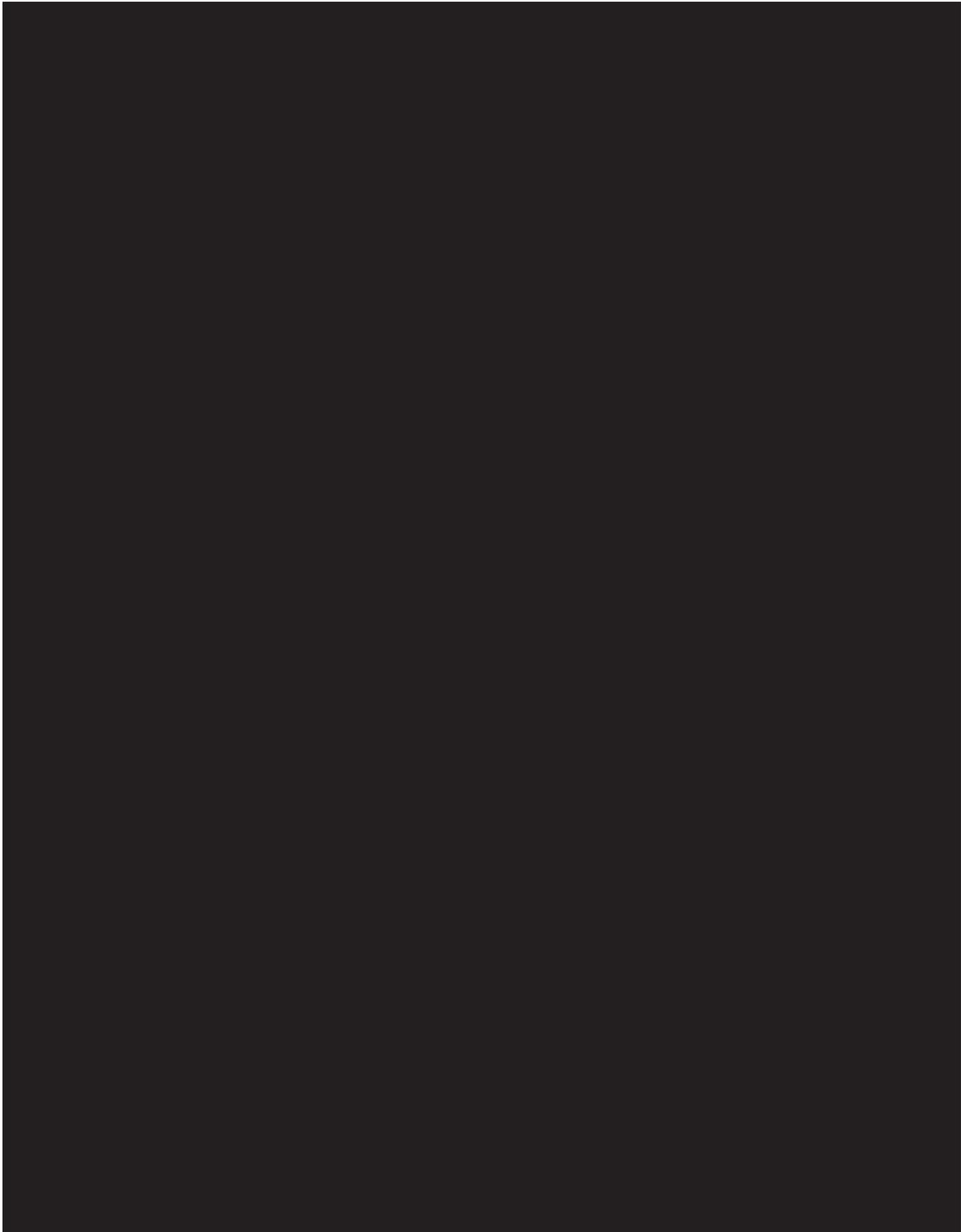
	Manager / Bourns Xiamen	+86-592-603-8880 ext 8001
SUPPLIER REPRESENTATIVE:	TITLE	PHONE
	SDE / Lear Japan	+81-822-553-5573
LEAR REPRESENTATIVE:	TITLE	PHONE
<b>Note: Annual Volumes and Quoted Work Patterns are based on RFQ (Request For Quote) information.</b>		
LCR = Lean Capacity Requirement	MCR = Maximum Capacity Requirement	QPDR = Quoted Production Daily Requirement (240 days)



