



EPA National Environmental Performance Track: Endicott Interconnect Technologies, Inc. 2007 Annual Performance Report

EXECUTIVE SUMMARY

EPA's National Performance Track Program recognizes and rewards facilities such as Endicott Interconnect Technologies, Inc. that consistently exceed regulatory requirements, work closely with their communities, and excel in protecting the environment and public health. Since our inception in 2002, Endicott Interconnect Technologies, Inc. has been recognized by EPA under the NEPT program. Benefits of NEPT membership include positive public recognition by EPA, lowered priority for EPA inspections and presentation of an honorary certificate. Additional regulatory incentives are pending State approval. By identifying and pursuing four voluntary commitments of our choosing, we also reap business benefits such as reduced waste disposal costs while at the same time minimizing environmental impacts.

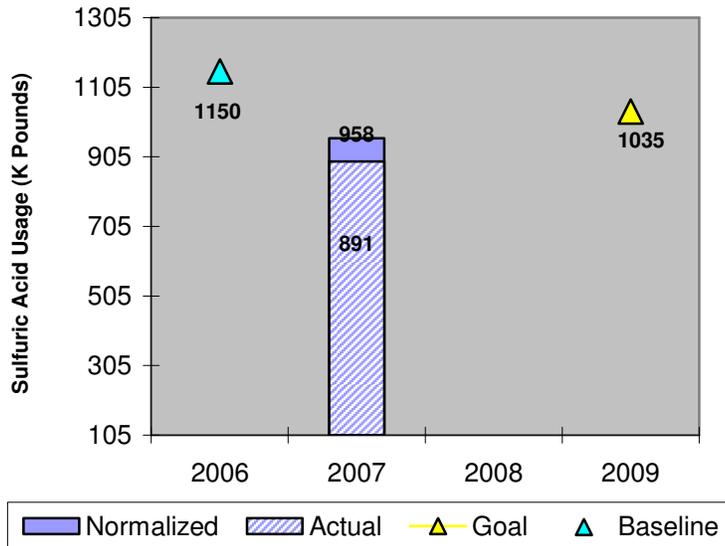
Endicott Interconnect has begun the third cycle of National Environmental Performance Track (Yr 2007 to 2009). The attached NEPT Annual Performance Report for the year 2007 contains an assessment of our Environmental Management System, performance against four voluntary environmental commitments of Hazardous materials (Sulfuric Acid) used reduction, Air Emissions - Total Green House Gas reduction, Hazardous waste reduction for offsite disposal, and Material Procurement – Increase Recycle Paper purchase, progress on other significant aspects of our EMS, results of internal and external audits, and public outreach activities. See the charts appended below.

The actual report will be submitted electronically to USEPA before April 1, 2008 via EPA's website using an electronic database. EPA will make the report publicly available via its website. The annual report (printout attached) must be signed and certified by Mr. James J. McNamara, President and CEO of Endicott Interconnect Technologies, Inc. For additional information, please contact Paul Speranza (607) 755-6179. Thank you.

Environmental Performance (4) Commitments:

1. Hazardous materials (Sulfuric Acid) used reduction

**Sulfuric Acid Usage
Goal 10% Reduction**

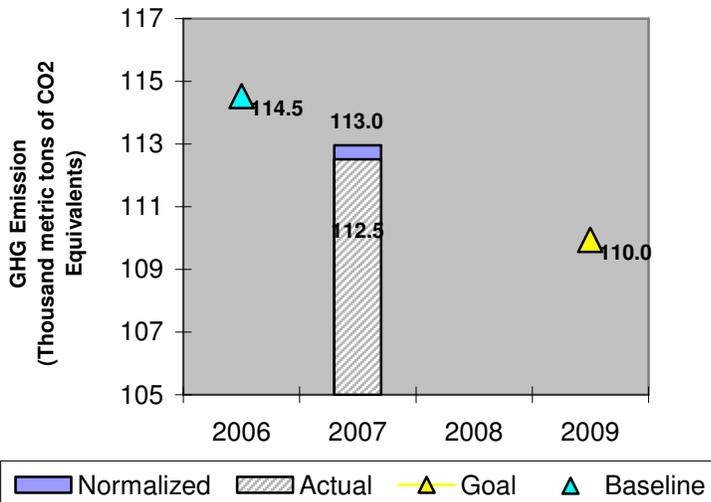


In 2007 we upgraded the reverse osmosis de-ionized water (RODI) system by replacing Cellulose Acetate Membrane with Thin Film Composite (TFC) Membrane. This modification allows us to eliminate the use of sulfuric acid and degasification to pre-treat incoming city water before feeding to RO system, and improved system efficiency. Besides reducing sulfuric acid usage, the modifications also reduce mixed bed regeneration and less wastewater send to our onsite waste treatment plant. The modification also reduced the use of sodium hydroxide.

