

The Power to Help

U.S. Businesses Creating a Better Tomorrow

Fall 2004

**A Report to the President
From the President's Export Council on
U.S. Corporate Stewardship Around the World**



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Dear Mr. President,

In July 2002, you advised American business that, “in the long run, there’s no capitalism without conscience; there is no wealth without character.”¹ Demonstrating the truth of that principle is critically important as U.S. companies reach out into the world as part of our global economy.

As the premier national advisory committee on international trade, the President’s Export Council believes that American companies can play an important role in taking U.S. values to those countries in which we do business and that, in doing so, it will benefit shareholders, employees, customers and communities.

With this report, we documented the important role that corporate stewardship, as practiced by U.S. companies, has on both the success of companies and the well-being and growth of the countries in which they operate. To do this, we have compiled an anecdotal review of the many successful corporate stewardship initiatives, policies, and philosophies in which U.S. companies are engaging around the globe. Consistent with the goals of the Doha Development Round, we have placed a specific emphasis on U.S. corporate stewardship activities involving developing countries.

We are pleased to have the contributions of two leading scholars in the area of corporate stewardship: Bishop William Lawrence University Professor Michael E. Porter of Harvard Business School, and Michael Novak, George Frederick Jewett Scholar in Religion, Philosophy, and Public Policy at the American Enterprise Institute. In their essays, Porter and Novak discuss the two different sides of the corporate stewardship coin: doing well (from a business perspective) and doing good (from a moral perspective). According to Novak, U.S. business has a vital role to play in guaranteeing the success of liberty in the world today. Indeed, companies can and should promote economic development, improve social conditions, and alleviate poverty. According to Porter, they can do all of this and succeed in business by employing a truly “strategic” approach to corporate philanthropy. The President’s Export Council agrees on all accounts.

We hope this report will assist you in inspiring additional activities by U.S. companies that acknowledge, as U.S. Secretary of Commerce Donald Evans has said, that a “company’s real value is the contribution it makes to the lives of all its stakeholders – including its community and its nation.”² In addition, we hope that this report will assist developing nations and others in understanding the important role that American business can play in promoting economic development and alleviating poverty.

Sincerely,

J. W. Marriott, Jr.

Raymond V. Gilmartin



Table of Contents

A Message from the U.S. Secretary of Commerce _____	2
A Message from the U.S. Secretary of State _____	4
American Leadership in International Development: Leveraging Corporate Social Engagement _____	6
Corporate Stewardship in the Three-sided System of Liberty _____	10
Corporate Philanthropy _____	15
<i>Hungary</i> _____	21
<i>Angola</i> _____	23
Education _____	25
<i>Jordan</i> _____	33
Employee Volunteerism _____	35
<i>Slovakia</i> _____	41
Environment _____	43
<i>Lebanon</i> _____	51
Health Care _____	53
<i>Kenya</i> _____	61
Infrastructure _____	63
<i>Bulgaria</i> _____	69
<i>Peru</i> _____	71
Workforce Development _____	73
<i>Morocco</i> _____	81
<i>Malaysia</i> _____	83
Statement from U.S. Ambassador to the OECD _____	84
Conclusion _____	86
Sources _____	90



a message from

U.S. Secretary of Commerce Donald L. Evans

Responsible corporate stewardship, as it is practiced every day by millions of American businesses across the United States and around the world, is a national asset that greatly strengthens the fabric of our society and helps to spread the values and practices that have made America successful. Yet much of American businesses' good work takes place without notice. Given this fact, I celebrate the release of the President's Export Council's Corporate Stewardship report.



A company practices corporate stewardship by making a sustained commitment to economic, community, and social progress. This benefits both the corporation and its communities, nurturing the moral resources and long-term economic growth of each. Corporate stewardship recognizes that a company's true value goes beyond its bottom line. The true value of a business is seen not just on its balance sheet, but also in the contribution it makes to employees, customers, and local communities.

By identifying America's corporate stewards and telling their stories, we further inform the public, provide direction to other companies, and celebrate the dynamic, principled leadership that has built our economy into the world's strongest engine of progress and prosperity.

One of the blessings I've observed traveling the globe as the U.S. Secretary of Commerce is the way the world marvels at America. They wonder how we have accomplished so much in only 200 years. I always tell them that our success is grounded in our freedoms, our optimism, our people, our free-market system, and our high ethical standards.

As U.S. Secretary of Commerce, it is my goal not just to increase the export of American goods and services, but also to increase the export of these valuable American experiences and values.

American businesses working around the world help to foster a fertile environment that provides opportunity and possibility for millions. More people than ever are experiencing the hope that free markets bring. In 1989, before the fall of the Berlin Wall, nearly 1 billion people lived in free economies. Today, with the fall of Soviet communism and the opening of markets in places like China and India, more than 3 billion people are taking part in the global marketplace. Corporate stewardship does much to ensure that as many of these people are reached as possible,

and that they share in the benefits of global economic expansion. In this new environment, American companies are leading by example, showing the world what can be accomplished through hard work and compassion.

Businesses are at the strategic center of any free society. They provide the employment that is an avenue for people to realize their aspirations for their families and for themselves. They are the engines of economic growth and opportunity. Overall, American businesses contribute nearly \$9 trillion to our GDP. They employ 114 million Americans, spend \$778 billion on employee benefits, and invest \$60 billion in job training every year. What's more, these companies foster community spirit and generosity wherever they go.

The U.S. economy has been through a lot in the past few years. We faced a recession, the attacks of 9/11, a global war on terrorism, and the effects of years of corporate malfeasance. The failings of a few companies hurt our economy, diminished our confidence in business, and brought particular pain to the workers, investors, and communities who had put their faith in them.

The recent spate of scandals was not the first and, as with past failures, we have learned from them and improved. Constant growth and improvement are part of the genius of our open system. When abuses are encountered, they only serve to strengthen our standards and expectations for business behavior.

The President's Export Council is helping to restore our trust and further strengthen our systems by presenting this report. The stewardship resumé of America's corporations is long and impressive. Thirty percent of employees of U.S. companies volunteer in their local communities. Over 2,000 companies have established corporate foundations and community relations departments. Adding up cash, in-kind contributions, and sponsorships, companies give almost \$30 billion annually to support a variety of community health, education, sports, and arts programs, and other nonprofit and civic organizations.

As this report demonstrates, and as I have personally witnessed, the impact of American corporate stewardship is global. In all hemispheres and in big and small markets, American enterprises are contributing to their communities. I am proud that American businesses are doing their part and leading the charge to expand opportunities and prosperity around the world. This report will go far toward ensuring that the good works of American corporations receive the attention they deserve, and will serve as a guide for others to follow.



"... how many would like to either go to college or own their own business."



a message from

U.S. Secretary of State Colin L. Powell

We no longer live in a world where business, development, and diplomacy can be kept in separate boxes. Globalization is doing a lot of unpacking for us. This is undoubtedly a significant challenge, but it also offers a magnificent opportunity — a chance to pool our resources to help shape a better world.

President Bush understands that the needs of developing countries are more interconnected than ever with the interests of the United States, and he has called the alleviation of disease, hunger, and poverty “the moral purposes of American influence.” In the Bush Administration’s efforts to transform America’s moral purposes into practical policies, partnership with American business is crucial.



By working in concert, American government and business are helping millions of people in developing countries build better lives for themselves and their children. The private sector can generate the large amounts of capital that poor countries need to get on the road to sustained development. That is why President Bush’s Millennium Challenge Account development initiative will help countries establish conditions to attract trade and investment. Millennium Challenge funds will only be awarded to countries that promote good governance, reform their economies, and invest in their people. And President Bush’s Emergency Plan for AIDS Relief recognizes the life-saving role that business can play in stemming the epidemic. American companies can lend their infrastructure, public relations networks, and distribution systems to help raise AIDS awareness and disseminate vital information on prevention, care, and treatment.

This report documents the many ways American companies are doing well by doing good. Developing countries profit from the presence and partnership of American business. Local workers receive better pay, better benefits, and safer working conditions. American companies also reach out and give back to the local communities in which they operate through a host of philanthropic and charitable efforts.

Each year, as U.S. Secretary of State, I honor companies that reflect the human face of American business overseas by presenting them with the Award for Corporate Excellence, also known as the ACE Award. The first ACE Award was given in 1999, and over the years, both large and small companies have been selected as recipients. For ACE Award winners and nominees, helping people help themselves is neither a chore nor an afterthought, but business as usual.

In the ACE Award's inaugural year, F.C. Schaffer of Baton Rouge, Louisiana, proved that little companies can achieve big results. In Ethiopia, F.C. Schaffer designed and built its local sugar factory in an environmentally friendly manner. The company also partnered with the Ethiopian government to battle devastating floods. F.C. Schaffer accomplished all this while embracing U.S., international, and local laws. This small American business led by example, earning the ACE Award for solving problems in a way that benefited both itself and its host country.

A number of large firms also have accomplished admirable work abroad. Last year, the U.S. Steel Corporation showed its commitment to corporate stewardship when it added an oncology wing to the local children's hospital in Kosice, Slovakia. In addition, U.S. Steel has donated heaters and roofing materials to refurbish orphanages. U.S. Steel also has purchased medical equipment to ensure that children can receive much needed treatments.

American business is playing a critical role in rebuilding Iraq. The involvement of American companies extends far beyond securing reconstruction contracts. Pfizer provided hundreds of computers and McGraw Hill donated thousands of books to Baghdad University, connecting Iraqi students to a new world of learning and opportunity. ChevronTexaco recently hosted 11 Iraq Oil Ministry geoscientists for a four-week training program in Texas and California. With the knowledge and experience they gained, these Iraqi scientists will be at the forefront of revitalizing their country's economy.

I hope more American companies will be inspired to adopt the good business practices and goodwill efforts that are documented in this report. The men and women of our nation's business community are our corporate ambassadors to the world. They represent the very best of America, and I salute them.





American Leadership in International Development:

Leveraging Corporate Social Engagement

Professor Michael E. Porter

Harvard Business School

The importance of international trade and investment to the prosperity of the developing world is becoming increasingly apparent. Those countries that have truly opened and integrated with the global economy have been far more likely to enjoy a rising standard of living for their citizens. Indeed, there is no time in history when the possibility of accelerating development and ending poverty has been greater. International trade and competition has the power to bring capital, technology, skills, and accountability to bear to transform developing economies, with multinational companies on the front line. The success of developing countries is good for America because it dramatically expands local needs and the ability to purchase American goods and services, while creating a sense of opportunities for citizens in these countries that makes the world a safer place.

This potential of internationalization to accelerate economic development, however, is not being fully realized. Part of the reason is easy to understand — entrenched interest groups and authoritarian leaders in developing countries cling to power and privilege and see an open and freer economy as deeply threatening. They block market opening, competition, meritocracy, transparency, and engagement by less controllable outside investors at every turn, while often paying lip service to the need for economic development and the agendas of international aid organizations.

This tragedy, which comes at the expense of local citizens, suggests some crucial roles for governments in the advanced countries in economic development. It heightens the importance of continued efforts by America and the world community to foster transparency and democratic institutions. These will make local leaders more accountable and make economic progress less subject to holdup by powerful interests. The world community also needs to find ways of engaging more effectively in failing countries, both to provide development aid more strategically and create stronger mechanisms to ensure that aid is efficiently deployed. To this end, the Millennium Challenge Account represents a fresh approach to foreign aid that holds great promise. The U.S. would be well served to seek the support and participation by other countries in this worthy initiative.

Corporations and Society

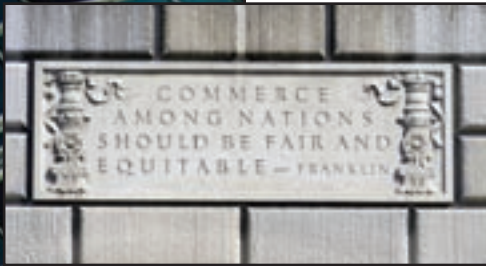
While government has a major role to play in international development, however, the role of companies may be more important. Companies, through operating in developing countries, can be a driving force in local development. However, unleashing economic progress in the developing world confronts a less understood challenge. Economic and social development are not separate and distinct, but inextricably intertwined, especially in developing economies. To be competitive, an economy benefits greatly from educated and healthy workers, safe working conditions, the absence of discrimination, and the efficient and sustainable use of natural resources signaled by low levels of pollution and environmental degradation. Yet these and other conditions are normally seen as the social agenda.

For its part, social progress in developing countries depends crucially on business. Only business can create wealth; government can only reinvest and redistribute it. Without viable jobs and economic opportunity, the resources to sustain improvements in social conditions will not be available, nor will citizens have the motivation to better themselves and have a true stake in working toward the political and social stability of their countries.

This two-way relationship between business and society has important implications for companies. It means that a company's success is not determined solely by its own decisions, but also by the *competitive context* in which it operates. Without a business environment that supports productivity – e.g., appropriate skills and infrastructure, fair rules for competition, a growing local market – a company will have a hard time being competitive and sustaining growth over the long run. These principles suggest that American companies have the opportunity, and indeed the obligation, to play a vital role in international development. This is not charity, but simply good business.

Companies have the potential to improve and even transform developing countries in two ways: through their *operating practices*; and through their *strategic philanthropy*.³ Every company impacts society in numerous ways through the activities in its value chain. These range from the environmental impacts of its production facilities to its safety standards and procurement practices. American companies can enhance economic and social development if they introduce first world standards and practices that will elevate local norms in the countries in which they operate. Maintaining first world operating practices even in third world countries not only stimulates development, but it is more efficient and more effective than varying operating standards across locations. High standards reinforce corporate values and help better integrate foreign affiliates into the international network and facilitate the transfer of skills and technology within the company.





Overall, the evidence is clear that multinational companies can and do pull up wages, working conditions, environmental practices, and other standards in developing economies compared to local companies. Anti-globalists, by attacking multinationals, play into the hands of corrupt local leaders and entrenched local monopolists and perpetuate the very local conditions they aim to improve.

We see ample evidence in this report of how American companies have elevated local standards through their operating practices abroad. For example, the collective efforts of member companies in the American Chamber of Commerce in Hungary illustrate this role in the area of workplace standards.

Strategic Philanthropy

Besides their operating practices, the other leverage point for American companies in international development is their strategic philanthropy. Truly strategic philanthropy has two key characteristics. First, it addresses important areas of the company's competitive context in the locations in which it operates. These are areas in society that constrain long-term company success. The salient areas of context will differ for every company, every industry and every location. For health-care companies such as **Chindex**, **Eli Lilly** and **Merck**, all profiled in this report, a crucial area of context is the capacity and quality of national health-care systems. For **Chiquita Brands**, also profiled here, a crucial area of context is oil and water conservation in the countries in which its products are grown. Strategic philanthropy identifies a few areas in which a meaningful and sustained corporate commitment can benefit the host country and, in the long run, the company itself.

The second characteristic of truly strategic corporate philanthropy is that it requires the company to invest more than just money. Strategic philanthropy draws on the skills, relationships, and convening capacity of the corporation. This allows the company to greatly increase the social impact of its giving. Conversely, philanthropy devoted to worthy causes where the company can offer little but money or well intentioned volunteers with no real experience forgoes opportunities for real leverage.

IBM's Reinvesting Education program is a good example of value-added giving among several profiled in this report. IBM has utilized its researchers and consultants to design approaches to enhance the use of computers in schools, and IBM personnel are also involved in delivering the program and associated training in individual communities. Donating money and making in-kind contributions are a start, but only the beginning of how a company can add value.

The practice of corporate philanthropy can achieve far greater impact, in advanced and developing countries alike. Today, most giving remains unfocused, and consists of many small grants. Philanthropy is guided more by public relations considerations than a long-term view of how the

company can enhance social and economic development in the locations in which it operates. Companies tend to go it alone rather than mobilize their suppliers, partners and other relationships to increase impact. (For a fuller discussion of the principles of strategic corporate philanthropy see “The Competitive Advantage of Corporate Philanthropy,” *Harvard Business Review*, December 2002).

Companies that make the greatest beneficial impact on developing countries harness enlightened operating practices and strategic philanthropy in tandem. **Shell Oil Company’s** small business loan initiative in Uganda offers an example. Local banks were not lending to small and midsize black-owned local businesses. This retarded the growth of a local supply cluster that would significantly benefit Shell, but would also strengthen the local economy, increase employment, create wealth and build indigenous businesses. Shell approached local banks, leveraging its reputation and credibility to establish a loan fund for local energy-related businesses. Shell invested \$1 million and local banks invested \$4 million more. In addition, Shell managers agreed to review loan applications and lend their expertise to the approval process. The result has not only helped Shell’s supply chain and the businesses that received loans, but strengthened the local economy more broadly by changing local bank attitudes toward small-business lending.

Leveraging Corporate Engagement

Leading companies today are beginning to understand the need to move beyond generalized efforts at good corporate citizenship. A strategic approach, combining enlightened operating practices and focused corporate philanthropy, can allow American companies to play a truly vital role in promoting economic development, improving social conditions, and alleviating poverty.

Corporations are sometimes viewed with suspicion by host governments and NGOs. At the same time, many companies tend to be defensive about their societal impact. There is no need to be defensive. While charitable efforts to provide urgent services and temporary relief at first blush seem more worthy, the greatest gift to any developing country is a viable economy. This is a prerequisite to any social progress that is truly sustainable.

Companies, more than governments, foundations, or other social service organizations, have a unique ability to help build healthy economies in the developing world. Companies cannot solve all the world’s problems, but every company can conduct its business in ways that raise the bar and invest its philanthropic resources in that set of societal problems where it is best equipped to make a difference. Far more than unfocused giving or volunteerism, it is these areas where both the great societal benefit and the greatest long-term competitive benefit will arise.





Corporate Stewardship in the Three-sided System of Liberty

Michael Novak

George Frederick Jewett Scholar in Religion, Philosophy, and Public Policy
American Enterprise Institute

Human liberty depends upon three different but interrelated systems of liberty: economic liberty, political liberty, and cultural liberty. In the 21st century, we need to think about all three of these spheres at once. For its own survival and prospering, a sound *business system* needs to attend to the character and health of the *political system* in which it is rooted. It also needs to tend to the moral atmosphere, and to the cultural strengths and weaknesses, within which its managers and workers and customers must live and breathe. Where dishonesty is rampant, defensive measures must be taken, and these are expensive (and at times counter-productive). Many a company launching a new operation in a faraway land and unfamiliar culture has discovered the hard way that it needs to take steps to create, as it were, a cultural and ethical zone of its own, to teach new ways to its own workforce. In a few cases companies have found overseas a culture that is, happily, more morally exigent and more nurturing of good habits than their own.

From this point of view, the viewpoint of the three different but interlocked systems of liberty, attentive owners and managers who now face an international arena in which to build out their businesses will see quickly that “profit” is a far larger concept, covering a far larger context of concerns, than they needed to worry about in simpler times. A great deal of contemporary economics has simply taken for granted the cultural presuppositions, acquired habits, and political institutions of the Western nations in which their science (perhaps better, practical art) was born. The rude experience of trying to locate Western-style business practices in Russia, China, Africa, and other environments during the past 20 years has shown that business activists today need to rethink a great many issues. Many of these issues concern the nature of law and politics. Many concern matters of cultural understanding and ethical practice.

