

January 9, 2008

REPORT TO THE GOVERNOR
AND THE LEGISLATURE AS
REQUIRED BY
P.L. 1987, c.177
(Report on corporations
doing business in Northern Ireland
whose securities are held by the State
pension funds)

P.L. 1987, c.177 requires the Division of Investment to file a report by January 15 of each year regarding the adherence of United States corporations or their subsidiaries doing business in Northern Ireland, in which the assets of any State pension fund or annuity fund are invested, to various principles stated in the law and collectively known as the MacBride Principles.

The law further provides that the Division may use information disseminated by independent agencies if, in the opinion of the State Investment Council, the information satisfies the requirements of the law.

We utilize Institutional Shareholders Services (ISS) as the source of information to identify those United States corporations doing business in Northern Ireland and to provide reports on their adherence to the principles set forth in the law.

Attached hereto as Exhibit I is the report prepared by ISS, dated December 2007.



William G. Clark
Director

WGC:lt
Attachments

EXHIBIT I

**U.S. COMPANIES IN WHICH THE DIVISION INVESTS THAT
DO BUSINESS IN NORTHERN IRELAND**

| | |
|------------------------------------|--|
| 3M Co. | Hewlett-Packard Co. |
| AES Corp. | International Business Machines Corp. |
| Allstate Corp. | Jacobs Engineering Group Inc. |
| Aon Corp. | Kohlberg Kravis Roberts & Co. ⁽¹⁾ |
| AVX Corp. | Marsh & McLennan Companies, Inc. |
| Bain Capital ⁽¹⁾ | McDonald's Corp. |
| Baker Hughes Inc. | Merck & Co., Inc. |
| Bemis Co., Inc. | Microsoft Corp. |
| Berkshire Hathaway Inc. | Nacco Industries, Inc. |
| Blockbuster Inc. | Omnicom Group Inc. |
| Borland Software Corp. | PepsiCo, Inc. |
| Caterpillar Inc. | Pfizer Inc. |
| Chevron Corp. | Raytheon Co. |
| Citigroup Inc. | Regis Corporation |
| Clear Channel Communications, Inc. | Sanmina-SCI Corp. |
| Coca-Cola Co. | Schein (Henry) Inc. |
| Computer Sciences Corp. | Sonoco Products Co. |
| Crane Co. | Starbucks Corp. |
| Crawford & Company | Terex Corp. |
| Danaher Corp. | TJX Companies, Inc. |
| Digital River, Inc. | United Technologies Corp. |
| DuPont (E.I.) de Nemours & Co. | Visteon Corp. |
| Emerson Electric Co. | Vornado Realty Trust ⁽¹⁾ |
| General Electric Co. | Wal-Mart Stores, Inc. |
| Goodrich Corp. | Watson Pharmaceuticals, Inc. |
| Goodyear Tire & Rubber Co. | Yum! Brands, Inc. |

⁽¹⁾ Bain Capital and Kohlberg Kravis Roberts & Co. – “Toys R Us was acquisition by an investor group led by Bain Capital, Kohlberg, Kravis Roberts and Vornado Real Estate Investment Trust in mid-2005.”

**Report on New Jersey
Portfolio Companies
in Northern Ireland**

Submitted to the Department of the Treasury, State of New Jersey

December 2007

**By Heidi J. Welsh, Maureen O'Brien and Jan Fetter-Degges
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Company Profiles

The attached company profiles include information relevant to the nine MacBride principles. The principles are cited in New Jersey P.L. 1987, Chapter 177 in their unamplified form, as follows:

- A. Increasing the representation of individuals from underrepresented religious groups in the work force including managerial, supervisory, administrative, clerical and technical jobs.
- B. Adequate security for the protection of minority employees both at the workplace and while traveling to and from work.
- C. The banning of provocative religious or political emblems from the workplace.
- D. All job openings should be publicly advertised and special recruitment efforts should be made to attract applicants from underrepresented religious groups.
- E. Layoff, recall and termination procedures should not in practice favor particular religious groupings.
- F. The abolition of job reservations, apprenticeship restrictions, and differential employment criteria, which discriminate on the basis of religion or ethnic origin.
- G. The development of training programs that will prepare substantial numbers of current minority employees for skilled jobs, including the expansion of existing programs and the creation of new programs to train, upgrade and improve the skills of minority employees.
- H. The establishment of procedures to assess, identify and actively recruit minority employees with potential for further advancement.
- I. The appointment of a senior management staff member to oversee the company's affirmative action efforts and the setting up of timetables to carry out affirmative action principles.

Each company entry starts with an overview of key fair employment facts that relate to all the parent company's operations in Northern Ireland:

- whether the company has an agreement on implementation of the MacBride principles,
- if any of the operations in Northern Ireland have an underrepresentation of Catholics or Protestants and if the company is taking any affirmative action, and
- the number (if any) of Fair Employment Tribunal discrimination findings and/or settlements.

The MacBride agreement heading refers to agreements between proponents of the MacBride principles and the companies. To reach such agreements, the companies generally say they are implementing MacBride to the extent they lawfully can do so and agree to cooperate with independent monitoring of their operations, usually after activists have sponsored a shareholder resolution to the company on the subject.

For each subsidiary or affiliate, the facility name is stated, the location, business line, whether any underrepresentation exists (and for which group) at the operation, and the employee breakdown. Percentages of Catholics and Protestants in each work force are provided, although no conclusions are drawn from a work force with fewer than 30 employees. Subheadings in the remainder of each profile indicate:

- the extent of the company's response to the Northern Ireland Service 2006 survey;
- the quality and source of information available;
- compliance with Northern Ireland's fair employment law and *Code of Practice* (the Fair Employment and Treatment (Northern Ireland) Order 1998, is an act of the British parliament and the detailed *Code* is authorized by the British government and spells out legal requirements and makes recommendations to employers for best practice in this area);
- whether Catholics and Protestants appear to be fairly represented;
- the company's position on the MacBride principles;
- any affirmative action the company is taking;
- any discrimination complaints filed against the company at the Fair Employment Tribunal since 2003.

The profiles refer to two government agencies in Northern Ireland:

- the Equality Commission for Northern Ireland, which replaced the Fair Employment Commission (FEC) in October 1999; and
- the Fair Employment Tribunal (FET), the judicial body that adjudicates complaints filed under fair employment law in Northern Ireland.

* * *

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3M

| | | | | | |
|---------------------------|------|----------------------------|---|------------------------------------|---|
| MacBride Agreement | T | Underrepresentation | T | FET Discrimination Findings | 0 |
| Agreement Date | 5/96 | Affirmative Action | T | FET Settlements | 0 |

• **3M Industrial Tapes**

| | | | |
|----------------------------|---|------------|-----|
| Location | Bangor, Co. Down | | |
| Business | adhesive tapes | | |
| Fair Representation | Catholics appear to be underrepresented | | |
| Employees | (Data as of August 2007) | | |
| | Protestant | 136 | 88% |
| | Catholic | 19 | 12% |
| | Other | 4 | |
| | <u>Total</u> | <u>159</u> | |

2007 Survey Response: Full

Available information: 3M company manufactures adhesive tape at its Bangor location in County Down. It has cooperated with the Northern Ireland Service, completing surveys and providing access to local managers for interviews several times. Company officials also have periodically met with Northern Ireland Service staff in the United States since 1997.

In 2004, the company took part in a training program partially funded by InvestNI, which it said helped boost profitability to its best level in recent years. The size of 3M's work force shrank about 6 percent a year from 1996 and 2003, cutting a third of its original Northern Ireland work force. 3M's staff now numbers 159 workers.

Compliance with NI fair employment law and Code of Practice: The plant's senior management team has developed fair employment training programs in conjunction with the Equality Commission, and the company has provided its managers with awareness training on equal opportunity, fair employment and sectarian harassment and intimidation. In addition, all employees have been trained in equality awareness and sectarian harassment. 3M also has an exit survey that specifically gathers information on fair employment. The company reports that all employees leaving the company have been aware of the equal opportunities policies. The company's management oversight of equality issues at its Northern Ireland plant appears to have received specific, sustained attention from U.S. corporate management that is somewhat unusual compared to other U.S. firms in Northern Ireland.

Underrepresentation analysis: 3M's Bangor location is in a heavily Protestant district, with Catholics representing less than 15 percent of the population. In previous years, Catholics appeared to be underrepresented in the overall work force and especially among machine operatives. Data from more recent monitoring periods show only a slight Catholic underrepresentation--an improvement towards fair representation of both communities.

3M reached an affirmative action agreement with the Equality Commission, which included a target of increasing the Catholic proportion of applicants and appointees to at least 11 percent by 1999, and an overall goal of increasing the Catholic proportion of its manual work force to 11 percent. 3M met these goals and generally has exceeded its target for Catholic applicants. Catholic applicant levels were higher in the late 1990s, but the company told the Northern Ireland Service that vacancies in those years were for highly paid, skilled positions for which candidates would be willing to travel, attracting applicants from areas with more Catholics than its immediate vicinity.

The company does not use a last-in, first-out redundancy policy, which can affect one community disproportionately, but bases redundancies on merit or asks for volunteers.

The company has banned the wearing of football soccer shirts in the plant; allegiance to certain teams in Northern Ireland can be extremely sectarian. It also prohibits the display of flags and emblems through a Joint Declaration of Protection most recently signed in April 1996 by the Bangor site manager and a union representative, and no problems appear to have surfaced with this neutral workplace policy. The company is close to parade routes during the summer marching season, but the facility is closed for two days during the height of the season.

Conformance with MacBride principles: The company reached an agreement with shareholder activists on implementation of the MacBride principles in 1996. It says local managers implement this commitment as "it is a condition of employment to abide by our equal opportunities policy" on fair employment, which is a "key area of responsibility" in managerial job descriptions. "Failure on this responsibility will be treated seriously by the company and corrective action taken." The company regularly complies with monitoring by the Northern Ireland Service.

Affirmative action outreach - The company reported in 2003 that negotiations were underway on affirmative action. Previously, in 1997, the company developed an outreach program that includes links with schools, colleges and charities, church liaisons, cultural and community events and corporate Earthwatch, an international science and educational charity. The company also started placing ads in the Irish News and the Sunday Life, in addition to the Belfast Telegraph. It began welcoming both communities to apply in 1996. The schools outreach program includes "industry awareness days," recruitment fairs and work experience/placement schemes in which secondary school students visit the company for a week. In addition, 3M reported in the past that it sponsored an annual weekend team building retreat with 20 Catholic and 20 Protestant school children to enhance community relations with the company. Outreach to Catholics also has included sponsoring teams of the Catholic Gaelic Athletic Association. In early 2004, the company noted that some of its outreach initiatives have been scaled back, but that it still supports "a range of activities in the minority community...including work placement weeks and art competitions."

Grievances - The Northern Ireland Service is not aware of any complaints filed against the company at the Fair Employment Tribunal.

AES

| | | | | | |
|---------------------------|------|----------------------------|---|------------------------------------|---|
| MacBride Agreement | T | Underrepresentation | T | FET Discrimination Findings | 0 |
| Agreement Date | 4/96 | Affirmative Action | T | FET Settlements | 0 |

- **AES Kilroot Power**

| | | | |
|----------------------------|---|-----------|-----|
| Location | Carrickfergus | | |
| Business | electricity generation | | |
| Fair Representation | Catholics appear to be underrepresented | | |
| Employees | (Data as of 2006) | | |
| | Protestant | 81 | 87% |
| | Catholic | 12 | 13% |
| | Other | 1 | |
| | Total | 94 | |

2007 Survey Response: Full

Available information: AES owns more than 97 percent of AES Kilroot Power Ltd.; employees own the rest. The coal-burning Kilroot Power station is being updated with pollution control equipment to bring it into compliance with EU standards on sulphur dioxide and nitrous oxide emissions. The update will cost rate-payers £45 million and the move is being fought by the Northern Ireland Authority for Energy Regulation. Those opposed to the renovations argued that consumers should not have to pay to keep antiquated forms of energy running. The Department of Enterprise, Trade and Investment in Northern Ireland has urged the company to develop renewable technologies at the plant in addition to its traditional operations.

In May 2000, AES acquired Tractebel's stake in Nigen Ltd., a Northern Ireland entity whose shares were formerly equally split by AES and Tractebel. The acquisition netted AES additional holdings in Kilroot Power and a second facility, Belfast West Power. Kilroot Power now operates as a unit of AES (NI) Ltd., which is wholly owned by U.S.-based AES. Belfast West ceased generating electricity in April 2002 when AES was unable to secure new contracts for the aging plant, and decommissioning of the facility was finished in March 2004. The company has responded to the Northern Ireland Service surveys every year since 1997, except in 2003; management met with Northern Ireland Service staff in the early 1990s.

Compliance with NI fair employment law and Code of Practice: The company generally appears to adhere to recommendations of the Code, including affirmative action outreach measures that the Code encourages where there is underrepresentation. The company uses systematic hiring and selection procedures and manages an equal opportunities program.

Employee team leaders manage fair employment issues, although there is a monitoring officer who also assists the new team leaders with outreach and social responsibility projects. AES reports that all team leaders have had EEO awareness training and will be kept up to date with current legislation; the team leaders are responsible for recruitment, selection, training and performance reviews.

AES does not publicly advertise all openings, citing the continual downsizing of its work force. (The work force slightly increased in 2006 but it is half the size of its work force in 1999.) The company used to advertise jobs in a range of newspapers, ensuring widespread notice of job vacancies, but in its most recent survey response the company reported that it advertises in the Belfast Telegraph. It also reported that jobs are sometimes advertised internally and throughout the AES Corporation. The company uses an interview panel when selecting new hires, but it does not guarantee that both communities are represented on the panel.

The company's Northern Ireland board of directors and senior management at the two power stations issued an open letter in 1995 "to the people of Nigen and Northern Ireland" stating their support for fair employment practices and policies. The letter was posted on the company's notice board and published in its newsletter. The company meets regularly with the Equality Commission. Northern Ireland senior management oversee the company's equality policy.

Underrepresentation analysis: Managers accept that Catholics are underrepresented. Catholics appeared to be underrepresented overall at Kilroot and among associate professionals, who account for nearly 85 percent of the work force. The Catholic portion of employees with identified religion rose from 13.4 percent in 2002 to 14.8 percent in 2005, but has fallen back to 12 percent in the most recent monitoring period. The company reported no redundancies, applicants or new hires in 2005. In 2006, the five new hires were heavily Protestant. The company's main problem appears to be its inability to attract Catholic applicants. In 2006, records show only 13 percent of applicants whose religion is identified were Catholics.

Managers acknowledge that there has been a chill factor for Catholics that plays a role in their underrepresentation at the company.

Conformance with MacBride principles: In 1996, AES agreed to implement those MacBride principles that are "lawfully in line" with fair employment legislation in Northern Ireland.

Affirmative action outreach - The AES plants have used positive actions encouraged by Northern Ireland's fair employment law and the Equality Commission to reach out to the Catholic community. In 1993, the company became one of the first major companies with underrepresentation to include a welcoming statement in its recruitment advertisements. The company has done minimal recruiting in the last several years. In previous years, Kilroot also had an apprenticeship training program that had seen a steadily rising percentage of Catholic applicants. AES attributed the rise to increased outreach to schools and communities, particularly Catholic schools.

Grievances - No recent complaints have been filed against the company at the Fair Employment Tribunal. The company's grievance policy allows employees to file complaints confidentially and to raise issues with someone other than their immediate supervisor.

Allstate

| | | | | | |
|---------------------------|-------|----------------------------|---|------------------------------------|---|
| MacBride Agreement | T | Underrepresentation | T | FET Discrimination Findings | 0 |
| Agreement Date | 11/00 | Affirmative Action | F | FET Settlements | 0 |

• **Northbrook Technology of NI Ltd.**

| | | | |
|----------------------------|-------------------------------------|-------------|-----|
| Location | Belfast, Derry, Strabane | | |
| Business | Call centers, IT services | | |
| Fair Representation | Protestants may be underrepresented | | |
| Employees | (Data as of Sept. 2006) | | |
| | Protestant | 515 | 38% |
| | Catholic | 824 | 62% |
| | Other | 219 | |
| | <u>Total</u> | <u>1558</u> | |

2007 Survey Response: partial

Available information: Northbrook Technology opened its Belfast facilities in 1999 and changed locations within Belfast in 2002. The company has grown substantially since its founding and currently employs 1,558 full-time workers. Company representatives are focused on "casting the net further" by recruiting workers from Poland and India because they believe there is a lack of skilled IT workers in Northern Ireland. Competition from Citibank has put a further squeeze on the shortage of labor. Employment has nearly doubled since 2004 because it opened a new facility in Strabane and added a new office to its facility on the Magee campus. (Northbrook refers to the latter site as Magee to avoid sectarian labels of Derry or Londonderry). InvestNI contributed £5.5 million to the new Strabane location, which is to produce 260 jobs. The Strabane facility current employs 320 workers. The company has regularly responded to monitoring by the Northern Ireland Service and Service staff meet with company representatives in 2005.

Compliance with NI fair employment law and Code of Practice: The company's policies adhere to the standards established by the Fair Employment and Treatment (Northern Ireland) Order 1998, and follow the recommendations and requirements of the Code of Practice. It appears to treat equality issues seriously and has developed strict formal processes for the recruitment and selection of employees. Human resources managers say that Northbrook is always interested in talented workers and therefore places constant recruitment ads in the newspapers. It uses the Belfast Telegraph for vacancies in both Belfast and Derry, and also uses the Derry Journal and the Donegal Democrat for positions in Derry. It also advertises on the Internet and in job markets. When recruiting for specific positions, the company first advertises internally if the position requires special knowledge, then places ads externally. A team of employees reviews the resumes and creates a short list of candidates, who then must take an aptitude test to qualify for an interview. All candidates face a panel of interviewers who represent both communities. Northbrook trains all its interviewers on recruitment and selection techniques to ensure that all interviews have a consistent format and that no informal discussions arise that could introduce inappropriate information about a candidate. Company representatives have said that the shortage of skilled IT workers means that companies such as Northbrook "can't afford to have poor fair employment practices."

Northbrook provides diversity training for all its employees as well as training on Northern Ireland fair employment legislation. It borrows from Allstate's U.S. diversity training programs and adapts the material to a Northern Ireland-specific program. Line managers receive special training on equality and selection techniques, and the human resources team attends regular training sessions with the Equality Commission. The company's director of human resources previously spent ten years as a lawyer with the FEC, now the Equality Commission. Managers in Northern Ireland say that U.S. senior managers are knowledgeable about Northern Ireland equality issues and regularly visit the Belfast office. In June 2006, it won an award for its Diversity and Equality Programme.

Underrepresentation analysis: Protestants appear to be underrepresented at Northbrook when the work force is compared to site-specific catchment areas. Northbrook has three locations, one in the city center of Belfast and the other two in Strabane and Derry. It recruits workers for the Strabane and Derry offices from the local area as well as from the Republic of Ireland because both locations are in close proximity to the border. The Northern Ireland Service does not have a breakdown of job category for each site, but Northbrook did provide the size of the work

force for each of its locations. When the entire work force is compared to the Belfast travel-to-work area and Northern Ireland as a whole for more skilled positions, Protestants are significantly underrepresented among professionals, associate professionals, administrative positions, customer service representatives and overall.

The company reported that it considers the eastern side of Northern Ireland to be an appropriate catchment area for the Belfast office and it said the balance of applicants and employees come from the western end, noting that the area "includes a number of border counties with a considerably higher representation of Catholics in the local population." For the Belfast office, Northbrook recruits from local college graduates--of which, says Northbrook, "65 percent are Catholics." This would help to explain why Protestants are underrepresented in the work force.

Strabane and Derry figures also reflect significant underrepresentation, although both communities appear fairly represented in Derry when the catchment area is more narrowly defined by the district council area's unemployed population--a fair assessment given Northbrook's recruitment efforts with the actively unemployed in Derry and Strabane. The company's efforts in this capacity are ground breaking; it conducts mock interviews and provides resume training to help applicants prepare for potential opportunities. Significant portions of these applicants are third generation unemployed.

The company says the jobs at the Strabane site are lower level and unskilled positions, which are filled by staff who walk to work. This would create a much narrower catchment area that may not show any Protestant underrepresentation. Applicant and new hire figures in the last few years show an increase in the proportion of Protestants, but have remained heavily Catholic. The company reports that it does not believe any group is underrepresented at its operations, noting that the Equality Commission has not raised any concerns about its annual monitoring return. About 16 percent of the work force in Derry and 18 percent in Strabane are not identified as belonging to a community, which is a much larger share of the staff than the 10 percent of employees in Belfast whose community is not identified.

Conformance with MacBride principles: The company reached an agreement on MacBride implementation in November 2000. Allstate told the New York City comptroller at the time, "We have and will continue to make all lawful efforts to conduct operations in Northern Ireland in accordance with applicable fair employment standards and practices, including those embodied in the MacBride principles." The company also said it would continue to cooperate with monitoring by the Northern Ireland Service.

Affirmative action outreach - Data suggest that Northbrook is obligated to try to attract more Protestant applicants. Northbrook disagrees. The company participates in several outreach initiatives to train potential employees in local communities. One program aims to bring disadvantaged youth from south and east Belfast into employment, which could have the effect of boosting Protestant applicants. Northbrook has also won several awards for gender diversity and for investing in its employees. The company advertises in local papers that reach both communities for job openings at the Strabane and Derry sites. In Strabane, the company also utilizes a local job center that posts advertisements online.

Grievances - The Northern Ireland Service is unaware of any complaints filed against the company at the Fair Employment Tribunal.

Aon Corp.

| | | | | | |
|---------------------------|------|----------------------------|---|------------------------------------|---|
| MacBride Agreement | T | Underrepresentation | T | FET Discrimination Findings | 0 |
| Agreement Date | 1991 | Affirmative Action | F | FET Settlements | 0 |

- Aon McMillen**

| | | | | | |
|----------------------------|---|-----------|-----|--|--|
| Location | Belfast | | | | |
| Business | insurance broking/investment | | | | |
| Fair Representation | Catholics appear to be underrepresented | | | | |
| Employees | (Data as of Aug. 2007) | | | | |
| | Protestant | 39 | 93% | | |
| | Catholic | 3 | 7% | | |
| | Other | 8 | | | |
| | <u>Total</u> | <u>50</u> | | | |

2007 Survey Response: Full

Available information: Aon McMillen offers insurance broking and financial investment advice through its Belfast office. It responded in full to the Northern Ireland Service survey for the last three years after sporadic updates in 2001 and 2003 and a fairly detailed letter in 2000 about its fair employment policies. Northern Ireland Service representatives met with Aon McMillen in 2005. The company's work force has remained stable over the last eight years and company representatives said they did not foresee any major shifts. The company's main source of revenue is insurance sales to commercial and corporate businesses; it also sells personal insurance.

Compliance with NI fair employment law and Code of Practice: The company says it adheres to all fair employment standards established by Northern Ireland law and it appears to follow many recommendations of the Code. Aon publicly advertises all openings and informs all employees about vacancies. It uses the Belfast Telegraph, Irish News, local and regional newspapers and government job markets to fill positions. Aon always uses interview panels with more than one interviewer, although both communities are not always represented on the panels. All employees involved in candidate selection have received training on equal employment issues, and the company sometimes reviews the religious composition of applicant pools. Senior managers in Northern Ireland are responsible for fair employment matters.

Underrepresentation analysis: Catholics appear to be underrepresented in Aon's overall work force and in the two higher level employment categories at the company, managers and associate professionals. The Northern Ireland Service estimates that all of Northern Ireland is the recruitment area for managers (eight workers with identified religion, all Protestant), while the narrower Belfast travel-to-work area is most appropriate comparison for associate professionals and technical workers (21 workers with identified religion) and clerical staff (13 workers with identified religion). The resulting weighted catchment area is 34.8 percent Catholic, but the Catholic share of the work force is only 7 percent.

Aon reports that it has a high staff retention rate, which prevents it from changing the composition of its work force.

Aon McMillen reports to its Dublin office as operations in the Republic and Northern Ireland are run as one company. Company representatives noted that when all employees of the firm (including workers in the Dublin office) are taken together, Catholics make up about 70 percent of the work force. Aon also noted that its board of directors is drawn from both communities.

Conformance with MacBride principles: Alexander & Alexander, a predecessor firm, reached an implementation agreement on the MacBride principles in 1991, and Aon reported in 2004 that its policies still reflect the MacBride principles. The company consistently responds to the Northern Ireland Service survey.

Affirmative action outreach - The company appears to have a responsibility under Northern Ireland's fair employment law and the MacBride principles to conduct affirmative action aimed at increasing the Catholic proportion of its work force. The company does not have an affirmative action agreement with the Equality Commission and has set no goals and timetables regarding Catholic employees. Company representatives have never met with the Equality Commission or been asked to conduct affirmative action outreach. Given the low

portion of Catholic applicants, the company may need to step up its recruitment efforts. The firm reported that it is difficult to recruit qualified applicants and it does not offer any entry-level positions.

In 2000, the company reported that it expected to boost the Catholic portion of its work force through an acquisition of a company with a predominately Catholic staff, but to date Aon has not acquired any new businesses in Northern Ireland.

Grievances - The company reported that a female Protestant employee filed a sexual discrimination complaint against the company at the Fair Employment Tribunal in 2004 and withdrew the complaint in 2006.

AVX

| | | | | | |
|---------------------------|------|----------------------------|---|------------------------------------|---|
| MacBride Agreement | T | Underrepresentation | T | FET Discrimination Findings | 0 |
| Agreement Date | 2/98 | Affirmative Action | F | FET Settlements | 0 |

- **AVX Ltd.**

| | | | |
|----------------------------|---|------------|-------|
| Location | Coleraine and Larne | | |
| Business | multilayer ceramic capacitor mfg. | | |
| Fair Representation | Catholics appear to be underrepresented | | |
| Employees | (Data as of Aug. 2006) | | |
| | Protestant | 379 | 74.6% |
| | Catholic | 129 | 25.4% |
| | Other | 23 | |
| | <u>Total</u> | <u>531</u> | |

2007 Survey Response: None

Available information: The company has regularly responded to the Northern Ireland Service survey, although it did not respond in 2007, and NIS staff has interviewed local company officials in Northern Ireland three times, most recently in 2006. AVX also provided copies of its triennial review required under Northern Ireland's fair employment law.

