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Technology Industry Reports Continued Progress In Responsible Supply Chain Management Efforts

San Francisco, Oct. 11, 2005 – The coalition of technology companies implementing the Electronic Industry Code of Conduct (EICC) today reported on progress to date it has made in efforts to develop industry-wide approaches and tools designed to improve workplace conditions in the industry’s global supply chain.

The EICC was launched in the fall of 2004, and the EICC Implementation Group was created in early 2005, with a goal to collaboratively implement a common supplier code of conduct for the technology industry. Organizers share a common vision of creating enhanced social, economic and environmental conditions for all workers in the technology industry’s supply chain, and making it more efficient for common suppliers to comply with a single set of agreed high standards. Current Member companies include: Celestica, Cisco, Dell, Flextronics, Foxconn, HP, IBM, Intel, Jabil, Lucent, Microsoft, Sanmina SCI, Seagate, Solectron and Sony.

“We believe the adoption of high standards will improve working conditions for everyone in the technology industry’s supply chain. Transparency will continue to be a driving theme for us as we work together on implementation tools based on the EICC standard, and dialogue with stakeholders,” said Brad Bennett, representative from Intel Corporation and Chair of the EICC Implementation Group.

Progress reported to date includes:

- Establishment of a partnership with the Global eSustainability Initiative (GeSI), representing information and communications technology (ICT) companies in Europe, North America and Asia to develop common implementation tools for supply chain management;

- Creation of the ICT Supplier Self-Assessment Questionnaire, in partnership with GeSI, that enables suppliers to complete regular assessments in a common industry format and report results to customers;
- Completion of more than 350 audits of supplier facilities by individual members to monitor compliance to the EICC standards;
- Development of a website (www.eicc.info) where the EICC, implementation tools, and progress reports can be found;
- Update of the code's content based on input from a wide variety of stakeholder organizations including faith-based organizations and socially responsible investment groups;
- Creation of a process to manage annual updates of the code based on periodic dialogue with stakeholders.

“Industry collaboration is the most effective way to raise standards in a way that avoids ‘first-mover disadvantage’ said Claudia Kruse, Senior Analyst, Governance & SRI, at F&C Asset Management. “As shareholders with a major focus on ICT, our aim is to act as a catalyst for the adoption of standards that are commercially viable while protecting the industry’s legitimacy over the long term. If the industry can maintain the pace it has set so far on supply chain management, while continuing to engage stakeholders through the website, we will be on the right track.”

Additional tools under development by the EICC Implementation Group in partnership with GeSI include a risk assessment tool, a common audit methodology and a web based platform to facilitate efficient information flow between participants. These additional tools are scheduled for completion by early next year. Use of standardized tools will help reduce audit inefficiencies and clarify performance expectations for suppliers.

Membership in the EICC Implementation Group is open to technology providers who commit to supporting the shared goals of the organization.

About EICC Implementation Group

The EICC Implementation Group was formed in early 2005 as a collaborative effort to develop and deploy a common implementation approach around the EICC. Members share a common vision of creating better social, economic and environmental outcomes for the technology industry’s supply chain while making it more efficient for suppliers to align to a single set of high standards. Member companies include: Celestica, Cisco, Dell, Flextronics, Foxconn, HP, IBM, Intel, Jabil, Lucent, Microsoft, Sanmina SCI, Seagate, Solectron and Sony. The EICC Implementation Group is facilitated by Business for Social Responsibility (BSR). Founded in 1992, Business for Social Responsibility provides advisory and information services to its member companies, the broader global business community and other key Corporate Social Responsibility stakeholders.

About GeSI

The Global eSustainability Initiative (GeSI) is a joint initiative of an international group of Information and Communications Technology (ICT) service providers and suppliers, with the support of the United Nations Environment Programme and International

Telecommunication Union. GeSI seeks to contribute to sustainable development in the ICT industry by taking a leadership role in collaborative exploration and responsible management of the evolving interfaces among industrial, ecological, and social systems. Information about GeSI members and ongoing activities can be found at www.gesi.org. Members include: Alcatel, Bell Canada, BT, Cisco, Deutsche Telekom, Ericsson, ETNO, HP, Motorola, O2, Panasonic Mobile, Telefonica, Vodafone, USTA, Carbon Disclosure Project, E-Square. Additional members of the GeSI Supply Chain Working Group include Microsoft and Nokia.