It is obvious that modern managers and owners need to have a large appreciation – larger than their predecessors of a generation or two ago – for the cultural and ethical preconditions of sound business activity. They need to know what they are, and how to supply for them where they are not yet in place. Ditto with the political and legal preconditions. They need a more ample philosophical grasp of the requirements of the free, productive, and virtuous society, in all three of its relevant systems. Failure at any one point can doom their business aspirations.

In this sense, the ancient concept of “stewardship” takes on a larger and more urgent salience today. Stewardship is no longer solely a matter of helping to ameliorate the lot of the poor and the sick, although it may continue to take that important role into account. Nor is it merely a matter of sound environmental practices that protect and even enhance the biosphere in which we all function.



Nowadays, stewardship also requires attention to the political and cultural/ethical preconditions of sustainable systems of liberty.

I remember being told long ago about a field-manager for **Coca-Cola** in Africa, who used his own discretion and freedom of action in putting as many black Africans as possible in small businesses, to supply the auxiliary needs of the company for truck drivers, cleaning services, food services, and the like. He calculated that in the long run the rooting of Coca-Cola's field operations in the black African community, at least in his area, would redound to the benefit of the company – and it would also be a good thing in itself.

What I find truly interesting in the work done by U.S. corporations, as reported upon in this report, is the range of activities, sometimes quite humble but yet indispensable for further progress, and sometimes quite visionary and original, singled out for recognition. It is practice that is the most reliable teacher about “what works.” This brief record of a few activities on the part of many varied companies and in many different parts of the world illustrates the worldwide vision toward which the whole human race is today struggling.

In building this new world vision, business organizations are one of the most important of all actors. It is not only their inventions and new institutions – from new technologies in international travel and international communications, to new technologies in health care and food production, and many other fields – that have tied the peoples of the world much closer together than ever before. It is also the imagination and caring hearts of their individual agents in the field who are reaching out to find ways to make the lives of the people they serve less burdensome and more full of hope.

“Stewardship” turns out to be a far larger concept today than was ever imagined before. We find ourselves feeling responsible for a whole world of urgent needs, often needs on a very deep level of politics and culture, but sometimes simple, humble needs such as clean drinking water, and medicines for lifting away the burden of diseases that had gone untreated for centuries.

The human race is beginning to grasp the complex laws of economic, political, and cultural “development,” and how all these laws seem to converge in ways that undergird, or undercut, each other. A “wise steward” today needs to exercise many different talents, indeed. Few institutions in our midst draw upon so wide a range of these talents – and face so many concrete needs – as our business corporations. On them falls a disproportionate burden for the success of liberty in this age.

I commend those responsible for this indispensable, practical initiative.





Methodology

In the fall of 2003, the Corporate Stewardship Subcommittee of the President's Export Council began the process of collecting the necessary data to write this report. The first step in the process was compiling a list of U.S.-based global companies engaged in corporate stewardship activities. The list was based upon subcommittee members' individual knowledge of companies fitting this description. Attempts were made to include companies representing a range of industries and annual revenues. Approximately 100 companies were then solicited for participation in the report through a short survey. Included in this report are the efforts of some of the companies who responded to our survey.

To add to the input from companies and to uncover the impact of the corporate stewardship activities of U.S. companies abroad, we sent a second survey out to almost 30 United States embassies in developing nations around the world requesting information about the impact of U.S. corporate stewardship in their countries. More than 80 percent of the embassies responded, and you will see several "letters" scattered throughout this document describing the impact of U.S. corporate stewardship from a wide breadth of countries.

The report is organized into seven major categories: Corporate Philanthropy, Education, Employee Volunteerism, Environment, Health Care, Infrastructure and Workforce Development. Responses from the participating companies were bucketed into this framework, based on the information provided to us. You will note that some companies are mentioned more than once, which is due solely to the mix of examples submitted and is not meant as an endorsement of any kind. Country-specific information was ordered based on which of the categories its content best aligned.

While this report highlights the corporate stewardship activities we uncovered, it is not an exhaustive study of the impact corporate stewardship has had around the world, nor is it a complete index of the many U.S. companies that strive to be good corporate stewards.







POWER *to* **HELP**

in **CORPORATE PHILANTHROPY**

U.S. corporations are important philanthropic donors, with myriad reasons for engaging in corporate philanthropy. These range from a simple desire to “do good,” to a sense of duty to respond to pressing social or economic issues, to awareness of the business benefits that can accrue from helping to build and expand the economic, environmental and business climates in which they operate.

From Angola to Peru, Kenya to Bulgaria and everywhere in between, U.S. corporations are giving back to their local – and global – communities in many ways: through corporate foundations, employee giving programs, the establishment of public-private partnerships, disaster relief efforts, product donations, skills-sharing and educational exchanges, and volunteer programs. The philanthropic efforts of four U.S. companies are detailed on the following pages, showcasing how American companies are taking steps to make our world a better, safer, healthier place to live, work and grow.





CORPORATE PHILANTHROPY

Providing Value at the Local Level

Ochoco Lumber Co. in Lithuania carries on the Ochoco tradition of supporting the company's local communities. In Lithuania, that community is the city of Kupiskis.

Ochoco has donated computers and software to schools in Kupiskis, in addition to donating supplies and materials for maintaining the physical infrastructure of the schools there. The company conducts a summer work program for local children at its mill and sponsors educational trips for individual students and student groups, allowing them to attend various seminars and training programs within Lithuania and abroad.

Additionally, Ochoco provides the local scouting program with funds for its annual summer camp and other activities and also provides funding to the local Rotary Club chapter, which recently supplied local schools with equipment for their school lunch programs.

Ochoco also engages in corporate stewardship at the national level, supporting initiatives in health care and business development.

Partnering with Volunteer Organizations

MFI International Manufacturing, LLC, a textile products manufacturer, provides financial, logistical and administrative support to the US/Mexico Strategic Alliance, a 501(c)3 foundation, in its efforts to help needy Mexican hospitals obtain medical equipment and supplies. The US/Mexico Strategic Alliance receives donated medical equipment and supplies from U.S. entities, evaluates and inventories the supplies, and refurbishes the equipment. It

The Top 10 U.S. Corporate Donors ⁴

*Ranked by cash and product donations: **

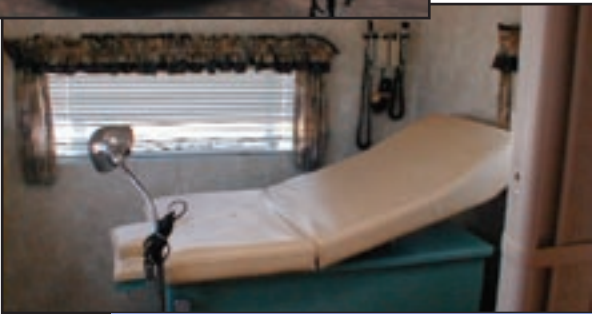
1. Merck & Company
2. Pfizer
3. Bristol-Myers Squibb Company
4. Johnson & Johnson
5. Microsoft Corporation
6. Abbott Laboratories
7. Altria Group
8. Wal-Mart Stores
9. Walt Disney Company
10. IBM Corporation

** Totals based on 2003 corporate giving.*



then donates the items to needy hospitals. The alliance works especially closely with the Hospital Civil de Guadalajara, an 1,800-bed facility that provides medical care to the most impoverished people in its region.

The US/Mexico Strategic Alliance, with the assistance of MFI and other entities, also provides mobile medical units that are operated by the Hospital Civil de Guadalajara to benefit needy people in rural areas who do not have access to primary health care. These units offer health examinations to detect diabetes, high blood pressure, cardiovascular diseases, cervical and breast cancer, and other diseases. It is expected that more than 450,000 people will be examined by doctors operating these units this year.



Contributing to Disaster Relief

A devastating cyclone in 1999 took an immense toll on life and property in the state of Orissa, India, claiming more than 8,000 lives. **Motorola India** was among the first multi-national companies to offer help. The company supplied five Iridium phones packaged with 500 minutes of airtime each, in addition to donating approximately \$60,000 in funds raised by employees who contributed one day's salary, combined with matching funds contributed by the company.

Motorola employees also contributed one day's salary to relief efforts after the Jan. 26, 2001, Gujarat earthquake in Western India. Motorola matched its employees' contributions and donated an additional \$100,000 to the Indian Red

"The best way to help developing countries enforce good labor and environmental laws is through a cooperative effort that becomes endemic. The United States is combining foreign aid with assistance from nongovernmental organizations (NGOs), multilateral development banks, and U.S. businesses to foster successful trade relationships and improve lives around the world."

Ambassador Robert Zoellick, United States Trade Representative



Cross Society. The company also collected clothes and blankets at its facilities, which were handed over to relief organizations and dispatched to affected areas. In addition, Motorola's Commercial, Government and Industrial Solutions Sector (CGISS) donated 112 two-way radios and a radio trunking system to the Gujarat Government. The company's Personal Communications Sector (PCS) donated 25 mobile phones, and the Motorola Foundation donated \$70,000 to help with relief efforts.



Sheltering Local Orphans

The Krasnorechensky orphanage, an organization almost entirely dependent on outside donations, provides shelter to orphaned children, as well as children with physical and mental handicaps, in the Kyrgyz Republic, a newly independent Central Asian nation informally known as Kyrgyzstan.

The **Hyatt Regency Bishkek**, the first international luxury hotel in the Kyrgyz Republic, regularly conducts fundraising events to support the orphanage. One of the Hyatt's most successful ongoing activities is a program in which prominent diplomats and heads of international organizations act as servers to draw friends and colleagues to the hotel restaurant. The celebrity serves patrons, while accepting a donation price for each beverage served. Hyatt matches the funds raised for the orphanage by this program.





Hungary at a Glance

Land Area: 35,910 square miles

Population: 10.1 million

Capital City: Budapest

Languages: Magyar 98%, other 2%

Religions: Roman Catholic 68%, Calvinist 21%, Lutheran 4%, Jewish 1%, others including Baptist, Adventist, Pentecostal, Unitarian 3%

Climate: Temperate; cold, cloudy, humid winters; warm summers

Basic Economic Data

Currency: Forint (HUF)

Major Exports: Machinery, vehicles, medical instruments, food and beverages, agricultural products

Major Imports: Machinery, vehicles, consumer manufactures, energy, food and beverages

Major Import Sources: Germany, Austria, Italy, France, US

Natural Resources: bauxite, coal, natural gas, fertile soils, arable land



Antarctica

HUNGARY



The republic of Hungary lies east of Austria and is about the size of the state of Indiana. With 10 million people, nearly three-quarters of its economy is generated by industry, commerce and service firms.

American businesses have played a major role in Hungary's economic transformation and emergence as a player in the information technology, communications, energy and automotive industries. Investing more than \$7 billion since 1989, U.S. companies are one of the two largest groups of investors in the country. Annual trade between the two countries has quadrupled since 1995 and reached \$4.4 billion in 2003.

American energy companies are planning to invest more than \$200 million in exploring and developing previously inaccessible natural gas deposits in Hungary. These efforts promise to revive Hungary's long-declining domestic energy production. Further, U.S. investment banks, law firms and accounting firms have helped Hungarian companies improve their corporate governance. For instance, the American Chamber of Commerce in Hungary (known as AmCham) helped the Budapest Stock Exchange develop a strict corporate governance code. American businesses have also united to create a safer workplace in Hungary. AmCham Hungary's Healthy Workplace Program developed a set of high standards for fostering employee health and safety through a committee of company representatives. Over 70 companies have volunteered to adopt the standards and be assessed for the quality of their programs.

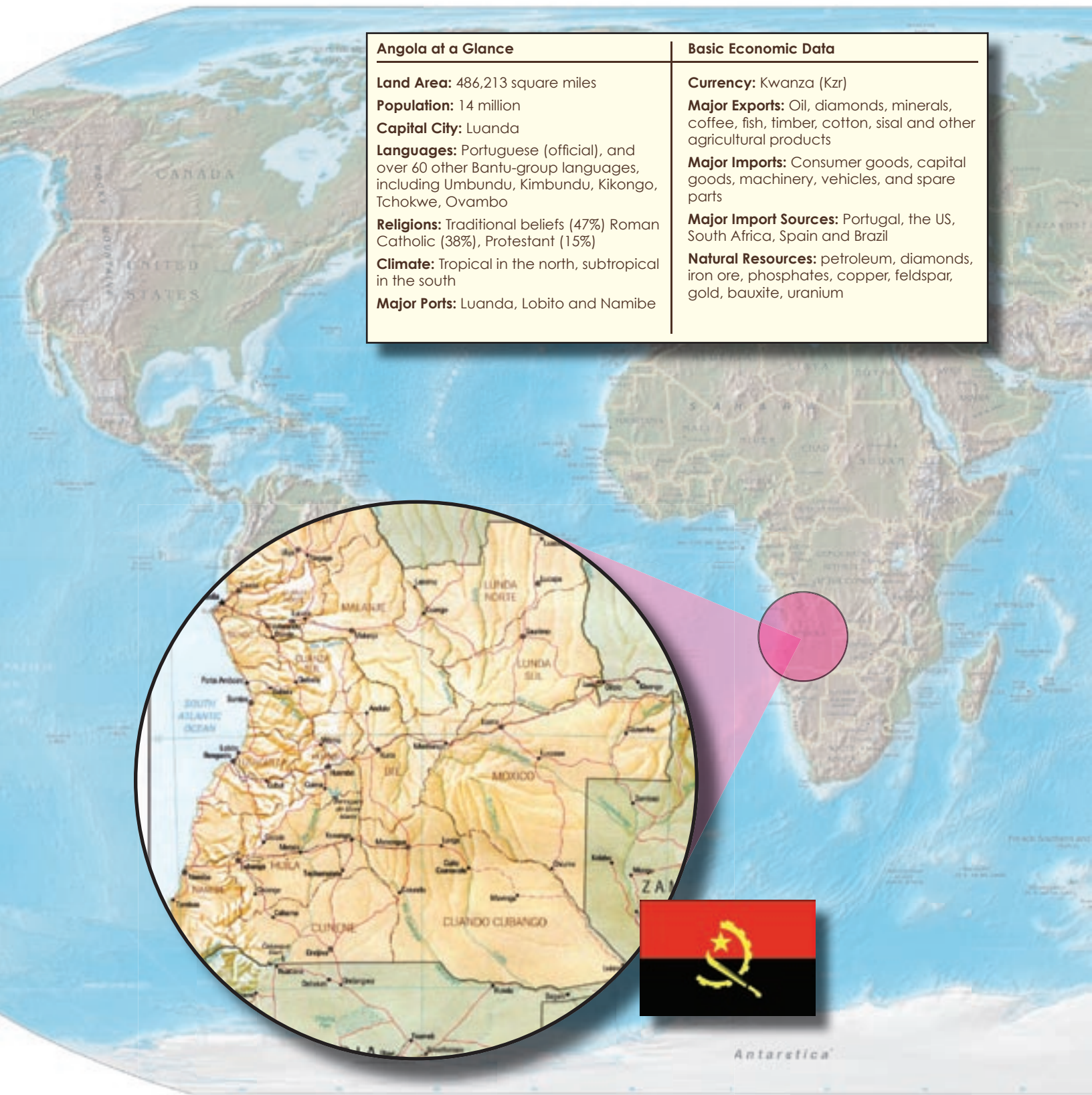
Finally, American businesses have brought the spirit of corporate charity and volunteerism to Hungary. For example, General Electric's Hungarian business units have financed a range of educational, cultural and scientific programs at the national level and a mass volunteer program in all their local operating units. Alcoa's Hungarian business, located in Szekesfehervar, has awarded annual grants of as much as \$400,000 to finance local educational, recreational and cultural activities. As a result, both companies have been recognized as "Company of the Year" in Hungary.



U.S. Embassy
Budapest, HUNGARY
EUROPE

President's Export Council
Corporate Stewardship Report
Washington, D.C. 20230





Angola at a Glance	Basic Economic Data
Land Area: 486,213 square miles	Currency: Kwanza (Kzr)
Population: 14 million	Major Exports: Oil, diamonds, minerals, coffee, fish, timber, cotton, sisal and other agricultural products
Capital City: Luanda	Major Imports: Consumer goods, capital goods, machinery, vehicles, and spare parts
Languages: Portuguese (official), and over 60 other Bantu-group languages, including Umbundu, Kimbundu, Kikongo, Tchokwe, Ovambo	Major Import Sources: Portugal, the US, South Africa, Spain and Brazil
Religions: Traditional beliefs (47%) Roman Catholic (38%), Protestant (15%)	Natural Resources: petroleum, diamonds, iron ore, phosphates, copper, feldspar, gold, bauxite, uranium
Climate: Tropical in the north, subtropical in the south	
Major Ports: Luanda, Lobito and Namibe	

ANGOLA



The republic of Angola is on the west coast of Africa, south of the Congo River and north of Namibia. Its 14 million people live in a country that is twice the size of Texas. Farming remains the major occupation, employing 85 percent of the workforce.

Angola's agricultural sector currently remains hobbled by the damage done to the country's infrastructure during its 27-year civil war. In partnership with the United States Agency for International Development (USAID), ChevronTexaco is contributing to the rehabilitation of Angola's once bountiful agricultural sector.

As a result of a \$20-million public-private partnership between ChevronTexaco and USAID, known as the "Enterprise Development Initiative," efforts to support the recovery of agricultural production in Angola's central highlands, the country's traditional breadbasket, have been implemented. Some 169,000 families (more than 900,000 people) have been provided improved seeds and tools to grow food and restart their livelihoods. Secondary roads and bridges are being improved to connect areas that were previously inaccessible due to the war and, importantly, to provide farmers with increased access to potable water.

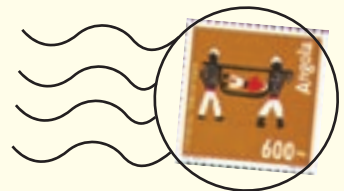
Large-scale national seed production programs have been established to reduce the costly importation of seeds for basic food production. These programs look to local small commercial farmers to respond to the national demand for certified seed. Additionally, the University Agostinho Neto's agricultural sciences department has been reopened and its capacity strengthened to conduct applied research, provide technical outreach services and agricultural training programs.

According to U.S. Ambassador Christopher Dell, the public-private partnership between ChevronTexaco and USAID takes good corporate stewardship to a "new level of engagement and commitment," which is making a real difference to thousands of people and the future of Angola.



U.S. Embassy
Luanda, ANGOLA
AFRICA

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Washington, D.C. 20230







POWER *to* **HELP** *in* **EDUCATION**

Education is widely recognized as critical to economic growth, equality and a civil society. Developing countries must equip their citizens with skills and knowledge that promote sustainable economies and the acceptance of different cultures. However, a number of challenges may impede educational reform, including unstable political climates, poverty and natural disasters. Under the guidance of the United Nations, many developing countries have designed plans to overcome these barriers and promote universal education.

A number of large companies – **Goldman, Sachs & Co., IBM Corp., BellSouth Corp. and The Coca-Cola Co.** among them – have joined in the push to improve education in developing nations. They have helped a number of countries boost the knowledge and skills of their people and the effectiveness of their educational systems.