AVX had been one of the largest U.S. employers in Northern Ireland for several years, although its work force has shrunk considerably from a high point of 1,395 employees in 2001 and now stands at 531. AVX closed its small plant in Larne in April 2002, cutting 65 jobs, in addition to other redundancies. During the 2005 monitoring period 30 workers were made redundant. Market conditions have been responsible for employment fluctuations. Kyocera Corp., a publicly traded Japanese company, owns 70 percent of AVX stock, which is traded in the United States.

Compliance with NI fair employment law and Code of Practice: AVX's equal opportunities policy appears to conform with the provisions of Northern Ireland's fair employment law. It calls for periodic review of selection procedures, staff development, publicizing the policy and filing grievances. Specific responsibility for implementation of the policy is placed on managers, supervisors and other staff members who recruit and train employees, as well as those responsible for personnel matters. The group industrial relations manager is responsible for overseeing fair employment matters at the company. The trade union "is consulted fully and supports the company" in EEO matters, AVX says. The company has completed voluminous reports for its triennial reviews that it must submit to the Equality Commission. Managers have attended equality management workshops and AVX says it provides workshops and training for all employees to address potential sectarian harassment and intimidation in the workplace.

Hiring procedures appear to be systematic, with interview panels, representation from both communities and EEO training for staff involved in the process. Job advertisements, which include an EEO statement, are placed in the Belfast Telegraph as well as local and regional newspapers and local job markets. AVX also tracks applicant success rates by religion to identify differential success rates. The company says it undertakes its training and employee development programs "without reference to employees' perceived religious beliefs." Finally, there is no formal redundancy procedure in place at the company; AVX says it retains "those employees who are best suited to the company's requirements."

Underrepresentation analysis: Catholics appear to be underrepresented at the company overall and among professionals, skilled workers, sales associates and machine operatives. The Northern Ireland Service compared managers, professionals and skilled employees to Northern Ireland's working age population (42.7 percent Catholic) and associate professionals, administrative staff, machine operatives and elementary occupations to the Coleraine district council area (34.1 percent Catholic); this area, weighted by job category, is nearly 36 percent Catholic.

Catholic representation at AVX has fallen from a high of 28 percent in 2001 to the present level of about 26 percent. The company estimates that almost 70 percent of its employees come from the Coleraine district council area, which is 34 percent Catholic according to 2001 census data. Another 17 percent come from nearby Ballymoney, which is 32 percent Catholic.

The company hired two additional workers in the 2006 monitoring period. Of the 23 applicants with identified religion, 16 were Protestants. AVX made 30 employees redundant in 2005; nearly 80 percent were Protestants. In the most recent monitoring period, it made redundant another 15 employees with identified religion; nearly three-quarters were Protestants.

Several years ago, the Northern Ireland Service staff noted pro-unionist red, white and blue stripes painted on the entrance sign posts of the Ballycastle Industrial Estate, where AVX's Coleraine plant is located, which was no longer visible on the most recent site visit in 2006.

Conformance with MacBride principles: Then-New York City Comptroller Alan Hevesi withdrew a 1998 shareholder resolution after the company agreed to implement the MacBride principles "as far as it is practical" without contravening Northern Ireland's fair employment laws.

AVX reports that its policies reflect the fair employment standards embodied in the MacBride principles and it has honored its commitment to comply with monitoring by the Northern Ireland Service.

Affirmative action outreach - AVX has said its work force fairly represents its catchment area and believes no affirmative action efforts are needed. Given the local demographic changes and the shift in work force representation, the company may want to reassess this view. In 2003, when the company last did any major hiring, Catholics appeared to be overrepresented among applicants and new hires, but both communities have been fairly represented among applicants and new hires for the last few years.

Grievances - One person filed three complaints against the company at the FET in 2003. They were all conciliated in 2005. AVX said the complainant alleged discrimination after he was provisionally selected for redundancy.

AVX has a grievance policy, which enables employees to file confidential complaints and to raise a grievance with someone other than their direct supervisor.

Bain Capital

| | | | | | |
|--------------------|----------------|---------------------|---|-----------------------------|---|
| MacBride Agreement | F | Underrepresentation | T | FET Discrimination Findings | 0 |
| Agreement Date | not applicable | Affirmative Action | F | FET Settlements | 1 |

- **SigmaKalon UK & Ireland**

| | |
|----------------------------|---|
| Location | eight locations province-wide |
| Business | decorative paints |
| Fair Representation | Catholics appear to be underrepresented |
| Employees | (Data as of 2006) |
| | Total 68 |

2007 Survey Response: None

Available information: Bain acquired SigmaKalon UK Ltd. from Total, the French oil company, in February 2003. The company has not responded to survey requests from the Northern Ireland Service. SigmaKalon sells its products through decorating centers. The work force has been about the same size in Northern Ireland for the last several years, growing by just a few employees. The company provided no information on its fair employment policies. The company has not reached any agreement on compliance with the MacBride principles. No discrimination complaints have been filed against the company at the Fair Employment Tribunal in Belfast.

Underrepresentation analysis: Equality Commission data indicates that in 2006, fewer than 10 of SigmaKalon's employees were Catholic. (When there are fewer than 10 Catholic or Protestant employees, the Commission does not publish detailed work force information.) In 2004 and 2005, Equality Commission data showed 10 Catholic employees and four employees with no known religious affiliation. If SigmaKalon lost only one Catholic employee and retained the same number of Protestant employees, 14 percent of employees would be Catholic--a clear underrepresentation in light of the fact that the company's facilities are located throughout Northern Ireland, where 42.7 percent of the population is Catholic.

Affirmative action outreach - The Northern Ireland Service does not have any information about an affirmative action program at SigmaKalon.

- **Toys 'R' Us**

| | |
|----------------------------|--|
| Location | Newtownabbey |
| Business | toy retailing |
| Fair Representation | No underrepresentation appears to be present |
| Employees | (Data as of 2006) |
| | Protestant 43 44.3% |
| | Catholic 54 55.7% |
| | Other 6 |
| | Total 103 |

2007 Survey Response: Full

Available information: Toys R Us was acquired by an investor group led by Bain Capital, Kohlberg, Kravis Roberts and Vornado Real Estate Investment Trust in mid-2005. The company's initial response to monitoring by the Northern Ireland Service came in 1999, when it also met with Service staff at its north Belfast store. The 30,000-square-foot store sells toys, baby care and family leisure and home entertainment multimedia products. The company has been operating in Northern Ireland since 1997 and its work force has fluctuated over the last several years, from a high of 69 in 1997 to a low of 41 in 2005. Toys R Us reported 44 workers as of October 2005; Equality Commission data show that this number more than doubled by the end of 2006.

Compliance with NI fair employment law and Code of Practice: The company says it is an equal opportunity employer and fully complies with all aspects of Northern Ireland fair employment law. Its policies and programs appear to be consistent with the Fair Employment and Fair Treatment Order 1998 and the Code of Practice. It reports "all procedures and policies were agreed with the FEC prior to any recruitment commencing." Managers attend Equality Commission training, and the company posts its policies in all stores. The company always notifies

all employees about positions open to internal applicants, and all employees receive training on equal employment issues. Toys R Us does not need to advertise job widely; signs posted in its Belfast store generate sufficient numbers of applicants. When using panels for job interviews, the company ensures that both communities are represented. It also says it systematically tracks applicant success rates by religion. The company promotes employees by merit and typically promotes from within for managerial posts.

Toys R Us has an equal opportunities policy that says "all recruitment, promotion and training will be based upon an individual's ability and job performance and will exclude any consideration of an applicant's/employee's religious beliefs, political opinion, race, sex, marital status or disability....Toys R Us will not directly or indirectly discriminate on the grounds of religious belief or political opinion....Breaches of this policy will be regarded as a disciplinary offense." Local management is responsible for complying with local fair employment legislation and, as recommended by the Equality Commission, direct responses to questions about religious affiliation are sent to independent personnel departments at the head office, according to the company. A confidential help line also exists for employees to voice questions or concerns.

Underrepresentation analysis: Neither group appears to be underrepresented at the company overall when its work force is compared to a catchment area that includes all of Northern Ireland. Employees at Toys R Us are either managers or sales associates and both of these employment categories have the widest recruitment area. The company is opening an additional store in Londonderry, but the monitoring figures for 2006 only reflect workers at the Belfast store. When Northern Ireland Service staff met with the company representatives in October 2006, candidates for the staff at the Derry store were in the interview process. Toys R Us reported 10 new hires in the most recent monitoring period and both communities appeared fairly represented in the figures. The company also reported 170 people applied for jobs at Toys R Us, which would include holiday workers. (Toys R Us doubles its work force during the holiday season.)

Workers traveling from the city center to Newtownabbey pass Unionist paramilitary murals.

Conformance with MacBride principles: Toys R Us reached an agreement on implementation of the MacBride principles in April 1999 after receiving a shareholder proposal, but the companies that acquired Toys R Us have not endorsed the principles.

Affirmative action outreach - No affirmative action efforts currently appear warranted given the work force breakdown at the company. The company's EEO policy commits it "to adopt, where practical, affirmative action measures to ensure the provision of equality of opportunity and fair participation of Roman Catholics and Protestants."

Grievances - No discrimination complaints have been filed against the company at the Fair Employment Tribunal.

- **Domino's Pizza**

| | |
|----------------------------|--|
| Location | 11 locations province-wide |
| Business | carryout pizza |
| Fair Representation | Underrepresentation cannot be determined |
| Employees | (Data as of 2004) |
| | Total 35 |

2007 Survey Response: None

Available information: Domino's held its initial public offering on July 13, 2004. Private firm Bain Capital owns 45 percent of Domino's stock. The pizza company franchises more than 90 percent of its locations, and recently has been expanding internationally. The company has 11 stores in Northern Ireland: Belfast (3 locations), Bangor (3 locations), Ballymena, Coleraine, Lisburn (2 locations) and Newtownabbey. Neither Bain Capital nor Domino's has responded to inquiries for further information about fair employment policies at the operations in Northern Ireland. Because the operations are franchises, they do not report under the Domino's name to the Equality Commission, and no information is available on the number of people employed or the religious breakdown.

Conformance with MacBride principles: In 2007, the New York City pension funds for the first time proposed a shareholder resolution asking Domino's to implement the MacBride principles. When the funds found that the company's proxy did not include their resolution, they approached the company with proof that the proposal had

been received in its mailroom. To spare the company the expense of a supplemental mailing, New York offered to withdraw the proposal if the company agreed to implement the principles, which would have required it to agree to respond to the annual Northern Ireland Service survey about its policies and employment statistics in Northern Ireland. According to a New York City representative, Domino's initially seemed receptive, but several days later told the proponents that "Domino's has determined that it is not willing to, nor to undertake to urge its franchisee to, come under the review of IRRC" [the former parent of the Northern Ireland Service, which is now part of RiskMetrics.]

At that point, Domino's asked New York to "withdraw the proposal for this year and allow us to include it in next year's proxy to avoid the expense of mailing." New York declined, and 14 days before the annual meeting, the company sent out supplemental materials containing the resolution. The materials did not include an official company statement of opposition; because of the tardiness of the notice to shareholders, SEC rules prevented the company from printing one.

Grievances - In 2006, Domino's Pizza settled a claim brought against it at the Fair Employment Tribunal.

Baker Hughes

| | | | | | |
|---------------------------|---------|----------------------------|---|------------------------------------|---|
| MacBride Agreement | T | Underrepresentation | T | FET Discrimination Findings | 0 |
| Agreement Date | 02/2007 | Affirmative Action | T | FET Settlements | 0 |

- **Hughes Christensen**

| | | | | | |
|----------------------------|---|------------|-----|--|--|
| Location | Belfast | | | | |
| Business | oil drilling equipment (rock bits) | | | | |
| Fair Representation | Catholics appear to be underrepresented | | | | |
| Employees | (Data as of Aug. 2007) | | | | |
| | Protestant | 260 | 91% | | |
| | Catholic | 26 | 9% | | |
| | Other | 6 | | | |
| | <u>Total</u> | <u>292</u> | | | |

2007 Survey Response: Full

Available information: Baker Hughes, which entered the Northern Ireland market in 1954, was the first U.S. engineering company in the province. Hughes Christensen has consistently responded to the Northern Ireland Service annual survey and company representative have met with Northern Ireland Service staff, most recently in 2006. Employment at the company has fluctuated with the fortunes of the oil industry as a whole; its most recent high point was 350 workers in 1998, while its most recent low point was 237 in 2000. It reached 336 workers in 2001 before falling back to the present level of 292.

Compliance with NI fair employment law and Code of Practice: The company appears to adhere to many recommendations of the Code, particularly in its work force monitoring and hiring procedures. Hughes has provided training for supervisors and management on harassment, equal opportunity policy and discipline issues, on what it terms an "ongoing" basis. The company's equal employment opportunity policy, last updated in 2005, states its commitment to "equal employment opportunity in all employment-related practices." Hughes also reviews selection criteria on an ongoing basis, and personnel who hire employees also receive training on proper techniques, including equal employment. Selection panels use cross-community representation "where possible."

The Fair Employment Commission (now the Equality Commission) noted some years ago that the company had "carried out a thorough and comprehensive review that fully complies with the fair employment legislation," and said that a "considerable amount of work has been carried out on practices and procedures and affirmative action."

Underrepresentation analysis: Catholics are significantly underrepresented, and the location of the company poses a significant chill factor for Catholic employees. For its size, Baker Hughes has the lowest proportion of Catholics of any U.S. firm in Northern Ireland. Expansions and new investment at times over the years have had virtually no effect on Catholic representation. Catholics in the labor pool in the Belfast and Castlereagh areas account for about 22 to 33 percent and about 43 percent for all of Northern Ireland. The Northern Ireland Service compares higher level positions to all of Northern Ireland and lower level position to the more narrow Belfast and Castlereagh areas, which suggests the overall work force should be about 34 percent Catholic. The proportion of Catholics at Hughes Christensen hovered at around 7 to 8 percent between 1999 and 2001, then jumped to 9.9 percent in 2002 before dipping a little to 9.5 percent in 2003 and remaining steady at 9.6 percent in 2004. Catholic representation dropped to 8.8 percent in the 2005 monitoring period because the company hired 19 additional employees, 18 of whom are Protestants. It edged up slightly in 2006 to 9 percent, where it remains.

Nearly all of the company's recent hires have been Protestants. Of the 109 workers hired between 2001 and 2003 with an identified religion, only 17 were Catholic (15.6 percent). Although this percentage appears small, it was a significant jump from Catholic representation among new hires between 1999 and 2001, which was only about 10 percent. The company met its reported target of Catholics comprising 25 percent of new hires in 2006. It hired eight workers in 2006, including two Catholics.

In specific job categories, the underrepresentation of Catholics has expanded in the last year to include four of six categories of employment at the company: managers, professionals, associate professional and machine operatives. Operatives account for about three-quarters of the work force. The last time the company had significant

redundances was in 2003 when 36 operatives were made redundant, including five Catholics. There were no redundancies in the most recent monitoring period.

The location of Hughes Christensen's plant in Castlereagh poses a substantial chill factor to Catholics. Management says it provides security for workers on the job but not traveling to and from work.

Conformance with MacBride principles: Hughes Christensen agreed to implement the MacBride principles in February 2007 after New York City Pension Funds agreed to withdraw a resolution. The shareholders advocates had been asking the company to adopt the principles since 1988.

Affirmative action outreach - Hughes Christensen reports that the Equality Commission "has commented on the good work" that it and other local companies have done in their local outreach efforts as part of the Castlereagh Equality Forum. Yet despite its efforts, Hughes Christensen cannot report significant results. In 2004, the company's personnel manager made a presentation on the forum's work to other employers planning to take similar action elsewhere in Northern Ireland; she reports that the forum's work is seen as an example of "best practice." Hughes Christensen reached an affirmative action agreement with the old FEC (now the Equality Commission) in January 1997. The plan set a target of at least 15 percent for Catholic applicants and appointees for all posts for the 1998 monitoring year, at least 20 percent for 1999 and at least 25 percent for 2000. The company also agreed to an overall target for the work force of 25 percent Catholic over time.

Hughes previously met its 25 percent Catholic new hire goal in 2000 when it hired two Catholics and six Protestants, despite Catholics making up a little less than 10 percent of applicants. It met this goal again in 2006, but fell short in 2007, when 20 percent of new hires were Catholic. Hughes says it is committed to an ongoing assessment of its progress toward affirmative action goals, and notes that its senior management team annually looks at fair employment issues "to ensure continuous improvement."

Outreach measures identified in the affirmative action agreement include ensuring that recruitment advertisements reach all communities and that job advertisements for hourly paid workers include a welcoming statement for the Catholic community. In addition, the company recruits through government training and employment agency offices and staff are encouraged to advertise vacancies through all offices in the relevant catchment area, including predominately Catholic West Belfast. The company also agreed in its affirmative action plan to maintain and develop new links with schools, training schemes, job clubs and influential leaders and organizations in the Catholic community. If the applicants' flow shows underrepresentation of any community, the company will consider how to develop additional links with the community. Hughes established further links with more schools in 1998 and 1999. In 2000, it placed ads in the Andersonstown News, a nationalist paper in West Belfast. In 2002, the company told the Northern Ireland Service that it also joins with other local employers to benchmark and share affirmative action strategies. Further actions and a review of its hiring practices appear to be in order as Catholics continue to be significantly underrepresented in the work force. In 2006, company representatives said Hughes Christensen was working with the Equality Commission to come up with innovative ways to reach the Catholic community.

Grievances - No fair employment grievances have been filed against the company in recent years.

Bemis

| | | | | | |
|---------------------------|-------|----------------------------|---|------------------------------------|---|
| MacBride Agreement | T | Underrepresentation | T | FET Discrimination Findings | 0 |
| Agreement Date | 11/97 | Affirmative Action | T | FET Settlements | 0 |

• **Perfecseal Ltd.**

| | | | |
|----------------------------|---|------------|-------|
| Location | Londonderry | | |
| Business | medical packaging | | |
| Fair Representation | Protestants appear to be underrepresented | | |
| Employees | (Data as of Aug. 2007) | | |
| | Protestant | 24 | 13.2% |
| | Catholic | 158 | 86.8% |
| | Other | 12 | |
| | <u>Total</u> | <u>194</u> | |

2007 Survey Response: Full

Available information: The company has provided detailed information on its work force and fair employment policies and has consistently completed monitoring by the Northern Ireland Service. Perfecseal's human resources administrators met with the Northern Ireland Service most recently in 2006. The company's work force dipped to 154 in 2002, down from a high of 181 in 2000, because of manufacturing efficiencies. It gained a handful of employees in 2003 and 2004 and in 2006 it reported the largest staff to date of 194 employees.

In June 2006, 96 workers were let go after they held a prohibited union meeting during work hours. Management, local politicians and the trade unions came to an agreement a week later and all of the workers were rehired. The company moved to a new location in 2007 because it had outgrown its current facilities. The new site is located on the other side of the River Foyle, which essentially divides the Protestant and Catholic areas of Derry. Prior to the move, company representatives told the Northern Ireland Service that it expected to lose about 15 percent of its staff because some workers are unwilling to cross the river to commute to work in a predominately Protestant area. To help workers get over what the company representatives called this "psychological challenge," Perfecseal is holding employee discussion forums and talks with Amicus, the trade union that represents the majority of the staff.

Compliance with NI fair employment law and Code of Practice: Company practices generally appear consistent with the Code of Practice. Perfecseal's equal opportunity policy places responsibility for successful application of the policy with management at all levels, endorses the merit principle, safeguards employees against any form of harassment and subjects employees to disciplinary action for failure to adhere to the policy. The general manager of the Northern Ireland facility has overall responsibility for equal employment.

The company advertises openings on the Internet, in local papers read by both communities, and in the Belfast Telegraph and in job markets, using an EEO statement. Perfecseal always notifies all employees of positions open to internal applicants, and publicly advertises the majority of job openings, with the exception of jobs filled using recruitment agencies. It always uses a panel to interview job candidates, and both communities are represented where possible. The company provides all employees with equal opportunity training; some employees receive interview training. Perfecseal reviews the background of its applicants to determine success rates by community.

Underrepresentation analysis: Protestants have been underrepresented at the company for a number of years when compared to plausible weighted catchment areas that consider different areas for varying job categories. The Northern Ireland Service considers all of Northern Ireland an appropriate catchment area for managerial, professional, skilled workers and sales employees and the Londonderry travel-to-work area for associate professionals, administrative staff, machine operatives and elementary occupations.

Plant and machine operatives represent more than half of the work force and Protestants appear to be clearly underrepresented in this employment category. Protestants also appear to be specifically underrepresented among the elementary job category, associate professionals, sales associates and overall.

Perfecseal has grown rapidly in recent years and the somewhat high Catholic numbers may reflect the influence of the relatively larger number of Catholics among younger working-age people in Derry. Even so, Protestant

underrepresentation persists in the plant and machine operatives job category and at the company overall when the large numbers of Catholics among young people are taken into account. The 2001 census data for youth showed a make-up of 72.3 percent Catholic for the Londonderry travel-to-work area. The skill level of the work force is increasing and entry-level requirements are becoming more stringent, making it necessary for better qualifications that may not exist for all among this group of potential applicants. New employees ideally must have two years experience (though not necessarily recent experience) in a manufacturing environment and secondary school qualifications in math and English. The company also uses a psychometric test that can qualify applicants who do not have these qualifications.

Protestants made up about 15 percent of applicants from 2000 through 2004, except in 2003 when their proportion dropped to 7.3 percent, and in the most recent monitoring period where Protestants accounted for 20 percent of applications. The company told the Northern Ireland Service that it attributed the dip in Protestant applicants in 2003 to the sharp increase of unemployed Catholics entering the job market after several textile plants closed in the area. Protestants appear to be underrepresented among applicants overall and in several job categories. Among new hires, they do not appear to be underrepresented. In the most recent monitoring period, 22 percent of new hires were Protestant--an average amount over recent years (34 percent in 2006, 12.5 percent in 2005 and 21 percent in 2004).

The company last had redundancies in 2000, when it let go just two people. It has developed a redundancy matrix that includes a range of factors that consider skill, discipline records and other factors in redundancy selection.

The company is located in the Springtown Industrial Estate in Derry, which may be intimidating to some Protestants unwilling to cross the River Foyle to the predominantly Catholic side of the river.

Conformance with MacBride principles: Perfecseal says its operations adhere to the MacBride principles "where it is practicable and reasonable to do so." Bemis reached an agreement with shareholder proponents of the MacBride principles in 1997.

Affirmative action outreach - Perfecseal's affirmative action plan, adopted in 1998, includes specific goals for increasing the percentage of Protestant applicants and appointees to 17 percent in each year for manual grades. It also states "an overall (annual) goal of increasing the Protestant proportion of its work force to 28 percent."

Perfecseal reached its goal for Protestant applicants in the 2005 monitoring year of about 17 percent, although new hires fell far short of the target, with just 12.5 percent Protestant representation. It clearly has some way to go before it meets the goal of 28 percent Protestant representation overall.

The company includes a general welcoming statement in all advertisements and a statement particularly welcoming applications from the Protestant community in advertisements for general attendant positions. Perfecseal advertises in the job market in Limavady, a nearby town that is more heavily Protestant than Derry, and is developing links with schools, job agencies, training schemes and community groups that serve the Protestant community. It also uses trade magazines to draw applicants. The company also has met with underrepresented community leaders to see what steps can be taken to attract applicants. In addition, Perfecseal reviews progress with its affirmative action plan at leadership team meetings and conducts an annual audit of employment practices and procedures.

The company told the Northern Ireland Service in 2003 that it has had difficulty recruiting employees on the Protestant side of the Foyle River because of inadequate public transportation. The facility has two shifts. The first shift starts before buses begin operating, and the second shift ends after public transportation closes. The company notes that most employees either walk to work or take cabs from the immediate community surrounding the facility--an area that is heavily Catholic.

Grievances - Five grievances were filed against the company at the Fair Employment Tribunal in 2006 and conciliated in 2007. The company has a grievance policy that allows employees to file confidential complaints. It also enables employees to raise grievances with someone other than their direct supervisor, which could be an independent person of the same community background.

Berkshire Hathaway

| | | | | | |
|---------------------------|------|----------------------------|---------|------------------------------------|---|
| MacBride Agreement | T | Underrepresentation | T | FET Discrimination Findings | 0 |
| Agreement Date | 2/06 | Affirmative Action | Unknown | FET Settlements | 0 |

- **Fruit of the Loom Ltd.**

| | | | |
|----------------------------|---|-----------|-----|
| Location | Derry, Co. Londonderry | | |
| Business | yarn | | |
| Fair Representation | Catholics appear to be underrepresented | | |
| Employees | (Data as of 2006) | | |
| | Protestant | 26 | 43% |
| | Catholic | 35 | 57% |
| | Other | 1 | |
| | <u>Total</u> | <u>62</u> | |

2007 Survey Response: None

Available information: The company announced in September 2005 that over the next five years it will be shutting down its remaining operations and moving production to Morocco. The announcement, coming on the heels of a series of other textile closures that have cost the region some 6,000 jobs directly in the last five years, dismayed local officials and union members. The company cited competitive reasons for its decision. Layoffs began this year.

Berkshire Hathaway provided no response to inquiries from the Northern Ireland Service until it agreed to implement the MacBride principles in 2006. Berkshire Hathaway acquired the company in May 2002, after it went bankrupt. The company has one Northern Ireland factory in the Londonderry district council area. It had other sites near Derry as well as operations in Buncrana, Co. Donegal in the Republic of Ireland, but these sites have all been closed.

Employment at the company has dropped dramatically. The highest reported total employment for the company was in 1998, when there were 537 employees; it had 62 workers by the end of 2006. The remaining employees will stay-on until the transfer of operations to Morocco is complete.

Compliance with NI fair employment law and Code of Practice: The company has not provided recent information on its policies regarding fair employment.

