



GeSI
c/o Scotland House
Rond Point Schuman 6
B-1040 Brussels, Belgium

Dear Jenny,

GeSI appreciates the opportunity to provide a response to the BFA and SACOM: High Tech - No Rights? REPORT 2008. This report notes the continued challenges in the electronics industry. Members of GeSI recognize these challenges and continue to support an industry approach as the most efficient and effective means to drive the appropriate CR improvements within the Information and Communications Technology (ICT) supply chain.

Managing a supply chain for social responsibility includes consideration of purchasing and procurement policies as well as of supplier management. Because the issues and approaches are common throughout the sector, GeSI realized that the impact could be much greater with a collaborative, industry-wide approach. To support company efforts, GeSI members formed the Supply Chain Working Group in 2003.

Together with the Electronic Industry Citizenship Coalition (EICC), we are developing and deploying a set of tools and processes to measure, monitor, and improve supply chain corporate responsibility performance across the ICT sector. Our common approach is consistent with recognized standards, codes, and regulations, including respective company codes, the ETI, EICC, SA 8000, OHSAS 18000, and ISO 14001. Working within the framework of a Supplier Engagement Model, GeSI and the EICC have identified a number of methods and techniques to reach our goals, including developing:

- Supplier Self-Assessment Questionnaire (SAQ)
- Risk assessment measures
- Uniform audit protocols
- Joint audit processes
- Learning and capability building strategy and tools
- Our comprehensive web-based solution for managing corporate responsibility, E-TASC (Electronics - Tool for Accountable Supply Chains)

E-TASC (www.e-tasc.com) allows GeSI and EICC member companies and other subscribers to manage their own operations and assist their suppliers in improving overall corporate responsibility by facilitating the collection, aggregation, and maintenance of relevant supply chain corporate social responsibility (CSR) information. By providing a common language and avenue of communication, E-TASC helps open dialogue throughout supply chains to build awareness, promote cooperation and enhance capability building. As a standard information technology platform, E-TASC allows the ICT industry to implement an effective uniform approach for enabling supplier education and promoting responsible and sustainable utilization of human and environmental resources. E-TASC provides an easy and consistent way for companies to measure, monitor, and improve supply chain corporate responsibility performance. E-TASC is designed around a supplier engagement model that aims to establish a uniform approach to labor, health, safety, ethics, and environmental activity, focusing on high standards and collaboration, and fostering a culture of social responsibility in the electronics supply chain worldwide. In this way, suppliers and customers can make use of this information working together as they would in any other business-to-business interaction.

Release 1 of E-TASC went live in June 2007. Information generated from the ICT Supplier Self-Assessment Questionnaire is available in E-TASC, which enables data to be shared with subscribers while protecting the confidentiality of supplier relationships. At present there are over 100 companies in the system which has shown steady growth throughout the first half of 2008 as more and more subscribers begin to fully utilize it. (The combined revenue of the current full subscriber companies totals over \$600 billion).

This first release includes the ICT Supplier Self-Assessment Questionnaire. Suppliers subscribing to E-TASC can now complete this in the online tool and share it with the full subscribers who are their customers. This questionnaire covers code conformance (labor, ethics, health, safety, environment, and implementation of management systems) and two levels of risk assessment (Corporate, covering overall company policy and Facility, covering process and procedure in individual sites). E-TASC includes questionnaire review functionality that outputs a scorecard on the completed questionnaires. The scorecards enable users to quickly identify the highest risk areas. Along with the scorecards is a Critical Nonconforming Question Report which provides actionable feedback for the supplier on the most important questions. The Chinese language (Simplified Chinese) version is under development and due to be completed before the end of 2008, the team is also working on the functionality and architecture of Release 2, which will focus on auditing tools and procedures. (Electronic copies of the ICT Supplier Self-Assessment Questionnaire are also available in English, Spanish, Chinese, and Japanese at www.GeSI.org (www.gesi.org/resources/tools.html).)

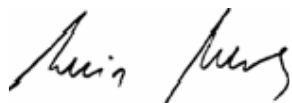
In May of this year GeSI members showcased the E-TASC initiative as a good practice example of the collaborative supply chain engagement model at the Ethical Corporation's Responsible Business Summit in London. In June the E-TASC system was demonstrated to the global pharmaceutical industry as part of their research phase of investigating strategic options to improve corporate responsibility in the supply chain. Also in June, a new E-TASC User Group was formed to share good practices and lessons learned in supplier engagement to date.

GeSI member companies participated in the GeSI/EICC Joint Audit pilot which occurred in 2007. The pilot was very successful in demonstrating that a shared audit approach was practical. GeSI members are planning to continue their participation as the shared audit work transitions to a standard process.

In addition, GeSI collaborated with FIAS (the World Bank Group's investment climate advisory service), Business for Social Responsibility (BSR), the Electronics Industry Citizenship Coalition, and Shenzhen Electronics Industries Association. This group published a joint report pointing to collaboration between suppliers, international customers, local government, and NGOs as the key to improving social and environmental conditions in the ICT industry in China. GeSI will continue to collaborate with this group and with stakeholders. By developing these and other tools, GeSI aims to build awareness and capability throughout the ICT supply chain, and to encourage consistently high standards of social and environmental responsibility.

This work exemplifies GeSI's conviction that it is critical to work closely with suppliers and engage stakeholders throughout the supply chain in order to adhere to the highest social and environmental standards. We believe our efforts are starting to have a positive effect and we are committed to the ongoing development and implementation of this initiative.

Best Regards,



Luis Neves
Chairman GeSI



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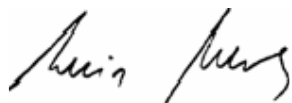
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