Returns #	Picture	Reason	Q# No.	(Potential) Root Cause	Detected Action	Short Term Correct Action	Long Term Correct Action	Remark
-----------	---------	--------	--------	------------------------	-----------------	---------------------------	--------------------------	--------







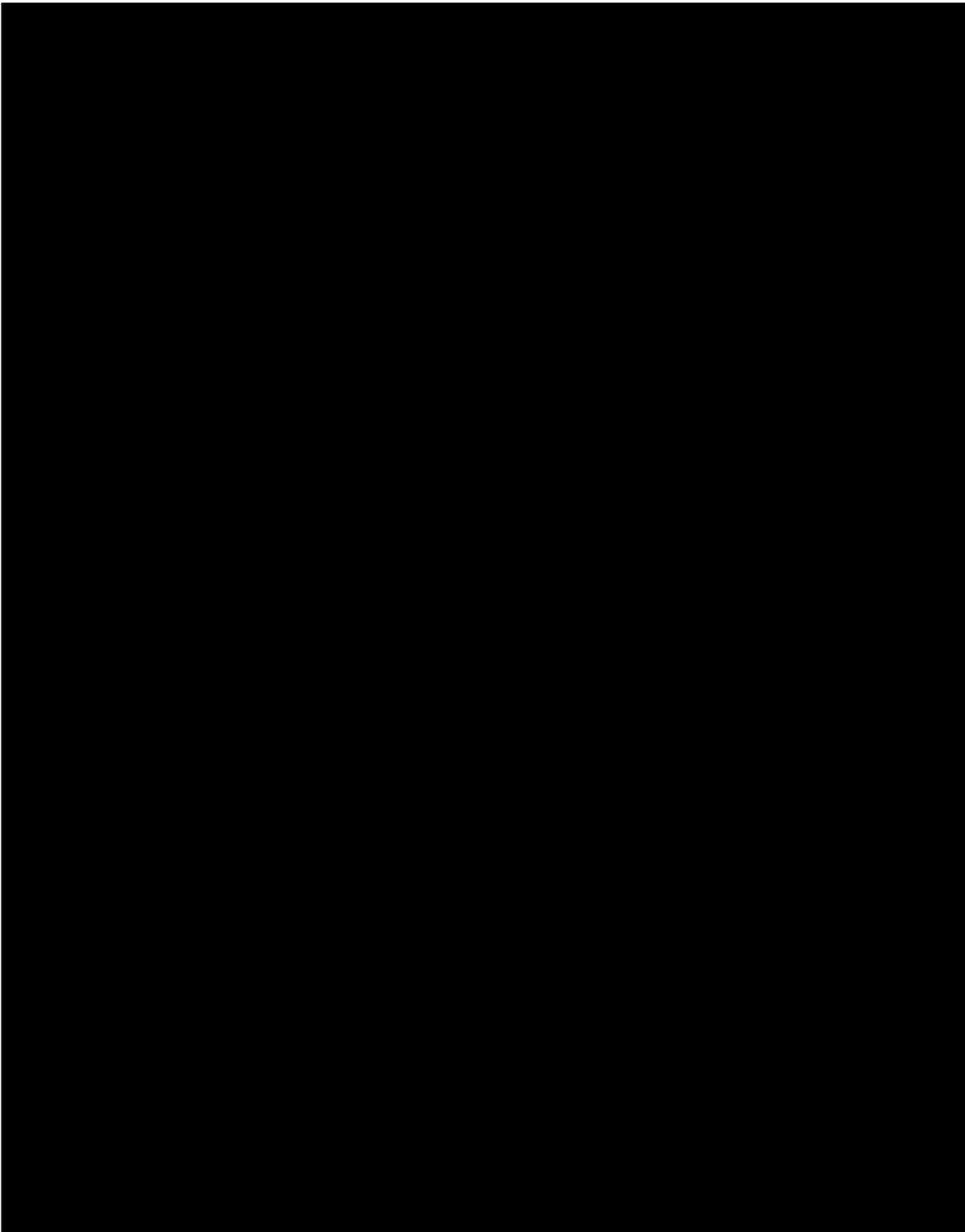


**11. Conclusion**

The product & processes can meet automotive requirement per PPAP verification.



-





# ATTACHMENT C

[REDACTED]

---

**From:** [REDACTED]  
**Sent:** Thursday, September 27, 2018 8:14 AM  
**To:** [REDACTED]  
**Cc:** [REDACTED]  
**Subject:** RE: SCR#228226 - LAN Transformer  
**Attachments:** Lear\_Bourns PCN PT61018AAPEL.pdf

Hi [REDACTED],  
Pls attached the presentation I showed all of you during the meeting we had in Valls last wk.  
I'll come back to your with the roadmap about our own Signal Transformer.