Underrepresentation analysis: Catholics appear to be underrepresented at the company compared to several plausible catchment areas for the company as a whole. When the company was operating its other site, now closed, in Derry, most of the employees for that plant lived in nearby housing estates that are almost 100 percent Catholic and Protestants appeared to be underrepresented. The present site is in a rural location that does not have any nearby large housing estates and is able to draw workers from a wider and more mixed area.

Conformance with MacBride principles: Berkshire Hathaway agreed to implement the MacBride principles in February 2006, following a shareholder proposal filed by the New York City Pension Funds. Before 2006, Berkshire Hathaway did not respond to monitoring requests from the Northern Ireland Service, indicating it declined to honor Fruit of the Loom's earlier agreement to implement the principles.

Affirmative action outreach - When the company's work force appeared to have Protestant underrepresentation in the mid 1990s, the company and the Fair Employment Commission reached an affirmative action agreement. The company's efforts included EEO training for employees and monitoring of the policy's implementation, and included using a statement in ads that particularly welcomed Protestant applicants and using government training and employment agencies in Catholic areas, along with links with schools. Given the company's planned closure, it seems unlikely the company will attempt any special efforts to attract employees.

Grievances - No recent complaints have been filed against the company at the Fair Employment Tribunal. The company has a joint management-union grievance procedure that must begin with the direct supervisor concerned.

Blockbuster

| | | | | | |
|---------------------------|-------|----------------------------|---|------------------------------------|---|
| MacBride Agreement | T | Underrepresentation | T | FET Discrimination Findings | 0 |
| Agreement Date | 12/98 | Affirmative Action | T | FET Settlements | 0 |

- **Xtra-Vision**

| | | | |
|----------------------------|---|-----|-------|
| Location | 51 stores province-wide | | |
| Business | video tape rentals | | |
| Fair Representation | Protestants appear to be underrepresented | | |
| Employees | (Data as of 2006) | | |
| | Protestant | 172 | 50.9% |
| | Catholic | 166 | 49.1% |
| | Other | 0 | |
| | <u>Total</u> | 338 | |

2007 Survey Response: None

Available information: The company responded in detail to the Northern Ireland Service survey from 1997 through 2005, but it did not respond to the 2006 or 2007 inquiries. Local management also met with Northern Ireland Service staff in Belfast in 1999. Blockbuster acquired the Xtra-Vision chain of video rental stores in Northern Ireland in 1996. The 51 stores currently operating are located throughout the province and give the company a presence in areas where there are no other U.S. firms. Aside from the primary business of video rentals, Xtra-vision also sells mobile phones, games and other electronic products. Eleven stores are in Belfast, spread fairly evenly around the city in both Catholic and Protestant areas; the remainder are spread across Northern Ireland. Each store employs between four and 11 workers.

Compliance with NI fair employment law and Code of Practice: The company says its operations adhere to fair employment law and the Code of Practice, and that it monitors work force data "for internal purposes" as the information is useful to the company's (and industry's) ongoing recruitment efforts. In 1999, it reported that the fair employment law changes in 1998 "set a model of best practice which the company already conforms to." In 2001, following a review of its practices, the company adopted new equal opportunity and anti-harassment policies. All employees receive training on the new policies.

The company publicly advertises all job openings and notifies all employees of positions open to internal applicants. It uses the Belfast Telegraph, local newspapers, job markets, government job centers (including the Training and Employment Agency of Northern Ireland), local job clubs, the Internet and the employee intranet to publicize its vacancies. Blockbuster uses panels to interview candidates but does not ensure that both communities are represented on them. All interviewers are trained on equal employment issues and the religious composition of applicants are reviewed to ensure no bias has crept into the selection process. Promotions are treated in the same way as other vacancies. The company said that it no longer uses seniority to select employees for upper level jobs so as to ensure equitable treatment for both community groups. Training "is open and offered to all levels regularly"; the company is not participating in any affirmative action outreach efforts involving training, but no such efforts seem warranted.

Employees elect members of an employee relations committee to facilitate discussion and consultation with elected representatives on all issues, including equality of employment. Overall responsibility for equal employment issues lies with the senior vice president/managing director of the company. The director of human resources has line responsibility.

Underrepresentation analysis: Protestants appear to be slightly underrepresented, particularly in the sales group, which makes up 96 percent of the work force. Blockbuster's work force fell by 17 employees in the 2006 monitoring period, and seven employees in 2005, after gaining 60 in 2004. The Catholic share of workers decreased by 1.2 percent. Since the company has stores province-wide, all of Northern Ireland is an appropriate catchment area for all job categories.

In 2006, Catholics made up 50.7 percent of new hires. No underrepresentation appears to exist among new hires. Nearly all recruitment activity was for sales employees, who make up 96 percent of the overall work force; this employee category also accounts for nearly all applicants and new hires.

Conformance with MacBride principles: The company reached an agreement on MacBride implementation with former New York City Comptroller Alan Hevesi in late 1998, after investors withdrew a 1999 shareholder resolution asking Viacom, Blockbuster's then-parent, to implement the MacBride principles. The company says it will "continue to make lawful efforts to implement the fair employment principles embodied in the MacBride principles."

Affirmative action outreach - The company takes pains to advertise in papers read by both communities. It includes EEO statements in its ads and also uses statements particularly welcoming specific underrepresented groups "in areas where analysis of previous recruitment exercises demonstrates an underrepresentation of applications received from a specific group and therefore warrants the use of such a statement in future recruitment exercises." In its 2000 survey response the company noted, "Whilst the composition of the work force closely reflects the population of Northern Ireland as a whole we continue to promote equality of opportunity at work and will take action where appropriate."

Grievances - No fair employment grievances have been filed against the company in recent years.

Borland Software

| | | | | | |
|---------------------------|----|----------------------------|----|------------------------------------|---|
| MacBride Agreement | F | Underrepresentation | F | FET Discrimination Findings | 0 |
| Agreement Date | NA | Affirmative Action | NA | FET Settlements | 0 |

- **Borland (UK) Ltd**

| | | | |
|----------------------------|--|-----------|-------|
| Location | Belfast | | |
| Business | technical support center | | |
| Fair Representation | No underrepresentation appears to be present | | |
| Employees | (Data as of 2006) | | |
| | Protestant | 12 | 44.4% |
| | Catholic | 15 | 55.6% |
| | Other | 6 | |
| | <u>Total</u> | <u>33</u> | |

2007 Survey Response: None

Available information: After announcing its intentions to set up operations in Northern Ireland in late 1998, Borland (UK)'s predecessor company, Segue, provided some general information to the Northern Ireland Service on its employment policies and the size of its work force, but it has not responded since. Segue was acquired by Borland Software in 2006, and the new parent company renamed it Borland (UK), although at least one company website lists it as Segue Software NI.

Compliance with NI fair employment law and Code of Practice: Although Segue Software said that it is an equal opportunity employer and that it does not discriminate based on religion, among other factors, it did not indicate if it adheres to fair employment law in Northern Ireland or follows the recommendations and legal requirements of the Code of Practice.

Segue said it advertised job openings in the Belfast Telegraph but not in two other Belfast-based daily papers. It said that both communities were represented on its interview panels and that those involved in candidate selection sometimes received training on equal employment issues. Segue said in 1999 that its interview panel at the time was led by U.S. staff who were "unable to determine religious or political affiliations."

Underrepresentation analysis: The Northern Ireland Service refrains from drawing conclusions on community representation when the work force has fewer than 30 employees with identified religion. However, both communities appear to be fairly represented at the company when the work force is compared to all of Northern Ireland or the Belfast travel-to-work area. The proportion of Catholic and Protestant employees has held steady for the past several years.

Conformance with MacBride principles: Segue said in 1999 that it did not know if its Northern Ireland operations adhered to the MacBride principles, but its lack of response to the Northern Ireland Service renders it noncompliant.

Affirmative action outreach - No affirmative action appears necessary.

Grievances - No complaints have been filed against the company at the Fair Employment Tribunal.

Caterpillar

| | | | | | |
|---------------------------|------|----------------------------|---|------------------------------------|---|
| MacBride Agreement | T | Underrepresentation | T | FET Discrimination Findings | 0 |
| Agreement Date | 2/02 | Affirmative Action | T | FET Settlements | 0 |

- **Wilson F.G. (Engineering)**

| | | | |
|----------------------------|---|-------------|-----|
| Location | Larne, Newtownabbey, Belfast | | |
| Business | manufacture of diesel generators | | |
| Fair Representation | Catholics appear to be underrepresented | | |
| Employees | (Data as of July 2007) | | |
| | Protestant | 1603 | 74% |
| | Catholic | 572 | 26% |
| | Other | 107 | |
| | <u>Total</u> | <u>2282</u> | |

2007 Survey Response: Full

Available information: Caterpillar consistently provides a full response to the Northern Ireland Service survey. Service staff met with F.G. Wilson management in Northern Ireland in 2006 and 2003.

F.G. Wilson continues to be the largest publicly held U.S. employer in Northern Ireland. Employment at the company dropped off slightly in 2005 and 2006, after having risen steadily for several years; the company employs approximately twice what it did ten years ago. In the most recent monitoring period, the company's combined full- and part-time work force grew by more than 150 employees. F.G. Wilson has three sites: a main manufacturing facility in Larne and two smaller facilities in West Belfast and Newtownabbey. F.G. Wilson provided the Northern Ireland Service with specific information on employees at each site in 2007. The company's expansion in Northern Ireland has been underwritten by government funding but has also involved substantial capital expenditures on the company's part.

Compliance with NI fair employment law and Code of Practice: The company has described its fair employment policies in its survey response and provided extensive supporting documentation. Its EEO policy has a comprehensive anti-discrimination statement and notes that to ensure its effectiveness, the company has consulted with employees about the policy and communicated its details to all workers. The procedures described in the policy appear to follow the requirements of Northern Ireland fair employment law and Code of Practice, and the recommendations of the Equality Commission.

The company has two sets of recruitment procedures for temporary and permanent vacancies. For temporary workers, who are paid an hourly rate, Caterpillar relies on an outside agency to screen applicants. The agency shortlists candidates and arranges interviews. For permanent positions, an outside agency may conduct the job advertising, but Caterpillar shortlists the candidates and asks the agency to arrange the interview. Caterpillar conducts all the interviewing for both types of positions, except in rare occasions when the agency conducts them for temporary workers.

Caterpillar notes that all F.G. Wilson employees are notified of positions open to internal applicants and that it advertises permanent vacancies widely in Northern Ireland newspapers read by both communities. During the selection process, the company always uses an interview panel. It does not ensure cross-community representation on the panels because to do so would be "impracticable and inappropriate," according to the company.

F. G. Wilson reviews the religious composition of applicant and new hire pools to determine success rates by community as part of its annual and triennial submission for the Equality Commission. This can be a useful check to ensure selection procedures are not biased.

F.G. Wilson has agreed to a redundancy procedure with its unions that it says "provides for the application of measures that do not have a disproportionate effect on any one group, nor do they undermine affirmative action achievements." The company's senior management based in Northern Ireland has direct responsibility for overseeing fair employment matters at F.G. Wilson. The company recognized trade unions at its facilities in

September 2001, after being a non-union shop for many years. F.G. Wilson has had some discussions with employee representatives about equal opportunities.

Underrepresentation analysis: Since the last monitoring period, the Catholic proportion of F.G. Wilson's work force has dropped a percentage point to about 26 percent. It had been around 28 percent for five years at the end of the 1990s and the beginning of this decade, up from under 21 percent ten years before. Despite the company's substantial progress towards a work force that is more representative of the local population, Catholic underrepresentation at the company still exists. In the most recent monitoring period, Catholics are underrepresented in every employment category at the company and overall, although Protestants are underrepresented at the company's Belfast facility.

The Northern Ireland Service considered all of Northern Ireland as the appropriate recruitment area for managers, professionals, skilled workers and sales associates and a smaller area for administrative staff, associate professionals, plant and machine operatives and elementary occupations. These latter occupations were compared to the population in the three district council areas in which the company operates--Larne, Newtownabbey and Belfast--whose regional populations are 25, 21 and 33 percent Catholic, respectively. Catholics are significantly underrepresented at the company's Larne and Newtonabbey facilities, and significantly overrepresented in Belfast. These three locations and the nearby districts of Carrickfergus and Antrim yield an ideal Catholic catchment area of 39.8, which is a far distance from the company's 26.3 percent Catholic composition.

Catholics were also underrepresented among applicants in the most recent monitoring period. Nearly 70 percent of applicants sought jobs in professional and skilled trades job categories and Catholic were underrepresented among job seekers in both categories. Overall, F.G. Wilson received 1064 applications with an identified religious affiliation and less than 30 percent were Catholics. The proportion of Catholic applicants has fallen in the two years since 2005, when 33.1 percent of 341 applicants were Catholics, but this may have do to with site-specific recruitment drives. In 2004, about 39 percent of 178 applicants with identified religion were Catholics.

The Newtownabbey location is in a heavily Protestant district just north of Belfast that is in general intimidating to Catholics. The company is closed for about five days around the time of the July marching season, with its typical sectarian unrest.

Conformance with MacBride principles: Caterpillar reached an agreement on implementation of the MacBride principles and cooperation with monitoring by the Northern Ireland Service in early 2002, prompting the withdrawal of a shareholder resolution on the subject from the New York City pension funds. Emerson Electric had reached a similar agreement shortly before it sold its stake in F.G. Wilson to Caterpillar several years ago.

Affirmative action outreach - F.G. Wilson told the Northern Ireland Service that it is negotiating an affirmative action agreement with the Equality Commission. The company said that it has not set any goals or timetables for recruitment or promotion of underrepresented groups, but that it is "carrying out 'outreach' programs to both communities to encourage more people to apply to work for us and promoting ourselves as an Equal Opportunities Employer."

Grievances - Since 2004, six complaints have been filed against the company at the Fair Employment Tribunal. Three were dismissed, two conciliated and one remains pending.

F.G. Wilson's grievance policy allows employees to file confidential complaints and to raise issues with someone other than a immediate supervisor, including someone of the same community background. In its most recent survey response, the company noted, "If possible/ practicable, complaints will be dealt with by someone with an affinity to the person's background."

Chevron

| | | | | | |
|---------------------------|------|----------------------------|---------|------------------------------------|---|
| MacBride Agreement | T | Underrepresentation | Unknown | FET Discrimination Findings | 0 |
| Agreement Date | 1991 | Affirmative Action | NA | FET Settlements | 0 |

- **Texaco**

| | |
|----------------------------|--|
| Location | Belfast terminal, 60 service stations |
| Business | marketing and distribution of petroleum products |
| Fair Representation | Underrepresentation cannot be determined |
| Employees | (Data as of July 2007) |
| | Total 2 |

2007 Survey Response: Full

Available information: In previous years, Texaco reported that it had two employees at its directly owned Texaco Ltd. subsidiary, which markets and distributes petroleum products from a facility in the Belfast docks area. The company did not provide an updated staff count in its most recent correspondence with the Northern Ireland Service.

There are 70 directly supplied Texaco retail service stations, most of which are run by independent dealers with fuel sales contracts. Texaco also supplies fuel to an additional 19 sites through an authorized dealer network. It reports that many of the service stations in Northern Ireland are sole proprietorships with just one location, and that Chevron does not have records of how many people work at each site. Assuming each site has between three and five workers, there would be anywhere from 237 to 395 people working at Texaco stations around Northern Ireland.

Compliance with NI fair employment law and Code of Practice: The company "has no responsibility" for "employment practices or requirements" at the stations operated by independent agents as it "does not own any of the properties or any part of the business." At the sites it does own, the independent operators "are responsible for employment practices and requirements." At the 19 sites in the authorized dealer network, each operator "is responsible for employment practices and requirements." The company says that its staff "maintain high ethical standards in regard to our employees and expect our business partners to act in a responsible, ethical manner towards employees and to comply with all legal requirements."

Underrepresentation analysis: No information is available on the religious breakdown of the company's workers in Northern Ireland. Making any assessment of fair representation at the company's various operations would be problematic in any case because most of the sites are run by independent operators.

Conformance with MacBride principles: The company reached an agreement on MacBride compliance with investor advocates of the principles in 1991. It says it observes the principles "as appropriate and consistent with the legal framework."

Affirmative action outreach - No affirmative action measures are warranted.

Grievances - No fair employment grievances have been filed against the company.

Citigroup

| | | | | | |
|---------------------------|------|----------------------------|----|------------------------------------|---|
| MacBride Agreement | T | Underrepresentation | F | FET Discrimination Findings | 0 |
| Agreement Date | 8/01 | Affirmative Action | NA | FET Settlements | 0 |

- **CitiFinancial Europe PLC**

| | | | |
|----------------------------|--|----------|-----|
| Location | Derry, Lisburn, Belfast | | |
| Business | financial services | | |
| Fair Representation | Underrepresentation cannot be determined | | |
| Employees | (Data as of July 2007) | | |
| | Protestant | 3 | 50% |
| | Catholic | 3 | 50% |
| | Other | 0 | |
| | <u>Total</u> | <u>6</u> | |

2007 Survey Response: Full

Available information: Citigroup's U.K. subsidiary, CitiFinancial Europe, has a small presence in Northern Ireland, providing consumer financial services in offices in Belfast, Portadown, Newtownabbey and Newtownards. The company was formerly called Associates Capital. Citigroup provided a complete survey response and has given the Northern Ireland Service copies of its fair employment and harassment policies.

In November 2004, Citigroup announced it would set up a new back office IT center in Belfast, creating up to 400 jobs over the next five years developing software to support its corporate and investment banking business in Europe, the Middle East and Africa. The company also will collaborate with three Belfast secondary schools to set up an academy of finance to train prospective workers aged 16 to 18 in a two-year program. Plans call for a location in central Belfast for this new "center of excellence." The investment is "tremendously exciting," according to Northern Ireland secretary of state Paul Murphy. InvestNI is contributing £7.6 million to support the approximately £20 million investment.

Compliance with NI fair employment law and Code of Practice: The company says that it adheres to Northern Ireland fair employment law and follows the recommendations of the Code of Practice. The EEO policy says the company will not discriminate in any aspect of employment. Further, it says the company is "committed beyond its statutory requirements to eliminate discrimination and disadvantage amongst its employees," and that the policy must have employees' active participation to be effective. The policy provides detailed descriptions of what constitutes direct and indirect discrimination, although its references to applicable statutes do not include the Northern Ireland fair employment law. Although the policy is dated December 2001 and post-dates this law, the policy does say that in Northern Ireland, "reasonable efforts must be made to ensure that termination procedures do not penalize a minority group."

CitiFinancial Europe uses job agencies to advertise vacancies, rather than placing recruitment ads directly itself. It may use an interview panel to select candidates, but given its small size this is probably difficult. The company's legal department reviews redundancies to determine their impact on equal opportunities issues before they are implemented. All employees receive comparable training, which the company monitors. The district manager is "aware of all the responsibilities" imposed by the company's EEO policies and reports up the chain of command. The company has no trade unions, and has not consulted with workers on fair employment matters, but has discussed its policies with the Equality Commission.

Underrepresentation analysis: The Northern Ireland Service does not assess the demographics of the work force if it falls under a 30 person threshold. CitiFinancial did not take any applicants or new hires in the most recent monitoring period. Three employees were made redundant.

Conformance with MacBride principles: The company reached an agreement on implementation of the principles in 2001. It says that it ensures the principles are implemented by recording applicant data and that hiring decisions are based on objective criteria.

Affirmative action outreach - No affirmative action efforts appear to be warranted.

Grievances - No recent complaints have been filed against the company at the FET. The company's grievance procedure calls for employees to report policy violations to the human resources department or the company's internal audit department at U.K. headquarters. It allows employees to bring confidential complaints and to raise issues with someone other than their direct manager. The policy prohibits victimization directed against those who complain, and allows complaints to be made anonymously. The procedures are detailed and precisely lay out for employees how to bring a complaint and how it will be handled in a timely fashion.

Clear Channel Communications

| | | | | | |
|---------------------------|------|----------------------------|----|------------------------------------|---|
| MacBride Agreement | T | Underrepresentation | F | FET Discrimination Findings | 0 |
| Agreement Date | 1/06 | Affirmative Action | NA | FET Settlements | 0 |

- **Clear Channel NI Ltd.**

| | | | |
|----------------------------|--|----|-----|
| Location | Belfast | | |
| Business | advertising | | |
| Fair Representation | No underrepresentation appears to be present | | |
| Employees | (Data as of August 2007) | | |
| | Protestant | 15 | 63% |
| | Catholic | 9 | 37% |
| | Other | 1 | |
| | <u>Total</u> | 25 | |

2007 Survey Response: Full

Available information: The company has a small office in Northern Ireland with 25 employees, working in Clear Channel's advertising business.

Compliance with NI fair employment law and Code of Practice: The company says its policies and practices conform to Northern Ireland fair employment law and the Code of Practice. It says that all job openings are publicly advertised, and that all employees are notified of openings. Clear Channel uses the Belfast Telegraph for ads, along with its intranet and recruitment agencies. The company always uses a panel with more than one person to interview job candidates, sometimes is able to ensure cross-community representation on panels, but has not trained employees involved in candidate selection on EEO issues--something that fair employment experts would consider advisable. The company does, however, review the religious composition of its applicant and new hire pools to determine community success rates, which can flag problems in recruitment procedures. The company says it uses its company handbook policies and employment contracts to ensure its workplace remains free of sectarianism.

Underrepresentation analysis: Analyzed using a catchment area defined as the Belfast travel-to-work area, which is 33 percent Catholic, no group appears to be underrepresented at the company.

Conformance with MacBride principles: The company indicated in its January 2006 survey response that its policies conform with the MacBride principles and it agreed to comply with monitoring by the Northern Ireland Service.

Affirmative action outreach - No affirmative action appears warranted.

Grievances - No fair employment grievances have been filed against the company.

Coca-Cola Co.

| | | | | | |
|---------------------------|------|----------------------------|----|------------------------------------|---|
| MacBride Agreement | T | Underrepresentation | F | FET Discrimination Findings | 0 |
| Agreement Date | 9/04 | Affirmative Action | NA | FET Settlements | 0 |

- **Coca-Cola Bottlers (Ulster) Ltd.**

| | | | | | |
|----------------------------|--|------------|-------|--|--|
| Location | Lisburn | | | | |
| Business | soft drink bottling | | | | |
| Fair Representation | No underrepresentation appears to be present | | | | |
| Employees | (Data as of July 2007) | | | | |
| | Protestant | 362 | 63.5% | | |
| | Catholic | 208 | 36.5% | | |
| | Other | 28 | | | |
| | <u>Total</u> | <u>598</u> | | | |

2007 Survey Response: Full

Available information: The company has responded in full to the Northern Ireland Service survey for the last few years. Service staff met with company representatives in 2005. Coca-Cola owns what it terms a "non-controlling ownership interest" in Coca-Cola HBC of Greece, the immediate parent of the bottling company in Northern Ireland. Coca-Cola Bottlers (Ulster) Ltd. has bottled Coca-Cola beverages for many years, but Coca-Cola's relationship with Coca-Cola HBC was less direct until 2000 when it acquired a 24 percent stake in the bottling company. Coca-Cola Bottlers plans to combine all its operations on the island of Ireland into a new facility located at Knockmore Hill in Lisburn. Northern Ireland politicians have worked closely with the company throughout the selection process for the new site. Coca-Cola Bottlers reported, "all the main political parties made representations to the company to offer support and assistance in maintaining employment within the Lisburn area." The positive impact restructuring will have on job creation is enhanced by the company's decision to build the new facility only about five miles away from the former site. Workers in the Republic of Ireland, on the other hand, are likely to face redundancies when their facilities close.

Coca-Cola's primary business is the manufacture and sales of beverage concentrates and syrups, which it sells to more than 300 bottling companies with which Coke has business relationships. Coca-Cola HBC's policies, management and governance structure are separate from Coca-Cola's, although the two "work together to find common ground and take common action in many areas," a Coca-Cola representative said.

Compliance with NI fair employment law and Code of Practice: The company says its operations adhere to the standards of the Northern Ireland fair employment law and Code of Practice. It has provided the Northern Ireland Service with a copy of its employee handbook, which describes the company's EEO and harassment policies in detail.

In its survey response, the company said most jobs are advertised externally, although it uses an internal promotion track to move up sales employees to higher positions and generally hires internally when filling more senior sales posts. All employees are notified about positions open to internal candidates. Job ads are placed in the Belfast Telegraph, other local newspapers, and trade publications, job markets and through recruitment agencies company notice boards. In December 2004, Coca-Cola HBC conducted a major advertising campaign in Northern Ireland and the Republic of Ireland through the Belfast Telegraph and the Irish Times. It always uses more than one person to interview job candidates, sometimes ensures both communities are represented on the panel, and always ensures interviewers have received EEO training. The company also reviews the religious composition of applicant pools and new hires to determine community success rates, which can be a useful check to ensure no-bias has crept into the selection process. It uses the same process for promotions. Training is open to all employees and needs are determined on a company-wide basis. Other employee training requests are considered "based on the capability requirements of the organization."

Employees receive EEO and harassment training, which outlines their "personal responsibility as employees and the consequences of non-compliance." The company says it manages all redundancies "according to the specific

circumstances," and that there are "no blanket rules for all occasions," although it never makes employees redundant on a last in-first out basis. All redundancies are managed in concert with the company's trade union.

The local managing director has responsibility for ensuring the human resources department complies with the company's equality policies. The local board of directors monitors compliance and receives reports on these policies and their implementation. Management consults with trade unions about internal policy changes and procedures.

Underrepresentation analysis: Both communities appear to be fairly represented among staff at the company's operations in Lisburn, where the majority of employees work. The Omagh facility is a warehouse and delivery depot, which has 16 employees. Coca-Cola reported that nearly 60 percent of its workers live in the Belfast travel-to-work area; the rest live throughout Northern Ireland.

Protestants appear to be underrepresented in the associate professional and technical category when compared to a catchment area defined as the Belfast travel-to-work area, which is 33 percent Catholic. Employees in this category make up a little less than a quarter of Coca-Cola Bottlers' work force. Among applicants and new hires for which religious affiliation was disclosed, Protestants made up 53 percent of job applicants and 64 percent of new hires in 2007.