EDUCATION

Developing Future Business Leaders

The Goldman Sachs Group has been helping to develop the next cycle of business leaders in China. The investment banking firm and Harvard Business School established an endowed, world-class master's of business administration (MBA) program at China's top university, Tsinghua University. The firm also helped create an advisory board to the MBA program at the university's School of Economics and Management. The board is comprised of senior executives from some of the world's largest companies, including Goldman Sachs CEO Henry M. Paulson, Jr., who was the board's founding chairman. The Goldman Sachs Foundation supplied a \$1-million grant to help get the program off the ground, and the school now boasts 1,200 MBA students.



The Goldman Sachs Team

Meanwhile, in South Africa, Goldman Sachs has been working to raise the economic and business acumen of important government officials. For the third time in 10 years, the company sponsored a capital and financial markets training program for some 12 senior and mid-level government officials from the Reserve Bank of South Africa, the National Treasury and other leading agencies and ministries. The classes spanned four weeks – two at the Wharton School at the University of Pennsylvania in Philadelphia, and two at Goldman Sachs' headquarters in New York. The officials received extensive training in capital market structure, asset management, risk management and other key financial market issues. Elsewhere in South Africa, Goldman Sachs has supported several elementary and secondary school literacy and education programs.

Efforts to establish universal education in sub-Saharan Africa face some of the most complex challenges anywhere. Early childhood care and education enrollments vary dramatically, from less than 1 percent in the Democratic Republic of Congo to 90 percent in Mauritius. In 2000, only 58 percent of school-age children in the region were enrolled in primary education, leaving more than 44 million children unenrolled. This number represents more than 40 percent of the world total for children not attending school.⁵



The aim of Goldman Sachs' South African and Chinese educational programs is the same: to create government and business leaders who understand finance and commerce and who are committed to helping their countries participate fully in the global economy.

Boosting Education in Latin America



Over the years, **The Coca-Cola Company** has invested significant human and financial resources into improving public education in Latin America. In Mexico, the company's philanthropic arm, The Coca-Cola Foundation/Mexico has increased access to education for young people in rural areas. Currently, many students have to walk great distances to reach the closest school, a factor that limits their daily attendance. The Foundation has partnered with the National Commission of Indigenous Development to renovate 38 shelters and build 24 elementary schools in more than 12 Mexican states.

The impact has been remarkable: the dropout rate in these areas has fallen from 40 percent to 5 percent, and academic scores for students living in the shelters are 16 percent higher than those not living in the shelters. In addition, students have learned to use computers and gained access to libraries for books, boosting their communication skills and self esteem.



In Brazil, The Coca-Cola Company launched the Coca-Cola Valued Youth Program in 1998 reaching thousands of children in that country. Among other activities in 2003, the initiative helped 25 potential school dropouts become tutors to 75 other students. The Company also donated 200,000 books to 3,491 public schools serving 2.5 million students.



Improving Student Attendance in Latin America

BellSouth Corp., a leading integrated communications services company, is addressing the issue of education in Latin America. The Atlanta-based company's BellSouth Proniño initiative is a community relations program that provides scholarships to working children ages 6 to 18 in 10 Latin American countries: Panama, Guatemala, Nicaragua, Argentina, Uruguay, Venezuela, Colombia, Ecuador, Peru and Chile.

With the goal of increasing school retention rates, BellSouth has committed \$6 million to the first phase of the project, which began in 2001. The funds give children the essentials for a primary and/or secondary education, including books, tuition, meals and uniforms.

By the end of 2002, the BellSouth Proniño program had already boosted retention rates in its target schools to 98.6 percent, about double the regional average for working students.



Funding and Reshaping How Education is Delivered

In 1994, **IBM** assembled researchers, consultants and other experts from various corners of IBM, along with educators, policymakers and school administrators. The goal: figure out how to get schools to use technology to dramatically improve the way students learn and teachers teach.

IBM kicked off its Reinventing Education grant program with the goal of applying its research, technology, and expertise to schools worldwide. Between 1994 and 2002, the company contributed \$70 million in hardware,

Latin America and the Caribbean have made early childhood care and education a priority. While there is much room for improvement in reaching gender equality in education, the numbers are promising. The percentage of children in school out of total children has grown from 42 percent in 1990 to 63 percent in 2000. The largest enrollment improvement has been in secondary education, with the ratio growing from 53 percent in 1990 to 81 percent in 2000.⁶ The educational successes in Latin America and the Caribbean show what developing nations can achieve when they commit to improving education.



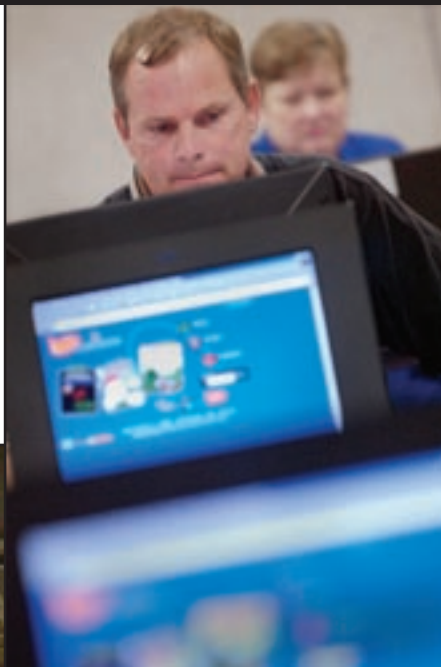
software, services, and small amounts of cash to school districts, state education departments and ministries of education in the United States, Europe, Asia and Latin America. These are multi-year grants that focus on long-term relationships and building new skills and approaches to historical barriers to reform. IBM brings in teams of researchers and educational consultants to help communities improve education and find new, productive ways to use technology. IBM believes that such assistance and teacher training are critical to creating a self-sustaining program.

Already, the Reinventing Education program has reached more than 90,000 teachers and more than 8 million students worldwide, in the United States, China, Vietnam, Mexico, Brazil and six other countries. Students in grades 7 to 11 whose teachers participated in the program made significant gains in four core academic subjects, according to an independent evaluation by the Center for Children and Technology. A report by the center states: "If there is a litmus test for success in education reform efforts, then it is the ability of programs to maintain momentum and scale when the grant funding ends, something few initiatives manage to achieve. IBM's Reinventing Education sites stand out as exceptions."⁷



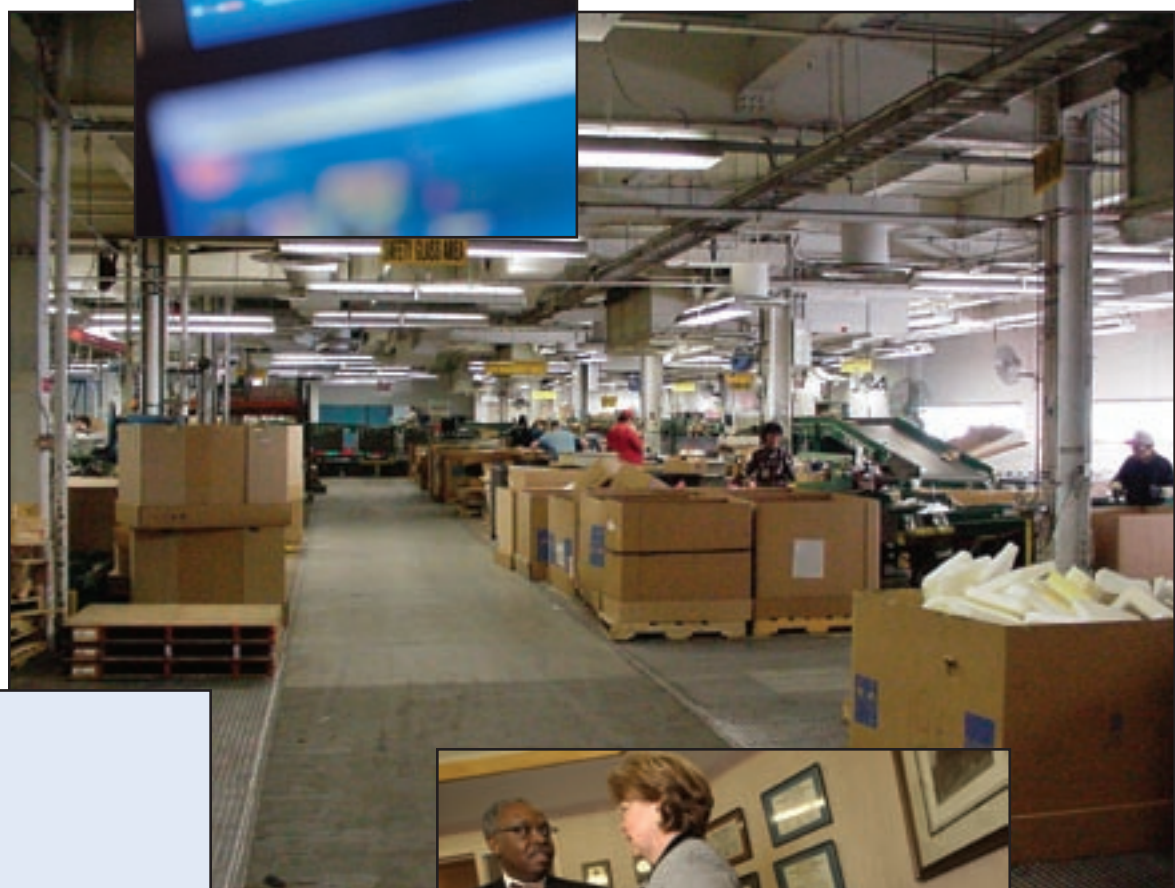
"Freedom is a great gift. But if we aren't responsible stewards of that gift and if it is not matched by personal responsibility the consequences can be severe. Sarbanes-Oxley sent a message to every American: that there cannot be a different ethical standard for corporate America. Corporate leaders are expected to operate with the same high level of ethics and accountability as a small business, family or community. Furthermore, their high profile and impact on our economy and their employees demands that they demonstrate vigilance. The free market provides great opportunity for wealth creation to Americans... but only if there are clear rules that are enforced. I commend the work of PEC on corporate stewardship and remind all business leaders of the importance of honesty and accountability in all that you do."

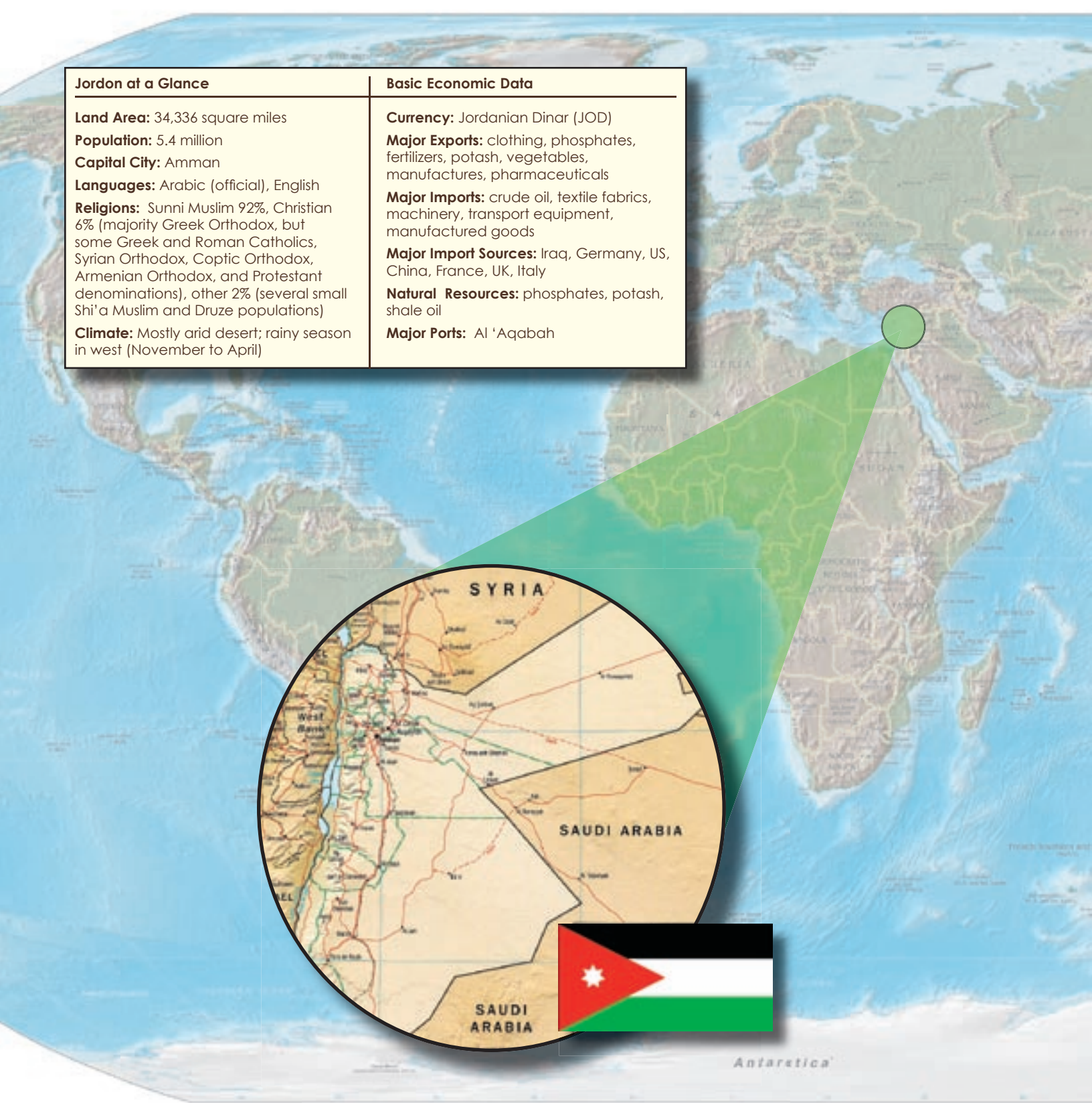
John Snow, U.S. Secretary of the Treasury



IBM's \$75 million Reinventing Education initiative focuses on supporting systemic change in public education. In addition to integrating technology, administrators and teachers are encouraged to use the Reinventing Education Change Toolkit (www.reinventingeducation.org) to break down organizational barriers to innovation.

A view of a Disassembly Line at the IBM Asset Recovery Center in Endicott, New York.





Jordan at a Glance	Basic Economic Data
<p>Land Area: 34,336 square miles</p> <p>Population: 5.4 million</p> <p>Capital City: Amman</p> <p>Languages: Arabic (official), English</p> <p>Religions: Sunni Muslim 92%, Christian 6% (majority Greek Orthodox, but some Greek and Roman Catholics, Syrian Orthodox, Coptic Orthodox, Armenian Orthodox, and Protestant denominations), other 2% (several small Shi'a Muslim and Druze populations)</p> <p>Climate: Mostly arid desert; rainy season in west (November to April)</p>	<p>Currency: Jordanian Dinar (JOD)</p> <p>Major Exports: clothing, phosphates, fertilizers, potash, vegetables, manufactures, pharmaceuticals</p> <p>Major Imports: crude oil, textile fabrics, machinery, transport equipment, manufactured goods</p> <p>Major Import Sources: Iraq, Germany, US, China, France, UK, Italy</p> <p>Natural Resources: phosphates, potash, shale oil</p> <p>Major Ports: Al 'Aqabah</p>

JORDAN



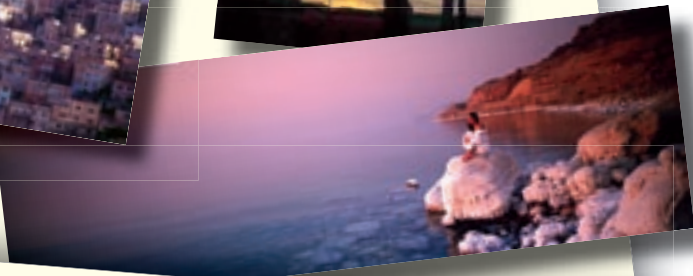
The nation of Jordan is bordered by Israel on the west and Saudi Arabia on the east. Some 95 percent of Jordan's 5.4 million people are Sunni Muslims. The country's workforce is primarily occupied in service industries.

U.S. companies have had a significant impact on the Jordanian economy and, by extension, Jordanian society as a whole. U.S. foreign direct investment has resulted in many benefits, including the transfer of skills and technology to local workers, enhancing competitiveness and economic activity.

Many U.S. companies are creating positive change in Jordan through their philanthropic activities, which include donating to and working with nongovernmental organizations, international organizations and charitable organizations for the benefit of all Jordanians. For instance, Citigroup and Chemonics International, for their part, provide financing and volunteers to the local Habitat for Humanity organization.

The Cisco Foundation and the Cisco Networking Academies Program recently partnered with the United Nations Development Fund for Women (UNIFEM) to launch the "Achieving E-Quality in the IT Sector" initiative. This initiative addresses the need to build women's abilities to gain access to high-quality jobs through acquisition of the technical knowledge and skills needed to compete effectively in today's marketplace.

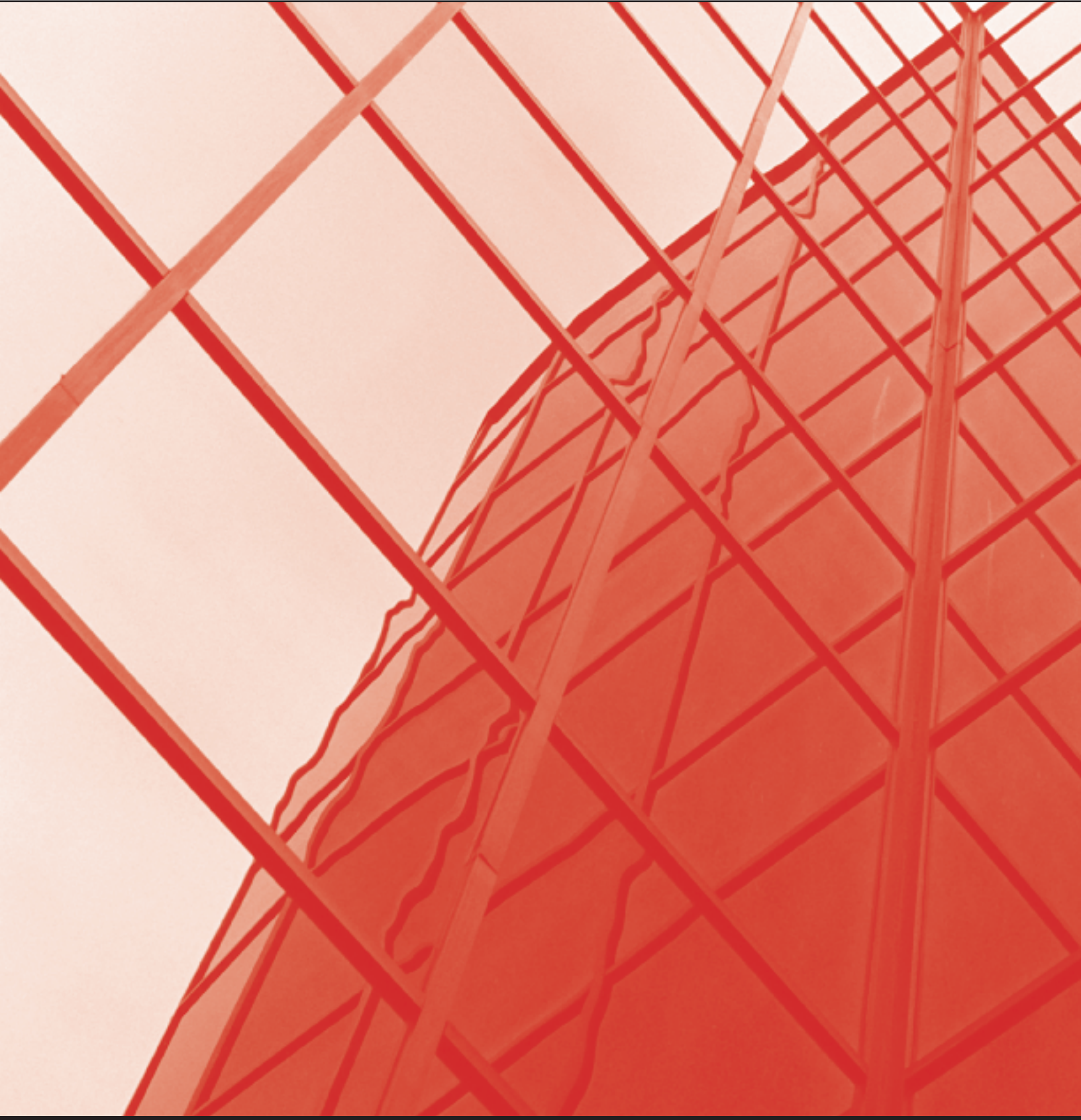
Through these and other corporate stewardship activities, U.S. companies are having the immediate impact of narrowing the digital divide and providing all Jordanians, especially those traditionally excluded, with access to the benefits of modern information technology and the delivery of high-quality education, especially in the emerging technological fields.