Thanks and Best regards  
[REDACTED]

---

**From:** [REDACTED]  
**Sent:** Tuesday, September 25, 2018 4:57 PM  
**To:** [REDACTED]@lear.com>; [REDACTED]@bourns.com>  
**Cc:** [REDACTED]@lear.com>; [REDACTED]@lear.com>; [REDACTED]  
[REDACTED]@lear.com>; [REDACTED]@sansetronics.com>; [REDACTED]  
[REDACTED]@sansetronics.com>  
**Subject:** RE: SCR#228226 - LAN Transformer

Hi [REDACTED],  
A pleasure to see you again.  
I add [REDACTED] in the loop, who made the presentation.

[REDACTED],  
Can you please share with Lear the presentation shown on our last visit?

Thank you very much.

*Saludos, Best regards*

[REDACTED] (BDM Iberia)  
Pza Ciudad Real n°4 . 28700, San Sebastian de los Reyes (Madrid) . Spain  
TF:+34.91. 6539517. Fax:+34.91.6514155. GSM: +34.653538505, Skype: [REDACTED]

 Please don't print this e-mail unless you really need it. Antes de imprimir este e-mail piense bien si es necesario hacerlo

---

**De:** [REDACTED]@lear.com>  
**Enviado el:** martes, 25 de septiembre de 2018 16:47  
**Para:** [REDACTED]@sansetronics.com>  
**CC:** [REDACTED]@lear.com>; [REDACTED]@lear.com>; [REDACTED]  
[REDACTED]@lear.com>; [REDACTED]@sansetronics.com>  
**Asunto:** SCR#228226 - LAN Transformer

Hello [REDACTED],

Thank you very much for the last visit. Could you please provide the presentation shown and the Roadmap of LAN transformers?

Best Regards

[REDACTED]  
Components Engineer

Lear Corporation

E-Systems

C/ Fusters 54 - 43800 Valls (Tarragona) Spain

Phone (+34) 977 61 7820

[www.lear.com](http://www.lear.com)

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Bourns Xiamen Ltd.

