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Joint Press Release

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Electronics Companies Must Break from US Chamber on Conflict Minerals

Industry should follow the positive steps taken by Microsoft, General Electric (GE) and Motorola Solutions

WASHINGTON, DC and LONDON -- Human rights groups in the US and the UK are calling on leading electronics and automotive companies to make public statements against the position taken by the US Chamber of Commerce (the Chamber) on conflict minerals, or cut ties with the organization. The Chamber has made threats to overturn a key section of the Dodd-Frank Act designed to curb the deadly trade in conflict minerals from eastern Congo. The rights groups are calling on companies including Acer, AT&T, Canon, Dell, Ford, HP, IBM, Intel, Motorola Mobility, Panasonic, RIM (Blackberry), Verizon and Xerox to take this action.

The call comes in the weeks after Microsoft, General Electric and Motorola Solutions broke from the Chamber's position, announcing they do not support its stance against Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act, which aims to break the link between the global trade in minerals and violence in eastern DRC.

"Human rights advocates applaud Microsoft, GE and Motorola Solutions for taking a stand on this lifeor-death issue," said Sasha Lezhnev, Senior Policy Analyst at the Enough Project. "Other leading electronics, automotive, and jewelry companies must now follow their lead." In May, the UK-based Business and Human Rights Resource Centre wrote to prominent electronics and automotive companies and asked them to clarify their positions on Section 1502 of the Dodd-Frank Act. Microsoft took a leadership position when it stated, "Microsoft has expressed support for the SEC's prompt action on this rulemaking and we do not support or fund the Chamber's lobbying against the proposed rules." General Electric, meanwhile, responded that "the views and positions expressed by the Chamber are its own, and not GE's." Motorola Solutions stated that "The views and positions expressed by the Chamber on conflict minerals are not our own."

Other electronics companies, notably AT&T, Dell, HP, IBM, Intel, Motorola Mobility and Verizon, responded but declined to answer the question about the discrepancy between their public positions as companies in supporting action to tackle conflict minerals and their involvement with the Chamber and the National Association of Manufacturers (NAM). Ford and Xerox declined to respond at all.

"Leading companies at the center of the international debate on conflict minerals appear to be trying to have their cake and eat it too," said Jana Morgan of Global Witness. "They can't pledge support for efforts to stamp out the trade in conflict minerals in Congo, while simultaneously supporting the Chamber; an association employing lobbyists to gut the law. These companies must disassociate themselves from the Chamber of Commerce's position on conflict minerals."

"Consumers have made it plain to companies that they want conflict-free products to come to market, and stand ready to reward those companies that are doing their utmost to achieve that goal," said Fred Kramer, Executive Director of Jewish World Watch. "Those same consumers will be sorely disappointed to learn that otherwise proactive companies are at the same time hedging their bets by quietly supporting the Chamber."

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Notes to editors:

1. The following organizations have signed on to this statement: The Conflict Free Campus Initiative, Congo Action Now, Earthworks, The Enough Project, Global Witness, Jewish World Watch, and STAND.

2. The trade in conflict minerals from eastern Congo provides financing to armed groups that have terrorized the region's civilian population for over a decade, fueling the world's deadliest war since World War II, with over 5.4 million people dead. In response, Congress included a provision in the Dodd Frank Act – Section 1502 – which requires companies that use tin, tantalum, tungsten and gold to carry out due diligence on their supply chains and report publicly on the steps they have taken.

3. Electronics industry associations, the Electronics Industry Citizenship Coalition (EICC) and the Global E-Sustainability Initiative (GeSI), as well as other leading companies, have publicly supported measures to deal with conflict minerals. However, lobbyists such as the US Chamber of Commerce and NAM have fought to weaken Section 1502, and the Chamber has said it is considering legal action to block it. Some members of EICC and GeSI, as well as other major firms involved in efforts to address the conflict minerals trade, are also members or funders of the US Chamber of Commerce, and in some cases NAM.

4. The Enough Project has urged companies and the Chamber to support section 1502 since October 2011, with the Step Up for 1502 campaign which led to thousands of consumers writing on the Facebook walls of Dell, Panasonic, Acer, Canon, and the US Chamber. Global Witness wrote a commentary on the issue in May 2012 and the Business and Human Rights Resource Centre invited businesses concerned to respond with their comments.

5. Links between leading companies and the US Chamber of Commerce and National Association of Manufacturers:

- **Dell** is a member of the <u>US Chamber of Commerce</u>.
- From 2008-2010 **Intel** is reported to have donated over US\$750,000 to the Chamber of Commerce and approximately US\$535,000 to the National Association of Manufacturers.¹

• **IBM** is on the <u>Board of the Chamber of Commerce</u>, on the <u>Board of the Chamber's Business</u> <u>Civic Leadership Center</u> (BCLC) and the <u>Board of the Chamber's Institute for a Competitive</u> <u>Workforce</u> (ICW).

• **Verizon** is on the <u>Board of the Chamber of Commerce</u> and the <u>Board of the National</u> <u>Association of Manufacturers</u>.

- HP was previously on the Board of the National Association of Manufacturers.²
- Motorola Mobility is on the Board of the Chamber's Business Civic Leadership Center (BCLC).
- Over the last three years **Microsoft** has contributed almost US\$425,000 to the US Chamber of Commerce.³
- General Electric is a <u>member of the Chamber of Commerce</u>.
- From 2007-2009 **Xerox** donated US\$190,000 to the Chamber of Commerce and is a <u>member of</u> the board.⁴
- **AT&T** is on the Board of both the <u>Chamber of Commerce</u> and the <u>National Association of</u> <u>Manufacturers</u>.
- Ford is on the Board of the <u>National Association of Manufacturers</u> and is a member of the <u>Chamber of Commerce</u>.

¹ Center for Political Accountability, Intel contributions for 2008, 2009 and 2010. <u>http://www.politicalaccountability.net/index.php?ht=d/sp/i/958/pid/958</u>.

² HP previously featured in a list of board members on the NAM website; however the company's name is no longer included in this list.

³ Center for Political Accountability, Microsoft contributions for <u>2009</u>, <u>2010</u> and <u>2011</u>.

⁴ Center for Political Accountability, Xerox contributions for <u>2007</u>, <u>2008</u> and <u>2009</u>.