U.S. Embassy
Amman, JORDAN
MIDDLE EAST

President's Export Council
Corporate Stewardship Report
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POWER *to* **HELP**

in **EMPLOYEE VOLUNTEERISM**

The growth of U.S. businesses operating in developing countries makes these countries important proving grounds for the advancement of corporate citizenship and the development of a strong volunteer sector. Employee volunteer programs are important civic contributors, economically as well as socially. They help build strong and cohesive communities by fostering trust among citizens.

Clearly, U.S. corporations can play an important role in boosting the economic and social structures of developing countries by fostering employee volunteer programs that address serious social issues. Following are examples of how several U.S. companies are doing just this.



EMPLOYEE VOLUNTEERISM

Addressing Local Needs in Indonesia, Latin America and Around the World

When **Marriott International Inc.** began expanding its operations outside the U.S. in the mid-1970s, the company's community service philosophy was a core component of this growth. Now with nearly 2,700 hotels in 69 countries and territories, Marriott's "Spirit to Serve Our Communities" program has a worldwide reach that gives employees the opportunity to bridge cultural differences and join together in a common purpose – improving the communities where they live and work.

In developing countries where a volunteer sector is not part of the social structure, and where languages may not even include a word for volunteerism, Marriott helps employees experience the rewards of giving back and the value of helping their less fortunate neighbors.

Volunteer activities by Marriott employees vary widely – from planting trees, to painting an orphanage, to hosting a fundraiser for sick children.

Each hotel is encouraged to choose activities that both reflect their employees' interests and meet their local community's needs.

In Indonesia, hotel employees played a pivotal role in relief efforts for victims of the devastating 2002 Jakarta floods by preparing and donating meals and care packages. Collaborating with relief organizations, Marriott volunteers served more than 5,000 meals, and prepared boxes of rice, drinking water, medicine, clothes and baby formula for distribution.



The United Nations General Assembly proclaimed 2001 the International Year of Volunteers. The objective was to highlight the accomplishments of the millions of volunteers throughout the world and encourage more people globally to engage in volunteering and community service.⁸



Digital Citizen is a community project designed to provide technical computing education to youth and teenagers from low-income communities in Brazil. In partnership with grassroots organizations the project creates computer labs (ETIs) at low-income communities in the surrounding area where Dell facility is located in Brazil.

Additionally Marriott employees throughout Latin America, including those in Ecuador, Guatemala and Mexico, are dedicated to helping Habitat for Humanity International by providing volunteer labor to build homes.

Strengthening the Spirit of Relationships in a Global Community

Dell Inc. employees have worked to raise the spirits of children in Bangalore, India, through a number of activities. At the Parikrma Humanity Foundation, a school for underserved children of Bangalore, Dell executives led activities including storytelling, singing and a magic show. Dell team members also brought smiles to the faces of visually challenged children at Rakum School for the Blind and more than 150 children at St. Joseph's Orphanage in Bangalore.

Employees also participated in a program known as "Be a Buddy, Share a Meal" to provide food to and foster a sense of belonging in underserved children in Bosco Mane and Makkala Ashraya.

Improving Education with Sweat Equity



Cargill, an international processor and distributor of agricultural, food, financial and industrial products and services, and the main employer in the Ukrainian villages of Kutsivka and Koristovka, feels a community responsibility to support local schools. Indeed, many of the children who attend these schools are family members of Cargill employees and Cargill customers.



In 2002, the village schools, which serve children between the ages of 2 and 10, were in a state of disrepair, with leaky roofs and poor heating. Furthermore, there was scant playground equipment available, and little in the way of books and learning materials.



Fifty Cargill employees installed a new heating system and connected a gas line from the Cargill plant to supply the school with gas. The Cargill team also installed new windows, and renovated the building structure, indoor plumbing and washrooms. In addition, the company donated books and computers, and paid the salaries of 15 teachers and assistants at the village schools. The company continues to pay their salaries to date.

Synchronizing Community Service

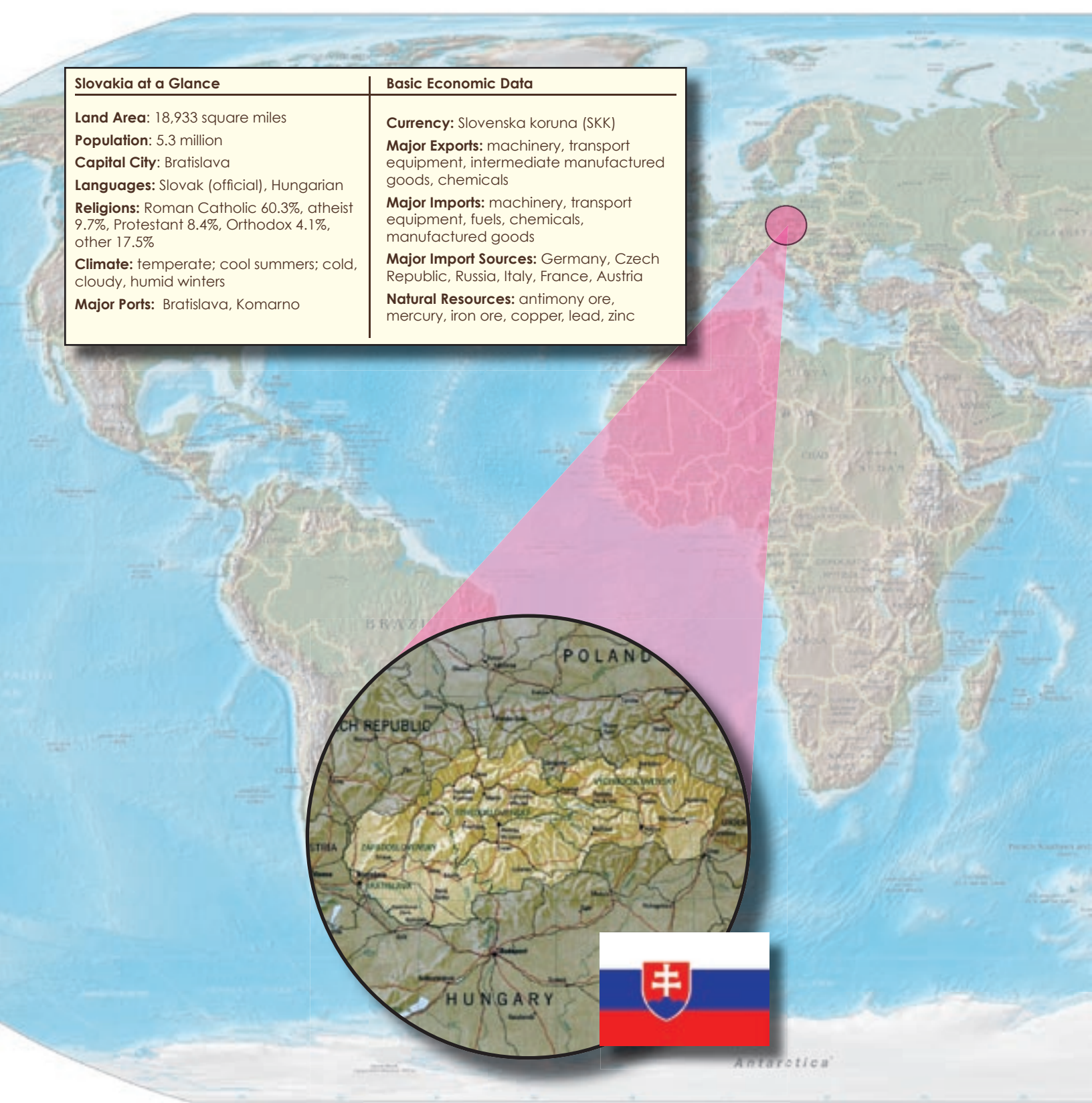
Global Volunteer Week⁹ is a part of **UPS's** long-standing commitment to give back to the communities in which UPS employees live and work. One week a year, UPS employees around the world participate in a week of synchronized community service. More than 1,000 UPS employees volunteer their time outside the United States in 14 countries including Brazil, China, Mexico, Thailand and the Philippines.

During the recent Global Volunteer Week, Oct. 19-26, 2003, UPS employees in Latin America planted trees and painted a facility that helps people with autism. In China, UPS CEO Mike Eskew and a team of UPS employees from several countries, along with four members of Congress, spent two days building a computer lab at the Xibaipo Hope Primary School in rural Hebei Province in Xibaipo, China. The company outfitted the facility with 25 computers with Internet access and will provide computer training for its teachers, allowing the village residents to connect with the rest of the world.



"When American small businesses trade with other countries, they do more than just open up a new market. They help create a cooperative understanding between two communities and two cultures."

Hector Barreto, Administrator, U.S. Small Business Administration



Slovakia at a Glance

Land Area: 18,933 square miles
Population: 5.3 million
Capital City: Bratislava
Languages: Slovak (official), Hungarian
Religions: Roman Catholic 60.3%, atheist 9.7%, Protestant 8.4%, Orthodox 4.1%, other 17.5%
Climate: temperate; cool summers; cold, cloudy, humid winters
Major Ports: Bratislava, Komarno

Basic Economic Data

Currency: Slovenska koruna (SKK)
Major Exports: machinery, transport equipment, intermediate manufactured goods, chemicals
Major Imports: machinery, transport equipment, fuels, chemicals, manufactured goods
Major Import Sources: Germany, Czech Republic, Russia, Italy, France, Austria
Natural Resources: antimony ore, mercury, iron ore, copper, lead, zinc

SLOVAKIA



Slovakia is located east of Austria and south of Poland and the Czech Republic. Its 5.3 million people are mostly Slovak (85 percent) and Hungarian (10 percent).

While the concept of good corporate stewardship is relatively new to Slovakia, American companies, through the American Chamber of Commerce (AmCham), have done much to help popularize it in recent years.

In the 1990s, foreign investors largely bypassed Slovakia in favor of friendlier markets in Central Europe. However, since 2000, foreign investment in Slovakia has more than quintupled, making it one of the fastest growing investment markets in the world. A well-educated labor force and comparatively low wage rates have helped this effort, but AmCham's work with the Slovak government to rewrite the country's restrictive labor code (which actually limited workers' ability to make a living) greatly aided in promoting investment and economic development. In less than two years, Slovakia's unemployment rate has dropped from 20 percent to 15 percent.

American companies such as U.S. Steel, Citibank, Whirlpool, Hewlett-Packard and Philip Morris have made significant investments in Slovak educational, cultural and charitable activities. Combined they have spent millions of dollars to build, furnish and operate schools from the elementary to the university level; repair, build and equip hospitals; make micro-loans; teach ethics; support nongovernmental organizations; promote athletic, artistic and cultural events; and improve infrastructure.

These and other U.S. firms are known to be among the best employers in Slovakia. They offer their Slovak employees superior salaries, benefit packages and opportunities for advancement. In addition, American companies have high percentages of Slovak managers. According to the U.S. embassy in Slovakia, American corporate stewardship has demonstrated to Slovaks how capitalism works at its best.



U.S. Embassy
Bratislava, SLOVAKIA
EUROPE

President's Export Council
Corporate Stewardship Report
Washington, D.C. 20230







POWER *to* **HELP** *in* **ENVIRONMENT**

To compete in the global economy, developing countries must elevate the skills of their workforce, shore up their transportation, power and other vital core infrastructure, and launch a number of other costly and lengthy public initiatives. Further, because all of these staples of growth have significant environmental impacts, developing nations must also weave effective environmental policy into their plans for economic expansion.

As they seek economic advancement, developing countries must carefully weigh the impact of renewable and nonrenewable resources in both the long-term and short-term. To make informed decisions, their policy makers must have the education and support system, both financial and practical, to enable environmentally sound development.

All of this requires bringing environmental expertise to the economic development table. Without this expertise, it is unlikely that developing countries will be able to adequately safeguard their environments. And since the environment is a global as well as a local issue, integrating good environmental stewardship with developing countries' economic policies is a matter for advanced nations as well.

*U.S. corporations can play a major role by weaving sound environmental stewardship into sound business growth strategies. The examples of **Chiquita Brands International Inc.**, **CMS Energy Corp.** and **Goldman, Sachs & Co.** demonstrate how.*



ENVIRONMENT

Restoring the Forests Replenishes the Brand

Chiquita Brands International Inc., a producer and marketer of bananas and other produce, requires its Latin American farmers to comply with strict environmental policies. The company ensures that its farms undergo an annual Rainforest Alliance certification process, which sets strict environmental and social standards for ecosystem conservation, wildlife conservation, fair treatment for workers, good community relations, integrated pest and waste management, water and soil conservation, and planning and monitoring. As part of the program, Chiquita implemented recycling programs and reforestation projects, modernized warehouses, protected rivers by setting up water filtration systems, designed safer packing stations and instituted soil conservation measures. In October 2000, Chiquita became the first global company to achieve 100-percent certification to Rainforest Alliance standards for all of the banana farms it owns in Latin America. In addition, the company encourages its independent growers to become Rainforest Alliance certified. Today, more than 75 percent of the independent farms that supply bananas to Chiquita have achieved Rainforest Alliance certification, up from 33 percent in 2001. The company has also halted deforestation and has planted more than 800,000 native trees covering more than 2,500 acres in its reforestation projects.



In 1992, Chiquita became the first major banana producer to work with independent environmental conservation groups to improve standards of banana production.



Chiquita collects and recycles the plastic twine used to support banana stems. Farm workers gather the twine and recycle them into paving blocks on cableways that transport bananas.

Getting Third World economic development policies to be environmentally sound and, thus, grounded in science, places several demands on the international scientific community, says Julia Marton-Lefevre. Scientists must expand their environmental research, systematically assess results, and make fact-based predictions on the environmental consequences of current and proposed economic policies.¹⁰



Building Safety into Power Plants



CMS Energy Corp. has made environmentally safe policies core to its business strategy of being a worldwide power supplier in Morocco. One prime example is the Michigan-based company's Jorf Lasfar power plant.

As 50-percent owner, CMS operates the facility, which is the largest independent power plant in all of Africa. The plant, completed in 2001, supplies a third of the nation's electricity. It employs a zero-tolerance policy for surface and ground water contamination and utilizes state-of-the-art water treatment facilities. The company has also instituted a recycling program for fly ash and supplies 80 percent of waste for use by Moroccan cement companies. The remaining 20 percent of ash is deposited into an environmentally controlled deposit facility. The recycling and storage program together have completely eliminated the release of fly ash into the environment.

CMS has shared its environmental experience throughout Morocco by giving presentations at local universities, by participating in environmental symposiums, and by assisting government agencies.

Saving Rare Forests



Old-growth lenga forests like those on the island of Tierra del Fuego off the southern tip of South America are vanishing quickly.

In 2004, the **Goldman Sachs Charitable Fund** acquired 680,000 acres of forestland on Tierra del Fuego. Rather than split up and sell these lands in individual parcels, the company decided that it could and should provide an important environmental service by creating a nature reserve. As such, they plan to donate the land to a conservation organization, which will create a reserve that protects the land's ecology for the people of Chile. This purchase will help protect some of the only remaining large blocks of nonfragmented old-growth lenga forest in the world.



Fostering Ecological Awareness

From circuit boards to flat panels to semiconductors, the emergence of Taiwan as an electronics powerhouse in the past two decades has been nothing short of remarkable. Yet for all its industrial prowess, Taiwan remains a relatively small island of 23 million people (i.e., the population of Texas in less than one-seventh that state's size) and the environment has often and unnecessarily taken a back seat to development. As a result, environmental stewardship is a very real concern, for now and especially for its future generations.



As the world's largest supplier to the global semiconductor industry, **Applied Materials** is keenly aware of its role as an environmental steward in every country in which it operates. To promote environmental awareness and protection in Taiwan, Applied Materials Taiwan (AMT) has held an annual Earth Day event since 1996. AMT has focused on educating school children – and the adults in their lives – about the importance of caring for the environment.

AMT partners with the local Society of Wilderness to foster a better understanding of the local environmental and the need for its protection. Recently, for example, AMT and the Society of Wilderness took more than 300 local residents on a tour of the Paoshan Reservoir in Hsinchu County. Paoshan Reservoir supplies the industrial water for the Hsinchu Science Park, which is a center of semiconductor manufacturing and one of the key assets in Taiwan's technology base. (Semiconductor manufacturing requires significant amounts of water, which is purified during the process, resulting in output that is cleaner than the initial intake.)

Producing goods and services in a way that is sustainable – that doesn't rob future generations of the raw materials and energy they will need – is important for healthy economic growth. But sustainable consumption is also vital to ongoing prosperity – i.e., guiding people and organizations to curb their appetites for such non-renewable resources. That was Brian Heap's compelling argument at the 1999 World Conference on Science.¹¹



"In our work with hundreds and hundreds of U.S. exporters each year, we find that those that are most successful are the ones maintaining high standards of responsibility in their dealings with buyers and communities abroad. Whether providing environmental stewardship in developing power or other infrastructure projects or demonstrating ethical business practices, these are the companies most likely to attract repeat customers."

***Philip Merrill, Chairman and President,
The Export-Import Bank of the United States***



Local citizens' awareness of the important role played by water resources in their own prosperity was one of the key goals of this particular educational outing. By linking environmental stewardship with economic prosperity, AMT is able to deliver the message of environmental awareness and protection far more effectively than could be done in isolation. "It is important to educate the public to cherish the natural resources we have," said H.L. Chang, secretary general for the Society of Wilderness. "We very much appreciate AMT's holding this far-reaching event for the Hsinchu community."