PT61018AAPEL SCR#228226

Date: Sep.7<sup>th</sup> 2018

Prepared by: XXXXXXXXXX

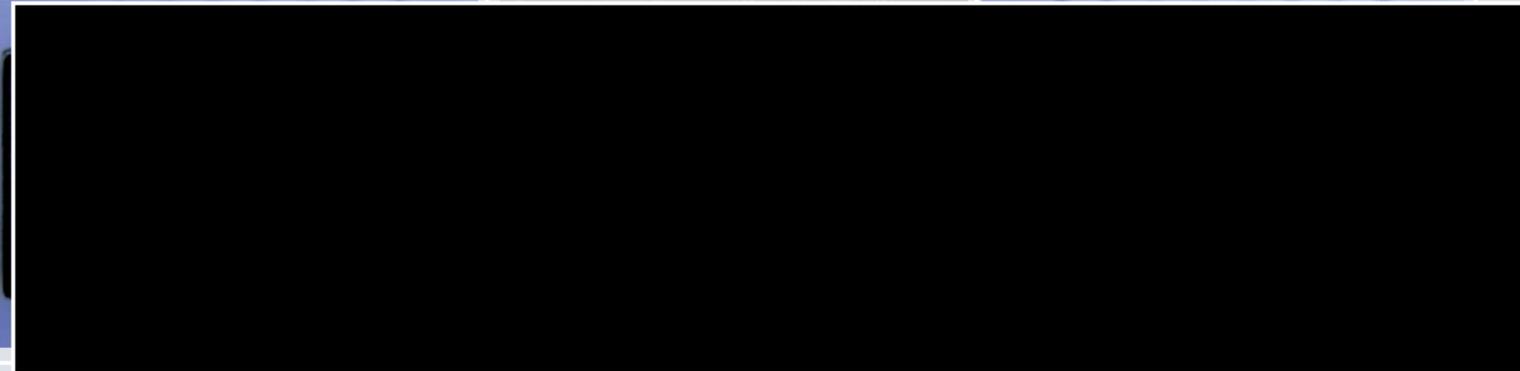
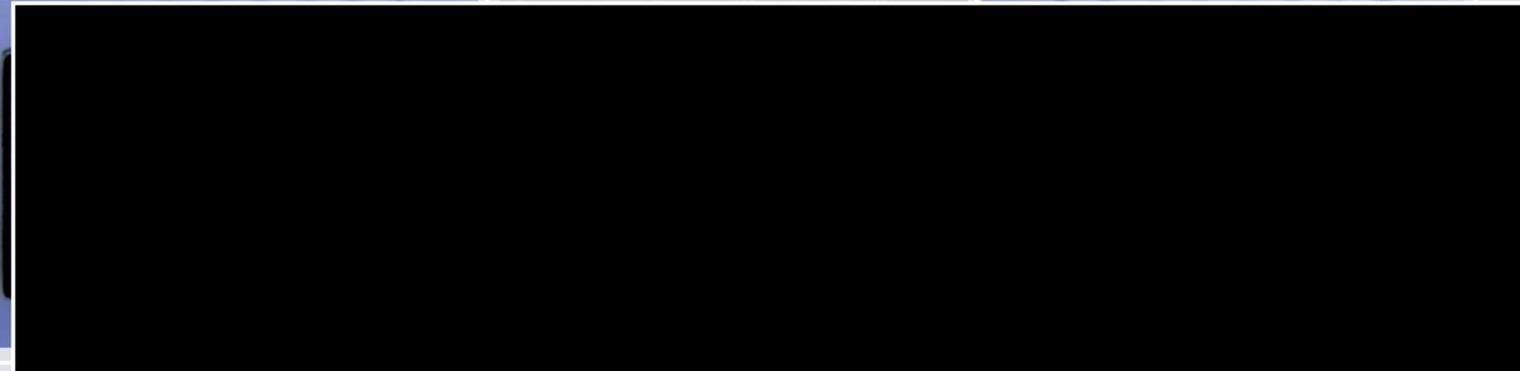
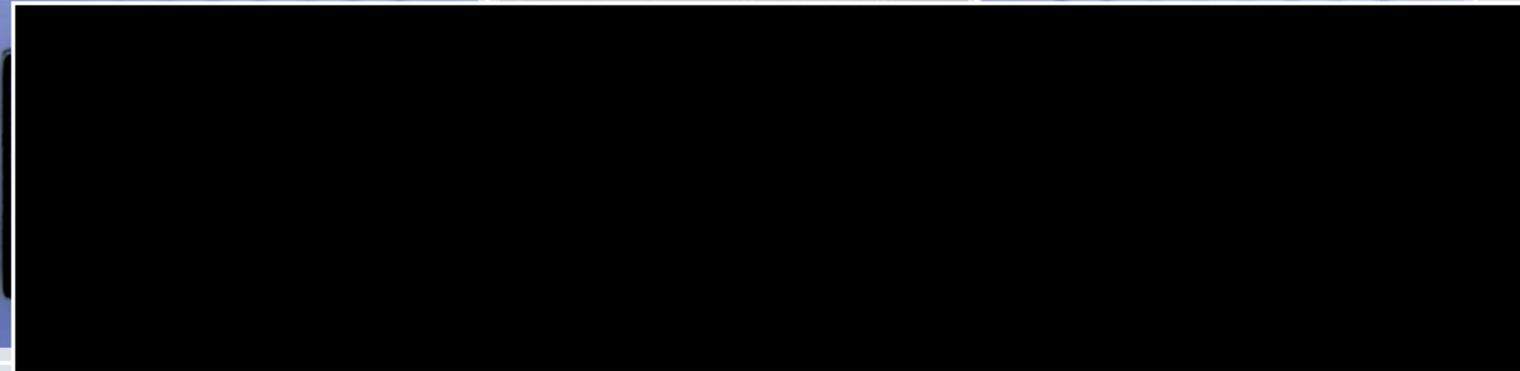