Conformance with MacBride principles: In September 2004, Coca-Cola wrote to New York City Comptroller William Thompson and said that the company "is committed to fostering a diverse work force throughout our worldwide operations," and that this commitment "is integral to our corporate identity and to our ability to thrive." It says it has "benefited from the various cultural insights and perspectives of the societies in which we do business," and that the company's "future success will depend on our ability to develop a worldwide team that is rich in its diversity of peoples, cultures and ideas." Coca-Cola said it is "committed to take lawful steps in good faith to conduct business in Northern Ireland in accordance with the fair employment standards embodied in the MacBride principles applicable to our particular situation" with its non-controlling ownership stake in Coca-Cola HBC. Coca-Cola also promised to comply with monitoring by the Northern Ireland Service. In its most recent survey response, the company reported that MacBride "compliance is monitored and reported at local board meetings to the Directors of the company."

Affirmative action outreach - No affirmative action measures appear warranted. The company says that it maintains fair representation through regular monitoring and that "affirmative action would be taken in the event of an imbalance." The company puts an EEO statement in its ads and has used job markets in particular areas. It says the Equality Commission has not raised any concerns about underrepresented groups. Coca-Cola Bottlers says that "representation in management and professional posts is continuously monitored to ensure balance" and that balance is also ensured in the other categories. It notes that Catholics hold roughly half of the management and professional posts.

Grievances - No recent complaints have been filed against the company at the FET. The head of the Human Resources department believes the company may have settled cases in the past to save time and money, but said she would discourage this approach if an incident occurred in the future. The company's grievance policy allows for employees to file confidential complaints and to bring issues to someone other than their immediate supervisor, including a colleague who shares the same community background.

Computer Sciences

| | | | | | |
|---------------------------|-------|----------------------------|---|------------------------------------|---|
| MacBride Agreement | T | Underrepresentation | T | FET Discrimination Findings | 0 |
| Agreement Date | 11/03 | Affirmative Action | F | FET Settlements | 0 |

- **CSC Computer Sciences**

| | | | | | |
|----------------------------|---|-----------|-------|--|--|
| Location | Derry (2 sites), Ballymena, Newtownabbey | | | | |
| Business | IT outsourcing | | | | |
| Fair Representation | Protestants appear to be underrepresented | | | | |
| Employees | (Data as of 2006) | | | | |
| | Protestant | 15 | 26.3% | | |
| | Catholic | 42 | 73.7% | | |
| | Other | 3 | | | |
| | <u>Total</u> | <u>60</u> | | | |

2007 Survey Response: None

Available information: CSC manages aerospace outsourcing contracts for a number of large U.S. defense contractors, including Raytheon, which it works with in Northern Ireland. The company provided complete responses to Northern Ireland Service surveys from 2003 through 2006, but did not respond in 2007.

Compliance with NI fair employment law and Code of Practice: The company says that its operations adhere to Northern Ireland's fair employment law and Code of Practice. All jobs are publicly advertised, all employees are notified of positions open to internal applicants, and jobs are advertised via the Internet and through the company's website. CSC uses an interview panel with more than one person to screen applicants, and sometimes but not always is able to ensure cross-community representation on interview panels. Employees that are involved in candidate selection receive EEO training, and the company always reviews the religious composition of applicant pools and new hires to determine community success rates.

Underrepresentation analysis: Protestants appear to be underrepresented at CSC among professionals and overall when compared to all of Northern Ireland, an appropriate comparison since the catchment area for this employment category is usually the entire region. The company only employs two categories of workers, professionals, who account for nearly 85 percent of the work force and managers. CSC does not agree with this assessment and believes a work force breakdown by site would show there is no underrepresentation. CSC told the Northern Ireland Service that 30 of its 46 professionals are based in Derry--a heavily Catholic region of Northern Ireland.

The company appears to have reorganized their associate professionals and technical workers under the professional category; in the previous monitoring period it employed 43 associate professional and technical workers and no professional employees.

CSC says it generally draws employees from three regions, Derry City Council, Ballymena Borough Council and the Belfast City Council, which corresponds with its three locations. The religious portion of these areas varies greatly; Derry is nearly 74 percent Catholic while Belfast is 49 percent. However, both managers and professionals are typically recruited from a catchment area including all of Northern Ireland, which is 42.7 percent Catholic. In a comparison of CSC workers to this catchment area, Catholics exceed the 42.7 percent mark and comprise 71.2 percent of the work force.

Thirty-four of CSC's employees are drawn from the Derry city council, 16 from the Belfast city council and five from Ballymena. In previous years when the company employed workers in other employment categories that had smaller catchment areas than all of Northern Ireland, the Northern Ireland Service weighted representation by location and Protestants still appeared to be underrepresented.

At relatively small companies such as CSC, changes of a handful of workers can shift the proportions of representation significantly, but even a conservative assessment of the company's fair representation now suggests the company needs to make efforts to recruit more Protestants. The company told the Northern Ireland Service that all of its recruitment in the last two years has been in the Derry area and that "possibly as a result of the continuing peace process the majority of the applicants were actually from the Republic of Ireland and therefore Catholic,"

which has dramatically changed the composition of its applicant pool. This also would change the catchment area assessment, making it more Catholic and lessening or erasing the extent of Protestant underrepresentation. The Northern Ireland Service was not able to obtain census data from the Republic of Ireland to revise the above analysis, however. CSC says that Derry openings do not attract applicants from around the province, but only from the Derry area and nearby portions of County Donegal in the Republic.

Conformance with MacBride principles: In response to the Northern Ireland Service surveys, CSC indicated that its policies currently reflect the fair employment standards embodied in the MacBride principles; the company also said that it was willing to respond in full to the Northern Ireland Service annual fair employment monitoring survey.

Affirmative action outreach - CSC in 2003 concluded that no affirmative action was warranted given its work force breakdown, although it appears there may be some overrepresentation of Catholics. CSC continues to hold this view, which is buttressed by its description of a catchment area that is more heavily Catholic than the Northern Ireland-only census figures suggest.

Grievances - No discrimination grievances have been filed against the company at the Fair Employment Tribunal. The company says that its standard grievance procedure covers all types of issues, and "allows the employee to raise the grievance with the most appropriate manager."

Crane

| | | | | | |
|---------------------------|----|----------------------------|---|------------------------------------|---|
| MacBride Agreement | F | Underrepresentation | T | FET Discrimination Findings | 0 |
| Agreement Date | NA | Affirmative Action | T | FET Settlements | 0 |

- **Stockham Valve Ltd.**

| | | | | | |
|----------------------------|--|-----------|-----|--|--|
| Location | Belfast | | | | |
| Business | industrial check valves; oil field equipment | | | | |
| Fair Representation | Catholics appear to be underrepresented | | | | |
| Employees | (Data as of Aug. 2006) | | | | |
| | Protestant | 62 | 90% | | |
| | Catholic | 7 | 10% | | |
| | Other | 5 | | | |
| | <u>Total</u> | <u>74</u> | | | |

2007 Survey Response: None

Available information: Crane acquired portions of Stockham Valve, including that company's Belfast operations, in 1997. In 1999, Crane closed or downsized several European plants, and the Belfast facility has seen a significant decrease in its work force, which dropped from 154 employees in 1999 to 74 in 2006. Stockham Valve completed a full response to the 2006 Northern Ireland Service survey and provided copies of its policies.

Compliance with NI fair employment law and Code of Practice: The company reports that its policies are in line with fair employment laws in Northern Ireland. It informs its employees and publicly advertises job opportunities as they become available. Openings are advertised in the Belfast Telegraph, the Irish News, the Internet, the company intranet, through recruitment agencies and at job markets. When selecting candidates, the company uses an interview panel comprised of employees that have been trained in EEO issues, but it does not ensure that both communities are represented on these panels. Crane Stockham reviews the religious composition of its applicants to determine success rates by community and ensure the selection process is not biased. Promotion opportunities at the company are internally advertised and the company said, "normal recruitment procedures are followed with the selection made on merit only." Likewise, it reported that a set of criteria is considered when redundancies are necessary.

The company EEO policy includes specific reference to sectarian issues in Northern Ireland. One of the stated objectives in the policy is to, "monitor the outcome of our recruitment, selection, training and promotion procedures and the composition of our work force and undertake periodic reviews as required by Article 55 of the Fair Employment and Treatment (NI) Order 1998." It also says it will "take remedial action to eliminate any imbalance or distortion." Crane's harassment policy lists specific offensives that are inappropriate in the workplace and states, "It should be noted that it is the impact of the behavior which is relevant and not the motive or intent behind it."

Underrepresentation analysis: Catholic representation is up from only 7.9 percent in 1996 but Catholics continue to be clearly underrepresented at the company, with the vast majority of clerical and skilled staffers being Protestants. The ideal Catholic representation at the company is nearly 39 percent Catholic; the 10 percent Catholic work force falls far short of this mark. Protestants accounted for nearly 70 percent of the applicants in 2006 and 77 percent of the new hires. The company asserted in 2004 that 11 percent Catholic--the company's then-configuration--was an appropriate catchment figure, but this percentage is much lower than the catchment figure for the all of Northern Ireland at 42.7 percent Catholic and much less than the narrower Belfast travel-to-work area, which is 33 percent Catholic.

The company's location has been off-putting to Catholics, but Crane appears to have made efforts recently to counteract this problem. A company official told the Northern Ireland Service in 2003 that "we do our best," but that the plant is in a Protestant area and "people have to be comfortable to work there." In its 2006 survey response, the company said, "The workplace is a neutral environment, all employees including new hires are made aware of the company's Equal Procedure."

Conformance with MacBride principles: The company has no MacBride implementation agreement. For the last several years, Crane has received a shareholder proposal asking it to implement the principles. The proposal got

12.9 percent support in 2002, 8.3 percent in 2003 and 11.6 percent in 2004. In 2005, the proposal was allowed to be omitted from the proxy statement because it was filed too late; in 2006 the resolution got 13.4 percent support and in 2007 it got 12.1 percent support. A company official indicated to the Northern Ireland Service in 2003 that the company considers the annual reporting requirement for an agreement on MacBride implementation to be too onerous. Reporting requirements under Northern Ireland's fair employment law are considerably more detailed than the referenced survey, however. In its 2007 proxy statement urging investors to vote against the shareholder resolution, management said that adoption of the MacBride principles would be duplicative of current policies and would make the company "accountable to two sets of similar but not identical fair employment guidelines," which would be burdensome. It also said adoption of the principles "could lead to confusion, conflicts and, potentially, unfairness in the workplace."

Affirmative action outreach - The company does not have an affirmative action plan despite the underrepresentation of Catholics. In the 2006 survey response, management suggested that its recruitment procedures preclude a need to further affirmative action measures. In response to questions regarding affirmative action, the company reported that "all vacancies are advertised in newspapers that provide for both sections of the community" and noted that it advertises in "all job centers" and puts an EEO statement in its ads. The company uses job markets in predominately Catholic areas to boost the number of Catholic applicants and includes a welcoming statement in its ads.

Grievances - No fair employment grievances have been filed against the company in recent years. Crane Stockham has a grievance policy, which informs employees that they can raise issues with a manager of their choosing. The policy also lays out the procedure and timeframe for handling and resolving complaints.

Crawford & Co.

| | | | | | |
|--------------------|------|---------------------|----|-----------------------------|---|
| MacBride Agreement | T | Underrepresentation | F | FET Discrimination Findings | 0 |
| Agreement Date | 2/04 | Affirmative Action | NA | FET Settlements | 0 |

- **Crawford & Co. (UK)**

| | | | | | |
|----------------------------|--|-----------|-------|--|--|
| Location | Belfast | | | | |
| Business | insurance services | | | | |
| Fair Representation | No underrepresentation appears to be present | | | | |
| Employees | (Data as of Aug. 2007) | | | | |
| | Protestant | 17 | 65.4% | | |
| | Catholic | 9 | 34.6% | | |
| | Other | 0 | | | |
| | <u>Total</u> | <u>26</u> | | | |

2007 Survey Response: Full

Available information: Crawford's office in Belfast processes liability and property claims. Crawford says that it is "the world's largest independent provider of claims management solutions to insurance companies and self-insured entities, with a global network of more than 700 offices in 63 countries." The company provided a complete response to the Northern Ireland Service survey for the last three years, providing information on its employees and a description of its fair employment policies. Crawford closed an office in Londonderry in 2003.

Compliance with NI fair employment law and Code of Practice: The company says its operations adhere to Northern Ireland fair employment law and the recommendations of the Code of Practice. Specifically, it says it publicly advertises all job openings, and notifies all employees of positions open to internal applicants. It uses the Belfast Telegraph to post vacancies, and it uses an EEO statement in ads. During hiring and selection, it sometimes uses a panel with more than one person to interview job candidates, and sometimes is able to ensure cross-community representation on panels (the small size of its management team may preclude this). All those involved in candidate selection have received EEO training, and the company reviews the religious composition of applicant pools and new hires to determine community success rates. Crawford says it works closely with its London human resources team to ensure that redundancy and promotion decisions "are made in a proper fashion." The company says that while it has a very small team in Northern Ireland, it is "determined in a proper way to take every opportunity to target fair levels of representation."

The company's U.S. website says that it will not discriminate based on "race, creed, color, religion, sex, sexual orientation, age, national origin, Vietnam veteran status, or the presence of any sensory, mental or physical disability, unless based upon a bona fide occupational qualification. Further, Crawford & Company will not tolerate harassment based on any of these categories. This policy applies to recruitment or recruitment advertising, hiring, training, upgrading, promotion, demotion, transfer, termination, rates of pay or other forms of compensation, and all other aspects of employment." The company periodically "analyzes all areas of employment in the Corporation to assure adherence to the principles of equal opportunity."

Underrepresentation analysis: The Northern Ireland Service refrains from drawing conclusions on community representation within a work force with fewer than 30 employees. However, no group appears to be underrepresented when the company's 12 managerial and professional posts are compared to Northern Ireland as a whole and its 14 clerical staff to the Belfast travel-to-work area. The resultant catchment area would be about 35 percent Catholic, which fits well with the 34.6 percent Catholic share of the work force.

Conformance with MacBride principles: In February 2004, the company's board of directors passed a resolution officially accepting the MacBride principles, prompting the New York City pension funds to withdraw a shareholder resolution on the subject. The company says it is "committed to fair employment and positively operating and supporting the initiatives."

Affirmative action outreach: - No affirmative action is warranted given the present work force composition.

Grievances - No discrimination complaints have been filed against the company at the Fair Employment Tribunal. The company reports that it has grievance and equal opportunity policies, which are made available to employees through the internal company database. Crawford also reported, "For many years we have operated in Belfast, supporting clients from both sections of the community. Never has there been any bias or allegation of bias against us from any quarter."

Danaher

| | | | | | |
|---------------------------|------|----------------------------|----|------------------------------------|---|
| MacBride Agreement | T | Underrepresentation | F | FET Discrimination Findings | 0 |
| Agreement Date | 2/03 | Affirmative Action | NA | FET Settlements | 0 |

- Hathaway Systems**

| | | | | | |
|----------------------------|--|----|-----|--|--|
| Location | Belfast | | | | |
| Business | power utility monitoring equipment | | | | |
| Fair Representation | No underrepresentation appears to be present | | | | |
| Employees | (Data as of 2006) | | | | |
| | Protestant | 37 | 71% | | |
| | Catholic | 15 | 29% | | |
| | Other | 6 | | | |
| | <u>Total</u> | 58 | | | |

2007 Survey Response: None

Available information: Danaher acquired the power and process segment of Hathaway Corp., which owned Hathaway Systems in Northern Ireland, in 2002. Employment at the company has fluctuated over the years between 51 in 2004 and 70 in 2000. It hired 10 additional employees in 2005 and one worker in the most recent monitoring period, bringing the total work force to 58.

Compliance with NI fair employment law and Code of Practice: Danaher's corporate standards of conduct apply to all its subsidiaries; breach of the EEO policy is considered gross misconduct. The company says its operations adhere to Northern Ireland's fair employment law and Code of Practice. All jobs at the company are publicly advertised and all employees are notified of positions open to internal applicants. Ads are placed in the Belfast Telegraph and in government job markets. The company always uses a panel with more than one person when interviewing job applicants, and sometimes ensures cross-community representation, but does not review the religious composition of applicant pools and new hires to determine community success rates. This level of monitoring is not necessary if the company's balance appears to be fairly representative of the area where it is located, as is the case with Danaher.

Selection for redundancy is based on an employee rating procedure involving performance, qualifications, ability, timekeeping and responsibilities and does not appear to be done on a last-in, first-out basis. Employees are selected for promotion based on merit, while training is provided to employees as needed for the job.

Danaher says that there is "close management involvement in EEO" and that monitoring reports are given monthly to senior management.

Underrepresentation analysis: Both communities appear to be fairly represented in the work force. The Northern Ireland Service compared the company's work force to a weighted catchment area that considered all of Northern Ireland for the company's upper level jobs and Belfast travel-to-work area for clerical and manual jobs.

Conformance with MacBride principles: The company reached an agreement on MacBride implementation in February 2003, prompting the New York City pension funds to withdraw a shareholder resolution on the subject. The company says it ensures compliance with the principles through application of its EEO policy and corporate standards of conduct. Local management have been made aware of Danaher's intention to comply with the MacBride principles, as well.

Affirmative action outreach - No affirmative action efforts appear warranted.

Grievances - No fair employment grievances have been filed against the company in recent years. The EEO policies "prohibit unlawful discrimination and specifically encourage employees to go to a higher level of management with concerns if necessary," Danaher reports. Employees are suspended pending an investigation and statements from witnesses, and an appeals process is in place. The company's grievance policy allows for employees to file confidential complaints and to raise issues with someone other than their immediate supervisor, which may include a colleague of the same community background.

Digital River, Inc.

| | | | | | |
|-----------------------------|----|------------------------------|----|------------------------------------|---|
| MacBride Agreement ? | | Underrepresentation ? | | FET Discrimination Findings | 0 |
| Agreement Date | NA | Affirmative Action | NA | FET Settlements | 0 |

- **Digital River Ireland, Ltd.**

Location Belfast

Business

Fair Representation Underrepresentation cannot be determined

Employees (Data as of 2007)
Total 10

2007 Survey Response: None

Available information: Press reports indicate the company has opened operations in Belfast and will ultimately employ about 100 workers. The company was not listed in the Equality Commission's 2007 Register of Employers, indicating that it has fewer than 11 employees.

Digital River did not respond to the Northern Ireland Service's survey.

DuPont (E.I.) de Nemours

| | | | | | |
|---------------------------|------|----------------------------|---|------------------------------------|---|
| MacBride Agreement | T | Underrepresentation | F | FET Discrimination Findings | 0 |
| Agreement Date | 3/92 | Affirmative Action | F | FET Settlements | 0 |

- **DuPont UK Ltd.**

| | | | | | |
|----------------------------|--|------------|-------|--|--|
| Location | Londonderry | | | | |
| Business | Kevlar | | | | |
| Fair Representation | No underrepresentation appears to be present | | | | |
| Employees | (Data as of July 2007) | | | | |
| | Protestant | 60 | 33.3% | | |
| | Catholic | 120 | 66.7% | | |
| | Other | 1 | | | |
| | <u>Total</u> | <u>181</u> | | | |

2007 Survey Response: Full

Available information: DuPont operates a Kevlar production facility in Londonderry, Northern Ireland. The company spun off its Invista division, which included most of its former Northern Ireland operations, to privately held Koch Industries in April 2004.

Company representatives expect to see an annual growth rate of 7 percent. They are hopeful that DuPont will not be affected by the manufacturing squeeze on Northern Ireland that is prompting many companies to move operations to countries with lower wage earners. They say their product is unique in that Kevlar is a patented product and requires highly skilled workers with specialized training and an acute attention to protecting intellectual property.

Compliance with NI fair employment law and Code of Practice: The company's policies and procedures are in compliance with Northern Ireland fair employment laws. A human resources department in Northern Ireland manages the recruitment process, but it relies on a central human resources office in Spain to streamline questions from candidates and recruitment agencies, which short-list candidates using objective criteria and aptitude tests. The recruitment agencies also send out applications and keep track of monitoring information. Job advertisements are placed in market-specific magazines, the Belfast Telegraph and the Derry Journal. When the company uses a panel to interview candidates, it ensures both communities are represented. Employees involved in candidate selection have completed EEO training. DuPont reviews the religious composition of its applicants to determine success rates by community. The company conducts diversity training for all of its employees and requires that employees pass tests demonstrating an understanding of company policies.

UK and Northern Ireland managers as well as corporate headquarters and the corporate board oversees the company's equality policy.

Underrepresentation analysis: No group appears to be underrepresented at the company when the work force is compared to a weighted catchment area that considers all of Northern Ireland as the recruitment area for senior level jobs, the Londonderry travel-to-work area for associate professionals and skilled employees and Derry for elementary occupation workers who make up the rest of the work force. This area, weighted by job category, would be about 60 percent Catholic, which is in line with the composition of the company's work force.

DuPont does not recognize sectarian holidays, including St. Patrick's Day and the July 12th Drumcree parades.

Conformance with MacBride principles: DuPont reached an accord with shareholder proponents of the MacBride principles in 1992 and has for the most part cooperated with the monitoring process by the Northern Ireland Service. It met with Service staff in 2006.

Affirmative action outreach - No affirmative action efforts are warranted.

Grievances - No fair employment grievances have been filed against the company in recent years. DuPont has a grievance policy that allows employees to file complaints confidentially or with someone other than their immediate supervisor.

Emerson Electric

| | | | | | |
|---------------------------|------|----------------------------|---|------------------------------------|---|
| MacBride Agreement | T | Underrepresentation | T | FET Discrimination Findings | 0 |
| Agreement Date | 9/98 | Affirmative Action | F | FET Settlements | 0 |

- **Copeland Ltd.**

| | | |
|--------------------------------------|---|------------|
| Location | Cookstown, Co. Tyrone | |
| Business | scroll compressors | |
| Fair Representation Employees | Protestants appear to be underrepresented (Data as of July 2007) | |
| | Protestant | 99 42% |
| | Catholic | 135 58% |
| | Other | 40 |
| | <u>Total</u> | <u>274</u> |

2007 Survey Response: Full

Available information: The company began production in April 1997. Emerson has provided regular survey responses, giving detailed information on work force composition and its equal opportunities policy.

Compliance with NI fair employment law and Code of Practice: The company says its employment practices adhere to Northern Ireland fair employment law and the Code of Practice. Its EEO policy forbids discrimination on a variety of grounds, including "perceived religious belief or political opinion." The policy also says Copeland "does not practice positive discrimination." Failure to comply with the policy can result in dismissal. Copeland advertises openings in the Belfast Telegraph, local and regional newspapers, and in government job centers. It also includes EEO statements in its ads. Interviews are always conducted by more than one person, cross community representation is ensured where possible, staff involved in candidate selection have received EEO training and applicant success rates are tracked by religion. The EEO policy calls for careful record keeping at each stage of hiring and promotion, as stressed by the Equality Commission and Code of Practice. The redundancy policy specifically calls for no discrimination, and sets up an appeals procedure for complainants. Copeland has not set up a consultation process with worker representatives on equal employment issues.

Underrepresentation analysis: Protestants appear to be underrepresented at Copeland, particularly in the skilled worker employment category.

Conformance with MacBride principles: In September 1998, Emerson reached an understanding with MacBride advocates on implementation of the principles and independent monitoring. The company says that its policies reflect the fair employment standards of the principles. Corporate officials from Emerson also have said they believe the company is "doing the right thing" in Northern Ireland by providing jobs and employment opportunities in disadvantaged areas.

Affirmative action outreach - Copeland's policy notes that it will take affirmative action and set goals and timetables "where necessary."

Grievances - One complaint was filed against the company in 2003; it was withdrawn in December 2004.

General Electric

| | | | | | |
|---------------------------|------|----------------------------|---|------------------------------------|---|
| MacBride Agreement | T | Underrepresentation | T | FET Discrimination Findings | 0 |
| Agreement Date | 9/98 | Affirmative Action | T | FET Settlements | 0 |

- Hurst (Charles)**

| | | | |
|----------------------------|---|------------|-------|
| Location | Belfast and seven other towns | | |
| Business | vehicle sales, service | | |
| Fair Representation | Catholics appear to be underrepresented | | |
| Employees | (Data as of Feb. 2006) | | |
| | Protestant | 689 | 75.5% |
| | Catholic | 223 | 24.5% |
| | Other | 63 | |
| | <u>Total</u> | <u>975</u> | |

2007 Survey Response: None

Available information: GE's wholly owned Woodchester Investments subsidiary holds a 24 percent equity stake in Lookers PLC, the owner of Charles Hurst. Charles Hurst acquired Savilles Auto Village in November 2003 and reported in 2005 that the latter's employment information is tallied with Hurst's figures in its survey response. Charles Hurst responded fully to the Northern Ireland Service survey for the first time in 1999 and since then it has regularly submitted responses. In 2005, company representatives also met with Northern Ireland Service staff.

The Equality Commission reported in September 2004 that Hurst's personnel manager in Manchester, England, was vigorously implementing the company's EEO policies.

The company's work force has expanded substantially in the last few years, growing to the present level of 975 full-time workers from only 566 in 1997. Hurst has 18 locations including car dealerships, tire repair stores and/or repair shops in Bangor, Belfast (eight sites), Coleraine, Lisburn, Londonderry, Newtownabbey, Newtownards, Omagh and Portadown (three sites). Company representatives told the Northern Ireland Service that the growth over the last four to five years will probably not continue. They believe the market is stagnant and noted a 2 to 3 percent drop in sales throughout the car industry; this drop however, has not yet affected the work force. Charles Hurst does not intend to expand further unless an opportunity arises to acquire another company.

Compliance with NI fair employment law and Code of Practice: Charles Hurst reached an affirmative action agreement with the Fair Employment Commission in November 1998 and subsequently drafted a new equal opportunities policy and provided EEO training to all staff. Charles Hurst's managing director has overall responsibility for equal employment programs, and the personnel manager has day-to-day responsibility. The only positions not advertised publicly are those at the most senior level where the Board of Directors may promote someone within the company. In 2005, company representatives reported that most of its positions are advertised online or through government-sponsored job centers. Interview panels always represent both communities and those involved in candidate selection receive EEO training. Charles Hurst reports that it reviews the religious composition of its applicant pool and new hires and that it conducts exit interviews with those leaving the company.