While the population of Bangladesh grows by 2.4 million people annually and Britain's only by 100,000, Britain by far emits more carbon dioxide than Bangladesh – 50 times the amount. And yet population does count. If the economies of China or India were at the level of more developed countries, there wouldn't be enough global supply to support them.¹²







Lebanon at a Glance	Basic Economic Data
<p>Land Area: 3,950 square miles</p> <p>Population: 4.4 million</p> <p>Capital City: Beirut</p> <p>Languages: Arabic (official), French, English, Armenian</p> <p>Religions: Muslim 70% (including Shi'a, Sunni, Druze, Isma'elite, Alawite or Nusayri), Christian 30% (including Orthodox Christian, Catholic, Protestant), Jewish NEGL</p> <p>Climate: Mediterranean; mild to cool, wet winters with hot, dry summers; Lebanon mountains experience heavy winter snows</p> <p>Major Ports: Antilyas, Batroun, Beirut, Chekka, El Mina, Ez Zahrani, Jbail, Jounie, Naqoura, Sidon, Tripoli, Tyre</p>	<p>Currency: Lebanese pound (LBP)</p> <p>Major Exports: authentic jewelry, inorganic chemicals, miscellaneous consumer goods, fruit, tobacco, construction minerals, electric power machinery and switchgear, textile fibers, paper</p> <p>Major Imports: petroleum products, cars, medicinal products, clothing, meat and live animals, consumer goods, paper, textile fabrics, tobacco</p> <p>Major Import Sources: Italy, France, Germany, US, Syria, China, Belgium, UK</p> <p>Natural resources: limestone, iron ore, salt, water-surplus state in a water-deficit region, arable land</p>



LEBANON

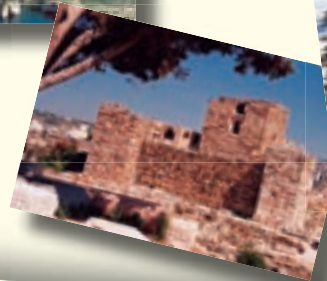
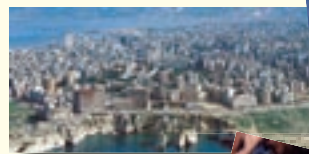


Lebanon is located on the Mediterranean Sea, with Syria to the east and north and Israel to the south. The country's 4.4 million people live in an area half the size of New Jersey, with nearly a quarter of them in the capital of Beirut.

U.S. businesses have improved Lebanon's economy and the well-being of its people in a host of ways, most notably through public-private partnerships. Companies such as Cisco Systems, Intel, Microsoft, and Coca-Cola have led the way, contributing heavily to the communities in which they operate.

According to the U.S. embassy in Beirut, the single most positive outcome of U.S. business involvement in Lebanon is the newly found willingness of local nongovernmental organizations to partner with the private sector on developmental projects and other initiatives.

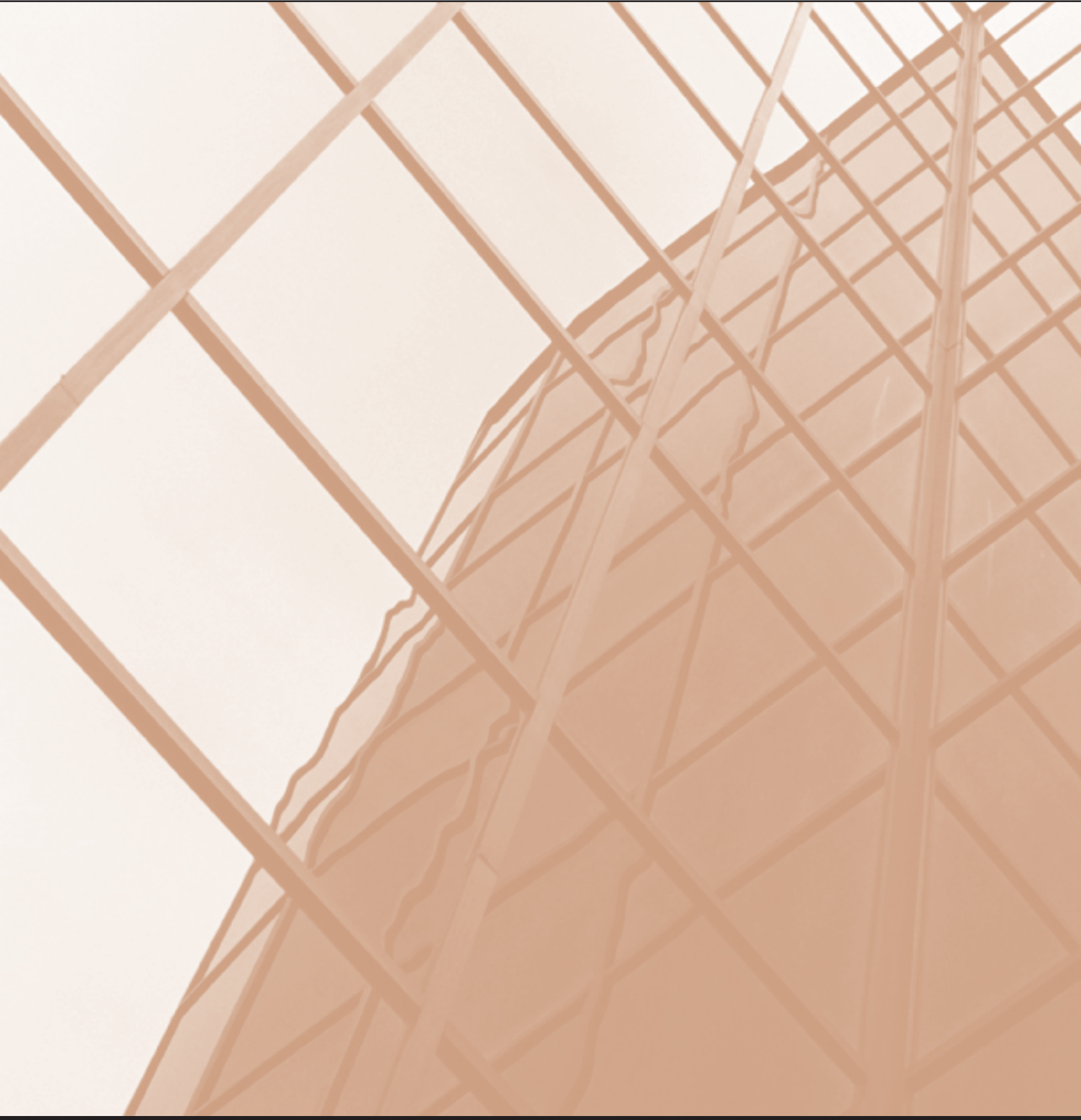
In 2001, for instance, Coca-Cola launched, in collaboration with the Ministry of Environment, the CedaRoots project to help revive the cedar forest of Jezzine in southern Lebanon. This project has the wider objective of developing that area's tourist facilities. So far, more than 500 cedar trees, Lebanon's national symbol, have been planted. Coca-Cola also runs the Go-Green program, which raises awareness of individual responsibility for environmental protection. According to the U.S. Embassy in Lebanon, environmental stewardship programs and awareness were in their early stages before U.S. companies brought the issue into the limelight.

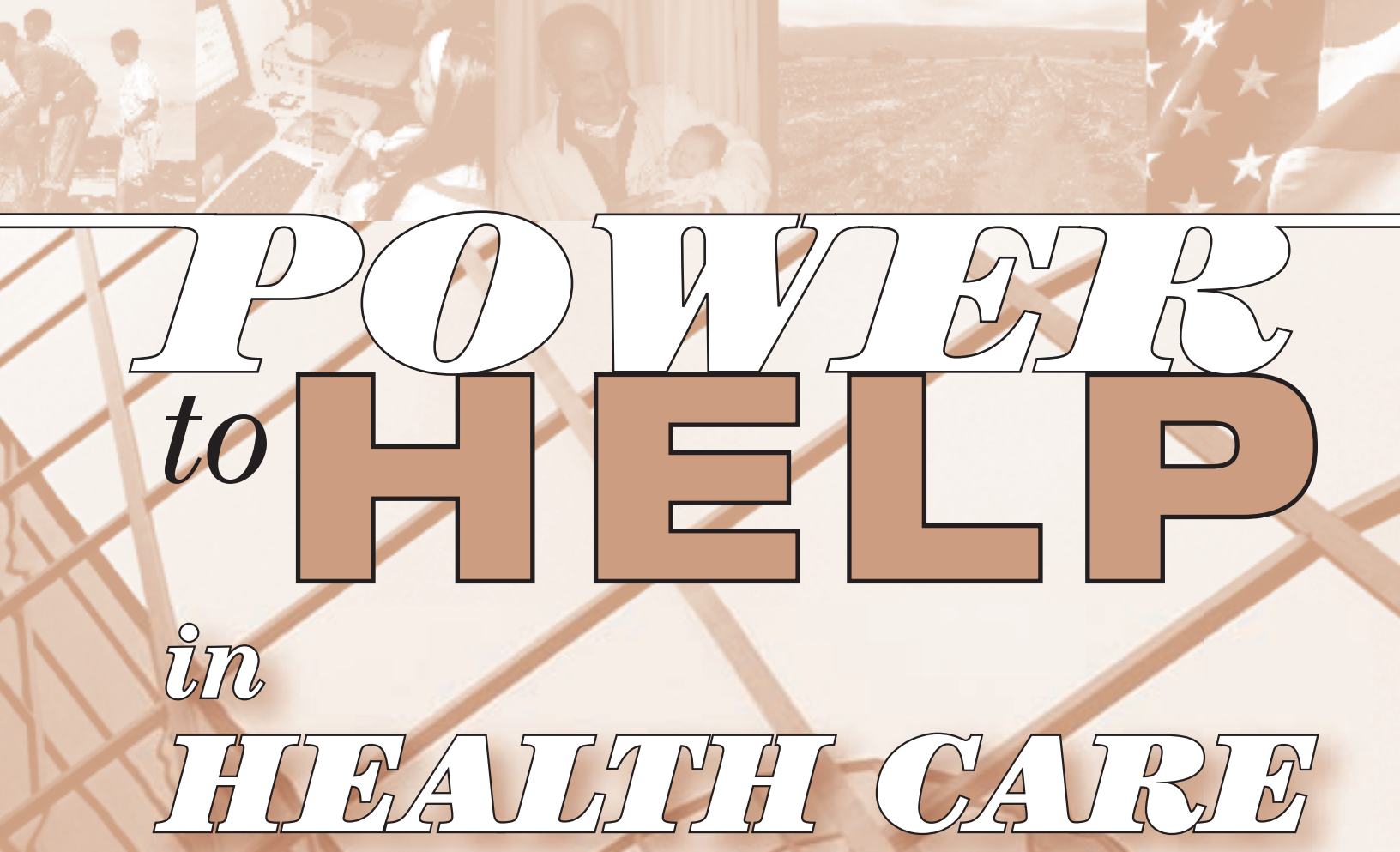


U.S. Embassy
Beirut, LEBANON
MIDDLE EAST

President's Export Council
Corporate Stewardship Report
Washington, D.C. 20230



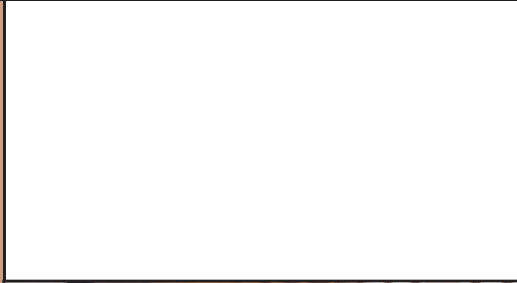




POWER to HELP in HEALTH CARE

As U.S. Secretary of State Colin Powell has noted, HIV/AIDS, other infectious diseases, famine, and poverty have become “the greatest weapons of mass destruction going,” responsible for “a horrible cycle that kills families, kills societies, and kills nations.”¹³ Indeed, while many countries have taken great strides to improve the quality of life for their citizens, entire regions, particularly in the developing world, are still defined by poverty and disease, two conditions whose intimate link is undeniable.

“We have the power to help,”¹⁴ President Bush has said. Through developmental assistance programs such as the Millennium Challenge Account and the President’s Emergency Plan for AIDS Relief, he has committed the U.S. government to the task of reducing suffering and sparing lives around the globe, especially in the developing world. Complementing these efforts, many U.S. businesses have begun contributing to the fight against poverty and disease. Their efforts include the research, development, and production of medicines; disease education and prevention programs; and the enhancement of care and treatment. Recognizing that the most effective approaches to pressing health issues are locally applicable, sustainable and properly resourced, U.S. companies, as showcased below, are undertaking initiatives and creating partnerships to help those parts of the world with limited healthcare resources.



HEALTH CARE

Battling the Spread of Multi-Drug Resistant Tuberculosis in Developing Countries

In June 2003, **Eli Lilly and Co.** unveiled a \$70-million initiative, working with the World Health Organization (WHO), to fight the spread of multi-drug resistant tuberculosis (MDR-TB). The goal of this partnership is to train health-care personnel and increase the supply of the critical drugs needed to treat 20,000 MDR-TB patients annually by 2010. Lilly hopes to achieve this goal by sharing drug manufacturing technology with nations most at risk; training health-care workers in developing countries in the prevention, treatment, and surveillance of MDR-TB; and increasing the supply and significantly discounting the price of necessary antibiotics. By transferring manufacturing technology, Lilly not only increases the supply of medicines in the countries that need them the most, but also teaches these countries how to become independent in their care of MDR-TB patients.

Lilly has made considerable progress in this effort by providing 10 full-time employees devoted to transferring technology to China, India and South Africa; expanding its own antibiotic production facility; and providing its medicines at low cost to WHO-approved treatment programs. The critical factor in the success of the Lilly MDR-TB Partnership is that it involves the cooperative efforts of the pharmaceutical industry, governmental bodies, international organizations and academic institutions.



U.S. companies face immense challenges in their attempts to improve public health in developing nations. Research shows that gaps in health worldwide are widening. In 2002, for instance, while life expectancy at birth reached 78 years for women in developed countries, it fell to less than 46 years for men in sub-Saharan Africa due to the HIV/AIDS epidemic, according to the WHO's World Health Report 2003.¹⁵



Creating a Model for Health Care and Facilitating Access to Innovative Medical Equipment in China



Chindex International, Inc. specializes in the sale of health-care products and the provision of health-care services in the Chinese marketplace, including Hong Kong. Traditionally, spending on hospitals in China has been overly concentrated in advanced tertiary-care facilities, leaving many primary-care facilities ill-equipped and inadequately staffed. Currently however, China's entire medical care system is transitioning from one centered on substandard facilities attached to state-owned enterprises to one that is more community-based. Chindex has been instrumental in supporting positive change in China's public health policies. Chindex's Beijing United Hospital, the first-ever foreign-invested private hospital in China, for instance, is regularly visited by Chinese government officials and hospital directors who want to see an operating model of high-quality, community-oriented primary health care. Chindex will open its second hospital this year in Shanghai, and has plans for future hospitals in Xiamen and Guangzhou.



Since 1995, Chindex has been utilizing loans and loan guarantees from the Export-Import Bank of the U.S. to help hospitals in China finance purchases of medical equipment. Chindex has also arranged commercial financing that is guaranteed by the Chinese government without Export-Import Bank participation. In total, Chindex has sold over \$45 million in primarily U.S. medical equipment to Chinese hospitals through these financing programs. All financing programs arranged by Chindex have been in response to Chinese regulations that require below-market financing for any internationally financed medical equipment purchases. Chindex makes arrangements to subsidize a below-market interest rate for the loan that is provided to the Chinese hospitals for the purchase of medical equipment from Chindex. Chindex has also been successful in



executing these subsidized below-market loans to Chinese hospitals as purely commercial transactions, without the involvement of the Export-Import Bank. These programs all benefit the capital-starved medical industry in China.

Fighting HIV/AIDS in Botswana

In 2000, **Merck & Co., Inc.**, a global research-driven pharmaceutical products company, led the establishment of a public-private partnership between the Botswana government, The Merck Company Foundation/Merck & Co., Inc., and the Bill & Melinda Gates Foundation, to help decrease HIV incidence and significantly increase Botswana's rate of diagnosis and the treatment of the disease. The partnership's approach to fighting HIV/AIDS is comprehensive and integrated. It involves:

- ▼ supporting the government in developing and executing a national strategic framework to battle HIV/AIDS;
- ▼ developing and implementing prevention and education programs to mitigate incidence of the disease, including the use of innovative private-sector market-segmentation tools to enable targeted messaging to myriad risk groups;
- ▼ enhancing the available health-care infrastructure – treatment centers, laboratory facilities and trained health-care professionals – to enable delivery of a national antiretroviral treatment program, and
- ▼ providing community-based care and support for all people infected with or affected by HIV/AIDS.



The WHO reports that in 2002, 98 percent of the 10.5 million deaths of children less than 5 occurred in developing countries. Of the 20 countries in the world with the highest child mortality (probability of death under 5), 19 are in Africa. Infectious and parasitic diseases remain the major killers of children in the developing world, partly as a result of the HIV/AIDS epidemic. Communicable diseases, such as perinatal conditions, lower respiratory infections, diarrheal diseases, malaria, measles, and HIV/AIDS still represent seven out of the top 10 causes of child deaths, and account for about 60 percent of all child deaths in the developing world.¹⁶



"American companies are not only an integral part of the worldwide economy, but are key to helping ensure core labor standards for workers around the world. Free and fair trade not only opens new markets for American products and creates jobs at home, but also contributes to safety and prosperity across the world."

Elaine L. Chao, U.S. Secretary of Labor

The partnership's success to date reflects the fact that it is fully integrated with Botswana's national strategy, that it leverages the benefits of the private sector to support public health aims, and that the complement of initiatives are locally driven. Most importantly, the partnership is enhancing local capacity through the strengthening of the health-care infrastructure and the transfer of managerial, leadership and technical skills to Botswana – elements critical to ensuring the sustainable and effective delivery of health services. As lessons learned are documented, the process and content of the partnership will become a model for other developing countries.

