



BOSTON COMMON
ASSET MANAGEMENT, LLC



Thursday, July 22, 2010

International Investor Coalition Urgently Calls for Improved Working Conditions in Electronics Manufacturing Facilities

Rash of Worker Suicides at Foxconn Electronic Facility in China Causes Concern Among Institutional Investors. Stricter Supply Chain Monitoring and Systemic Oversight by the EICC is Urged.

In light of a series of suicides at the Foxconn Electronics facility in China, a broad coalition of over 40 European, Australian and U.S. investors have joined their voices to issue a public statement condemning abusive workplace conditions in the global electronics supply chain. Worker abuses such as excessive overtime and supervisor harassment which are endemic in the electronics manufacturing sector have been cited by non-governmental organizations as contributing to excessive stress and grave mental health issues among factory workers. In issuing this statement, the group, led by Boston Common Asset Management, LLC, Trillium Asset Management Corporation, As You Sow and Domini Social Investments LLC, all members of the Interfaith Center on Corporate Responsibility, sends a strong message to the electronics manufacturers in their portfolios urging stricter supply chain compliance.

“We believe this is a wake-up call for the electronic industry to intensify its efforts to improve working conditions and the quality of life for workers producing their products. We urge companies, suppliers, governments and investors to focus on building more sustainable supply chains that mitigate risks while building safe and harmonious workplaces”, said Steven Heim, Managing Director and Director of ESG Research and Shareholder Advocacy at Boston Common Asset Management.

The statement, with 45 investor signatories, urges the consumer electronics companies in their portfolios such as Apple, Dell, and Hewlett-Packard who are leaders in their industry to redouble efforts to strictly monitor the practices of their suppliers to insure safer, less stressful workplace conditions and to promote worker rights. The Electronics Industry Citizenship Coalition (EICC), a 40-member organization including most global electronics companies, works to enforce supply chain compliance and has developed a code of conduct regarding specific labor and health and safety practices that has been widely adopted by the industry. The investor group supports this industry initiative and believes the EICC needs to go further in promoting worker rights and in demanding full disclosure on supply chain practices.

“As members of the Interfaith Center on Corporate Responsibility (ICCR) we have been pressing for greater supply chain accountability in this sector and other sectors for over 15 years,” said Rev. David Schilling, Director of Human Rights at the ICCR, a 275-member coalition of faith-based and institutional investors engaged in shareholder advocacy. **“It is important from a human as well as a financial perspective to implement systemic solutions to address the challenges facing workers in complex global supply chains.”**

Jonas Kron, VP, Trillium Asset Management said, **“In addition to the human rights implications, we are deeply concerned as institutional investors about the material impact that events like the recent suicides at Foxconn may have on our portfolios. Regardless of where manufacturing is located, companies, investors and governments need to consider the long-term impact of these issues and not focuses just on short-term responses.”**

“The Foxconn suicides are the latest reverberations of an alarm that has been ringing for many years now. The foundation of our global manufacturing system is not sustainable. Without strong investor support for meaningful change on the factory floor, we will continue to drift from crisis to crisis.” said Adam Kanzer, Managing Director and General Counsel for Domini Social Investments.

The group specifically supports efforts which include offering training on worker’s rights, limits on overtime, training for line supervisors and managers to eliminate harassment and other forms of abuse and supporting worker’s rights to union representation and collective bargaining.

“Failing to provide a decent living wage and safe working conditions is unacceptable for any company in any sector. Consumers understand this. There exists a clear financial opportunity for companies that take a lead, and considerable risks for those who do not,” said Neil Brown, SRI Fund Manager, Aviva Investors.

For the full text of the statement go to:

<http://www.bostoncommonasset.com/news/documents/InvestorStatementonWorkingConditionsJuly212010.pdf>

http://www.iccr.org/news/press_releases/072110InvestorStatementonWorkingConditions.pdf