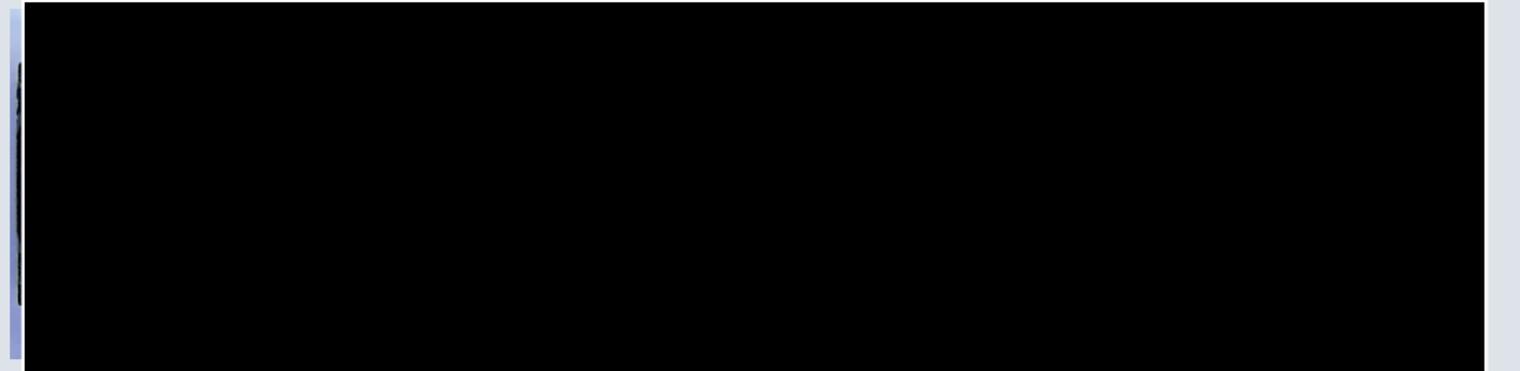
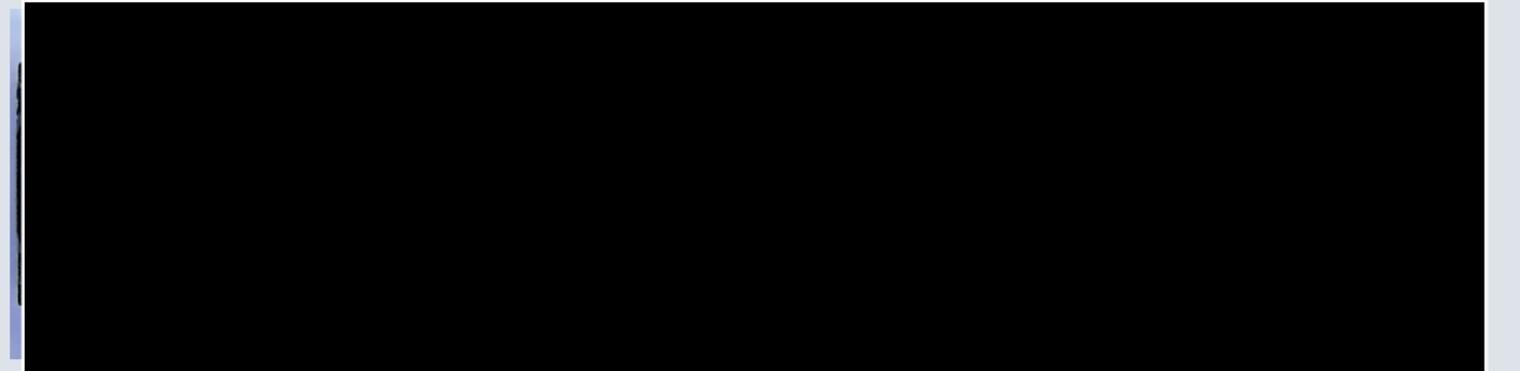
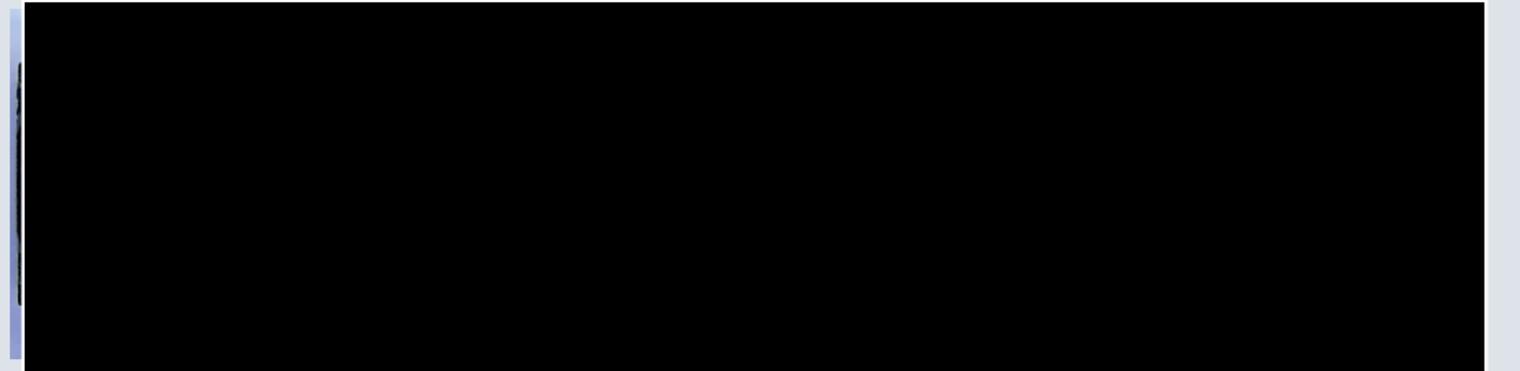
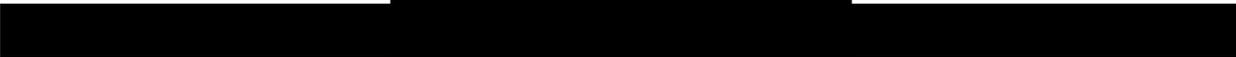
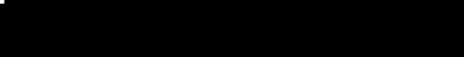
**BOURNS**<sup>®</sup>

