



4 August 2010

RE: Response to "Investor Statement Regarding Suicides and Working Conditions at Electronics Manufacturing Facilities"

Business & Human Rights Resource Centre:

Thank you for the opportunity to respond to the investor statement.

The Electronic Industry Citizenship Coalition (EICC) was formed in 2004 to promote a unified approach for responsible business practices across the electronic industry's global supply chains. The EICC is a voluntary coalition of over 50 companies representing many layers in the global electronics supply chain, all working together to create a comprehensive set of tools and methods that support credible implementation of the EICC [Code of Conduct](#) (the Code). We believe that through the application of the Code, companies can enhance social, economic and environmental outcomes for those involved in the electronic supply chain. The benefits include increased efficiency and productivity for customers and suppliers, improved conditions for workers, economic development, and a sustainable environment for local communities.

Recent EICC work includes launching the enhanced EICC Validated Audit process, developing new capability building training modules for use across the supply chain, continuing dialog with our many stakeholders, and creation of a new Employee Health and Welfare Task Force. Building member and supply chain capability and contributing to a broad knowledge base will help supply chain participants achieve success in the continuous improvements that the EICC initiative entails.

These initiatives are described in more detail below.

Validated Audit Process

The EICC Validated Audits are conducted by specially trained, independent, and certified third-party auditors, thus ensuring objectivity in the auditing process. The audit provides companies with an evaluation of their labor, ethics, occupational health and safety, and environmental practices relative to the Code, and identifies practices that require improvement in order to meet the Code's standards. A Validated Audit is triggered by a company or facility request, or by customer demand.

Many members have been auditing against the Code using EICC audit tools for several years. However, since the launch of the enhanced Validated Audit Process in early 2010, the EICC has coordinated over 115 audits for members and their suppliers.



Capability Building Training Modules

The EICC believes that building capability to develop corporate social responsibility staff, programs, and practices will provide significant ability to resolve, and in fact, anticipate, social or environmental issues before they occur. In 2009, the EICC created and launched e-learning modules for EICC members' commodity and supplier managers covering the basics of social and environmental responsibility as well as practical guidance on how to implement a successful supply chain initiative.

In 2009, the EICC also provided training to China-based suppliers of EICC members to increase awareness and adoption of the Code and compliance to its standards.

In addition, the EICC is currently developing additional training modules, including ones to help companies enhance worker-management communications. This training, intended for a company's Human Resources staff, will contain information such as key elements of an effective worker-management communications program, including measuring the effectiveness of a communications program. It will also contain key content to be delivered to workers such as their rights and responsibilities, and information on where workers can obtain employee assistance if they are having issues at home or work.

Stakeholder Engagement

The EICC considers the impact of its activities on many diverse stakeholders, including member companies, employees of firms in the electronics industry and their representatives, suppliers, industry organizations, multi-stakeholder groups, NGOs, investors, government, and academia. Through both informal and formal engagement mechanisms we work to maintain an open dialogue with our stakeholders and to find creative and effective ways of working collaboratively with them.

For example, the Employee Health and Welfare Task Force seeks input from industry, employees, academia, government, and other stakeholders to increase awareness of trends and conditions that affect electronics sector employees in China. In fact, the EICC hosted its first call with stakeholders in July, discussing the objectives of the Task Force and gathering stakeholder input on the work of the Task Force. The EICC also appreciates the opportunity to dialogue with many of the investor signatories on their recent investor statement.

Engaging with stakeholders expands the EICC's awareness of issues in the electronics sector and enables us to ensure the views of all parties are understood; we are committed to continuing this relationship.

Employee Health and Welfare Task Force

In addition to the EICC's ongoing activities, the EICC Board of Directors recently created the Employee Health and Welfare Task Force. The Task Force, based in Asia, is intended to assist electronics companies develop a better understanding of the contributing factors in China that affect employee health and well being.



The EICC is committed to providing tools and resources for members to make positive changes in their own operations and those of their suppliers. Lasting results, however, take time and continuous effort. We still have work to do in achieving our mission and continue to face challenges which we strive to overcome. Key among them is remembering that members are at different stages in their implementation of the EICC Code of Conduct and their efforts to improve conditions in the supply chain. We will continue to support members and give them the tools and guidance to continually improve over time—no matter where they started when they joined the EICC or where they are at with their corporate responsibility practices.

For more information, please contact the EICC at stakeholders@eicc.info, or review our [2009 Annual Report](#).