

Reference: European Union's REACH (Registration, Evaluation and Authorization of Chemicals) Regulation 1907/2006

Dear IBM Supplier,

IBM is committed to complying with the EU REACH regulation, (<http://ecb.jrc.it/reach/>). As a reminder, under REACH, companies operating in the European Union face obligations as manufacturers, importers and downstream users of Substances on their own, in Preparations, and in Articles. REACH requires suppliers of Articles in the EU to inform the recipient if an Article contains any of the Substances on the REACH SVHC (Substances of Very High Concern) candidate list above 0.1% (weight by weight per Article). As used in this letter, capitalized terms have the meaning set forth in the EU REACH regulation.

On September 1, 2009, the European Chemical Agency (ECHA) published a new list of 15 Substances that it proposes to identify as SVHCs. IBM expects that several of the 15 proposed SVHCs will be added to the SVHC candidate list when it is updated and published by ECHA in December 2009. IBM has reviewed the list of 15 proposed SVHCs and identified 10 Substances that may be present in IBM's current product offerings or packaging. These Substances are as follows:

1. 2,4-Dinitrotoluene (CAS # 121-14-2)
2. Acrylamide (CAS # 79-06-1)
3. Aluminosilicate, Refractory Ceramic Fibers (CLP Index # 650-017-00-8)
4. Diisobutyl phthalate (CAS # 84-69-5)
5. Lead chromate (CAS # 7758-97-6)
6. Lead chromate molybdate sulphate red (C.I. Pigment Red 104) (CAS # 12656-85-8)
7. Lead sulfochromate yellow (C.I. Pigment Yellow 34) (CAS # 1344-37-2)
8. Tris(2-chloroethyl)phosphate (CAS # 115-96-8)
9. Zirconia Aluminosilicate, Refractory Ceramic Fibers (CLP Index # 650-017-00-8)
10. Arsenic acid and its salts (CLP Index # 033-005-001); although not part of the current proposed SVHC list, likely to be added in future revisions)

IBM is requesting its suppliers to do the following:

- 1) Respond to this e-mail by October 1, 2009, so that we may record your awareness and acknowledgement of the proposed additions to the SVHC candidate list; and
- 2) Provide to your IBM Procurement commodity contact by October 30, 2009, a listing of items by part number that your company currently supplies to IBM, which contain any of the Substances 1-10 at above a concentration of 0.1% (weight by weight per Article; with Article meaning the highest level assembly reported on the Product Content Declaration (PCD), **not** a subpart). This list must identify the specific Substance(s) contained in the part number above 0.1% weight by weight per Article. Inquiries should be directed to [insert abc contact name, email address] for technical REACH questions. and to [insert xyz contact name, email address] for business questions.

IBM is in the process of updating IBM Engineering Specification 46G3772, the IBM PCD template, and the ESI packaging survey to include a selection of the 1-10 listing. The documents will again be updated after the final list is published by ECHA. IBM will notify you when the IBM document revisions have been published.

Additionally, although SVHC candidates are not banned by the EU, the expectation is that the candidates will become subject to Authorization requirements in the future. Consequently, IBM seeks to proactively eliminate these chemicals from our products and packaging where possible. Suppliers should work with their IBM procurement / technical interface to assess the feasibility of

eliminating any identified SVHC(s) and to develop a plan and schedule for the Substance(s) removal.

IBM is committed to doing business with environmentally responsible suppliers and requires its suppliers to conform with all laws as well as with all IBM specifications.

Sincerely,

Winnie Sun
IBM VP, Procurement Sourcing