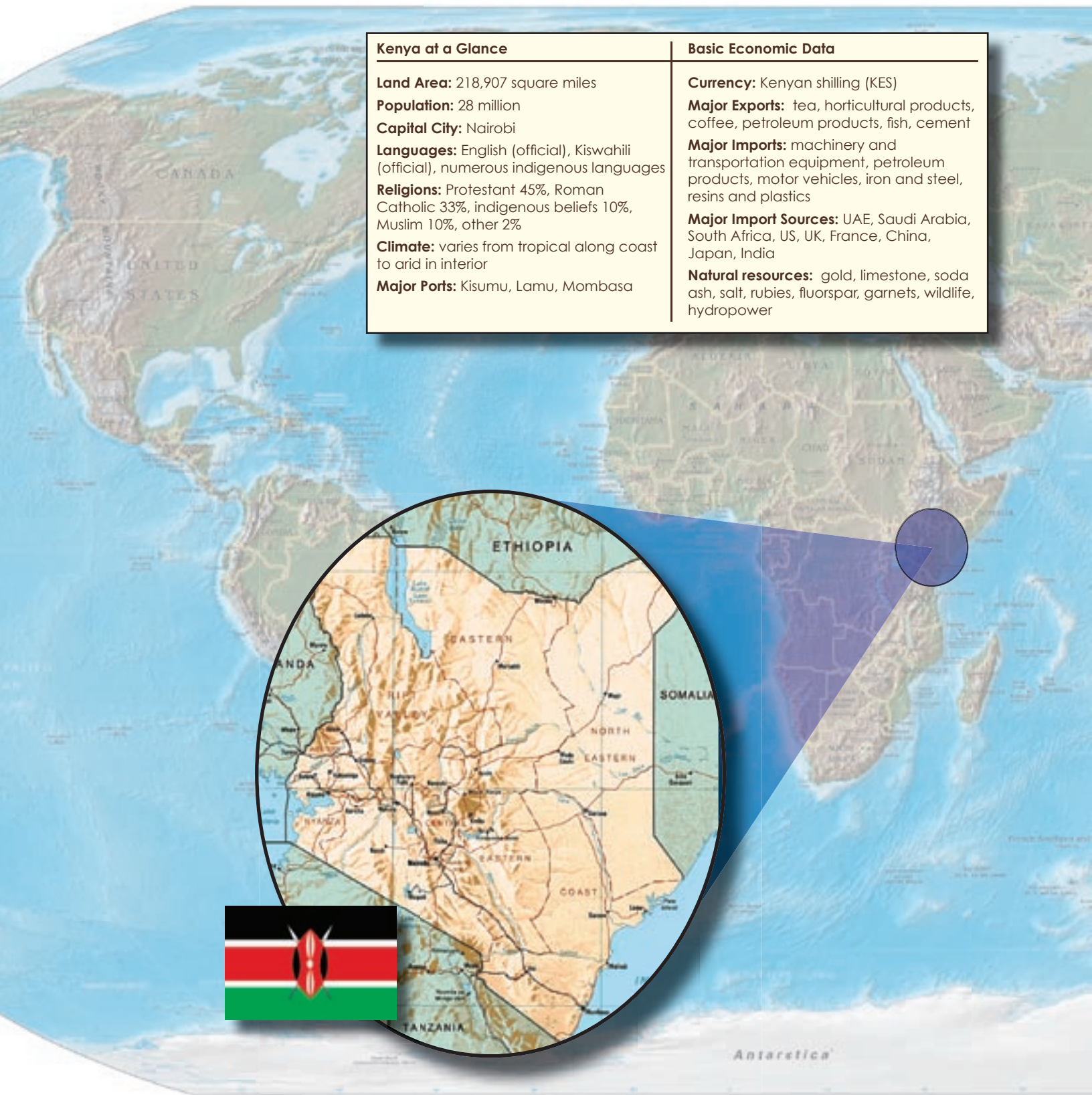


Improving Oral Health in China

In 1995, the **Procter & Gamble Company (P&G)**, a leader in the development, distribution and marketing of consumer products, launched the School Program for Health Education to promote oral health in China. To date the program has advocated for good oral health habits to over 80 million children in 300,000 schools around the country. In recent years, the School Program has reached rural parts and Western China, where it has made significant strides in educating young children about oral health fundamentals. Clinical research conducted by the China National Committee for Oral Health among children who received the education program showed that it helped to prevent tooth decay with an average 21-percent reduction in participating children as compared to the control group.

People in developing countries not only face lower life expectancies than those in developed countries, but also live a higher proportion of their lives in poor health. More than 80 percent of global years lived with disability are in developing countries and nearly half occur in high-mortality developing countries. To complicate matters, the majority of developing countries are now facing a double burden from both communicable and non-communicable diseases like cardiovascular disease and cancer, according to the WHO.¹⁷





Kenya at a Glance	Basic Economic Data
<p>Land Area: 218,907 square miles</p> <p>Population: 28 million</p> <p>Capital City: Nairobi</p> <p>Languages: English (official), Kiswahili (official), numerous indigenous languages</p> <p>Religions: Protestant 45%, Roman Catholic 33%, indigenous beliefs 10%, Muslim 10%, other 2%</p> <p>Climate: varies from tropical along coast to arid in interior</p> <p>Major Ports: Kisumu, Lamu, Mombasa</p>	<p>Currency: Kenyan shilling (KES)</p> <p>Major Exports: tea, horticultural products, coffee, petroleum products, fish, cement</p> <p>Major Imports: machinery and transportation equipment, petroleum products, motor vehicles, iron and steel, resins and plastics</p> <p>Major Import Sources: UAE, Saudi Arabia, South Africa, US, UK, France, China, Japan, India</p> <p>Natural resources: gold, limestone, soda ash, salt, rubies, fluor spar, garnets, wildlife, hydropower</p>

KENYA



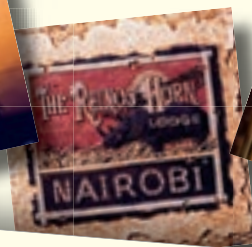
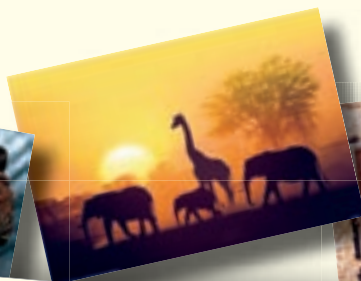
Kenya is an East African country bordered by Somalia on the northeast, Ethiopia on the north, Tanzania on the south and Uganda on the west. It is a large nation – just smaller in area than the state of Texas – with 28 million people.

U.S. companies have helped raise the living conditions of at least 100,000 people – the 10,000 Kenyans working for U.S. companies, and the people these Kenyans support (which averages 10 in an extended family). By offering and enhancing value in the products and services they produce for Kenyan and regional consumption, and through the taxes remitted from their operational revenues, U.S. companies have helped grow the Kenyan economy.

The health of Kenya's people has also been a beneficiary of U.S. corporate involvement. An event called the "Avenue Healthcare's Kenya Express," organized by a leading Kenyan health management organization, Avenue Healthcare, the Kenya Railways, the Nation Media Group (Kenya's leading media house), pharmaceutical company GlaxoSmithKline and other sponsors kicked off on March 5, 2004. Three Kenya Railways trains departed Nairobi Station on a mission of bringing hope and medical care to thousands of Kenyans in six towns along the railway line. An estimated 28,000 Kenyans received free medical care.

Kenya's schools have also benefited. Thanks to the efforts of companies like Microsoft, which partnered with East African Breweries Ltd. and other companies, to provide free computers and software to a number of Kenyan schools. Microsoft's four-year-old partnership with East African Breweries has furnished free computers and software to more than 200 schools. In 2003 Microsoft helped set up a computer lab in one of the oldest primary schools in Mombasa, the Mvita Primary School. Microsoft provided 10 computers and printers, and hooked the school up to the Internet.

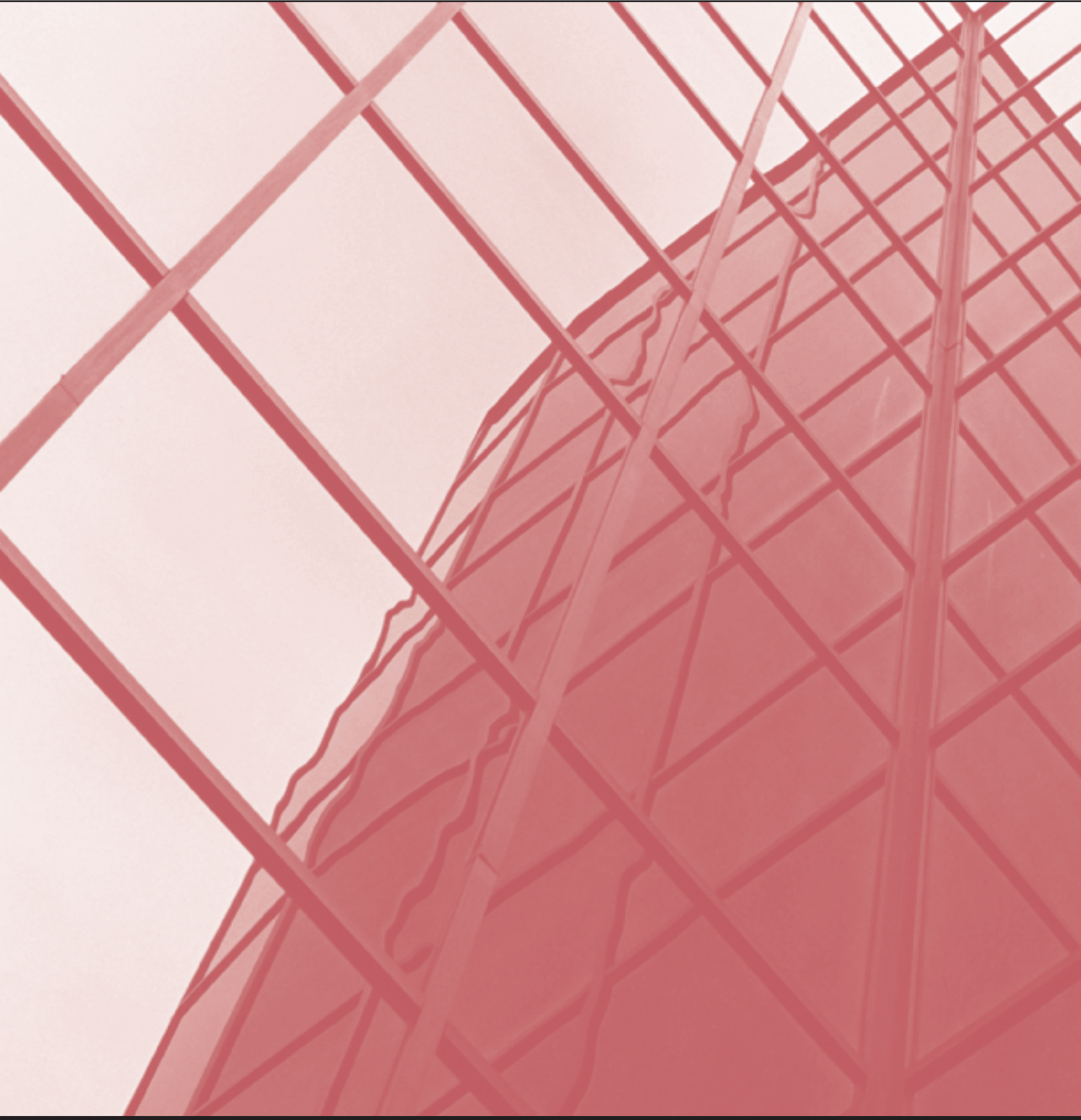
In addition, U.S. companies have been at the forefront of environmental conservation and protection initiatives in Kenya. From sponsorships of large environmental projects such as the Aberdare Electric Fence/Rhino Charge Project to active participation in community clean-up exercises, U.S. companies such as Delta Electric, Microsoft, Colgate-Palmolive, Coca-Cola, General Motors and Sara-Lee have worked to improve the environment in which Kenyans live. The Aberdare Forest Fencing Project, for example, aims at protecting Nairobi's main water catchment area, the Aberdare Forest, as well as the wildlife within it. Through the erection of this electric fence, the human-wildlife conflict of that region will be an issue of the past.




U.S. Embassy
Nairobi, KENYA
AFRICA

President's Export Council
Corporate Stewardship Report
Washington, D.C. 20230







POWER *to* **HELP** *in* *INFRASTRUCTURE*

President Bush emphasized the importance of stable infrastructures to the development of stable nations during a September 2003 speech to the United Nations, asserting that “by helping the Iraqi people build a stable and peaceful country, we will make our own countries more secure.”¹⁸

U.S. companies can and do make a difference in the development of nations all around the world every day of the year. While doing business in developing countries, U.S. companies have found that without reliable energy, clean water, sanitation and transportation, it is difficult to conduct efficient operations. By helping local communities improve their physical infrastructure, U.S. companies are finding that their strategic investments benefit both company and country.



INFRASTRUCTURE

Improving Cross-Border Transportation Network Safety

DuPont, a leading science and technology company, is one of the world's safest industrial companies. During its 200 years in business, DuPont has produced, sold and consumed some of the most hazardous materials known to the chemical industry, with excellent safety performance. Indeed, safety is a defining part of the DuPont culture and the company has built extensively on its knowledge of safe handling of hazardous chemicals.

In 2000, DuPont held its first Binational Emergency Response drill near its chemical plant in Mexico. The company provided skilled coordination assistance to emergency response organizations in Mexico and the United States to maximize their effectiveness in the event of a hazardous cargo mishap on the international highway or bridge between Mexico and Brownsville, Texas, in the United States. The drill, which has been replicated a number of times since 2000, required unprecedented cooperation among federal, state and local agencies in Mexico and the United States. If it is ever needed, the Emergency Response Program will help save lives, minimize damage on both sides of the border, and keep the vital transportation network in safe operation.



Nuevo Laredo, Tamps – Laredo, Texas.
Fully suited brigade members responding to the simulated chemical emergency in the town center.

Estimates by several international organizations and researchers point to the substantial investment required in developing countries, including an annual amount of \$120 billion in the electricity sector from 2001 to 2010 and \$49 billion for water and sanitation from 2001 to 2015. China's infrastructure investment needs, for instance, remain massive, estimated at about \$2 trillion during the 2001–2010 period. The rebuilding of Iraq's civilian infrastructure likewise will require considerable capital.¹⁹



Electrifying the Countryside



Mirant Corp. is an electric power generation company that produces and sells electricity in North America, the Caribbean, and the islands of the Pacific.

In 2001, Mirant, through its Philippine subsidiary, Mirant Philippines, committed \$20 million to bring electricity to more than 1,000 “barangays” or small villages in the Philippines. This project supports the Philippine government’s O-ILAW rural electrification program launched to drive economic development and improve living conditions. Mirant is electrifying the areas throughout the country that need it most. It is currently the largest corporate social responsibility initiative in the country undertaken by a single private corporation.

Additionally, the Mirant Philippines Foundation is working with the U.S. Agency for International Development (USAID), the U.S. Department of Energy, and the government of the Philippines, to bring electric power to the extremely remote villages of the Autonomous Region of Muslim Mindanao, an area occupied by former anti-Philippine insurgents, due to the extreme poverty and unsafe living conditions that plague it.

Providing Safe Drinking Water to a Local Community



In 1992, **International Paper Co.**, the world’s largest paper and forest products company, bought a formerly government-owned pulp and paper mill in Kwidzyn, Poland, and began the process of upgrading the mill while contributing to infrastructure and social improvements in the surrounding community. Among the improvements are a company-constructed water purification plant that raised the quality of drinking water to European Union standards for residents of Kwidzyn and surrounding areas. Installation of the water treatment facilities has



enabled townspeople to have clean, safe drinking water without having to bring it from a local well. This has had a significant impact on health and quality of life in Kwidzyn.

Providing Natural Gas to Local Communities

Cargill Inc.’s purpose is “to be the global leader in nourishing people.” As such, its performance measures are engaged employees, satisfied customers, enriched communities, and profitable growth. Through its corporate stewardship efforts, the company is meeting and exceeding those measures.

In 1991, Cargill began its commercial activities in Ukraine. To date, Cargill has invested about \$100 million in Ukrainian agricultural and food processing businesses that employ over 500 Ukrainian citizens. Cargill businesses in Ukraine are managed by Ukrainian nationals, many of whom undertook extensive long-term training at Cargill facilities and trading offices in the U.S. and Western Europe. Out of more than 500 Ukrainian employees, only three are expatriates.

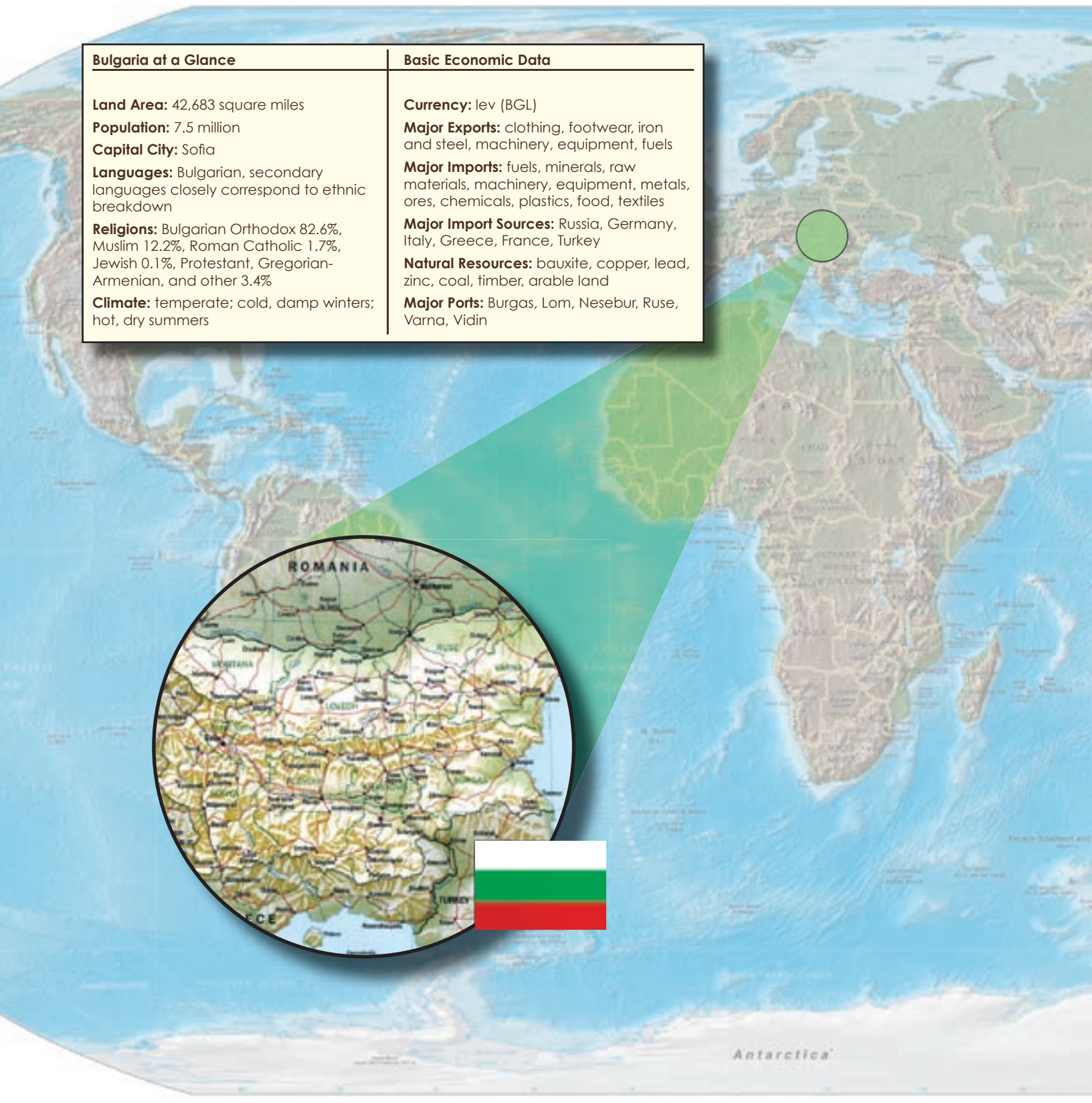
As part of a \$500,000 project to install a new dryer at the company’s Kutsovka grain elevator, Cargill invested \$100,000 to build a 7.5-kilometer gas pipeline. The company extended the pipeline for an additional \$500,000 in order to run it through four nearby villages. This effort has provided these communities with access to natural gas for the very first time.