Underrepresentation analysis: Catholics appear to be significantly underrepresented at Charles Hurst when higher level positions are compared to a catchment area that includes all of Northern Ireland and the other remaining staff is compared to more narrow estimates. Catholics have been most underrepresented among managers and sales associates and Charles Hurst appears to have made efforts to boost the portion of Catholics in these job categories. Last year, only 10 of 100 managers were Catholics and in the most recent period they now account for 11 of 91 managers. In the Sales category, Catholics have increased from about one-third of the staff to about 35 percent. Still, Catholics continue to make up less than a quarter of the total work force with identified religion, even though the catchment area suggests they should comprise roughly 30 to 35 percent.

Catholics also appear underrepresented among applicants, but in the most recent monitoring period both communities were fairly represented among new hires. This is a dramatic change from past years when Catholics were typically underrepresented among new hires as well.

Charles Hurst argues that the imbalance in its work force stems from its acquisition of three companies that had predominately Protestant employees, Neville Johnston, David Prentice and Savilles Auto. Two of those companies were conducting affirmative action plans when they were acquired.

Conformance with MacBride principles: GE reached an agreement on the MacBride principles in 1998.

Affirmative action outreach - In its 1998 affirmative action agreement with the Equality Commission, Charles Hurst set a target of increasing the Catholic proportion of applicants and appointees to not less than 35 percent over the first three years of the plan. It met this goal in 2002 and exceeded it in the 2005 monitoring period when nearly 38 percent of applicants with identified religion were Catholics. It also set an initial goal of increasing the Catholic proportion of its work force to 25 percent in three to five years and a longer term goal of 30 percent in five to 10 years. It has succeed in meeting the first goal, but not the later; Catholics currently account for about 25 percent of the work force. Company representatives said they seek the best caliber of applicants and from that pool, select the best person for the job. They believe, "without discrimination against Protestants, you can't do it any other way."

Grievances - One man alleging religious discrimination filed two complaints against the company in the past three years; both are pending.

- **GE Medical Systems**

| | | | |
|----------------------------|--|-----------|-------|
| Location | Belfast | | |
| Business | sales/service of medical equipment | | |
| Fair Representation | No underrepresentation appears to be present | | |
| Employees | (Data as of Aug. 2006) | | |
| | Protestant | 7 | 46.6% |
| | Catholic | 8 | 53.3% |
| | Other | 0 | |
| | <u>Total</u> | <u>15</u> | |

2007 Survey Response: None

Available information: GE Medical Systems has a small operation in Belfast. Employment at the company grew from only three in 1998 and it now employs 15 workers. Workers at the service office maintain the company's medical diagnostic imaging equipment used in hospitals and clinics in Northern Ireland. GE provided a copy of the company's 2006 monitoring report that it submitted to the Equality Commission.

Compliance with NI fair employment law and Code of Practice: GE Medical Systems says the company's policies adhere to fair employment law in Northern Ireland. The company states that all job openings are publicly advertised in the Belfast Telegraph. The company notifies all employees about positions open to internal applicants. Employees who are involved in candidate selection have received EEO training and interview panels are always represented by both communities. It occasionally reviews the religious composition of its applicants and new hires to determine success rates by community. The company notes that management receives training on sectarian harassment using materials from the Equality Commission.

Underrepresentation analysis: The Northern Ireland Service refrains from drawing conclusions on community representation when the work force has fewer than 30 employees.

Conformance with MacBride principles: GE reached an agreement with MacBride activists in 1998 about MacBride implementation.

Affirmative action outreach - No affirmative action measures appear warranted.

Grievances - No discrimination complaints have been filed against the company at the Fair Employment Tribunal in recent years. With regards to its grievance procedures, the company says "standard GE procedures are in place."

Goodrich

| | | | | | |
|---------------------------|-------|----------------------------|----|------------------------------------|---|
| MacBride Agreement | T | Underrepresentation | F | FET Discrimination Findings | 0 |
| Agreement Date | 12/02 | Affirmative Action | NA | FET Settlements | 0 |

- **Goodrich Control Systems**

| | | | |
|----------------------------|--|-----------|-------|
| Location | Belfast | | |
| Business | software engineering | | |
| Fair Representation | No underrepresentation appears to be present | | |
| Employees | (Data as of July 2007) | | |
| | Protestant | 22 | 68.7% |
| | Catholic | 10 | 31.3% |
| | Other | 3 | |
| | <u>Total</u> | <u>35</u> | |

2007 Survey Response: Full

Available information: Goodrich bought TRW's aeronautical unit, which included an operation in Northern Ireland, in 2002. TRW responded to the Northern Ireland Service survey and Goodrich has likewise consistently completed the survey.

Compliance with NI fair employment law and Code of Practice: The company says it adheres to the Fair Employment and Treatment (Northern Ireland) Order 1998 and to the Code of Practice. The site manager and human resources manager are jointly responsible for equal opportunities policies and practices. The company reports that "all employees are advised of our equal opportunity policy." Goodrich uses the Belfast Telegraph and the Internet to advertise job opportunities. All employees are notified of positions open to internal applicants, but not all internal transfers/promotions are advertised externally. When selecting new hires, Goodrich always uses an interview panel with a member of the human resources department in England present. Both communities are not always represented on the interview panel, but everyone with the authority to hire candidates receives equal opportunity training. The company does not review its applicant pool by religious community to determine success rates.

Underrepresentation analysis: Goodrich does not monitor from which district council areas it draws its employees. The company employs workers in three categories, but the vast majority are employed as professionals. Both communities appear to be fairly represented at the company. Catholics account for about 31 percent of the work force and this portion is in line with the figures for all of Northern Ireland -- the best catchment area for this category -- at 42.7 percent.

Conformance with MacBride principles: Goodrich affirmed in December 2002 that it was committed to equal employment worldwide and in its new Northern Ireland operations. It said its practices "reflect the fair employment standards embodied in the MacBride principles as amplified" and that it would cooperate with monitoring by the Northern Ireland Service. TRW reached a similar agreement earlier in 2001.

Affirmative action outreach - No affirmative action measures appear warranted.

Grievances - No discrimination complaints have been filed against the company at the Fair Employment Tribunal. With regard to its grievance procedure, the company says that its human resources department in Birmingham, England, is the first point of contact for employees with complaints.

Goodyear Tire & Rubber

| | | | | | |
|---------------------------|-------|----------------------------|---------|------------------------------------|---|
| MacBride Agreement | T | Underrepresentation | Unknown | FET Discrimination Findings | 0 |
| Agreement Date | 11/00 | Affirmative Action | Unknown | FET Settlements | 0 |

- **Hi-Q Tyre Service**

| | |
|----------------------------|--|
| Location | 28 locations province-wide |
| Business | tire services |
| Fair Representation | Underrepresentation cannot be determined |
| Employees | (Data as of 2004) |
| | Total 95 |

2007 Survey Response: None

Available information: Hi-Q Tyre Service locations in Northern Ireland are all owned and operated by dealer partners or franchisees of Goodyear, and are not directly controlled by it. Goodyear authorizes these dealers to use the Hi-Q Tyre Service designation in signage. They combine the former operations of Motorway Tyres & Accessories, which in 2002 employed 31 people, and former Dunlop Tyres retail operations. Hi-Q's website lists 28 locations in Northern Ireland in Antrim, Ballyclare, Ballymena, Ballymoney, Ballynahinch, Banbridge, Belfast (5 stores), Coleraine, Derry, Dungannon, Enniskillen (2 stores), Holywood, Larne, Lisburn, Lurgan, Magherafelt, Newry (2 stores), Newtownards, Omagh (2 stores), Portadown and Strabane. The company does not appear under this name in the most recent Equality Commission monitoring report and the Northern Ireland Service has estimated the total number of employees, figuring about five workers per location. Goodyear did not provide any information on the fair employment policies of its Hi-Q franchise and dealer companies. There are more than 200 Hi-Q retail stores owned by Goodyear around the United Kingdom. No discrimination cases have been filed against the company at the Fair Employment Tribunal.

Hewlett-Packard

| | | | | | |
|---------------------------|------|----------------------------|---|------------------------------------|---|
| MacBride Agreement | T | Underrepresentation | T | FET Discrimination Findings | 0 |
| Agreement Date | 1989 | Affirmative Action | F | FET Settlements | 0 |

- Hewlett-Packard**

| | | | | | |
|----------------------------|---|-----------|-------|--|--|
| Location | Belfast | | | | |
| Business | computer sales, consultancy and service | | | | |
| Fair Representation | Protestants appear to be underrepresented | | | | |
| Employees | (Data as of August 2007) | | | | |
| | Protestant | 25 | 44.6% | | |
| | Catholic | 31 | 55.4% | | |
| | Other | 6 | | | |
| | <u>Total</u> | <u>62</u> | | | |

2007 Survey Response: None

Available information: Before its April 2002 merger with Hewlett-Packard, Compaq Computer regularly responded to the Northern Ireland survey, providing annual survey responses and arranging on-site interviews with local managers over the years--most recently in 1999. Employment at the company's Belfast operations, which were part of Compaq before the April 2002 merger of the two firms, has gone up slightly and now stands at 62 workers. The company provided a full response to the survey from 2004-2006, but did not respond in 2007. Before the merger, HP had five employees of its own in Belfast; these have been merged into the single HP operation.

Hewlett-Packard has joined Microsoft and other companies to create the School Technology Innovation Centers (STICs) in Belfast (with a sister school in Prague, Czech Republic), intended to help educators grasp new technologies and create innovative teaching tools.

Compliance with NI fair employment law and Code of Practice: The company's recruitment procedures appear to fall within the guidelines of the Code of Practice. It advertises available jobs on the Internet and includes an EEO statement in the ads. All employees involved in candidate selection have received EEO training. The company uses an interview panel when screening job candidates "where practically feasible," and reviews the religious composition of its applicants and new hires to determine success rates by community. Employees are notified of available positions at the company. Senior management in Northern Ireland and the UK as well as corporate headquarters are responsible for the company's equality policy.

Underrepresentation analysis: Protestants appear to be underrepresented at the company and specifically among its sales department staff. Hewlett-Packard reports that its Belfast location is accessible to all districts and areas. The Northern Ireland Service compared the company's associate professionals and administrative staff to the Belfast travel-to-work area and the remaining work force (managers, professionals, sales associates) to all of Northern Ireland. Both communities would appear fairly represented in the sales associate employment category if the company employed a few more Protestant sales representatives. It is questionable, however, how significantly this would change the overall assessment because the other work force categories reflect fair representation, but only by a small margin.

Conformance with MacBride principles: Hewlett-Packard appears to be honoring MacBride compliance commitments made by predecessor companies.

Digital Equipment, a predecessor firm to Compaq, reached an agreement with shareholders on MacBride implementation in 1989--the first company to do so. Compaq honored this agreement and said in 1999 that it "has in practice been taking lawful steps to implement the fair employment standards embodied in the MacBride principles" and "expects to continue to cooperate" with monitoring by the Northern Ireland Service.

Affirmative action outreach - The company's EEO policy commits the company to take "positive action" for groups "who have been traditionally disadvantaged" and were underrepresented in hiring or promotion over a 12-month period. The company is not conducting any affirmative action measures and does not appear to agree they are warranted.

Grievances - No complaints have been filed against the company at the Fair Employment Tribunal. The company has a grievance policy that allows employees to file complaints confidentially and with someone other than their immediate supervisor.

International Business Machines

| | | | | | |
|---------------------------|-------|----------------------------|---------|------------------------------------|---|
| MacBride Agreement | T | Underrepresentation | Unknown | FET Discrimination Findings | 0 |
| Agreement Date | 11/92 | Affirmative Action | NA | FET Settlements | 0 |

- **IBM United Kingdom**

| | |
|----------------------------|--|
| Location | Belfast |
| Business | computer sales and service |
| Fair Representation | Underrepresentation cannot be determined |
| Employees | (Data as of May 2005) |
| | Total 25 |

2007 Survey Response: None

Available information: The company usually responds in full to the Northern Ireland Service fair employment survey each year, but it did not respond in 2006 or 2007. By the end of 2006, the company's work force had fallen below 26 employees, down from 33 in mid-2005.

Compliance with NI fair employment law and Code of Practice: The company's policies appear to adhere to the fair employment laws in Northern Ireland.

Underrepresentation analysis: Data provided by the company in 2005 showed that 32.1 percent of the company's 33 employees were Catholic, and neither community was underrepresented.

Conformance with MacBride principles: IBM and MacBride shareholder proponents reached an agreement in 1992. The company said that it would "make lawful efforts" to implement the principles, "to the extent they are applicable."

Affirmative action outreach - Affirmative action efforts at the company are not warranted.

Grievances - There have been no recent discrimination complaints filed against IBM in recent years.

Jacobs Engineering Group Inc.

| | | | | | |
|---------------------------|---------|----------------------------|----|------------------------------------|---|
| MacBride Agreement | T | Underrepresentation | F | FET Discrimination Findings | 0 |
| Agreement Date | 11/2006 | Affirmative Action | NA | FET Settlements | 0 |

- **Jacobs UK Limited**

| | | | |
|----------------------------|--|-----------|-----|
| Location | Belfast | | |
| Business | Civil consulting | | |
| Fair Representation | No underrepresentation appears to be present | | |
| Employees | (Data as of 2006) | | |
| | Protestant | 15 | 68% |
| | Catholic | 7 | 32% |
| | Other | 3 | |
| | Total | 25 | |

2007 Survey Response: None

Available information: Jacobs Engineering Group Inc. offers consulting services to industrial, commercial, and government clients worldwide. The company's subsidiary, Jacobs UK, began operating in Northern Ireland in the late 1990s. It won a contract from the Northern Ireland Department for Regional Development Water Service in May 2006. The company will support a \$380 million annual capital investment program. The Northern Ireland Service surveyed the company for the first time in 2006 and it responded in full, but the company did not respond in 2007.

Compliance with NI fair employment law and Code of Practice: The company reports that its policies adhere to the Code of Practice. Jacobs UK Ltd. notifies all employees when positions become available to internal applicants. Advertisements are published in a variety of sources, including the Belfast Telegraph, other local newspapers, job markets, trade publications and the company intranet. The company does not always use an interview panel when selecting candidates, but all employees involved in candidate selection are trained on equal opportunity employment issues. Management occasionally consults with trade unions on equality policy issues. Corporate headquarters and UK management oversee the company's equality policy. All managers receive training on sectarianism and intimidation issues.

Underrepresentation analysis: The Northern Ireland Service refrains from drawing conclusions on community representation when the work force has fewer than 30 employees. However, both communities appear to be fairly represented in the work force.

Conformance with MacBride principles: In its 2006 survey response, Jacob Engineering agreed to comply with monitoring by the Northern Ireland Service and reports that its policies adhere to the MacBride principles. Jacobs UK reported that senior management review local managers to ensure the standards embodied in the MacBride principles are maintained.

Affirmative action outreach - No affirmative action measures are warranted.

Grievances - No complaints have been filed against the company at the Fair Employment Tribunal. Employees can raise complaints confidentially or speak with someone other than their direct supervisor.

Kohlberg Kravis Roberts & Co.

| | | | | | |
|---------------------------|----------------|----------------------------|----|------------------------------------|---|
| MacBride Agreement | F | Underrepresentation | F | FET Discrimination Findings | 0 |
| Agreement Date | not applicable | Affirmative Action | NA | FET Settlements | 0 |

- **Toys 'R' Us**

| | | | | | |
|----------------------------|--|-----|-------|--|--|
| Location | Newtownabbey | | | | |
| Business | toy retailing | | | | |
| Fair Representation | No underrepresentation appears to be present | | | | |
| Employees | (Data as of 2006) | | | | |
| | Protestant | 43 | 44.3% | | |
| | Catholic | 54 | 55.7% | | |
| | Other | 6 | | | |
| | <u>Total</u> | 103 | | | |

2007 Survey Response: Full

Available information: Toys R Us was acquired by an investor group led by Bain Capital, Kohlberg, Kravis Roberts and Vornado Real Estate Investment Trust in mid-2005. The company's initial response to monitoring by the Northern Ireland Service came in 1999, when it also met with Service staff at its north Belfast store. The 30,000-square-foot store sells toys, baby care and family leisure and home entertainment multimedia products. The company has been operating in Northern Ireland since 1997 and its work force has fluctuated over the last several years, from a high of 69 in 1997 to a low of 41 in 2005. Toys R Us reported 44 workers as of October 2005; Equality Commission data show that this number more than doubled by the end of 2006.

Compliance with NI fair employment law and Code of Practice: The company says it is an equal opportunity employer and fully complies with all aspects of Northern Ireland fair employment law. Its policies and programs appear to be consistent with the Fair Employment and Fair Treatment Order 1998 and the Code of Practice. It reports "all procedures and policies were agreed with the FEC prior to any recruitment commencing." Managers attend Equality Commission training, and the company posts its policies in all stores. The company always notifies all employees about positions open to internal applicants, and all employees receive training on equal employment issues. Toys R Us does not need to advertise job widely; signs posted in its Belfast store generate sufficient numbers of applicants. When using panels for job interviews, the company ensures that both communities are represented. It also says it systematically tracks applicant success rates by religion. The company promotes employees by merit and typically promotes from within for managerial posts.

Toys R Us has an equal opportunities policy that says "all recruitment, promotion and training will be based upon an individual's ability and job performance and will exclude any consideration of an applicant's/employee's religious beliefs, political opinion, race, sex, marital status or disability....Toys R Us will not directly or indirectly discriminate on the grounds of religious belief or political opinion....Breaches of this policy will be regarded as a disciplinary offense." Local management is responsible for complying with local fair employment legislation and, as recommended by the Equality Commission, direct responses to questions about religious affiliation are sent to independent personnel departments at the head office, according to the company. A confidential help line also exists for employees to voice questions or concerns.

Underrepresentation analysis: Neither group appears to be underrepresented at the company overall when its work force is compared to a catchment area that includes all of Northern Ireland. Employees at Toys R Us are either managers or sales associates and both of these employment categories have the widest recruitment area. The company is opening an additional store in Londonderry, but the monitoring figures for 2006 only reflect workers at the Belfast store. When Northern Ireland Service staff met with the company representatives in October 2006, candidates for the staff at the Derry store were in the interview process. Toys R Us reported 10 new hires in the most recent monitoring period and both communities appeared fairly represented in the figures. The company also reported 170 people applied for jobs at Toys R Us, which would include holiday workers. (Toys R Us doubles its work force during the holiday season.)

Workers traveling from the city center to Newtownabbey pass Unionist paramilitary murals.

Conformance with MacBride principles: Toys R Us reached an agreement on implementation of the MacBride principles in April 1999 after receiving a shareholder proposal, but the companies that acquired Toys R Us have not endorsed the principles.

Affirmative action outreach - No affirmative action efforts currently appear warranted given the work force breakdown at the company. The company's EEO policy commits it "to adopt, where practical, affirmative action measures to ensure the provision of equality of opportunity and fair participation of Roman Catholics and Protestants."

Grievances - No discrimination complaints have been filed against the company at the Fair Employment Tribunal.

Marsh & McLennan

| | | | | | |
|---------------------------|------|----------------------------|----|------------------------------------|---|
| MacBride Agreement | T | Underrepresentation | F | FET Discrimination Findings | 0 |
| Agreement Date | 1994 | Affirmative Action | NA | FET Settlements | 0 |

- **Mercer Human Resources Consulting**

| | | | | | |
|----------------------------|--|-----------|-----|--|--|
| Location | Belfast | | | | |
| Business | pensions consultancy/administration | | | | |
| Fair Representation | No underrepresentation appears to be present | | | | |
| Employees | (Data as of 2006) | | | | |
| | Protestant | 40 | 58% | | |
| | Catholic | 29 | 42% | | |
| | Other | 10 | | | |
| | <u>Total</u> | <u>79</u> | | | |

2007 Survey Response: None

Available information: Marsh & McLennan's subsidiary changed its name from William M. Mercer Ltd. to Mercer Human Resource Consulting Ltd. in 2001. The subsidiary merged with Sedgwick Noble Lowndes in 1999. The company last responded to the Northern Ireland Service survey in 2003. In 2004, management at Marsh & McLennan explained that there was little time to deal with anything but the lawsuit filed by New York attorney general, Eliot Spitzer. The suit charged that the company engaged in bid rigging and inappropriate fees. Marsh settled the allegations in January 2005, agreeing to pay \$850 million in restitution, according to press reports. Marsh suffered a decline and sales and staff during the investigations, but the Northern Ireland work force does not appear to have been directly affected.

Compliance with NI fair employment law and Code of Practice: The company says Mercer follows the recommendations as well as the legal requirements of the Code of Practice and that it adheres to the standards established by the Fair Employment and Treatment (Northern Ireland) Order 1998. The company advertises job openings on the Internet and in trade publications. MacBride proponents advocate advertising in all three Belfast dailies. The company uses an interview panel but says it never ensures that both communities are represented on the panel. Those involved in candidate selection have undergone training, and the company reviews the religious composition of applicant pools and new hires.

Underrepresentation analysis: Neither community appears to be underrepresented in the company's overall work force or in individual job categories when compared to weighted catchment areas that are 34.1 percent to 40.8 percent Catholic. The catchment areas consider all of Northern Ireland to be appropriate for managers, administrators and professionals and the Belfast travel-to-work area for its clerical and secretarial workers. Managers, professionals and associate professionals constitute more than 80 percent of its employees. The number of applicants reported by the company has fallen dramatically in the last three years, and the number of new hires has been low for the last five years--between three and seven new hires annually. The company has begun to use more recruitment agency applicants and began monitoring them in 2003.

Conformance with MacBride principles: The company says that Mercer Human Resource Consulting recognizes the commitments made by Marsh & McLennan when it reached agreement on implementation of the MacBride principles with shareholder activists in 1994.

Affirmative action outreach - No affirmative action measures appear warranted.

Grievances - No complaints have been filed against the company at the Fair Employment Tribunal.

- **Marsh (UK), Ulster Insurance Services, Marsh Finan**

| | | | | | |
|----------------------------|--|----|-------|--|--|
| Location | Belfast and Strabane | | | | |
| Business | insurance services | | | | |
| Fair Representation | No underrepresentation appears to be present | | | | |
| Employees | (Data as of 2006) | | | | |
| | Protestant | 33 | 71.7% | | |

| | | |
|----------|----|-------|
| Catholic | 13 | 28.3% |
| Other | 0 | |
| Total | 46 | |

2007 Survey Response: None

Available information: Marsh & McLennan stopped responding to the Northern Ireland Service annual requests for information in 2004, when management at Marsh & McLennan explained that there was little time to deal with anything but the lawsuit filed by New York attorney general, Eliot Spitzer. The suit charged that the company engaged in bid rigging and inappropriate fees. Marsh settled the allegations in January 2005, agreeing to pay \$850 million in restitution, according to press reports. Marsh suffered a decline and sales and staff during the investigations, but the Northern Ireland work force does not appear to have been directly affected.

Compliance with NI fair employment law and Code of Practice: The company says it follows the Code of Practice and Northern Ireland fair employment law. It says that fair employment issues are discussed at regular staff association meetings and that religious harassment is on the agenda at all Belfast executive meetings. The company includes a statement in its employment advertisements that it is an equal opportunity employer, although it advertises only in the Belfast Telegraph and government job markets; ads could get wider distribution if the company used all three daily Belfast papers. The company uses an interview panel with representatives from both sides of the community and tracks applicant success rates by religion. Company representatives involved in candidate selection have received training on equal employment issues and both communities are represented on interview panels. Marsh & McLennan uses materials from the Equality Commission to provide training and workshops on workplace harassment and intimidation to all employees, with separate training for managers. The company also works with the Irish Congress of Trade Union's Counteract project to address potential sectarian harassment and intimidation.

Underrepresentation analysis: Neither community appears to be underrepresented in the overall work force, nor was there underrepresentation in any individual job categories at the time of the company's last survey response when compared to a catchment area that includes all of Northern Ireland. The firm's Catholic representation in the overall work force grew dramatically from 1992 to 2000, erasing an apparent underrepresentation.

Conformance with MacBride principles: The company and shareholder activists reached an agreement on implementation of the MacBride principles in 1994.

Affirmative action outreach - Affirmative action efforts are no longer appear warranted as Catholics seem to have achieved fair participation in the overall work force and in individual job categories.

Grievances - No complaints have been filed against the company at the Fair Employment Tribunal.

McDonald's

| | | | | | |
|---------------------------|------|----------------------------|---|------------------------------------|---|
| MacBride Agreement | T | Underrepresentation | T | FET Discrimination Findings | 0 |
| Agreement Date | 1994 | Affirmative Action | F | FET Settlements | 1 |

• McDonald's Restaurants

| | | | |
|----------------------------|-------------------------------------|------------|-----|
| Location | 24 locations province-wide | | |
| Business | fast food | | |
| Fair Representation | Protestants may be underrepresented | | |
| Employees | (Data as of Aug. 2006) | | |
| | Protestant | 81 | 37% |
| | Catholic | 139 | 63% |
| | Other | 23 | |
| | <u>Total</u> | <u>243</u> | |

2007 Survey Response: partial

Available information: McDonald's has 10 franchise operations with a combined 26 restaurants in Northern Ireland. Ten restaurants are owned and operated by the company through its subsidiary, McDonald's Restaurants Ltd., in Portadown, Lurgan, Downpatrick, Belfast (two locations), Craigavon, Enniskillen, Cookstown, Omagh and Dungannon. The other nine franchise holders in Northern Ireland are: JMC Restaurants Ltd. in Lisburn, North West Restaurants Ltd. in Londonderry (three restaurants), Dunluce Restaurants Ltd. in Coleraine, Mark Cobain in Newtownabbey and Glengormley, Paul McDermott in Belfast, Geoff Hewitt in Ballymena and Carrickfergus, Keith Inskip in Douglas, Rahon Enterprises in Bangor and Belfast, S & S Restaurants Ltd. in Newry, and Paul Connan Ltd. in Dundonald and Belfast.

