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European Semiconductor Industry Association (EECA-ESIA)

Japan Electronics and Information Technology Industries Association (JEITA)

Korea Semiconductor Industry Association (KSIA)

Semiconductor Industry Association (SIA)

Taiwan Semiconductor Industry Association (TSIA)

JOINT STATEMENT ON THE EIGHTH MEETING OF WORLD SEMICONDUCTOR COUNCIL (WSC) MAY 13, 2004 BUSAN, KOREA

The European Semiconductor Industry Association (EECA-ESIA), the Japan Electronics and Information Technology Industries Association (JEITA), the Korea Semiconductor Industry Association (KSIA), the U.S. Semiconductor Industry Association (SIA), and the Taiwan Semiconductor Industry Association (TSIA) today held the eighth meeting of the World Semiconductor Council (WSC). This meeting - held in Busan, Korea - is the fifth meeting conducted under the "Agreement Establishing a New World Semiconductor Council" approved at the third WSC meeting signed on June 10, 1999.

It is the purpose of the WSC to address issues of global concern in the semiconductor industry with a goal of expanding the global market for information technology products and services, and promoting fair competition and technological advancement and sound environmental, health and safety practices. The WSC encourages cooperation in such areas as environment, safety and health practices, protection of intellectual property rights, open trade and investment liberalization, and market development. All WSC activities are guided by principles of fairness and respect for market principles consistent with World Trade Organization (WTO) rules and with the laws governing the respective WSC member associations. The WSC reaffirmed that markets should be open and competitive. Antitrust counsel were present throughout the meeting.

The meeting was chaired by Chang Gyu Hwang of Samsung Electronics (KSIA), and opening statements were made by Scott McGregor of Philips Semiconductors International (EECA-ESIA), Kaoru Tosaka of NEC Electronics Corporation (JEITA), Steven R. Appleton of Micron Technology (SIA), and Morris Chang of Taiwan Semiconductor Manufacturing Company (TSIA).

During the meeting, the following reports were given and discussed, and actions taken:

Membership

The WSC re-confirmed its interest in having the China Semiconductor Industry Association (CSIA) join the WSC in time for its Government to join the next Government/Authorities Meeting on Semiconductors (GAMS) in September 2004. The WSC asks Governments and Authorities to actively support the resolution of the current unresolved issues to facilitate CSIA's application. The WSC welcomes the fact that the CSIA has expressed its continued interest in

joining the WSC. The WSC welcomed a report on the progress that has been made on this issue; it recognizes and supports current efforts with respect to membership, if the parties involved find it acceptable; and it is prepared to take action on an application from CSIA for membership as soon as it is received, without the necessity of waiting for a WSC meeting. It is the hope of the WSC that participation of the PRC in the September 2004 GAMS meeting will be possible.

Cooperative Approaches to Protecting the Global Environment

The WSC is firmly committed to sound, scientifically based, positive environmental policies and practices. The semiconductor industry is making a major contribution toward protection of the global environment, and the members of the WSC are proactively working together to make further progress in this area.

(1) PFC Emission Reduction

The members of the WSC have proactively formulated an industry-wide PFC emission reduction plan, and are continuing efforts to reduce the emissions of PFC gases. That plan calls for the WSC members to reduce PFC emissions by at least 10% by 2010 against the base year, even as semiconductor production is increasing. The base year for JEITA, EECA-ESIA and SIA is 1995; for KSIA it is 1997, and for TSIA it is 1998* (1998* represents the average of 1997 and 1999 emissions). Since the start of the program, WSC members have devoted considerable resources to meeting or exceeding their PFC reduction goals, and each member pledged to continue to meet their set commitments.

(2) Energy Savings

The WSC believes that the efficient utilization of energy resources is an important ingredient to the realization of cost effective, environmentally sound manufacturing for both semiconductor makers and their suppliers. To that end, the WSC is dedicated to promoting cooperation and sharing of information among members of the semiconductor manufacturing community worldwide on environmental issues, with a priority focus on the issue of energy savings. A data collection program is being formalized that will foster our efforts in this area. In addition, recognizing that the semiconductor industry's strategic suppliers play an important role in accomplishing energy reduction objectives, work is continuing with the supplier community on this issue. Detailed work is underway to identify and share best practices within the industry.

(3) Chemical Management

Chemical management is a key focus of WSC efforts - specifically in the areas of chemical risk assessment and pollution prevention. The WSC is actively working to share best practices throughout the industry.

(4) Quantitative targets

The WSC confirms the objective of setting feasible quantitative common targets and urges the ESH Task Force to discuss and propose feasible targets by September 2004.

(5) Other ESH Issues

Regulatory and legislative issues covered that have a global impact were the EU Chemicals Policy (REACH) and the EU's review process of the RoHS (Restriction on Hazardous

Substances) Directive. The WSC has just begun a review of the recent global developments on the issue of the RoHS.

Free and Open Markets

The WSC re-confirms as a founding principle the importance of insuring that markets be open and free from discrimination, and that the competitiveness of companies and their products be the principal determinant of industrial success and international trade. Governments and authorities should, therefore, insure full intellectual property protection, full transparency of government policies and regulations, non-discrimination for foreign products in all markets, and an end to investment restrictions tied to technology transfer requirements.

Access to advanced and affordable semiconductor technology promotes economic development by increasing productivity.