Worldwide demand for water is steadily increasing as industrialization, agricultural use, urbanization, and a rising standard of living for the globe’s continuously growing population drive water consumption ever higher. Slightly more than half of available freshwater supplies are currently used for human purposes, and world water demand doubles every 20 years.²⁰

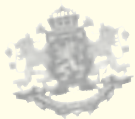


Bulgaria at a Glance	Basic Economic Data
<p>Land Area: 42,683 square miles</p> <p>Population: 7.5 million</p> <p>Capital City: Sofia</p> <p>Languages: Bulgarian, secondary languages closely correspond to ethnic breakdown</p> <p>Religions: Bulgarian Orthodox 82.6%, Muslim 12.2%, Roman Catholic 1.7%, Jewish 0.1%, Protestant, Gregorian-Armenian, and other 3.4%</p> <p>Climate: temperate; cold, damp winters; hot, dry summers</p>	<p>Currency: lev (BGL)</p> <p>Major Exports: clothing, footwear, iron and steel, machinery, equipment, fuels</p> <p>Major Imports: fuels, minerals, raw materials, machinery, equipment, metals, ores, chemicals, plastics, food, textiles</p> <p>Major Import Sources: Russia, Germany, Italy, Greece, France, Turkey</p> <p>Natural Resources: bauxite, copper, lead, zinc, coal, timber, arable land</p> <p>Major Ports: Burgas, Lom, Nesebur, Ruse, Varna, Vidin</p>



BULGARIA

Bulgaria, a country slightly larger than Tennessee, shares a border with Turkey and Greece to the south; the former Yugoslav Republic of Macedonia and Serbia and Montenegro to the west; Romania to the north, and the Black Sea to the east. Ethnic groups include Bulgarian, Turkish, Roma and others.



U.S. companies have invested more than \$100 million in the Bulgarian town of Sevlievo, helping to generate more than 3,000 new jobs and bring about an unemployment rate that is less than half the country's average – 8 percent versus 18 percent. With the support of foreign companies such as U.S.-based American Standard Companies Inc., the world's largest producer of bathroom and kitchen fixtures and fittings, Sevlievo has undergone an economic transformation over the past 12 years.

American Standard is Sevlievo's largest taxpayer, helping the municipality become self-sufficient in terms of revenue generation. (In the early 1990s, the town relied on Bulgaria's central government for 60 percent of its budget.) Sevlievo has reinvested the revenue it has received from taxpayers such as American Standard to continuously improve the environment for international and domestic businesses and to boost living standards for local residents. This use of corporate tax revenues for municipal reinvestment, together with the corporate philanthropy activities in which American Standard engages, has produced such tangible impacts as a 34-kilometer diversion of the Bulgargaz pipeline to Sevlievo, digital phone line connections, links to Bulgaria's optic cable ring, and a local customs office.

In addition, the corporate stewardship efforts of Sevlievo's private-sector-led government-business association (The Sevlievo 21st Century Association) along with American Standard, have resulted in the renovation of Sevlievo's local hospital and the establishment of a professional ceramics school. American Standard and other local businesses, in partnership with the town, have also contributed to the construction of a sports stadium, the reconstruction of the local high school and kindergartens, and the creation of foreign language and arts education centers. Many of these activities were designed to retain skilled workers and young people who are traditionally drawn away from Sevlievo to larger cities in Europe and abroad.

American Standard has also invested \$2.5 million in the construction and operation of Sevlievo Plaza, the region's only business-class, four-star hotel, which hosts 10 to 20 guests per night. According to U.S. Ambassador James W. Pardew, "the success of American Standard in Bulgaria truly contributes to the increased economic development and growth of the town of Sevlievo."



U.S. Embassy
Sofia, BULGARIA
EUROPE

President's Export Council
Corporate Stewardship Report
Washington, D.C. 20230





Peru at a Glance	Basic Economic Data
<p>Land Area: 494,208 square miles</p> <p>Population: 28 million</p> <p>Capital City: Lima</p> <p>Languages: Spanish (official), Quechua (official), Aymara, and a large number of minor Amazonian languages</p> <p>Religions: Roman Catholic 90%</p> <p>Climate: varies from tropical in east to dry desert in west; temperate to frigid in Andes</p> <p>Major Ports: Callao, Chimbote, Ilo, Matarani, Paita, Puerto Maldonado, Salaverry, San Martin, Talara</p>	<p>Currency: nuevo sol (PEN)</p> <p>Major Exports: fish and fish products, gold, copper, zinc, crude petroleum and byproducts, lead, coffee, sugar, cotton</p> <p>Major Imports: machinery, transport equipment, foodstuffs, petroleum, iron and steel, chemicals, pharmaceuticals</p> <p>Major Import Sources: US, Spain, Chile, Brazil, Colombia</p> <p>Natural Resources: copper, silver, gold, petroleum, timber, fish, iron ore, coal, phosphate, potash, hydropower, natural gas</p>



PERU



The South American country of Peru is three times the land size of California, with 28 million people. Nearly one-third of the population lives in the capital city of Lima.

U.S. companies investing in Peru help bring greater economic development and prosperity to the country in a number of ways. American firms, for instance, are among the leading taxpayers in Peru, generating needed revenue to help the cash-starved government carry out key social programs, improve education and better the lives of all Peruvians. U.S. companies create sorely needed employment in a country with more than 50 percent under-employment. In addition, compared to Peruvian companies, jobs at U.S. companies in Peru tend to have higher wages, more training, and superior labor conditions.

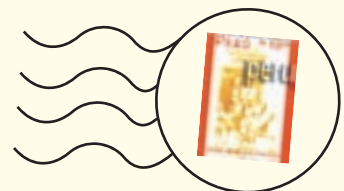
Many U.S. companies have contributed to improvements in Peru's utilities, communications, finance, retailing, mining and transportation resources. For example, electricity in Peru has become more widely available and more reliable. The country now produces 50 percent more electricity than it needs and is no longer overly dependent on hydroelectric power. Telephones are more readily available, allowing small businesses throughout the country to expand their opportunities. Mineral production has increased dramatically. Gasoline stations have increased in number and have been modernized, offering a better product. In addition, the Camisea natural gas project will dramatically change the Peruvian economy, and will contribute about 1.3 percent annually to Peru's GDP over the next 30 to 40 years. This project will provide cleaner energy for customers and residents of Lima.

In addition, power company Luz del Sur (co-owned by PSE&G and Sempra Energy) maintains an active corporate philanthropy program in areas covered by its service. Through the company's "Luz de Vida" (Light of Life) program, Luz del Sur works together with the Asociacion Vida Peru to improve medical care (including medicines, equipment, and availability of medical professionals) to communities that lack adequate services. Other philanthropic efforts include a scholarship program for underprivileged youths, collaboration with Peru's Red Cross, meals for needy children, and funding for Peruvian Special Olympics athletes.



U.S. Embassy
Lima, PERU
SOUTH AMERICA

President's Export Council
Corporate Stewardship Report
Washington, D.C. 20230







POWER *to* **HELP**

in **WORKFORCE DEVELOPMENT**

The U.S. Department of Labor's Office of the 21st Century Workforce was created to "ensure that all American workers have as fulfilling and financially rewarding a career as they aspire to have and to make sure that no worker gets left behind in the limitless potential of the dynamic, global economy of this new millennium."²¹

American companies are supporting this philosophy abroad through various stewardship programs that enhance the workforces of the developing nations in which they operate. These corporate initiatives vary in method but all provide the tools for people to better prepare themselves to be the workforce of the new millennium. More importantly, they recognize the important link between human capital and overall economic development.



WORKFORCE DEVELOPMENT

Educating Employees Worldwide

United Technologies Corp. (UTC) provides an Employee Scholar Program (ESP) to all full- and part-time employees, whether in the U.S. or in locations throughout the world. Employees laid off from UTC or its business units are also eligible for the program for one calendar year from separation. Employees who lose their jobs because work is relocated overseas, or to any location more than 50 miles from where it is currently performed, can participate in the program for four calendar years from date of separation.

The ESP pays 100 percent of the cost for classes, including registration, tuition, fees and books. Employees receive up to half their classroom time as paid time off for studying, up to three hours per week. Employees can enroll in any classes toward any degree (regardless of what job they hold) as long as they attend a regionally accredited educational institution in the U.S., or a nationally recognized institution outside the U.S., and receive a grade of “C” or better in each course.

Program participants in the U.S. who attain a bachelor’s, master’s or doctorate-level degree may elect to receive a graduation award of either \$10,000 worth of common stock or 500 UTC stock options. U.S. participants earning associate’s degrees may elect to receive either \$5,000 worth of common stock or 250 stock options. Non-U.S. participants may also elect to receive either stock or options, in an amount based on the average salary paid by the corporation in each country.



Why have we spent over \$400 million on employees' college degrees?

At UTC, we pay all costs – tuition, academic fees and books – and provide paid time away from work for any employee who pursues a college education. Any degree. No limits. Recipients of a bachelor's, master's or doctorate also receive \$10,000 worth of UTC stock. To date, 19,807 degrees have been awarded and 19,886 employees are currently enrolled students. What's in it for us? Lots – including smarter, more productive employees better prepared to take on new challenges. Smart investment. Great dividends.



For more information about UTC's Employee Scholar Program, visit us at www.utc.com/esp and UTC at www.utc.com

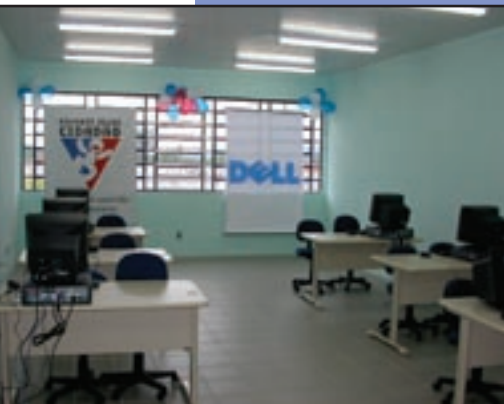
“In this dynamic and competitive economic environment, workforce development systems can help nations, regions and communities improve economic growth, reduce poverty and achieve sustainable development. A natural complement to competitiveness and trade promotion strategies, workforce development can help make education more responsive to economic needs. They can help developing countries reduce high levels of youth unemployment; more effectively cope with the devastating economic impacts of HIV/AIDS, and restore productive economies in countries emerging from conflict.”

Professor Michael E. Porter ²²



As of December 2003, 13,665 UTC employees were participating in the program. Through 2003, UTC spent a total of \$287 million on tuition, books and fees and \$107 million on stock awards. Degrees have been received by employees in over 40 countries, including Argentina, Brazil, China, Colombia, Hong Kong, India, Korea, Malaysia, Mexico, Poland, Russia and South Africa. The UTC Employee Scholar Program was established in 1996 at the direction of UTC Chairman and CEO George David. He said his aim was for UTC to have “the best educated workforce on the planet.” In striving for this aim, UTC is not just educating its workforce, but setting a standard for other companies worldwide.

Enhancing the International Workforce Through Computer Training and System Support



In a joint project in Brazil, **Dell Inc.** and the State Government of Rio Grande do Sul launched the Digital Citizen Project to create a series of technical schools, using physical community locations like neighborhood associations and churches, to provide an opportunity for youth and adolescents with little or no computing literacy to become skilled professionals.



The program has created eight Information Technology Technical Schools in low-income communities in Brazil. Each site has six computers equipped with Internet access. More than 800 students have benefited from the program.

In addition, the Dell South Africa Foundation provides support to three South African schools by providing computer systems, installation and maintenance. Dell South Africa also provides a trainee program whereby unemployed South African graduates are employed for at least one year to obtain significant computer-related work experience.

Dell has donated computers to the Digital Citizen project and Dell employees sponsor students to help defray any student costs. Currently 160 Dell employees sponsor students through payroll deduction.



Dell also participates in a collaborative effort with the Jordanian government, the World Economic Forum, a variety of nonprofit groups and other IT companies to pilot an innovative education project in Jordan. That project is the Jordan Education Initiative (JEI), and its aim is to establish an efficient model for accelerating educational reform in developing countries by using technology to help teachers and students take advantage of their potential. The program will provide Internet technology to local teachers so that they can access updated teaching materials more quickly and facilitate remote team communication with other schools across the country.

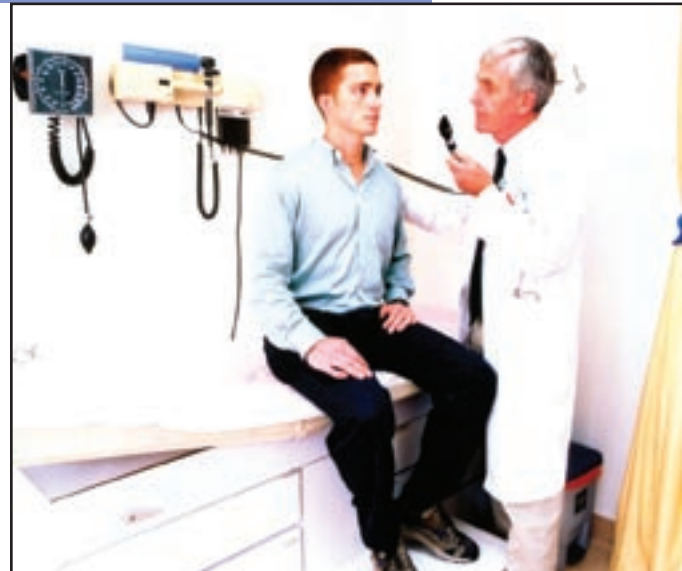
Dell has donated 20 high-performance notebooks worth approximately \$60,000 to the JEI project. Dell will also be supplying 96 schools in Jordan with computers and other equipment. Dell's donation and support are a part of the effort to create a sustainable e-learning infrastructure in Jordan and foster the development of the local IT industry.



Improving Health-Care Workforce Safety in Korea

Becton, Dickinson and Co. (BD), a leading global medical technology company, has sponsored the distribution of the EPINet™ Program to the Korean health-care market. EPINet (The Exposure Prevention Information Network) provides a standardized method for recording and tracking sharp-object injuries, blood and body fluid exposures, and post-exposure follow-up. Korean health-care workers were trained in this computer-based safety program so they could identify injury and exposure patterns in their facility.

EPINet was first introduced in 1992 and has been used by more than 1,500 hospitals in the U.S. In addition to Korea, it has since been adopted in other countries including Canada, Italy, Australia, Spain, Japan and Brazil.





"Companies have told me that by addressing the risks of terrorism they are also likely to address other significant risks affecting their business and thereby improve their business results. These companies are exhibiting leadership for their peers. Many of these companies are also participating in public-private partnerships which are an important part of the national effort to enhance Homeland Security."

Tom Ridge, U.S. Secretary of Homeland Security

BD, which offers the industry's broadest, deepest line of safety-engineered products, also provides safety training to health-care workers through trained nursing staff. By providing safety training to health-care workers, BD is not only enhancing that workforce, it is helping to save lives.

Developing and Retaining a Premier Workforce Around the World



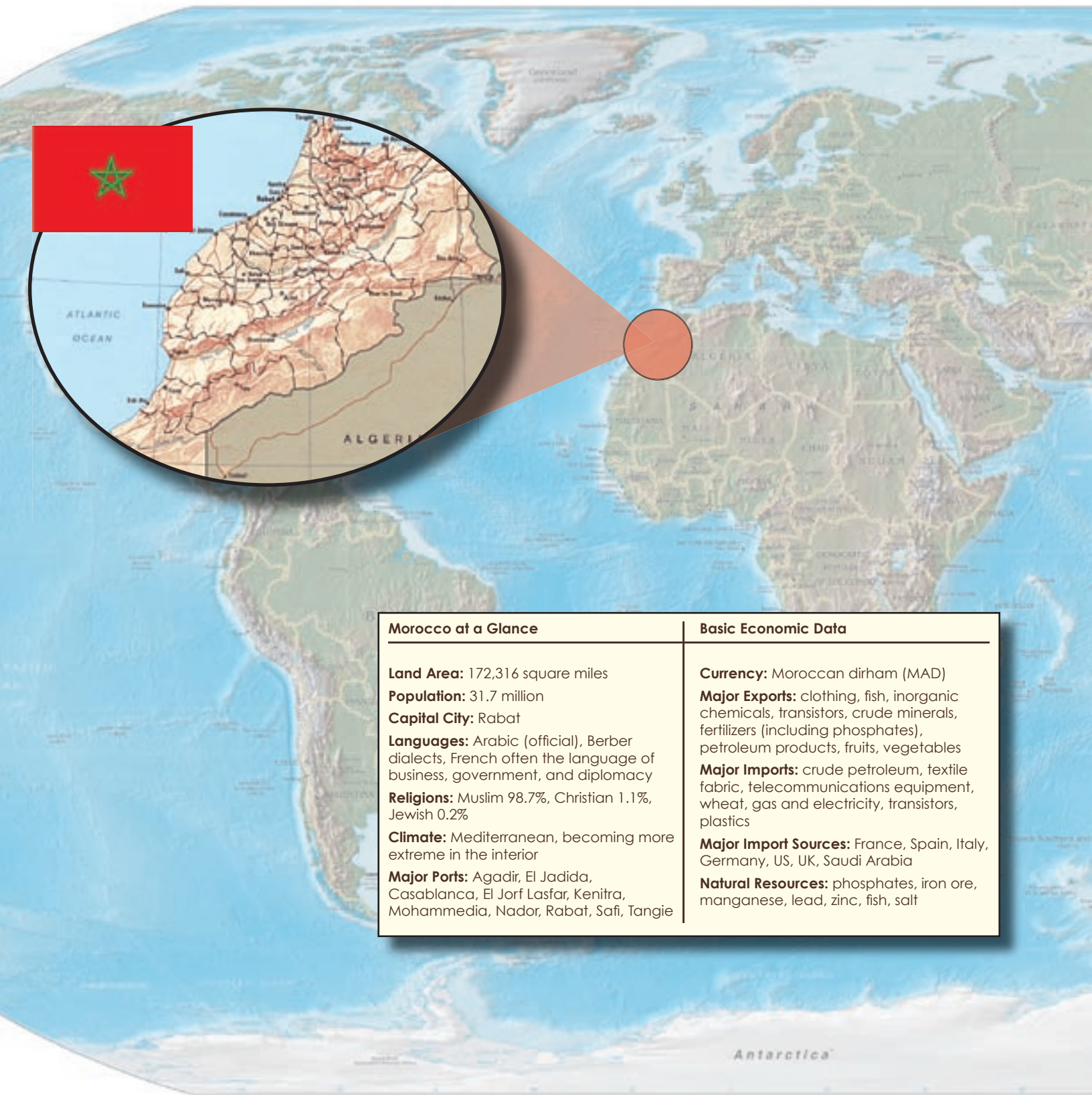
Exxon Mobil Corp., a leading energy and petrochemical company, believes the key to any successful company is its employees. As such, Exxon Mobil strives for a workforce that not only is premier in its capabilities but also whose diversity is representative of the communities where the company does business. Thanks to this philosophy, Exxon Mobil's workforce comes not only from North America and Europe, but also from regions including Africa, the Middle East, Latin America and Asia.