The company has regularly completed the Northern Ireland Service survey, describing its fair employment policies and providing overall employment information for its franchise operations.

Compliance with NI fair employment law and Code of Practice: The company says that McDonald's Restaurants Ltd. "follows Northern Ireland law concerning the recruitment, interviewing and hiring process." The company "uses an independent outside consultant to compile information with respect to religion (and gender) regarding applications and employees hired in its restaurants," and the consultant provides this information to the Equality Commission. McDonald's franchise holders provide this information to the Equality Commission separately and McDonald's Restaurants Ltd. does not receive copies of the monitoring reports. The company's franchisees also operate under agreements that require them "to comply with local laws."

McDonald's says that it advertises all openings publicly, and notifies all employees of positions open to internal applicants. It advertises openings in local and regional newspapers, government job markets, and the Internet. The company uses job markets in particular areas when it conducts affirmative action, and also has conducted what it dubbed "communications sessions" with restaurant staff on this subject. McDonald's does not use panels with more than one person to interview job candidates, as is generally recommended by fair employment experts, but all staff involved in candidate selection have received EEO training. The company also reviews the religious composition of applicant pools and new hires to determine community success rates, which can be an important check to ensure no bias has crept into the selection process. The company says all promotions are based on merit, and that training is non-discriminatory. The company's UK diversity policy specifically states that in Northern Ireland, it will "aim to make sure that no job applicant or existing employee is treated less favorably on the grounds of their political opinions," and that discrimination on setting standards [that] some employees are less likely to be able to achieve because of their political opinions" constitutes indirect discrimination.

Managers "are held directly responsible for adherence to the diversity policy," the company says. The company describes at some length these responsibilities, saying managers must "challenge questionable behavior and practices" and manage "their teams to create work environments where all employees are valued." Senior management at the company has overall responsibility for enforcing the company's diversity policy, and the human resources department "regularly monitors and reviews the policy to determine the need for additional action to ensure compliance," McDonald's told the Northern Ireland Service. The policy was last updated in December 2003.

Underrepresentation analysis: Protestants appear to be underrepresented in the work force, even when the presumably youthful work force is taken into consideration. If it is assumed that managers at McDonald's range in age from 25-34, the Catholic catchment area grows from 42.7 percent for all of Northern Ireland to 46.1 percent for this age group. Even so, Protestants appear to be underrepresented when compared to either catchment area.

Catholics account for more than 60 percent of the work force at the franchise operations, far exceeding the ideal estimate of between 42 and 46 percent.

According to more specific data provided by the company in 2005, Catholics made up 61 percent of McDonald's managers, even though the appropriate figure as compared to the catchment area is around 46 percent. Catholics also made up 53.5 percent of the personal service workers whose religion was identified at the company, slightly exceeding the expected 49.6 percent figure generated from census data for workers currently aged 16 to 24. This group of employees accounted for 62 percent of the work force in 2005, while managers accounted for nearly all the remaining employees.

In 2005, Protestants also appeared underrepresented among applicants and new hires for personal service occupations at the company. In 2005, the company had 359 applicants whose religion was identified, 63 percent of whom were Catholics. Catholics also made up 66 percent of the 125 employees hired. The company may need to examine its recruitment practices to encourage Protestant applicants.

Conformance with MacBride principles: The company says its policies reflect the fair employment policies embodied in the MacBride principles and that it will respond in full to the Northern Ireland Service fair employment survey. McDonald's Restaurants Ltd. distributes its diversity policy to all franchisees in Northern Ireland, and says it strongly encourages the franchisees "to adopt such a policy as their own for their restaurants." It is unclear how this policy is enforced at the franchise restaurants or how many franchisees have adopted it, but McDonald's Restaurants Ltd. conducts an annual business review of each franchise restaurant to determine "expandability of each franchise holder," and as part of this assessment, "an in-depth assessment of various people practices is conducted, including the diversity policy and a determination as to whether the franchise holder has had any serious employment relations issues in the past year."

Affirmative action outreach - McDonald's told the Northern Ireland Service that its administrative officer for Northern Ireland will attend a training course in affirmative action held by the Equality Commission. The company also notes that managers "are held directly responsible for adherence to [the] diversity policy." It is not undergoing any other affirmative action measures. McDonald's may want to look carefully at its recruitment flows, site by site, to determine if it is attracting a sufficient number of Protestant applicants.

Grievances - McDonald's Restaurants Ltd. had a grievance filed against it at the Fair Employment Tribunal; it was dismissed in December 2004. Company policy states that grievances may be brought to several levels of managers at the company and employees may be fired for violating the company's diversity policy.

Merck

| | | | | | |
|---------------------------|------|----------------------------|----|------------------------------------|---|
| MacBride Agreement | T | Underrepresentation | F | FET Discrimination Findings | 0 |
| Agreement Date | 9/02 | Affirmative Action | NA | FET Settlements | 0 |

- **Merck Sharp & Dohme**

| | | |
|----------------------------|--|-----------|
| Location | sales people work from home | |
| Business | sales | |
| Fair Representation | No underrepresentation appears to be present | |
| Employees | (Data as of Aug. 2007) | |
| | Protestant | 10 59% |
| | Catholic | 7 41% |
| | Other | 0 |
| | <u>Total</u> | <u>17</u> |

2007 Survey Response: Full

Available information: Merck has for years maintained a small pharmaceutical sales force in Northern Ireland, which in 2004 grew to 16 workers. The company hired an additional employee in 2006. The company has been responsive to the Northern Ireland Service survey and has described its policies and work force breakdown for the last several years.

Compliance with NI fair employment law and Code of Practice: Company managers attend standards training as an active step to implement MacBride principles. The company registered with the Equality Commission in 2002 and began to monitor the community background of its existing employees, as required by Northern Ireland fair employment law. The company previously had not been subject to the requirements of the law given its small size. The company has said that it is "fully committed to fostering a diverse work force," and that its worldwide code of conduct "is reinforced through mandatory employee training at all levels." The company code "includes a statement on the company's commitment to the fair treatment of all employees," a commitment that includes "subsidiary non-discrimination policies."

Underrepresentation analysis: The Northern Ireland Service does not statistically assess companies with fewer than 30 employees. However, the employee breakdown at Merck is reflective of the community breakdown in Northern Ireland.

Conformance with MacBride principles: Merck reiterated in 2004 that its policies reflect the principles as amplified. In September 2002, Merck said that it is "committed to taking lawful steps in good faith to conduct business in Northern Ireland in accordance with the MacBride principles that are applicable to our particular situation." The company reached its agreement after inquiries from the State of Connecticut, which is obligated to sell stock in firms in which it holds stock unless the company agrees to implement the principles.

Affirmative action outreach - No affirmative action measures appear warranted.

Grievances - No grievances have been filed against the company at the Fair Employment Tribunal.

Microsoft

| | | | | | |
|---------------------------|------|----------------------------|----|------------------------------------|---|
| MacBride Agreement | T | Underrepresentation | F | FET Discrimination Findings | 0 |
| Agreement Date | 2006 | Affirmative Action | NA | FET Settlements | 0 |

- **Microsoft**

| | | | |
|----------------------------|--|-----------|-----|
| Location | Belfast | | |
| Business | software | | |
| Fair Representation | No underrepresentation appears to be present | | |
| Employees | (Data as of Aug 2007) | | |
| | Protestant | 9 | 56% |
| | Catholic | 7 | 44% |
| | Other | 0 | |
| | Total | 16 | |

2007 Survey Response: Full

Available information: Microsoft provided the Northern Ireland Service with a copy of its fair employment monitoring return in 2005 and it completed the survey in 2006 and 2007. The company opened new premises in Belfast in September 2004. Invest Northern Ireland contributed £168,000 of the total investment of £700,000. In 2006, the company passed the 11-member work force threshold requiring it to register with the Equality Commission and submit annual monitoring returns.

Compliance with NI fair employment law and Code of Practice: The company's policies appear to adhere to fair employment laws in Northern Ireland. Employees are always notified of job openings, which are publicly advertised in the Belfast Telegraph, the Internet and the company intranet. The company does not systematically use interview panels, which is not surprising given the small work force. It also does not train those involved in candidate selection on EEO issues (although they are trained on the MacBride principles and diversity).

Microsoft has said it has a "total commitment to fair employment in Northern Ireland."

Underrepresentation analysis: The Northern Ireland Service refrains from drawing conclusions on community representation when the work force has fewer than 30 employees. However, both communities appear to be fairly represented at the company. In 2006, Microsoft hired 12 new workers a pool of 27 applicants. Both communities were fairly represented among applicants, which suggests the company is viewed as an equal opportunity employer.

Conformance with MacBride principles: The company has not received a shareholder resolution asking it to comply with the MacBride principles, but in its 2006 survey response it reported that its policies comply with the principles and it agreed to complete the Northern Ireland Service annual survey. Microsoft also reported that it educates all recruitment and hiring managers on the MacBride principles.

Affirmative action outreach - No affirmative action measures appear warranted: however, Microsoft places an EEO statement in its advertisements and it conducts recruiting efforts in local schools.

Grievances - No complaints have been filed against Microsoft at the Fair Employment Tribunal. The company has a disciplinary procedure and a grievance procedure that provide a clear framework on how to deal with employee complaints. Workers can raise issues with someone other than their immediate supervisor and a co-religionist if desired; they can also file complaints confidentially. Offenders will be dismissed for gross misconduct or for lesser misconduct that is not corrected. The grievance procedure has an informal and a formal track as well as an appeals process.

Nacco Industries

| | | | | | |
|---------------------------|------|----------------------------|---|------------------------------------|---|
| MacBride Agreement | T | Underrepresentation | F | FET Discrimination Findings | 0 |
| Agreement Date | 1991 | Affirmative Action | T | FET Settlements | 1 |

- Nacco Materials Handling**

| | | | |
|----------------------------|--|------------|-----|
| Location | Craigavon, Co. Armagh | | |
| Business | industrial fork lift trucks | | |
| Fair Representation | No underrepresentation appears to be present | | |
| Employees | (Data as of Aug. 2007) | | |
| | Protestant | 414 | 57% |
| | Catholic | 309 | 43% |
| | Other | 25 | |
| | <u>Total</u> | <u>748</u> | |

2007 Survey Response: Full

Available information: The company consistently responds to monitoring by the Northern Ireland Service and Service staff interviewed company officials in the 1990s. In June 2003, the company announced a £33 million investment to make the Craigavon facility a dedicated manufacturing center for a range of trucks with advanced engines and more sophisticated electronics. The company has been making forklifts in Northern Ireland since 1980.

Compliance with NI fair employment law and Code of Practice: Nacco's policy calls for including equal opportunities responsibilities in the written job descriptions of managers and supervisors, and for the maintenance of an employee training program on EEO matters. Harassment is an offense that can be cause for dismissal. Separate policies exist for harassment and victimization. Nacco audits its employment procedures annually, ensures that written descriptions exist for all posts, and says that redundancy procedures are "appropriate and justifiable." Two trained staff conduct short listing and interviews, records of decisions are kept at each personnel stage, cross-community representation occurs where possible on selection panels, and managers conduct exit interviews to obtain leavers' views on EEO at Nacco. Supervisors must also debrief all parties to complaints.

Nacco's employee guide concerning harassment and its EEO policy are written up in considerable detail in an easily accessible format. The EEO policy in particular, a 21-page booklet, contains clear instructions for employees on what constitutes harassment and how to begin resolution of a concern or complaint. The policy is more detailed and presented in a clearer format than most other EEO policies of U.S.-connected firms in Northern Ireland.

As part of an affirmative action agreement it reached with the FEC/Equality Commission after its triennial policy review in late 1997, Nacco revised its personnel practices to ensure they comply with the Code of Practice. Nacco provided equal opportunity awareness sessions and anti-harassment training for all employees.

In 1997, the company began using a pool of temporary employees who work according to production demands. "This has provided greater job security for our core (permanent) work force," Nacco said. The company's use of temporary workers does not appear to raise any particular fair employment concerns; these workers are covered by the company's equal opportunities and grievance policies.

Underrepresentation analysis: Both communities appear to be fairly represented in the Nacco's work force. In the past, Catholics appeared to be underrepresented among plant and machine operatives and the work force as a whole. Applicants and new hire figures also show fair representation of both communities. Managers, professionals, sales associates and skilled workers were compared to a recruitment area and included all of Northern Ireland, while the rest of the work force was compared to the Craigavon travel-to-work area. Plant and machine operatives make up about three-quarters of the staff at Nacco. There have not been any redundancies in the past three years.

Conformance with MacBride principles: Nacco reached an agreement with shareholder proponents of the MacBride principles in 1991. It says it "is making all lawful efforts to implement the fair employment practices embodied in the MacBride principles."

Affirmative action outreach - In 2005, Nacco achieved its original affirmative action plan goals to boost the Catholic proportion of applicants and new hires to not less than 45 percent. Catholic applicants were just shy of the 45 percent benchmark in the most recent monitoring period, but among new hires Catholics accounted for about 56 percent. This goal has come five years later than expected. The company had pledged to actively target the Catholic community in job advertisements; its employment ads include welcoming statements for both communities. The company also has developed links with schools, training schemes and organizations that serve the Catholic community. Nacco worked particularly hard at developing an outreach program to schools, including providing work experience, mock interviews and factory tours. Several years ago, Nacco explained that its ability to practice affirmative action measures was limited by its minimal recruitment, which proved to be the case when Catholic representation has grown along with recruitment in 2004 and 2005. Since then, staff levels have declined slightly.

Grievances - Four complaints have been filed against the company since 2003. One complaint was settled, two were withdrawn and one was dismissed. The company adopted a new grievance procedure in 1998. As noted above, the policy booklet for employees is highly approachable and clearly laid out. Employees may call an outside help line 24 hours a day to obtain confidential counseling about their concerns.

Omnicom Group

| | | | | | |
|---------------------------|------|----------------------------|----|------------------------------------|---|
| MacBride Agreement | T | Underrepresentation | F | FET Discrimination Findings | 0 |
| Agreement Date | 1/02 | Affirmative Action | NA | FET Settlements | 0 |

- **Drury Communications**

| | | | | | |
|----------------------------|--|----|-----|--|--|
| Location | Belfast | | | | |
| Business | public relations | | | | |
| Fair Representation | No underrepresentation appears to be present | | | | |
| Employees | (Data as of 2004) | | | | |
| | Protestant | 9 | 60% | | |
| | Catholic | 6 | 40% | | |
| | Other | 0 | | | |
| | <u>Total</u> | 15 | | | |

2007 Survey Response: None

Available information: In October 2000, Omnicom Group Inc. subsidiary BBDO Worldwide acquired Dublin-based Drury Communications, which owned 30 percent of a Belfast firm by the same name. The Belfast company, a public relations firm, has just 15 workers. In May 2001 it broke off from its Dublin parent and announced plans for aggressive expansion in both Northern Ireland and the Republic.

The company has previously responded to the Northern Ireland Service survey, but not for the past two years. Omnicom's corporate headquarters wrote that Drury's management said "they would furnish as much information as they felt comfortable furnishing to us with respect to this politically and emotionally charged issue." Because Omnicom is a non-controlling shareholder, the company said, "we can demand no more."

Compliance with NI fair employment law and Code of Practice: Drury Communications says its policies adhere to both the recommendations and the standards set out in the Fair Employment and Treatment (Northern Ireland) Order 1998. The company did not provide detailed information about its hiring and selection procedures, but it did say that it advertises openings in all three Belfast daily newspapers, ensuring both communities are made aware of vacancies. Its policy states that the company will periodically review its selection criteria and procedures so that "individuals are selected, promoted and treated solely on the basis of their merits and abilities which are appropriate to the job." Managers and staff involved in recruitment, employee administration and training are charged with the responsibility of ensuring the enforcement of the non-discrimination policy.

Underrepresentation analysis: The Northern Ireland Service refrains from drawing conclusions on community representation when the work force has fewer than 30 employees.

Conformance with MacBride principles: In January 2002 the company reached a MacBride implementation agreement and the New York City pension funds withdrew a shareholder resolution on the subject.

Affirmative action outreach - It does not appear that any affirmative action efforts are necessary.

Grievances - No grievances had been filed at the Fair Employment Tribunal against Drury Communications. The company maintains a grievance procedure for any employees who feel they have received inequitable treatment.

PepsiCo

| | | | | | |
|---------------------------|------|----------------------------|---------|------------------------------------|---|
| MacBride Agreement | T | Underrepresentation | F | FET Discrimination Findings | 0 |
| Agreement Date | 3/06 | Affirmative Action | Unknown | FET Settlements | 0 |

- **Walkers Snacks Ltd.**

| | | | |
|----------------------------|--|-----------|-----|
| Location | Antrim | | |
| Business | Crisps | | |
| Fair Representation | No underrepresentation appears to be present | | |
| Employees | (Data as of 2006) | | |
| | Protestant | 18 | 60% |
| | Catholic | 12 | 40% |
| | Other | 1 | |
| | <u>Total</u> | <u>31</u> | |

2007 Survey Response: None

Available information: The company has a small operation that sells and distributes snacks, such as potato chips, in Northern Ireland. PepsiCo UK & Ireland began selling Walkers Crisps in Northern Ireland in 1997 through a third-party distributor, LMI. PepsiCo UK bought LMI's sales and marketing operations in 2003.

The Northern Ireland Service received the company's first survey response in 2006, but the company did not respond in 2007.

Compliance with NI fair employment law and Code of Practice: The company's policies adhere to the fair employment laws in Northern Ireland. In the company's Human Rights Workplace Policy, it says, "we comply with all applicable laws, regulations, and other employment standards, whenever we operate or work." The policy also includes the statement, "we do not tolerate discrimination and work to ensure equal opportunity for all associates."

PepsiCo also provided a copy of its Code of Conduct, which contains information on its grievance procedure and informs employees about methods they can use to address concerns. One method is the ethics hotline available toll free to all employees worldwide.

PepsiCo also provided details on its human resources procedures. The company notifies all of its employees when positions become available, but it does not publicly advertise all job openings. When it does widely advertise job availability, it uses the local newspapers, the Internet, Trade publications and the company intranet. Walkers always uses an interview panel of employees who have been trained in EEO issues when selecting candidates, but it did not indicate if it seeks to ensure that both communities are represented on the panel or whether it examines applicants' backgrounds to determine success rates by community. This practice is often used by companies to make sure the candidate selection process is not biased. When redundancies are necessary, the company uses performance selection criteria or specifies the role that will be eliminated. When selecting employees for promotion, the company evaluates skill sets, performance criteria, future potential and personal development goals. Training opportunities are based on providing specific skills to those whose roles are suited for the skill set.

Underrepresentation analysis: Both communities appear to be fairly represented at the company.

Conformance with MacBride principles: The company agreed in spring 2006 that it will cooperate with monitoring of its operations in Northern Ireland and said that its policies comply with the MacBride principles. It completed the Northern Ireland Service survey in 2006.

Affirmative action outreach - No affirmative action measures appear warranted at this time. The company reported that it will be completing a review with the Equality Commission this year and will work with the Commission on any needed affirmative action measures.

Grievances - No fair employment grievances have been filed against the company at the Fair Employment Tribunal. The company has grievance procedure that lays out the steps for employees to take if there is an issue they want addressed. Employees can raise issues with their immediate supervisor or the next-level manager. The

policy outlines a clear timeframe to handle grievances and informs employees that a colleague and/ or a representative from human resources may assist them in this process.

Pfizer

| | | | | | |
|---------------------------|------|----------------------------|----|------------------------------------|---|
| MacBride Agreement | T | Underrepresentation | F | FET Discrimination Findings | 0 |
| Agreement Date | 5/00 | Affirmative Action | NA | FET Settlements | 0 |

- **Pfizer UK**

| | | | |
|----------------------------|--|-----------|-----|
| Location | employees work from home | | |
| Business | pharmaceutical sales/ animal health sales | | |
| Fair Representation | No underrepresentation appears to be present | | |
| Employees | (Data as of 2006) | | |
| | Protestant | 15 | 52% |
| | Catholic | 14 | 48% |
| | Other | 14 | |
| | <u>Total</u> | <u>43</u> | |

2007 Survey Response: None

Available information: Pfizer has usually responded in full to the annual Northern Ireland Service surveys since 2000, giving a breakdown of its employees by religion and providing fair employment policy information, although the company did not complete a survey in 2007. Until 1999, the company's work force hovered around 10 employees. In 2003, Pfizer acquired Pharmacia, which had fewer than 10 employees in Northern Ireland. The company only employs sales representatives, who work from home and report to a subsidiary in England.

Compliance with NI fair employment law and Code of Practice: Pfizer says its employment and recruitment policies and practices are "standard throughout the world, with modifications designed to tailor them to local laws and conditions." The company has adopted the Code of Practice and adheres to the Fair Employment and Treatment (Northern Ireland) Order 1998. Pfizer also has an "Equal Opportunity Code of Practice," which it observes when recruiting in Northern Ireland and elsewhere. Pfizer started monitoring the religious composition of its work force in Northern Ireland in 2000.

Pfizer says it publicly advertises all openings, on the Internet, on its own intranet and in local and regional newspapers. It receives all of its applicants from recruitment agencies, which prescreen the applicants and forward them to Pfizer. The company appears to have standardized selection procedures. It always uses an interview panel comprised of employees who have received EEO training, but both communities are not necessarily represent on the panel. Prospective employees must undergo a competency-based group interview with a sales role-play exercise. A panel of managers makes all hiring decisions. The company sometimes examines applicant success rates by community affiliation. Promotion is based on merit, and fair employment monitoring ensures employee participation in training programs is equitable. The company has had only one redundancy in the last several years. It says that its redundancy policy is in accordance with its equal opportunities standards. Responsibility for fair employment is shared by Northern Ireland senior management, UK management, corporate headquarters and the corporate board.

Underrepresentation analysis: Neither Catholics nor Protestants appear to be underrepresented at the company when its employees are compared to all of Northern Ireland, the area from which the company draws its workers. Pfizer has a Catholic representation of 48 percent, exceeding the 42.7 Catholic catchment area for all of Northern Ireland, but not so far out of line as to have an underrepresentation of Protestants, given its small size.

The company has one case pending at the Fair Employment Tribunal.

Conformance with MacBride principles: The company reached a MacBride implementation agreement in 2000. The company agreed to cooperate with monitoring by the Northern Ireland Service and to take steps as applicable to implement the MacBride principles. Many of the principles are not applicable given that employees work from home. Pfizer uses its training in equal opportunity/discrimination/harassment issues to communicate the standards embodied in the MacBride principles to its managers.

Affirmative action outreach - Affirmative action measures do not appear warranted.

Grievances - The company's grievance policy stipulates that employees may direct any complaints of discrimination or harassment to their supervisors, Human Resources managers or any other appropriate senior-level person. Pfizer will accommodate employees who wish to voice their complaint to a co-religionist. A grievance filed against the company in 2007 is pending.

Raytheon

| | | | | | |
|---------------------------|----|----------------------------|---|------------------------------------|---|
| MacBride Agreement | F | Underrepresentation | F | FET Discrimination Findings | 0 |
| Agreement Date | NA | Affirmative Action | F | FET Settlements | 0 |

- **Raytheon Systems**

| | | | |
|----------------------------|--|-----------|-----|
| Location | Derry, Co. Londonderry | | |
| Business | software development center | | |
| Fair Representation | No underrepresentation appears to be present | | |
| Employees | (Data as of April 2006) | | |
| | Protestant | 11 | 30% |
| | Catholic | 27 | 71% |
| | Other | 0 | |
| | <u>Total</u> | <u>38</u> | |

2007 Survey Response: None

Available information: The company has sporadically responded to the Northern Ireland Service survey. In 2005 it provided updated employment figures and in 2006 it submitted a full survey response, but it did not respond in 2007. Employment appears to have fallen short of initial goals, and the company announced in 2003 that there would be some redundancies. Raytheon's work force has remained steady for the last three years at slightly less than 40 workers. The company began recruiting senior personnel in the summer of 1999 for a software development center in Derry, Co. Londonderry. Some 15 jobs at Raytheon have gone to unemployed individuals, as part of the company's participation in the government's New Deal program aimed at putting the long-term unemployed back to work. Raytheon also bid successfully with Short Brothers Aircraft, the Belfast subsidiary of Canada's Bombardier, for a \$1.3 billion Ministry of Defense airborne standoff radar contract that will add up to 800 jobs at the Shorts facility in Belfast.

Some human rights activists oppose Raytheon's presence in Derry because it is a weapons manufacturer. The company says, however, that its facility in Northern Ireland only develops software and is not directly involved in arms production. Following the U.S.-led assault on Fallujah, Iraq, in November 2004, anti-war activists protested in Derry and announced plans to dig a symbolic grave outside the Derry plant.

Compliance with NI fair employment law and Code of Practice: The company has provided the Northern Ireland Service with a copy of its fair employment policy. The company said it has a "systematic and objective recruitment policy, which ensures that applicants are selected solely according to merit." It alerts all employees to job opportunities, but it does not always publicly advertise them. When jobs are advertised, Raytheon uses the Belfast Telegraph, other local papers, the Internet, the company intranet and a recruitment agency. Personnel who select candidates for hire have received EEO and the company sometimes reviews its applicant pool to determine success rates by community. Managers occasionally consult with trade unions or other worker representatives on equality issues.

UK managers oversee the company's equality policy.

Underrepresentation analysis: Protestants have appeared to be slightly underrepresented in the past, but the most recent figures indicate both communities are fairly represented.

Conformance with MacBride principles: The company has not reached an agreement with shareholder proponents on the MacBride principles and has opposed shareholder resolutions asking it to implement the MacBride principles. Investors gave 10.1 percent support to a shareholder resolution asking for MacBride implementation at the company's 2004 annual meeting and 9.8 percent in 2005. The company says that the majority of the MacBride principles are included in Northern Ireland's fair employment laws and regulations, which it says "reflect the intent of the MacBride principles." In the most recent survey response, Raytheon reported that it would respond to further survey requests from the Northern Ireland Service.

Affirmative action outreach - No affirmative action steps are required.