# PT61018AAPEL SCR#228226

<b>NO.</b>	<b>Content</b>
<b>1</b>	<b>Product appearance</b>
<b>2</b>	<b>Dimension</b>
<b>3</b>	<b>Electrical performance &amp; AEC-Q qualification level</b>
<b>4</b>	<b>BOM(key raw material)</b>
<b>5</b>	<b>Supplier(key raw material)</b>
<b>6</b>	<b>Process description</b>
<b>7</b>	<b>Package</b>

# PT61018AAPEL SCR#228226

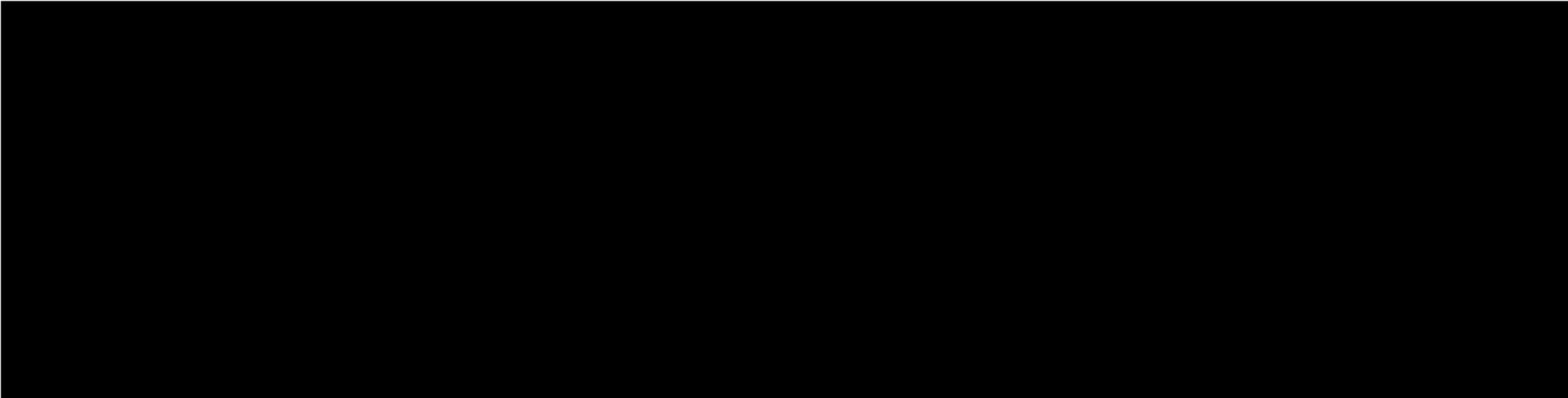
## Product appearance - difference

NO.	Item	Current PT61018AAPEL	JWD Engineering Change Proposal	Build in BXL	Remark
1	Top View				
		Ink marking	Laser marking	Laser marking	
2	Rear View				
					