In 2003, the company hired more than 1,200 professionals worldwide and provided more than 800 internships and co-op assignments to top international students throughout the world. In countries where Exxon Mobil has significant operations and the available workforce lacks access to local training or education, the company will typically fund and implement its own technical and apprentice training using both in-country resources and often international



educational opportunities. For example, in 2004, Exxon Mobil will spend more than \$19 million training Angolans to work in the international petroleum industry. Additionally, the company has more than 100 West Africans, from nations including Chad, Cameroon and Nigeria, in operations positions in the North Sea, the Gulf of Mexico, the western U.S. and eastern and western Canada; others are receiving advanced-skills training at technical schools in North America.





Morocco at a Glance	Basic Economic Data
<p>Land Area: 172,316 square miles</p> <p>Population: 31.7 million</p> <p>Capital City: Rabat</p> <p>Languages: Arabic (official), Berber dialects, French often the language of business, government, and diplomacy</p> <p>Religions: Muslim 98.7%, Christian 1.1%, Jewish 0.2%</p> <p>Climate: Mediterranean, becoming more extreme in the interior</p> <p>Major Ports: Agadir, El Jadida, Casablanca, El Jorf Lasfar, Kenitra, Mohammedia, Nador, Rabat, Safi, Tangie</p>	<p>Currency: Moroccan dirham (MAD)</p> <p>Major Exports: clothing, fish, inorganic chemicals, transistors, crude minerals, fertilizers (including phosphates), petroleum products, fruits, vegetables</p> <p>Major Imports: crude petroleum, textile fabric, telecommunications equipment, wheat, gas and electricity, transistors, plastics</p> <p>Major Import Sources: France, Spain, Italy, Germany, US, UK, Saudi Arabia</p> <p>Natural Resources: phosphates, iron ore, manganese, lead, zinc, fish, salt</p>

MOROCCO



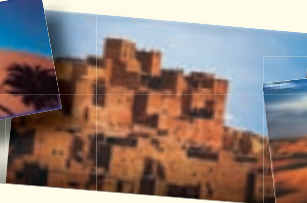
Located at the northwest corner of Africa, across the Strait of Gibraltar from Spain, Morocco is a constitutional monarchy. The population of 31.7 million people is 99.9 percent Muslim. Major cities include Rabat, Casablanca, Marrakech, Fez and Tangier.

U.S. firms have a long history of corporate citizenship activities in Morocco, ranging from health and education to environmental practices and workforce training. According to the U.S. embassy in Morocco, "Through their examples, firms such as CMS Energy, Microsoft, and Pfizer have shown Moroccans the practical, real-world benefits of greater economic ties and integration with the United States."

One example of how these benefits have been realized is the retraining of unemployed university graduates as information technology professionals by Microsoft. It has been difficult for university graduates to find work in Morocco, a fact that has strained social structures there. In response, Microsoft's North African unit provides free workforce training in information technology to reduce the gap between graduates with liberal arts educations and the demand by corporations for technically skilled workers.

In 2002, Microsoft North Africa selected 100 Moroccan university graduates who had been unemployed to participate in a training program. In the first year, 50 graduates went through the program; 50 more attended the second year. Microsoft provided intensive two-month classes at certified training centers. All participants completed the training and were granted official certification in Microsoft systems and technologies. Microsoft then solicited business partners and customers to offer two-month internships for additional certification. Microsoft hired a human resources consulting firm to provide a weeklong workshop in job-hunting techniques such as resumé writing and interviewing skills. In addition, Microsoft North Africa compiled graduates' resúmes in a booklet that it distributed to the press and customers. It also created a portal on its website for potential employers to view resúmes and contact graduates.

Combining modern technology with old-fashioned industriousness generated stunning placement rates. More than 65 percent of candidates received job offers within three months of completing the program and more than 90 percent remain employed to date. At the graduation ceremony, the governor of Casablanca praised Microsoft North Africa for not only changing the lives of 100 families, but also for serving as a model of corporate citizenship. Microsoft, he said, had shown the private sector how to become effective economic and social leaders in Morocco.



U.S. Embassy
Rabat, MOROCCO
AFRICA

President's Export Council
Corporate Stewardship Report
Washington, D.C. 20230





Malaysia at a Glance	Basic Economic Data
<p>Land Area: 126,855 square miles</p> <p>Population: 24 million</p> <p>Capital City: Kuala Lumpur</p> <p>Languages: Bahasa Melayu (official), English, Chinese dialects (Cantonese, Mandarin, Hokkien, Hakka, Hainan, Foochow), Tamil, Telugu, Malayalam, Panjabi, Thai; East Malaysia several indigenous languages are spoken.</p> <p>Religions: Muslim, Buddhist, Daoist, Hindu, Christian, Sikh; note - in addition, Shamanism is practiced in East Malaysia</p> <p>Climate: tropical; annual southwest (April to October) and northeast (October to February) monsoons</p>	<p>Currency: ringgit (MYR)</p> <p>Major Exports: electronic equipment, petroleum and liquefied natural gas, wood and wood products, palm oil, rubber, textiles, chemicals</p> <p>Major Imports: electronics, machinery, petroleum products, plastics, vehicles, iron and steel products, chemicals</p> <p>Major Import Sources: Japan, US, Singapore, China, Taiwan, South Korea, Thailand</p> <p>Natural Resources: tin, petroleum, timber, copper, iron ore, natural gas, bauxite</p> <p>Major Ports: Bintulu, Kota Kinabalu, Kuantan, Kuching, Kudat, Labuan, Lahad Datu, Lumut, Miri, Pasir Gudang, George Town (Penang), Port Dickson, Port Kelang, Sandakan, Sibul, Tanjung Berhala, Tanjung Kidurong, Tawau</p>



MALAYSIA



Malaysia sits on two stretches of land 400 miles apart that are separated by the South China Sea. Some 24 million people live in the tropical climates of both regions. Malaysia's population is comprised of many ethnic groups, with the Malays comprising a majority.

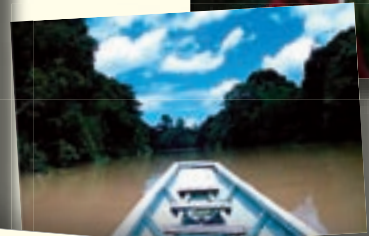
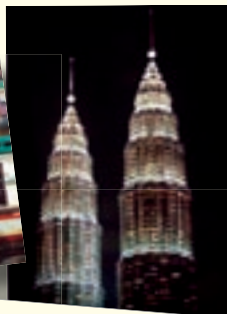
Investing more than \$20 billion in Malaysia, American companies have been instrumental in the country's transformation from an economy based on agriculture and primary commodities to one with a world-class infrastructure and strong institutions.

This transformation has been most striking in the electronics sector. U.S. electronics companies such as AMD, Intel, Motorola and Texas Instruments began investing in Malaysia in the early 1970s. Their presence attracted other investors in the electronics and components industries, giving rise to the "Silicon Valley of Malaysia" in the state of Penang. In 2003, the 18 members of the Malaysian American Electronics Industry group alone accounted for 16.4 percent of Malaysia's total export earnings. They provide more than 50,000 attractive jobs, nearly 11,000 of which go to Malaysian engineers.

One example of the cooperation between U.S. companies and the government of Malaysia is the Penang Skills Development Center. The center helps Malaysians develop the expertise needed to work in this quickly evolving industry. U.S. companies are also working with the Malaysian government and selected Malaysian universities to develop opportunities for joint microelectronics research and development.

In addition to Malaysia's electronics sector, the country's oil and gas sector receives a large amount of U.S. investment. The performance standards set by U.S. companies such as Exxon Mobil have become the benchmarks for a myriad of other industries in Malaysia, and the resource extraction industry globally. Their contributions to the Malaysian economy extend far beyond their sizable tax and royalty payments: They source hundreds of millions of dollars worth of goods and services from local suppliers annually, provide about 5,000 jobs, and transfer technology that has helped Malaysia develop.

According to the U.S. embassy in Malaysia, the hallmark of U.S. business activity in Malaysia is its commitment to workforce (human capital) development. Oil and gas companies, in particular, have made a point of developing Malaysian human resources internally. For example, Exxon Mobil Malaysia hosts regional skill centers for a number of its in-house services, such as auditing, information technology, and human resources administration, providing additional career opportunities for its Malaysian staff.



U.S. Embassy
Kuala Lumpur, MALAYSIA
ASIA

President's Export Council
Corporate Stewardship Report
Washington, D.C. 20230





Statement By

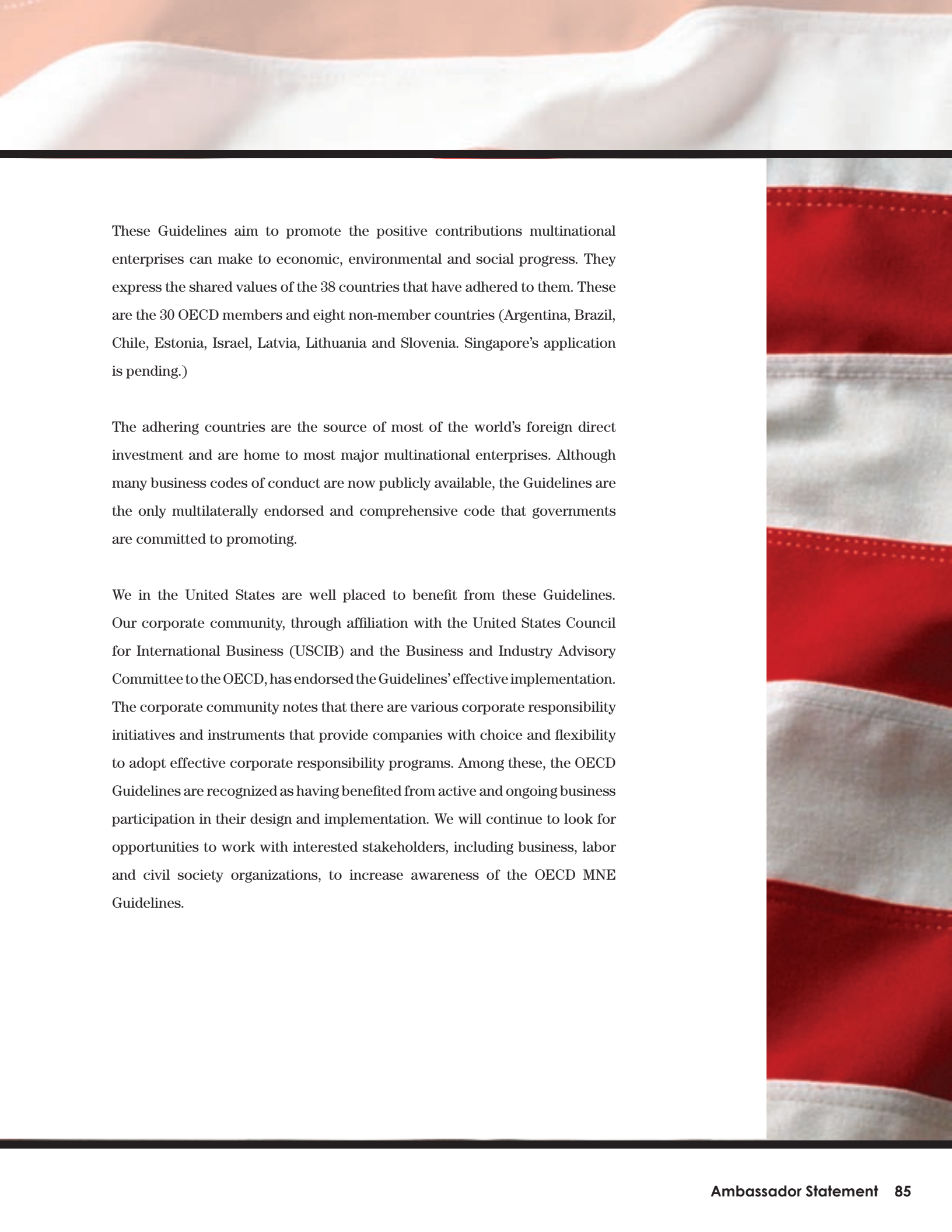
**U.S. Ambassador
to the Organization for
Economic Cooperation and
Development**

Connie Morella

The OECD Guidelines for Multinational Enterprises, agreed upon by consensus among OECD members and revised in 2000, are one of the world's foremost corporate responsibility instruments. They are also an important international benchmark for corporate responsibility. They contain voluntary principles and standards for responsible business conduct in such areas as human rights, disclosure of information, anti-corruption, taxation, labor relations, environment, and consumer protection.

To cite two examples from the 10-page text of the Guidelines, in the area of disclosure, "Enterprises should ensure that timely, regular, reliable and relevant information is disclosed regarding their activities, structure, financial situation and performance..." In the area of environment, enterprises should "Establish and maintain a system of environmental management appropriate to the enterprise..."

OECD participating countries are committed to promoting the Guidelines and agreed to establish National Contact Points whose job it is to promote the implementation of the Guidelines. The U.S. National Contact Point is situated in the Department of State's Office of Investment Affairs and regularly consults with an interagency committee to discuss Guidelines issues.

A close-up, vertical view of the American flag, showing the red and white stripes and the white fabric with visible stitching. The flag is positioned on the right side of the page, partially overlapping the text area.

These Guidelines aim to promote the positive contributions multinational enterprises can make to economic, environmental and social progress. They express the shared values of the 38 countries that have adhered to them. These are the 30 OECD members and eight non-member countries (Argentina, Brazil, Chile, Estonia, Israel, Latvia, Lithuania and Slovenia. Singapore's application is pending.)

The adhering countries are the source of most of the world's foreign direct investment and are home to most major multinational enterprises. Although many business codes of conduct are now publicly available, the Guidelines are the only multilaterally endorsed and comprehensive code that governments are committed to promoting.

We in the United States are well placed to benefit from these Guidelines. Our corporate community, through affiliation with the United States Council for International Business (USCIB) and the Business and Industry Advisory Committee to the OECD, has endorsed the Guidelines' effective implementation. The corporate community notes that there are various corporate responsibility initiatives and instruments that provide companies with choice and flexibility to adopt effective corporate responsibility programs. Among these, the OECD Guidelines are recognized as having benefited from active and ongoing business participation in their design and implementation. We will continue to look for opportunities to work with interested stakeholders, including business, labor and civil society organizations, to increase awareness of the OECD MNE Guidelines.



Conclusion

The report you are holding is not meant in any way to be the authoritative study of American corporate beneficence in developing countries. That document would no doubt take years to produce — collecting the stories of thousands of U.S. companies in dozens of countries around the world.

Instead, the President’s Export Council report was designed to provide snapshots of American business at its best. American companies are: bettering the economies of struggling countries; cleaning up the environments of polluted regions and saving others from the saw and the steamroller; reducing disease and increasing life expectancies through American medicine, American medical equipment, and American medical professionals; giving children the gift of a classroom and the knowledge that’s necessary to stimulate their minds — minds that will help their homelands flourish when job opportunities and progressive governments await them.

As U.S. Commerce Secretary Donald L. Evans put it in his letter at the beginning of this report, “American businesses working around the world help to foster a fertile environment that provides opportunity and possibility for millions.” The opportunities and possibilities shine far and wide — from Coca-Cola and BellSouth building schools and providing scholarships for poor Mexican and South American children, to Marriott employees providing relief to thousands of Jakartans decimated by floods.

The possibilities ring true as well for the skies, water and natural resources of developing nations, all of which can suffer when economic wealth precedes environmental health. American companies such as Chiquita Brands, CMS Energy, Goldman Sachs and IBM show how profit doesn’t have to come at the



expense of the environment. Businesses such as Eli Lilly, Merck, Chindex and Procter & Gamble demonstrate how America's vast medical resources – the most advanced in the world – can turn the tide on disease and poor health that ravages Africa and other regions.

U.S. companies have done so much, not only because they can – but because it is the right thing to do. As U.S. Secretary of State Colin L. Powell said, “The private sector can generate the large amounts of capital that poor countries need to get on the road to sustained development.”

American businesses give to developing countries because it's both good citizenship and good business practice. As Michael Novak says in his essay, “‘Stewardship’ turns out to be a far larger concept today than was ever imagined before. We find ourselves feeling responsible for a whole world of urgent needs, often needs on a very deep level of politics and culture, but sometimes simple, humble needs such as clean drinking water and medicines for lifting away the burden of diseases that had gone untreated for centuries.”

Michael Porter, the Harvard Business School professor and renowned expert on business strategy, believes business has a crucial role to play in bringing up the world's struggling economies. In his article he writes, “Companies, more than governments, foundations or other social service organizations, have a unique ability to help build healthy economies in the developing world.”

Acknowledging U.S. companies for their activities is the simplest way to strengthen a commitment to corporate stewardship. Both the Department of Commerce and the Department of State have programs to recognize the good corporate practices of American businesses around the world.



The Department of Commerce established the Corporate Stewardship Award in 2003. The award demonstrates Commerce's dedication to recognizing small, medium and large businesses' efforts to balance their responsibility to employees, shareholders, and their communities. It is a philosophy that unites a company's ethical values and economic mission by stressing the importance of proper use and allocation of company resources in order to build a strong society and foster corporate responsibility to practice good citizenship.

In selecting the candidates for the award, an emphasis is put on strong economic performance as well as an effective record of corporate ethics and values, engagement in community, strategic corporate investments that benefit society, and leadership that fosters and promotes corporate stewardship. The companies that demonstrate commitment and exceptional accomplishments in those categories are rewarded with the Corporate Stewardship Award for their total performance and contribution to economic, community and social progress. For more information on this award, please refer to <http://www.uschamber.com/ccc/default>.

The U.S. Secretary of State's Award for Corporate Excellence (ACE), established in 1999, sends a strong signal of the State Department's commitment to further exemplary practices worldwide and highlights the Department's increasing role in business-related issues. The call for nominations is made each spring. American companies, large and small, are nominated by Chiefs of Missions at U.S. embassies and consulates around the world, and ACE winners are chosen by an interagency Award Selection Committee. The U.S. Secretary of State presents the ACE to one or more firms at a ceremony held at the Department of State in the fall of each year. The Department of State is committed to



working with American business to advance best practices and to recognize the contributions of the American business community to improving lives at home and abroad. For more information on the U.S. Secretary of State's Award for Corporate Excellence program, please see <http://www.state.gov/e/eb/cba>.

The President's Export Council recommends the formation of similar award programs to promote the importance of corporate stewardship in U.S. business. We also encourage U.S. embassies to continue their outreach to and engagement with U.S. businesses by documenting corporate stewardship assistance to countries and peoples around the world.

We hope this document is both an effective snapshot as well as a persuasive and directional signpost for companies throughout the U.S. and the rest of the world that business can do well by doing good – and corporations, countries and the world's citizens mutually benefit from good corporate stewardship.





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