Grievances - No complaints have been filed against the company at the Fair Employment Tribunal. The company reported that its grievance procedure allows employees to file confidential complaints, to raise complaints with someone other than an immediate supervisor, and it will accommodate requests to bring grievances to a co-religionist.

Regis Corporation

| | | | | | |
|---------------------------|----|----------------------------|---------|------------------------------------|---|
| MacBride Agreement | ? | Underrepresentation | F | FET Discrimination Findings | 0 |
| Agreement Date | NA | Affirmative Action | Unknown | FET Settlements | 0 |

- **Supercuts**

| | |
|----------------------------|--|
| Location | Belfast |
| Business | salon |
| Fair Representation | Underrepresentation cannot be determined |
| Employees | (Data as of 2006) |
| | Total 28 |

2007 Survey Response: None

Available information: Supercuts has at least one location in Northern Ireland, in Belfast. The company did not respond to the Northern Ireland Service's survey.

Underrepresentation analysis: Although full data are not available, the Equality Commission reports that fewer than 10 Catholics are among Supercuts' 28 employees. Nine Catholic employees would comprise 32 percent of the company's work force and would not constitute underrepresentation when compared to the Belfast travel-to-work area.

Sanmina-SCI

| | | | | | |
|---------------------------|---------|----------------------------|---------|------------------------------------|---|
| MacBride Agreement | T | Underrepresentation | T | FET Discrimination Findings | 0 |
| Agreement Date | 02/2007 | Affirmative Action | Unknown | FET Settlements | 0 |

- **Sanmina-SCI Enclosure Systems Lisburn**

| | | | |
|----------------------------|---|------------|-------|
| Location | Lisburn | | |
| Business | sheet metal fabrication and electronic assemblies | | |
| Fair Representation | Catholics appear to be underrepresented | | |
| Employees | (Data as of 2006) | | |
| | Protestant | 265 | 77.7% |
| | Catholic | 76 | 22.3% |
| | Other | 23 | |
| | <u>Total</u> | <u>364</u> | |

2007 Survey Response: None

Available information: In 2001, Sanmina-SCI Corp. acquired its Northern Ireland operations, formerly called E-M-Solutions, after the parent firm, Electronic Manufacturing Systems, filed for Chapter 11 bankruptcy protection. Sanmina-SCI has never responded to the Northern Ireland Service survey. Privately held Electronic Manufacturing Systems responded once to the survey, in 1999. EMS had acquired Bemac Engineering, located just outside Belfast in Lisburn, and established it as its European headquarters in 1997.

The work force grew from 332 workers in 2003 to 364 workers in 2006.

Compliance with NI fair employment law and Code of Practice: Recent information is unavailable given the company's failure to respond to inquiries.

Underrepresentation analysis: Catholics are significantly underrepresented in the work force at Sanmina-SCI when it is compared to Northern Ireland as a whole, the Lisburn district council area or the Belfast travel-to-work region. Catholics accounted for 33 percent of the 85 new hires in 2006 with religious affiliation identified. In 1999, the company reported that turnover among managers, professionals and technical staff was limited, but the company has hired an average of approximately 50 new employees for the last few years. Catholics were fairly represented among new hires in 2005, 2004 and 2002, but in 2003 they accounted for only eight of 49 appointees with identified religion.

Some Catholics in West Belfast and areas not far from the town of Lisburn, such as the mostly Catholic housing estate of Twinbrook, say they are intimidated by Lisburn.

Conformance with MacBride principles: The company agreed to implement the MacBride principles in February 2007 after New York City Pension Funds urged the company to do so with a shareholder resolution.

Affirmative action outreach - The company report in 1999 that it was conducting affirmative action measures, but these efforts do not appear to be working. It is unclear if the company has an updated affirmative action plan or whether they are still implementing the measures taken seven years ago.

Grievances - Since 2003, two complaints have been filed against the company at the Fair Employment Tribunal. Both complaints were conciliated.

Schein (Henry) Inc.

| | | | | | |
|--------------------|----|---------------------|----|-----------------------------|---|
| MacBride Agreement | F | Underrepresentation | F | FET Discrimination Findings | 0 |
| Agreement Date | NA | Affirmative Action | NA | FET Settlements | 0 |

- **Henry Schein K.M. Ltd.**

| | |
|---------------------|--|
| Location | Belfast |
| Business | dental supplies |
| Fair Representation | No underrepresentation appears to be present |
| Employees | (Data as of 2007) |
| | Total 11 |

2007 Survey Response: None

Available information: The company last responded to the Northern Ireland Service survey in 2001. The company is still listed in the Northern Ireland phone book as having offices in Lisburn and Belfast and it appeared in the Equality Commission's September 2007 register of employers, indicating it has at least 11 workers; the company has fewer than 25 employees, however, as it does not appear in the commission's monitoring report. No information is available on the religious composition of the work force. As of 2001, the company's practices appeared to be in compliance with fair employment law and the Code of Practice and unlike some other small firms, the company does use an equal employment statement in its ads. Selection procedures appear systematic, although all staff involved in recruitment had not been trained on EEO matters. The company has not taken a position on the MacBride principles and reported that it is unsure if its operations adhere to the principles. It also has not received a shareholder resolution on this issue--the usual route for implementation agreements. The company's office in Belfast is easily accessible to both sides of the community. Schein said sectarian harassment and intimidation is "not tolerated in its office." No fair employment complaints have been filed against the company.

Sonoco Products

| | | | | | |
|---------------------------|------|----------------------------|----|------------------------------------|---|
| MacBride Agreement | T | Underrepresentation | F | FET Discrimination Findings | 0 |
| Agreement Date | 1991 | Affirmative Action | NA | FET Settlements | 0 |

- **Sonoco UK**

| | | | |
|----------------------------|--|-----------|-----|
| Location | Lurgan, Co. Armagh | | |
| Business | converted paper tubes | | |
| Fair Representation | No underrepresentation appears to be present | | |
| Employees | (Data as of 2006) | | |
| | Protestant | 16 | 42% |
| | Catholic | 22 | 58% |
| | Other | 0 | |
| | <u>Total</u> | <u>38</u> | |

2007 Survey Response: None

Available information: Sonoco consistently responded to the Northern Ireland Service survey until 2006. Company officials met with Northern Ireland Service staff in 1990.

Compliance with NI fair employment law and Code of Practice: The company's fair employment policies appear to be consistent with the Code of Practice.

Underrepresentation analysis: Both communities appear to be fairly represented at Sonoco. The work force data provided by the company in 2005 is consistent with the religious composition of the Craigavon travel-to-work area and other possible catchment areas. One of two managers was a Catholic, as were 16 of 27 plant and machine operatives, which represents 73 percent of Sonoco's work force. There were no applicants or new hires during the most recent monitoring period, although Protestants and Catholics appeared roughly equal among these groups in the previous period. The company's work force has fluctuated only slightly since 1996, reaching a high of 46 in 1998 and a current low of 38 employees.

Conformance with MacBride principles: Sonoco told shareholders in 1991 that it "will continue to make lawful efforts to implement the fair employment practices embodied in the MacBride principles." The company says that it is ensuring implementation of the principles by adhering to Northern Ireland's fair employment law and reporting on its practices when information is requested.

Affirmative action outreach - No affirmative action plans appear warranted.

Grievances - No complaints have been filed against the company at the Fair Employment Tribunal.

Starbucks Corp.

| | | | | | |
|---------------------------|------|----------------------------|----|------------------------------------|---|
| MacBride Agreement | T | Underrepresentation | F | FET Discrimination Findings | 0 |
| Agreement Date | 8/06 | Affirmative Action | NA | FET Settlements | 0 |

- **Starbucks**

| | | | |
|----------------------------|--|------------|-------|
| Location | Belfast (4 locations) and Coleraine | | |
| Business | coffee | | |
| Fair Representation | No underrepresentation appears to be present | | |
| Employees | (Data as of 2006) | | |
| | Protestant | 53 | 56.4% |
| | Catholic | 41 | 43.6% |
| | Other | 72 | |
| | <u>Total</u> | <u>166</u> | |

2007 Survey Response: None

Available information: Starbucks Coffee Company recently opened operations in Northern Ireland and quickly expanded. It now operates nine stores in Northern Ireland, six in Belfast, one in Antrim and another in Ballymena. The company employs 122 workers, about half of which work on a full-time basis. Starbucks completed the Northern Ireland Service survey in 2006, providing detailed information on its staff and copies of its employment policies.

Compliance with NI fair employment law and Code of Practice: Starbucks' policies appear to be largely in line with the Code of Practice. It advertises all available positions to its employees and publicly using the Belfast Telegraph, the Newsletter, other local newspapers, the Internet and show windows. Starbucks includes an EEO statement in its ads and all employees who select candidate receive EEO training. When interviewing candidates, the company always uses a panel but it does not ensure both communities are represented. It reported, "We do not ask panel members to disclose their religious or political background. However, we intend to review this practice." Management in Northern Ireland and the human resources team is responsible for overseeing the EEO issues.

The company provided the Northern Ireland Service with copies of its EEO and harassment/ bullying policies. The EEO appears to have been customized for the UK and Ireland because it mentions, in addition to the standard EEO classifications, that it will not discriminate against members of the traveling community. It does now, however, specifically deal with sectarian issues. The harassment/ bullying policy outlines specific offenses that are inappropriate and how they are dealt with. Offenders who are found guilty of violating the policy could merely receive a warning or ultimately be dismissed.

Underrepresentation analysis: Both communities appear to be fairly represented at the company--although the large number of employees classified as "other" makes a full analysis more difficult. Catholics account for almost 44 percent of the staff, which is in line with the 42.7 Catholic catchment area for the economically active in Northern Ireland.

Conformance with MacBride principles: Starbucks reported that it is working towards bringing its policies in line with the MacBride principles. "We believe our company policies, including our equal employment and non-discrimination policy, as well as our company guiding principle of treating all partners with respect and dignity, entirely reflect the fair employment standards embodied in the MacBride principle," the company reported, stipulating that it has "been in the market for less than two years and is therefore still working toward specific compliance with all of the principles." Starbucks reported that it aims to amend its policy to include a discussion of sectarian emblems and to appoint staff to deal directly with the principles by the next monitoring period. The company reports that employees are encouraged to raise concerns about fair employment issues. Starbucks has a business conduct hotline for those who wish to be anonymous. "When complaints are received," Starbucks reported, "we have procedures in place to ensure there is prompt investigation and effective response."

Affirmative action outreach - No affirmative measures appear to be warranted.

Grievances - No grievances have been filed against the company at the Fair Employment Tribunal. Starbucks has a grievance procedure that allows for employees to contact an independent employee relations representative through a hotline if they do not want to address the complainant with their immediate supervisor. Employees can also bring a colleague of their choosing to a grievance hearing, which may increase comfort for employees who want to be accompanied by a fellow-community member. The procedure ensures that grievances are dealt with in a timely manner, but it only allows for one appeal to a management decision.

Terex

| | | | | | |
|---------------------------|-------|----------------------------|---|------------------------------------|---|
| MacBride Agreement | T | Underrepresentation | T | FET Discrimination Findings | 0 |
| Agreement Date | 11/02 | Affirmative Action | T | FET Settlements | 0 |

- **Finlay Block-Making Equipment Ltd.**

| | | | | | |
|----------------------------|--|-----------|-------|--|--|
| Location | Dungannon | | | | |
| Business | concrete block manufacture | | | | |
| Fair Representation | No underrepresentation appears to be present | | | | |
| Employees | (Data as of Dec. 2005) | | | | |
| | Protestant | 23 | 46.9% | | |
| | Catholic | 26 | 53.1% | | |
| | Other | 0 | | | |
| | <u>Total</u> | <u>49</u> | | | |

2007 Survey Response: None

Available information: The company, which appears to be jointly owned by Sandvik and U.S. company Terex Finlay is an industrial technology company in the concrete industry. Its employment grew steadily, reaching a high of 69 in 2001, before dropping to 38 workers in 2004 and then rising to nearly 50 employees. Finlay has not responded to inquiries from the Northern Ireland Service.

Compliance with NI fair employment law and Code of Practice: The company did not provide information on its fair employment practices.

Underrepresentation analysis: Neither group appears to be underrepresented when the work force is compared to either Dungannon, where the firm is located, or to Dungannon and nearby Omagh.

Affirmative action outreach - No affirmative action appears warranted.

Grievances - No complaints have been filed against the company at the Fair Employment Tribunal.

- **Powerscreen International Distributors Ltd.**

| | | | | | |
|----------------------------|---|------------|-------|--|--|
| Location | Dungannon, Co. Tyrone | | | | |
| Business | engineering | | | | |
| Fair Representation | Protestants appear to be underrepresented | | | | |
| Employees | (Data as of March 2006) | | | | |
| | Protestant | 23 | 15.4% | | |
| | Catholic | 126 | 84.6% | | |
| | Other | 30 | | | |
| | <u>Total</u> | <u>179</u> | | | |

2007 Survey Response: None

Available information: Terex responded in full to the Northern Ireland Service surveys between 2000 and 2002, but has not completed the survey since then. In 2006, it provided a copy of its Fair Employment Monitoring Return, which listed the subsidiary operation as Powerscreen International Distributors Ltd. The company has previously reported under the name Finlay Hydrascreens (Omagh). Press reports indicate Terex reorganized its various divisions to boost efficiency and it seems likely that it is reporting its Northern Ireland operations under the Powerscreen International Distributors name. Terex bought Powerscreen PLC, the former parent of Powerscreen International Distribution Ltd., in 1999, after an accounting scandal at the former parent company. Terex has a MacBride agreement, which lapsed for a time, but its recent cooperation has reconfirmed its compliance with the principles. The Northern Ireland Service met with company representatives in Northern Ireland in 2000.

Terex's 2006 Form 10-K, filed with the Securities and Exchange Commission, indicates that the company has a variety of other companies active in Northern Ireland: Finlay Hydrascreen (Omagh) Limited, Matbro (N.I.) Limited, Powerscreen International Distribution Limited, Powerscreen Manufacturing Limited, Terex International Financial Services Company. Powerscreen International is the only company listed with the Equality Commission

as an employer with more than 10 workers. Equality Commission officials reported that the company appears to employ most of its workers as contractors. The company reported that it manufactures through a system of onsite subcontractors who employ all shop floor manufacturing personnel, for which the company did not supply data. The company did not indicate how many contract workers there are at the site, nor what kind of fair employment oversight the company has over these workers. Managers, engineers, marketers and designers are direct employees of Finlay. A fair employment assessment of the company's operations is therefore made very problematic.

Compliance with NI fair employment law and Code of Practice: Powerscreen reported in 2002 that it complies with Northern Ireland fair employment law and the recommendations and legal requirements of the Code of Practice. The Equality Commission has provided materials for non-sectarian training for all employees, including subcontractors and their employees.

The company advertises as widely as possible, using local papers that cater to both the Catholic and Protestant communities. For management positions, the company has used the Belfast Telegraph and the Sunday Life. Additionally, the company's job advertisements have encouraged Protestants to apply. The company also has conducted outreach in schools.

The company advertised openings internally through notice boards and email. It also tracked the success rate of applicants from both communities. When interviewing job candidates, the company said it ensured that both communities were represented on the selection panel, but it acknowledges that this was sometimes difficult given the low number of Protestant employees overall.

The company ensured that everyone involved in candidate selection had received equal opportunity training. Training for the rest of the employees was underway in 2002.

Underrepresentation analysis: Protestants appear to be underrepresented in the work force. An analysis of the most recent data provided by the company, dating from early 2006, compared managers and professionals to a catchment area that includes all of Northern Ireland and is about 57 percent Protestant; the remaining employees in other job categories were compared to the Dungannon, which has a working-eligible Protestant portion of about 32 percent. Protestants comprise only 16 percent of the work force at Terex in Northern Ireland. Protestants were also underrepresented among applicants and appointees in 2006.

Both of the company's locations pose a chill factor to Protestants.

Conformance with MacBride principles: The company reached an agreement to comply with the MacBride principles in November 2002. It allowed the commitment to lapse, but it provided a copy of its Fair Employment Monitoring Return to the Northern Ireland Service in 2006.

Affirmative action outreach - The company has adopted an affirmative action policy developed with the help of the Equality Commission to attract Protestants. The policy outlines an overall goal of increasing Protestant representation in the work force to 40 percent, and Protestant representation among applicants and appointees to not less than 45 percent by 2003. The company views these figures as a good benchmark on which to judge the success of its affirmative action program, although it pointed out that reaching the goals would probably require substantial new recruitment that does not appear to be in the offing. The company also has an outreach program with local schools that it hopes will contribute to an increased number of Protestant applicants.

Grievances - No recent complaints have been filed against the company at the Fair Employment Tribunal.

TJX

| | | | | | |
|---------------------------|----|----------------------------|---|------------------------------------|---|
| MacBride Agreement | F | Underrepresentation | F | FET Discrimination Findings | 0 |
| Agreement Date | NA | Affirmative Action | F | FET Settlements | 0 |

- **T.K. Maxx**

| | | | |
|----------------------------|--|------------|-------|
| Location | Belfast | | |
| Business | retail clothing sales | | |
| Fair Representation | No underrepresentation appears to be present | | |
| Employees | (Data as of 2006) | | |
| | Protestant | 231 | 47.8% |
| | Catholic | 252 | 52.2% |
| | Other | 25 | |
| | <u>Total</u> | <u>508</u> | |

2007 Survey Response: None

Available information: The company gave a complete response to the Northern Ireland Service survey in 2005 for the first time since 1998, providing information on its fair employment policies and its work force. It responded again in 2006 when it reported a work force of nearly 160 employees, a 33 percent increase from the previous monitoring period. The company did not respond in 2007 and Equality Commission data from 2006 shows a significantly larger work force, totaling over 500.

Underrepresentation analysis: The religious composition of the company's work force has changed substantially in the last couple of years, moving from a majority Catholic work force to a more evenly balanced composition. In the past, it appeared that Protestants were underrepresented; this is no longer the case when the company's two job categories, managers and sales associates, are compared to a catchment area including all of Northern Ireland. This is the most appropriate comparison because companies typically recruit from the entire region for these positions.

Conformance with MacBride principles: The company has not reached an agreement with shareholder proponents on the MacBride principles, although it told the SEC that it "essentially complies with the practices outlined in the MacBride principles." In its 2005 survey response, the company says that instead of adopting the MacBride principles, it follows the "code of conduct and guidelines laid down by the Equality Commission of Northern Ireland. We have a robust recruitment and selection process, which determines the best person for the job and we have credibility in the local marketplace as being an Equal Opportunity Employer." TJX has said in its proxy statement that adopting the principles could produce "divisiveness in the workplace." Votes on shareholder resolutions asking the company to implement the MacBride principles have dropped from previous levels near 20 percent. In 2004, investors gave only 9.3 percent support to a shareholder resolution asking for MacBride implementation, making the proposal ineligible for resubmission.

The company says the principles are aimed at anti-Catholic discrimination and that implementing them actually could lead to a decrease in the number of Catholic employees at T.K. Maxx, negating this aim. This is a view that was shared for some time by Interface, another U.S. firm that had an overrepresentation of Catholics and regularly received shareholder resolutions on the issue until it reached an agreement with activists in 2001. The principles themselves do not single out Catholics or Protestants for special consideration, but refer to a need for affirmative action for "underrepresented religious groups." Fair employment law in Northern Ireland requires affirmative action if either Catholics or Protestants are underrepresented compared to reasonable catchment areas. The wording of the principles suggests the same obligation, although it is clear the principles were initiated because of concerns over anti-Catholic discrimination.

Affirmative action outreach - No affirmative action measures appear to be warranted based on the current work force breakdown. The T.K. Maxx policy described to the Northern Ireland Service in the past said the company would adopt, "where necessary appropriate affirmative action measures to ensure the provision of equality of opportunity and fair participation for all sections of the community."

Grievances - No discrimination complaints have been lodged against the company at the FET.

United Technologies

| | | | | | |
|---------------------------|------|----------------------------|---|------------------------------------|---|
| MacBride Agreement | T | Underrepresentation | T | FET Discrimination Findings | 0 |
| Agreement Date | 1/01 | Affirmative Action | T | FET Settlements | 0 |

- **Chubb (NI) Ltd.**

| | | | | | |
|----------------------------|---|------------|-------|--|--|
| Location | Belfast | | | | |
| Business | security and fire | | | | |
| Fair Representation | Catholics appear to be underrepresented | | | | |
| Employees | (Data as of Aug. 2006) | | | | |
| | Protestant | 91 | 82.7% | | |
| | Catholic | 19 | 17.3% | | |
| | Other | 16 | | | |
| | <u>Total</u> | <u>126</u> | | | |

2007 Survey Response: None

Available information: United Technologies acquired Chubb, a spin-off of the former Williams PLC, in 2003. It provides electronic security systems, fire protection systems, security guards and security system monitoring. Its operations are headquartered in Dublin and company representatives told the Northern Ireland Service in a meeting held in 2005 that all policies and activities are run on an all island basis. Chubb's only Northern Ireland site is located in Belfast. Company representatives have said they expect sustained peace in Northern Ireland will spark increased investment and demand for their products.

Compliance with NI fair employment law and Code of Practice: In 2006, Chubb provided copies of its EEO, grievance, affirmative action and harassment policies to the Northern Ireland Service, all of which are in line with fair employment laws in Northern Ireland. The company reported that it used the Northern Ireland Service's 2004 profile to help revise its Equal Opportunities Policy to "encompass all aspects [for the] elimination of discrimination including specific mention to political and religious beliefs." It changed its hiring and selection processes to ensure all interviewers have received EEO training. It also makes "every effort" to have representation from both communities on interview panel, but admits "this cannot always be achieved due to the small number of employees available to sit on such panels."

Chubb publicly advertises all job openings and posts them internally to alert staff. It includes an EEO statement in job advertisements and posts them in the Belfast Telegraph, the Irish News, the Internet, the company intranet and in other local newspapers. It also reviews the religious composition of applicant pools and new hires to determine success rates by community.

In a meeting with the Northern Ireland Service in 2005, Chubb representatives said European Union regulations make it difficult to maintain balance in the community representation of the work force, specifically among the security staff. To ensure security guards do not lose their jobs in the event that a new company wins a contract to provide security service, essentially EU regulations require companies to hire employees along with a winning contract. This allows guards to maintain their jobs even if their company sells a contract to provide security. Company representatives said, "Dismissals are only permitted if they are for technical, organizational or economic reasons. The overall effect of this EU regulation is that companies who provide a service such as cleaning, security, catering tend to have a movement of employee population on contract wins/losses."

Company officials said these regulations are likely to change along with "new standards and practices in licensing and regulation of the security industry." Chubb has hired a recruitment officer for the Belfast office to replace local management in overseeing recruitment. The officer reports directly to the human resources department in Dublin.

All Chubb employees participate in the job task specific training. The company also has an employee scholar program, which "pays all expenses for higher education, provides paid time off for study and provides awards of company stock upon degree attainment." The human resources team is responsible for ensuring equal opportunities and senior management make sure those opportunities are implemented at the at the operational level.

Underrepresentation analysis: In past years, Catholics were significantly underrepresented in the work force overall and in several employment categories. Catholic representation dropped substantially between 2001 and 2004, most steeply between 2001 and 2002, when the percentage of Catholics fell from 37 percent to 19 percent, a reflection of a 20 percent drop in the total work force. Catholic representation continued to slip in 2004, reaching less than 17 percent as the work force shrank by 9 employees. In a meeting with the Northern Ireland Service in 2005, Chubb representatives acknowledged this underrepresentation and described the affirmative action plan designed to boost the Catholic portion of its staff. In 2005, Catholic representation nudged up to just over 18 percent. In the most recent monitoring period, Catholics still appear to be slightly underrepresented, but to a much lesser degree than in previous periods. Chubb commented in its most recent survey response, "Our affirmative action programs have shown an increase in the Catholic representation numbers since the last survey report. We continue to closely monitor our staffing levels to ensure we gain the maximum equitability in relation to representation of communities."

Until recently, the vast majority of hires were Protestants despite the continual underrepresentation of Catholics. In the most recent monitoring period, about 27 percent of the 64 new hires were Catholics, which is in line with the 34 percent figure that represents the ideal Catholic representation according to census figures.

The company reports that its ideal Catholic representation is between 25-35 percent, given its location in a "legacy Protestant area of Belfast." This figure is somewhat low considering the accessible location of the company and census data that indicates the Catholic portion of the work force within traveling distance of the company is about 37 percent, but the figure greatly exceeded the 10 percent figure referred to by the company as recent as 2004.

The company provides security and fire protection systems to its customers. The security industry in Northern Ireland has been heavily Protestant over the years, and the substantial reduction in security-related jobs and in the police force in the last several years--given the enduring paramilitary ceasefires and the continued peace talks--has put many qualified Protestant workers in the profession out of work. These developments do not vitiate the company's affirmative action obligations, however.

Conformance with MacBride principles: In a meeting with the Northern Ireland Service in 2005, Chubb said it would incorporate the MacBride principles into its policies by this year and in its 2006 survey response Chubb reported that its policies reflect the principles and agreed to complete the annual survey. The company did not respond to the Northern Ireland Service's 2007 survey, however.

In 2005, company representatives told the Northern Ireland Service that that emblems have been banned from the workplace. UTC's other companies have successfully implemented the MacBride principles. Chubb representatives told the Northern Ireland Service that implementing the MacBride principles and fair employment regulations became a priority in 2005. Chubb has submitted copies of its policies to the Northern Ireland Service. The EEO policy says Chubb will "remain committed to the achievement of equal opportunities within all our activities and responsibilities." It specifically mentions religious and political persuasion as well as sexual orientation, age, race and language in its EEO policy.

Affirmative action outreach - In the past, Chubb told the Northern Ireland Service that while it recognizes the need to pursue affirmative actions and plans to seek guidance from its other member companies and the Equality Commission and change its policies in 2005, management had been occupied with integrating the company into UTC's other operations. It said it will "endeavor to expand its recruiting efforts more aggressively for underrepresented groups." In 2005, company representatives told the Northern Ireland Service that its goal was to increase the Catholic percentage of the work force by a few percentage points by June 2006. It has succeeded in these efforts and the community representation of its staff is much more balanced than in recent history. Chubb's affirmative action policy sets out a process by which community representation of the staff will be monitored annually to determine whether there is an imbalance and if affirmative action measures are necessary. According to the document, "the plan shall be reviewed and measured twice yearly and additional actions shall be developed to address any factors limiting success."