# PT61018AAPEL SCR#228226

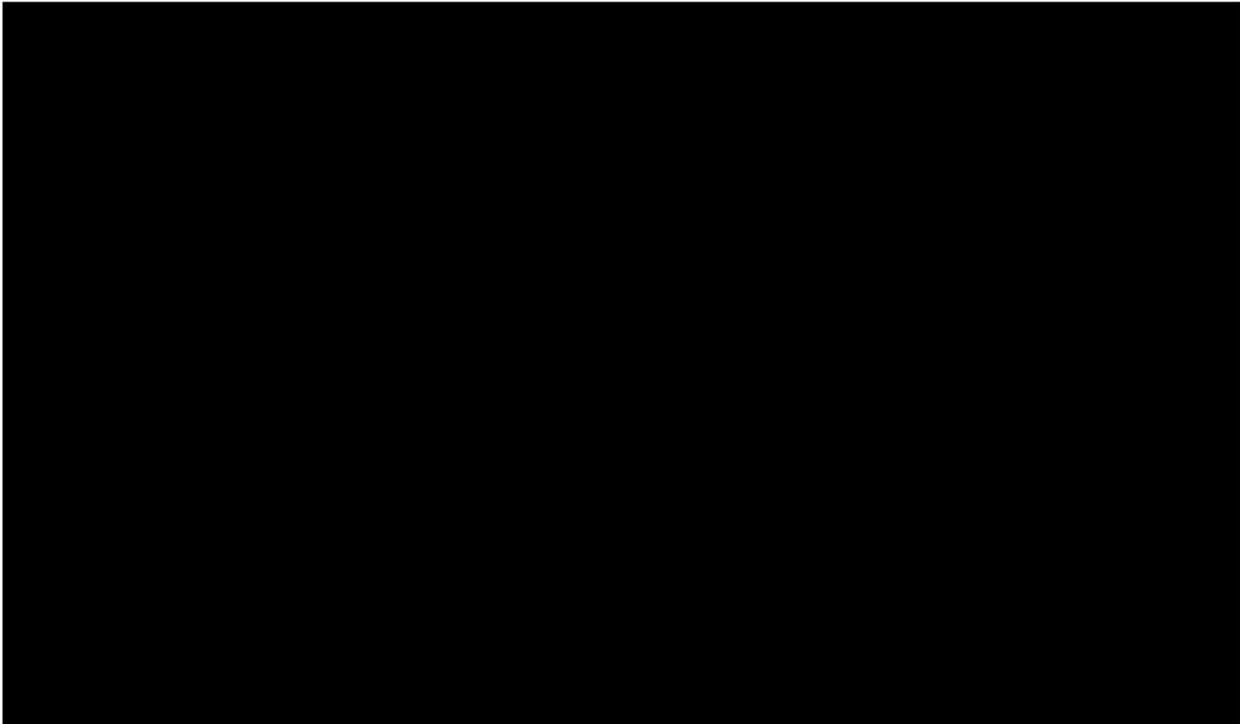
## Dimension - difference

Item	Current PT61018AAPEL	JWD Engineering Change Proposal	Build in BXL
Width Size	[REDACTED]		



# PT61018AAPEL SCR#228226

## Electrical performance & AEC-Q qualification level

NO.	Item	Current PT61018AAPEL	JWD Engineering Change Proposal	Build in BXL
1	DCR			
2	Cww			
3				
4	Turns ratio			
5	Operating Temp.			
6	AEC-Q qualified			

# PT61018AAPEL SCR#228226

## BOM (Key raw material) - difference

NO.	Item	Current PT61018AAPEL	JWD Engineering Change Proposal	Build in BXL	Remark
2					
3					
4					
5					
6					

# PT61018AAPEL SCR#228226

## Supplier ( key raw material) - difference

NO.	Item	Current PT61018AAPEL	JWD Engineering Change Proposal	Build in BXL	Remark
1	Core T1	[REDACTED]			Better quality performance
2	Core T2	[REDACTED]			Better quality performance
3	Case	[REDACTED]			Better quality performance
4	[REDACTED]	[REDACTED]			[REDACTED]
5	[REDACTED]	[REDACTED]			[REDACTED]

# PT61018AAPEL SCR#228226

## Process description - difference

NO.	Process Description	Current PT61018AAPEL	JWD Engineering Change Proposal	Build in BXL	Remark
1	[REDACTED]				
2					
3	[REDACTED]				

# PT61018AAPEL SCR#228226

## Package - difference

Item	Current PT61018AAPEL	JWD Engineering Change Proposal	Build in BXL
Package			
Picture			

Thanks

**BOURNS®**

# ATTACHMENT D

**From:** [REDACTED] <[REDACTED]@lear.com>  
**Sent:** Friday, July 19, 2019 12:45 AM  
**To:** [REDACTED]  
**Cc:** [REDACTED]  
**Subject:** RE: BOURNS SCR#228226 - DS update?  
**Attachments:** Changes.xlsx; NEW SCR REQUEST\_ Bourns LAN Transformer PT61018AAPEL\_Auto T1 &T2 threading improvement

**Follow Up Flag:** Seguimiento  
**Due By:** Wednesday, July 24, 2019 12:42 AM  
**Flag Status:** Flagged

**[EXTERNAL EMAIL]**

Thank you very much for your feedback.

