Supplier Requirements
IBM's Requirements for Suppliers Regarding a Corporate Responsibility and Environmental Management System, Measuring Performance, Setting Goals, and Disclosing Results
IBM asks its suppliers to:

1. establish a corporate social responsibility and environmental management system that is defined, deployed, and sustainable and that identifies significant aspects of the supplier's intersections with these matters, including those articulated in the Electronic Industry Citizenship Coalition (EICC) Code of Conduct. The supplier must be able to demonstrate that such a management system is in place and is deployed at their sites where work for IBM is performed, such that should IBM choose to conduct an audit, either by IBM or an IBM-directed third party, of a supplier's corporate social responsibility program and/or supplier's environmental program, the supplier will be able to demonstrate complete compliance to all elements of the EICC Code of Conduct.

2. establish programs (within the supplier's management system) to control operations that intersect with these above matters and that confirm their compliance with applicable law, regulation and any particular contractual requirements related to IBM.

3. monitor/measure their environmental performance and have established voluntary environmental goals to track and improve upon their environmental performance and, where applicable, include at a minimum each of the following environmental aspects:
   a. Energy conservation
   b. Waste management and recycling
   c. Scope 1 and Scope 2 Greenhouse gas (GHG) emissions

4. set voluntary environmental goals to achieve positive results associated with the supplier's significant environmental aspects, where applicable, and that they include at a minimum one goal in each of the three aspects cited in requirement 3 above.

5. publicly disclose results associated with the above-mentioned voluntary environmental goals and other environmental aspects of the supplier's management system, including any regulatory fines or penalties that may have occurred.

6. train employees who are responsible for the performing/monitoring/measuring/reporting of their environmental performance, assuring the appropriate skill-level and competency.

7. as part of the supplier's management system, conduct self-assessments and audits as well as management reviews of their system.

8. cascade the above set of (seven) IBM requirements onto the supplier's own suppliers that perform work that is material to the products, parts and/or services supplied to IBM, thus requiring the same of their relevant suppliers as IBM requires of its suppliers.

* Note: scope 1 greenhouse gas emissions: direct emissions generated by the company scope 2 greenhouse gas emissions: indirect emissions that are associated with the generation of electricity that is purchased and consumed by the company

Illustrative information about IBM's own Global Environmental Management System and environmental reporting and disclosure can be found at:

http://www.ibm.com/ibm/environment/annual/ (Environmental Reporting and Disclosure)