Chubb began advertising in the Irish News in 2005 to "attract a greater number of applicants from this readership," which are a majority Catholic. It also includes that statement, "We are an Equal Opportunities Employer" in any form of job advertisement as well as using job markets in predominately Catholic areas. As part of its affirmative action efforts, company representatives told the Northern Ireland Service that they were considering offering an

additional financial incentive to its sales employees who obtain contracts in predominately Catholic areas with the intention that geographical targeting could lead to a boost in the Catholic portion of the work force.

Grievances - No fair employment grievances have been filed against the company in recent years.

Chubb and the trade union representing its workers have developed to a grievance policy, which includes provisions for a formal hearing and/or the use of an arbitration body. The UTC dialog and ombudsman programs also provide a confidential and secure environment for employees to raise complaints.

- **Otis Elevator**

| | | | |
|----------------------------|--|-------|-------|
| Location | Belfast | | |
| Business | elevator sales, service, repair and installation | | |
| Fair Representation | Catholics appear to be underrepresented | | |
| Employees | (Data as of Aug. 2007) | | |
| | Protestant | 32 | 71% |
| | Catholic | 13 | 29% |
| | Other | 3 | |
| | <hr/> | <hr/> | <hr/> |
| | Total | 48 | |

2007 Survey Response: Full

Available information: Otis Elevator has consistently responded to the Northern Ireland Service survey.

Compliance with NI fair employment law and Code of Practice: Personnel procedures at Otis appear to be in line with the Code in hiring procedures and workplace standards regarding fair employment. Promotion and training programs are based on analyses of performance, the company said, as well as on business and individual needs. Job advertisements are placed in the Belfast Telegraph and Irish News and include an EEO statement. The company always notifies all employees about positions open to internal applicants. Structured interviews use two-person panels and allow only pre-determined questions related to job criteria. The company says both communities always are represented on interview panels. All employees involved in candidate selection receive equal employment training, and the company provides all management and supervisors with in-house equal opportunities training, using materials from the Equality Commission. Layoff procedures are not conducted on a last-in, first-out basis, but use performance, service, attendance and disciplinary records. The branch manager, overseen by the service operations director and audited by the personnel department, is responsible for fair employment matters.

Underrepresentation analysis: Catholics appear to be slightly underrepresented at the company and among skilled workers, where Catholics account for only a third of the 35 employees whose community affiliation has been identified. The ideal Catholic representation for this employment category is about 43 percent considering both the percentage of Catholics employed in the category throughout Northern Ireland and given that the entire region is a fair catchment area. If, however, the skilled workers at Otis are compared to a smaller catchment area that only includes the Belfast travel-to-work area the 10 Catholic workers appear well represented. The company has said in the past that it has had difficulties finding skilled Catholic lift engineers with prior experience, but that it was addressing this issue through an engineering apprentice program. The applicant figures reported by the company reflect this problem. Protestants accounted for two-thirds of the applicants and new hires in the most recent monitoring period.

The company reported that it considers an appropriate Catholic representation to be 29.4 percent, but it is unclear how this percentage was derived since it also reported that it employs people from all district council areas.

The company hired seven people in the most recent monitoring period, which is a jump from the total of five new hires in the three previous years. In 2004, it let go nine workers, including six Protestants and three Catholics; it has not had any redundancies since.

Conformance with MacBride principles: The company reached an accord on MacBride implementation with activists in 2001, following negotiations on a shareholder resolution that was withdrawn. The company had opposed shareholder resolutions on the subject in 2000, 1999 and 1994. Until passage of new fair employment legislation for Northern Ireland in December 1998, Otis had said the MacBride principles would be illegal under UK law. The company said the principles would require the use of quotas in staff recruitment, an assumption that MacBride advocates continue to refute.

Affirmative action outreach - The company should pay close attention to the representation of Catholics within the skilled labor employment category and implement affirmative action measures if the underrepresentation continues.

Grievances - No discrimination complaints have been filed against the company at the Fair Employment Tribunal. Otis says its harassment policy specifically outlines steps a complainant may take to file a grievance. Provision will be made for complaints to be taken to "independent human resources staff." The company's survey response indicated that its grievance procedure also allows employees to file a complaint confidentially. It also informs staff that they may raise issues with someone other than a direct supervisor or someone of the same community background.

Visteon

| | | | | | |
|---------------------------|------|----------------------------|---|------------------------------------|---|
| MacBride Agreement | T | Underrepresentation | T | FET Discrimination Findings | 0 |
| Agreement Date | 3/98 | Affirmative Action | F | FET Settlements | 0 |

- **Visteon UK Ltd.**

| | | | | | |
|----------------------------|---|------------|-----|--|--|
| Location | Belfast | | | | |
| Business | Intake manifold, air and fuel products | | | | |
| Fair Representation | Protestants appear to be underrepresented | | | | |
| Employees | (Data as of Sept. 2006) | | | | |
| | Protestant | 112 | 50% | | |
| | Catholic | 111 | 50% | | |
| | Other | 10 | | | |
| | <u>Total</u> | <u>233</u> | | | |

2007 Survey Response: Full

Available information: In June 2000, Ford Motor spun off Visteon. Visteon managers have continued Ford's practice of consistently returning a detailed response to the Northern Ireland Service survey. Until 1996, Ford also published an annual report on its compliance with the "Ford principles" modeled on the MacBride code. The Northern Ireland Service has met with company official several times, most recently in 2006. The company has substantially reduced its work force in Northern Ireland in recent years, with employment down from a high of 632 in 1998 to the present level of just 233.

Visteon has been in negotiations with the union on restructuring measures, which it says "is vital to ensure future viability of Belfast plant."

Compliance with NI fair employment law and Code of Practice: The company's fair employment policy appears to be generally in line with the Code of Practice and the Fair Employment and Treatment (Northern Ireland) order 1998. The company reported in 2003 that local trade union and management representatives have participated in its UK-wide inclusively, diversity and equal opportunities group. Visteon also said that the Equality Commission completed refresher training courses in 2003 for managers, supervisors and trade union representatives on the company's harassment policy.

Senior management in Northern Ireland and other UK managers oversee the company's equality policy. The company advertises available positions at the company in the Belfast Telegraph, the Irish News, the Belfast News Letter, job markets and the company intranet. When selecting candidates for hire, Visteon uses an interview panel comprised of members of both communities who have received equal employment opportunity training. The religious composition of applicants is regularly reviewed to determine success rates by community. The company submitted updated copies of its EEO and Harassment policies to the Northern Ireland Service in the most recent monitoring period. Visteon has a thoughtful harassment policy that sets out how issues are dealt with according to a specific timeline and procedure.

Underrepresentation analysis: Visteon made more than 100 workers redundant in 2006 and the majority of these were on a voluntary basis. Protestants appear to be underrepresented among machine operatives and overall at Visteon, but a statistical analysis is not appropriate given the significant lay-offs.

Plant and machine operatives make up more than 80 percent of the work force. The upper level positions are compared to a catchment area including all of Northern Ireland at 42.7 percent Catholic, while operatives and associate professionals are compared to the Belfast travel-to-work area. Visteon has estimated its catchment area as between 43 and 47 percent Catholic. Catholics account for 47.9 percent of the work force at Visteon. Visteon has done little hiring over the last several years. Work force reductions at the plant have been voluntary, through early retirement and voluntary redundancy programs. Last year, 109 employees were let go, including 56 Catholics and 47 Protestants.

In the 2004 monitoring period, 42 workers with an identified religion were made redundant, including 18 Catholics. In the 2003 monitoring period, 35 workers were made redundant, including 10 Catholics. In 2002, the company let go 48 workers, all but three of whom were Protestants.

Conformance with MacBride principles: The company's agreement in 1998 on MacBride implementation ended a 12-year campaign by Irish Americans against Ford. Before the agreement, the company promulgated a set of nine principles similar but not identical to the MacBride principles. Visteon has maintained its commitment to the MacBride principles by honoring Ford's agreement. The New York City Comptroller visited the plant in September 2006 and reviewed the company's equality statistics. The Comptroller, "acknowledged the positive progress that had been achieved on the equality front despite the operational difficulties the plant faced," the company reported.

The company reported in 2006, "Each Belfast Plant Manager is advised by the Human Resources Manager about the MacBride Principles and the processes within Belfast to ensure compliance. Both are responsible to ensure they are adhered to within [the] Belfast plant."

Affirmative action outreach - Since the company is not likely to hire many employees in the near future, an affirmative action plan would not be practical.

Grievances - Nine complaints have been filed against Visteon at the Fair Employment Tribunal since 2003. Two complaints were conciliated and the rest were withdrawn. The company's grievance policy allows for employees to make complaints confidentially and to bring issues to someone other than their direct supervisor.

Vornado Realty Trust

| | | | | | |
|---------------------------|----|----------------------------|----|------------------------------------|---|
| MacBride Agreement | F | Underrepresentation | F | FET Discrimination Findings | 0 |
| Agreement Date | NA | Affirmative Action | NA | FET Settlements | 0 |

- **Toys 'R' Us**

| | | | | | |
|----------------------------|--|-----|-------|--|--|
| Location | Newtownabbey | | | | |
| Business | toy retailing | | | | |
| Fair Representation | No underrepresentation appears to be present | | | | |
| Employees | (Data as of 2006) | | | | |
| | Protestant | 43 | 44.3% | | |
| | Catholic | 54 | 55.7% | | |
| | Other | 6 | | | |
| | <u>Total</u> | 103 | | | |

2007 Survey Response: Full

Available information: Toys R Us was acquired by an investor group led by Bain Capital, Kohlberg, Kravis Roberts and Vornado Real Estate Investment Trust in mid-2005. The company's initial response to monitoring by the Northern Ireland Service came in 1999, when it also met with Service staff at its north Belfast store. The 30,000-square-foot store sells toys, baby care and family leisure and home entertainment multimedia products. The company has been operating in Northern Ireland since 1997 and its work force has fluctuated over the last several years, from a high of 69 in 1997 to a low of 41 in 2005. Toys R Us reported 44 workers as of October 2005; Equality Commission data show that this number more than doubled by the end of 2006.

Compliance with NI fair employment law and Code of Practice: The company says it is an equal opportunity employer and fully complies with all aspects of Northern Ireland fair employment law. Its policies and programs appear to be consistent with the Fair Employment and Fair Treatment Order 1998 and the Code of Practice. It reports "all procedures and policies were agreed with the FEC prior to any recruitment commencing." Managers attend Equality Commission training, and the company posts its policies in all stores. The company always notifies all employees about positions open to internal applicants, and all employees receive training on equal employment issues. Toys R Us does not need to advertise job widely; signs posted in its Belfast store generate sufficient numbers of applicants. When using panels for job interviews, the company ensures that both communities are represented. It also says it systematically tracks applicant success rates by religion. The company promotes employees by merit and typically promotes from within for managerial posts.

Toys R Us has an equal opportunities policy that says "all recruitment, promotion and training will be based upon an individual's ability and job performance and will exclude any consideration of an applicant's/employee's religious beliefs, political opinion, race, sex, marital status or disability....Toys R Us will not directly or indirectly discriminate on the grounds of religious belief or political opinion....Breaches of this policy will be regarded as a disciplinary offense." Local management is responsible for complying with local fair employment legislation and, as recommended by the Equality Commission, direct responses to questions about religious affiliation are sent to independent personnel departments at the head office, according to the company. A confidential help line also exists for employees to voice questions or concerns.

Underrepresentation analysis: Neither group appears to be underrepresented at the company overall when its work force is compared to a catchment area that includes all of Northern Ireland. Employees at Toys R Us are either managers or sales associates and both of these employment categories have the widest recruitment area. The company is opening an additional store in Londonderry, but the monitoring figures for 2006 only reflect workers at the Belfast store. When Northern Ireland Service staff met with the company representatives in October 2006, candidates for the staff at the Derry store were in the interview process. Toys R Us reported 10 new hires in the most recent monitoring period and both communities appeared fairly represented in the figures. The company also reported 170 people applied for jobs at Toys R Us, which would include holiday workers. (Toys R Us doubles its work force during the holiday season.)

Workers traveling from the city center to Newtownabbey pass Unionist paramilitary murals.

Conformance with MacBride principles: Toys R Us reached an agreement on implementation of the MacBride principles in April 1999 after receiving a shareholder proposal, but the companies that acquired Toys R Us have not endorsed the principles.

Affirmative action outreach - No affirmative action efforts currently appear warranted given the work force breakdown at the company. The company's EEO policy commits it "to adopt, where practical, affirmative action measures to ensure the provision of equality of opportunity and fair participation of Roman Catholics and Protestants."

Grievances - No discrimination complaints have been filed against the company at the Fair Employment Tribunal.

Wal-Mart Stores Inc.

| | | | | | |
|---------------------------|---------|----------------------------|----|------------------------------------|---|
| MacBride Agreement | T | Underrepresentation | F | FET Discrimination Findings | 0 |
| Agreement Date | 12/2006 | Affirmative Action | NA | FET Settlements | 0 |

- **Asda Stores Ltd.**

| | | | | | |
|----------------------------|--|-------------|-------|--|--|
| Location | 13 locations across Northern Ireland | | | | |
| Business | supermarkets | | | | |
| Fair Representation | No underrepresentation appears to be present | | | | |
| Employees | (Data as of 2006) | | | | |
| | Protestant | 1451 | 54.5% | | |
| | Catholic | 1212 | 45.5% | | |
| | Other | 21 | | | |
| | <u>Total</u> | <u>2684</u> | | | |

2007 Survey Response: None

Available information: Wal-Mart acquired Asda in 1999, which bought 13 Safeway stores in mid-2005 from William Morrison. These stores operate as Asda. The company has 13 locations throughout Northern Ireland and employs the largest work forces in the region. The Northern Ireland Service surveyed Wal-Mart for the first time in 2006 and it responded in full; the company did not respond to the 2007 survey.

Compliance with NI fair employment law and Code of Practice: Asda provided comprehensive information on its policies and procedures regarding harassment, hiring and selection and EEO issues. The policies adhere to the standards established in the Code of Practice. Asda has won several awards for its positive work environment, including "best place to work awards" from Fortune magazine, and The Sunday Times newspaper, and it says it "works tirelessly to continue to earn and maintain that reputation." Asda reports that it, "actively promotes fair treatment and opportunity from all the recruitment and selection to training and promotion." It consults with a union that represents its workers on a monthly basis and it uses a software package recommended by the Equality Commission to monitor its work force.

Asda notifies all employees of job opportunities. When the company publicly advertises available positions, it uses a range of methods that ensures wide distribution, including the Belfast Telegraph, the Irish News, the Newsletter, other regional newspapers, job markets and the company intranet. Asda typically promotes from within for managerial positions. To select candidates, the company uses an interview panel comprised of employees who have received EEO training. It attempts to ensure both communities are represented on panels but reports this is not always possible.

Asda has not made any workers redundant, but its policy for this considers tenure. "Whilst length of service....will be one of the criteria for redundancy selection, management have the right to also consider relevant skills, experience and other matters in making the final selection. The mutual objective is to preserve a properly balanced and efficient workforce."

Senior managers, human resources and employees in the legal department oversee EEO issues.

Underrepresentation analysis: Both communities appear to be fairly represented in the work force as Asda. The company has 13 locations throughout Northern Ireland, making the region as a whole the best comparison for composition of the staff. Asda has only 21 workers whose religion is not identified, indicating that the company's monitoring process is comprehensive and accurate. Catholics account for about 45 percent of the staff with identified religion, which is in line with the 42.7 percent Catholic share of the available work force. Asda agrees that its work force should be compared to all of Northern Ireland as it "undertakes a multi-site retail operation throughout Northern Ireland and requires its managers to be flexible in terms of work location."

According to the latest Equality Commission report, in 2006 Asda stores hired nearly 900 new workers, of whom 55 percent were Protestant and 45 percent Catholic.

Conformance with MacBride principles: In its 2006 survey response, Wal-Mart reported that its policies adhere to the standards embodied in the MacBride principles and it agreed to comply with monitoring by the Northern

Ireland Service. Asda notes that, "it does not provide security for the protection of its employees while traveling to and from work as this is not currently required in practice. Should the need arise in the future then Asda would be prepared to allocate resources to provide this protection." The MacBride principles do not require employers to provide protection while traveling to and from work, but the principles call on companies to make reasonable efforts in the regard where possible. For example, some employers located in contentious areas provide security cameras in employee parking lots.

Affirmative action outreach - No affirmative action measures are warranted at this time.

Grievances - No complaints have been filed against Asda at the Fair Employment Tribunal. The company's grievance policy sets out a clear procedure for handling employee complaints that allow workers to voice complaints without fear of victimization. Asda specifies that, "any particular stage can be omitted with the consent of the employee," such as in a case where a worker prefers not to bring a complaint to their immediate supervisor. Workers may raise also issues with their human resources representative and/or to their union representative.

Watson Pharmaceuticals

| | | | | | |
|---------------------------|------|----------------------------|----|------------------------------------|---|
| MacBride Agreement | T | Underrepresentation | F | FET Discrimination Findings | 0 |
| Agreement Date | 1/02 | Affirmative Action | NA | FET Settlements | 0 |

- **Nicobrand Ltd.**

| | | | |
|----------------------------|--|----|-----|
| Location | Coleraine | | |
| Business | bulk chemical processing | | |
| Fair Representation | No underrepresentation appears to be present | | |
| Employees | (Data as of Sept. 2006) | | |
| | Protestant | 19 | 76% |
| | Catholic | 6 | 24% |
| | Other | 1 | |
| | <u>Total</u> | 26 | |

2007 Survey Response: None

Available information: Nicobrand operates in a 10,000 square foot bulk chemical processing facility in Coleraine. Staff levels are remained stable for the last few years at around 25 employees. The company did not appear in the Equality Commission's 2006 or 2007 reports, indicating that the number of employees had fallen below 26.

Compliance with NI fair employment law and Code of Practice: The company says that it complies with Northern Ireland fair employment law and the recommendations and legal requirements of the Code of Practice. The company publicly advertises all job openings, using local and regional newspapers, and always notifies employees about positions open to internal applicants. When selecting candidates, Nicobrand uses an interview panel comprised of members of both communities who have received EEO training. Applicants are reviewed to determine success rates by religion--a useful check to ensure a bias has not crept into the system. The company uses materials from the Equality Commission to conduct workshops for managers and supervisors on sectarian harassment and intimidation in the workplace. Senior managers in Northern Ireland oversee equal employment programs.

Underrepresentation analysis: The Northern Ireland Service does not draw any conclusions from statistical assessments on work forces that have less than 30 employees.

Still, there does not appear to be any underrepresentation at the company overall or in any particular job category. The number of employees who identify themselves as Catholics has fallen by a few employees each year, but the community still appears to be well represented. In the most recent monitoring period, the vast majority of applicants were Protestants, as were the new hires. There have not been any redundancies for the last several years.

Conformance with MacBride principles: The company reached a MacBride implementation agreement in 2002, which prompted the New York City pension funds to withdraw a shareholder resolution on the subject. In the 2006 survey response, Nicobrand reported that the company, "Ensure[s] all managers are aware and comply with Northern Ireland fair employment practices."

Affirmative action outreach - No affirmative action efforts currently appear warranted, although the company includes an EEO statement in its ads and uses job markets in particular areas to achieve appropriate representation of both communities.

Grievances - No complaints have been filed against the company at the Fair Employment Tribunal. The company provided the Northern Ireland Service with a brief description of its grievance policy in 2005. The policy allows for employees to raise confidential complaints and to raise issues with someone other than their immediate supervisor, which may include someone of the same community background. The company reports that concerns are always "investigated fully." The policy lays out specific timelines and procedures to follow when grievances arise. The procedure allows for an appeals process.

Yum Brands

| | | | | | |
|--------------------|----|---------------------|---------|-----------------------------|---|
| MacBride Agreement | F | Underrepresentation | T | FET Discrimination Findings | 0 |
| Agreement Date | NA | Affirmative Action | Unknown | FET Settlements | 0 |

- **Pizza Hut (UK)**

| | |
|---------------------|--|
| Location | nine locations province-wide |
| Business | pizza |
| Fair Representation | Underrepresentation cannot be determined |
| Employees | (Data as of 2004) |
| | Total 50 |

2007 Survey Response: None

Available information: There are 14 Pizza Hut restaurants in Northern Ireland in Antrim, Ballymena, Bangor, Belfast (6 stores), Carrickfergus, Carryduff, Coleraine, Dungannon and Lisburn. The Northern Ireland Service is not aware of any fair employment problems that have surfaced at these restaurants, which appear to be operated separately from the KFCs. (See the Yum Brands-KFC profile for details on a controversy involving a sectarian mural painted on the side of a KFC restaurant.) No information is available about the number of employees at the Pizza Huts, or about fair employment policies there. The Northern Ireland Service estimates that the restaurants employ at least 50 people, and probably more.

Conformance with MacBride principles: Yum Brands has regularly received shareholder resolutions regarding the MacBride principles, though the resolutions have all focused on KFC franchises, rather than Pizza Huts.

Grievances - No fair employment grievances have been filed against the company.

- **Herbel Restaurants**

| | |
|---------------------|---|
| Location | province-wide |
| Business | KFC fast-food restaurants |
| Fair Representation | Protestants appear to be underrepresented |
| Employees | (Data as of 2006) |
| | Protestant 203 44.6% |
| | Catholic 252 55.4% |
| | Other 37 |
| | Total 492 |

2007 Survey Response: None

Available information: Yum Brands has declined to respond to the Northern Ireland Service fair employment survey and has said only that its franchisee follows Northern Ireland fair employment law. Most recently, the company said in its 2006 proxy statement that its franchise businesses in the region are already required by law to adhere to the Fair Employment & Treatment (NI) Order 1998, and adoption of the MacBride principles would only result in "additional and overlapping obligations." Yum Brands initially told the Northern Ireland Service in a 2002 email that it would provide information on the company's policies in Northern Ireland, but it never did. Information on the overall work force composition of Herbel Restaurants is available from the Equality Commission. The Northern Ireland Service interviewed a broad range of sources in Northern Ireland in 2002 about Kentucky Fried Chicken outlets in the province and related fair employment issues. Some information on sectarian problems at the chain also is available from press reports. Equality Commission staff in Belfast have said that Herbel Restaurants has taken some action recently to reform its fair employment practices.

There are 32 KFC locations throughout Northern Ireland. KFC opened its first UK outlet in 1965 and since 2000 has been expanding rapidly. It employs about 10,000 people at more than 520 outlets in England, Scotland and Northern Ireland. A private Belfast firm, Herbel Restaurants, holds the Northern Ireland KFC franchise.

Significant unanswered questions exist about fair employment matters at Yum Brands' operations in Northern Ireland, five years after a sectarian loyalist mural was removed from one of the KFC outlets in north Belfast. Death

threats against Catholics working at two other KFC outlets also were reported in 2002. Several Belfast sources indicated that the mural, on the lower Shankill Road just outside central Belfast, was painted because of internecine feuding between different loyalist groups about territory and control of illicit business in the area, a turf battle that was later resolved at least for a time. The location is one where Catholic would never work or visit, next to a treeless brick housing estate--one of Belfast's most intimidating neighborhoods. A Yum Brands official said that "political statements" such as the mural are unacceptable to it and requested the franchisee to remove the painting; the mural disappeared two days later in the middle of the night.

Compliance with NI fair employment law and Code of Practice: Yum Brands provided no information about the fair employment policies of Herbel Restaurants. A separate inquiry directed to Herbel Restaurants also elicited no response. The loyalist paramilitary mural on the Shankill Road KFC outlet in Belfast was a clear violation of the neutral workplace provisions of Northern Ireland's fair employment law. But nobody filed a formal complaint about it and the Equality Commission itself found the issue too sensitive to broach.

Underrepresentation analysis: Protestants now appear to be underrepresented at Herbel Restaurants. For many years, Catholics appeared to be slightly underrepresented when the work force of Herbel Restaurants was compared to the economically active population of Northern Ireland, which as of 2001 was 42.4 percent Catholic. Between 2004 and 2005, however, the work force went from being 61.5 percent Protestant to 37.1 percent Protestant, and in 2006 it was 44.6 percent Protestant. No information is available on the work force composition at individual KFC outlets. The location of these outlets and the composition of their local recruitment areas could change the overall analysis significantly, but further information to conduct such an analysis would have to come from the company. During this same time period, the company's reported workforce fell from 992 in 2004 to 492 in 2006.

The paramilitary mural on the side of the Shankill Road KFC was a clear violation of the MacBride principles. A very substantial chill factor exists for Catholics at some KFC locations in Northern Ireland. Catholics working at two KFCs, in East Belfast and in Antrim, northwest of Belfast, are reported to have received death threats from loyalist paramilitary groups in the early years of this decade. Also, news reports indicate a victim was knocked to the ground outside the KFC in Belfast's Bradbury Place on March 29, 2004. Nonetheless, given the overall employee composition of Herbel Restaurants, it is clear that not all KFC outlets present a chill factor to Catholics.

In contrast to many industrial locations, the workers at fast food restaurants are quite vulnerable, given the late hours the franchises are open, their relative youth, and the relatively few staff on duty. Ensuring that they are protected while at work is a significant challenge, yet one that is clearly the company's obligation under Northern Ireland law.

Conformance with MacBride principles: A shareholder resolution asking for MacBride implementation at Yum Brands in 2007 received 10.1 support in 2007 and 10.6 percent in 2006, a drop from 14.7 percent support in 2005. It received 13.4 percent in 2004 and 12.1 percent in 2003. Yum Brands opposed the proposal, saying that the MacBride principles are superseded by Northern Ireland's fair employment law, and that it cannot force Herbel Restaurants to comply with the principles because they have no legal force in Northern Ireland.

Affirmative action outreach - No information is available on any affirmative action efforts the company may be making.

Grievances - A complaint filed against the company in 2005 is pending.