The ds we need is after JWD, including the temperature (125°C) and size changes in the spreadsheet attached.

I checked internally and the I couldn't find any PH related to JWD changes.

Bear in mind there was a PCN split according to the email attached.

Best regards

[REDACTED]  
Components Engineer | Lear Corporation



---

**De:** [REDACTED]@sansetronics.com]

**Enviado el:** miércoles, 17 de julio de 2019 8:32

**Para:** [REDACTED]@lear.com>; [REDACTED]  
[REDACTED]@sansetronics.com>

**CC:** [REDACTED]@lear.com>; [REDACTED]@lear.com>; [REDACTED]  
[REDACTED]@bourns.com>

**Asunto:** RE: BOURNS SCR#228226 - DS update?

Hi [REDACTED],

Already requested, I will send it to you ASAP.

Thanks.

*Saludos, Best regards*

[REDACTED] (BDM Iberia)  
Pza Ciudad Real n°4 . 28700, San Sebastian de los Reyes (Madrid ). Spain  
TF:+34.91. 6539517. Fax:+34.91.6514155. GSM: +34.653538505, Skype: [REDACTED]



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De: [redacted]@lear.com>  
Enviado el: miércoles, 17 de julio de 2019 7:30  
Para: [redacted]@sansetronics.com>; [redacted]  
[redacted]@sansetronics.com>  
CC: [redacted]@lear.com>; [redacted]@lear.com>  
Asunto: RE: BOURNS SCR#228226 - DS update?

Hi [redacted],

Could you please provide the last ds version (125°C) asap? A ds with preliminary data would work if the released version is not available.

Regards

[redacted]  
Components Engineer | Lear Corporation  
 |  Where Passion Drives Possibilities

De: [redacted]  
Enviado el: martes, 16 de julio de 2019 7:24  
Para: [redacted]@sansetronics.com>; [redacted]  
[redacted]@sansetronics.com>  
CC: [redacted]@lear.com>; [redacted]@lear.com>  
Asunto: RE: BOURNS SCR#228226 - DS update?

Hi [redacted],

Thank you very much for your feedback.

In our component db we typically use data sheets.

BR

[redacted]  
Components Engineer | Lear Corporation  
 |  Where Passion Drives Possibilities

De: [redacted]@sansetronics.com]  
Enviado el: lunes, 15 de julio de 2019 16:59  
Para: [redacted]@lear.com>; [redacted]  
[redacted]@sansetronics.com>  
CC: [redacted]@lear.com>; [redacted]@lear.com>  
Asunto: RE: BOURNS SCR#228226 - DS update?

**CAUTION: EXTERNAL email. Please think before clicking on any links or attachments.**

Hi [REDACTED],

The datasheet was included in the PPAP sent a year ago linked to the SCR mentioned.  
Is the PPAP not enough ?

Thanks.

*Saludos, Best regards*

[REDACTED] (BDM Iberia)  
Pza Ciudad Real nº4 . 28700, San Sebastian de los Reyes (Madrid ). Spain  
TF:+34.91. 6539517. Fax:+34.91.6514155. GSM: +34.653538505, Skype: [REDACTED]



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De: [REDACTED]@lear.com>

Enviado el: lunes, 15 de julio de 2019 13:08

Para: [REDACTED]@sansetronics.com>; [REDACTED]

[REDACTED]@sansetronics.com>

CC: [REDACTED]@lear.com>; [REDACTED]@lear.com>

Asunto: BOURNS SCR#228226 - DS update?

Hello [REDACTED]

After BOURNS SCR#228226, Could you please provide the new data sheet for PT61018AAP\*L?

Regards

[REDACTED]  
Components Engineer | Lear Corporation  
Office: (+34) 977 61 7820 | [REDACTED]@lear.com  
C/ Fusters 54 - 43800 Valls (Tarragona) Spain



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## PT61018AAPEL PCN Proposal in JWD & BXL

Note: Blue mean change

Item	Category	Engineering Change Content	A) Before (JWD Current)	B) After (JWD Engineering Change Proposal)	Why Change in JWD	C) Build in BXL (Backup production line)	Why Change in BXL
1	Product						
2	Material						
3	Material						
4	Material & Process						
5	Process						
6	Process						

Remarks:

- A) Build in JWD+Verification stations in BXL - Current
- B) Build in JWD+Verification stations in BXL - JWD Engineering Change Proposal
- C) Build in BXL(Back up line)