



Weed

April 1, 2009

PRESS RELEASE – FOR IMMEDIATE RELEASE

SACOM and WEED: Fujitsu Siemens Computers does not take responsibility for labor rights violations in their supply chain in China

Taiwanese-invested Compeq Manufacturing Co., Ltd. has been communicating closely with SACOM and WEED following the release of *The Dark Side of Cyberspace Report* in December 2008. The report uncovers serious violation of workers rights such as excessive overtime hours, payment below the legal minimum wage and an authoritarian system of labor control. On March 24, 2009, top-level management from Compeq, Compal Electronics, Dell and SACOM met to share good practices of worker representation and sustainable production. Hit hard by the global financial crisis, Compeq laid off some of its workforce at its Huizhou facility in the short-term but quickly managed to recruit new workers in early 2009. SACOM was impressed by these stakeholders' strong commitment to continuously improving labor and environmental standards in the electronics industry.

In contrast to these companies' responsible behavior, Hong Kong-owned **PC Partner and Excelsior Electronics** (Dongguan) has refused to share information about their workplace conditions for the full three months since they received the report. In correspondence with SACOM and WEED, Alex Wong, Chief Human Resource & Administration Officer at Excelsior, stated that he did not "agree with most of the allegations" in the report. However, he failed to provide the concerned public with any evidence that could show the report to be mistaken.

Worse yet, **Fujitsu Siemens Computers (FSC)** – while awarding Excelsior a preferred Chinese supplier in 2007 – positions itself as merely “an observer” in this serious case of worker exploitation. Behind the facade of the FSC code of conduct, there seems no real effort on FSC's part to collaborate with Excelsior to take concrete corrective actions. “We cannot accept Fujitsu Siemens Computers' defining itself as an “observer,” which amounts to denying its responsibility for its supply chain. That forced us to cancel the April 2 meeting with FSC and Excelsior,” explained Jenny Chan (SACOM).

Communication with FSC was very difficult as its corporate social responsibility (CSR) manager was laid off soon after the announcement of Fujitsu's acquisition of FSC in November 2008. In an email to SACOM on March 25, 2009, FSC said that “there is no person-in-charge for CSR issues in China.”

Effective on April 1, 2009, the German-Japanese joint-venture company FSC will be solely owned by Fujitsu. Sarah Bormann of WEED calls on Fujitsu to “commit to workers' rights and welfare at the Excelsior facility – its tier-one supplier – in southern China.”

CONTACT PERSONS:

Jenny Chan, Students & Scholars Against Corporate Misbehavior (SACOM), Hong Kong/China, wchan@sacom.hk, Telephone: (852) 2392 5464, Fax: (852) 2392 5463

Sarah Bormann, World Economy, Ecology & Development (WEED), Berlin/Germany, sarah.bormann@weed-online.org, Mobile: 0049-160-96654332

The report *The Dark Side of Cyberspace* is downloadable from www.sacom.hk and www.pcglobal.org.

###