In 2007, the actual sulfuric acid use was 891 KLB. After normalized by square feet of circuitized layers of product manufactured in accordance with EPA guidelines, the normalized quantity is 958 KLB. It is a 16.7% reduction from the 2007 to baseline year (2006).

2. Air Emissions - Total Green House Gas reduction

**Green House Gas (GHG) Emission
Goal 4% Reduction**



The following projects completed in 2007 contribute to improved energy efficiency and decreased emission of green house gases:

- 1) RODI modification included elimination of preheating step and degasification step, resulting in reduced steam and energy consumption.
- 2) Waste treatment biological reactor was upgraded with a more energy efficient fine bubble aeration system, allowing for the installation of a smaller blower and reducing electrical consumption.

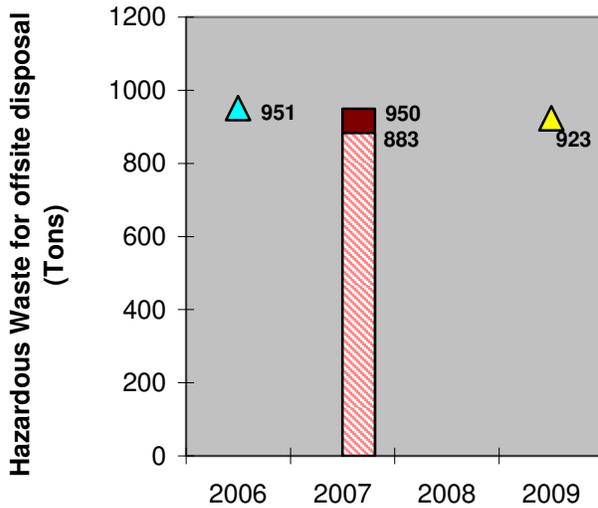
Also, a manufacturing space consolidation program was initiated and is continuing. This will also result in decreased energy consumption.

In 2007, the actual GHG Emission was 112.51K Metric Tons of CO2 Equivalents. After normalized by square feet of circuitized layers of product manufactured, weather conditions and campus occupancy in accordance with EPA guidelines, the normalized quantity is 112.95K Metric Tons of CO2 Equivalents. It is a 1.38% reduction from the 2007 to baseline year (2006).

Environmental Performance (4) Commitments:

3. Hazardous waste reduction for offsite disposal

**Hazardous Waste for offsite disposal
Goal 3% Reduction**



■ Normalized ■ Actual ▲ Goal ▲ Baseline

The following projects completed in 2007 contribute to reduce offsite hazardous waste disposal:

- 1) RODI modifications result in reduced hazardous waste generation. The reduced number of mixed bed regenerations will result in a lower volume of hazardous wastewater going to the waste treatment plant, and lower sludge generation.
- 2) RO reject water was diverted from metals precipitation to biological treatment. This results in lower lime consumption and reduced WTP sludge volume.
- 3) Plating bath life was extended on the horizontal copper plating line reducing the wastewater discharge to the waste treatment and resulting in a lower sludge volume.

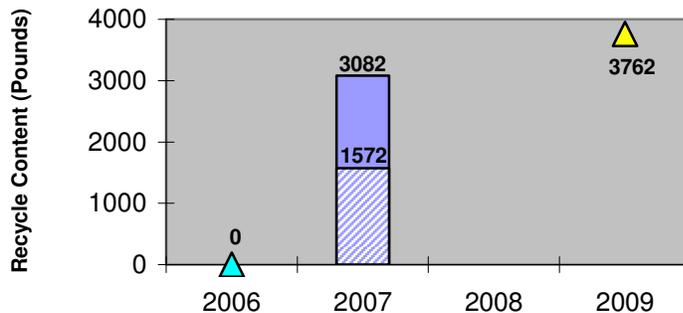
With implementation of the above projects, site hazardous waste generation decreased from a baseline of 951 tons to a 2007 normalized value of 950 tons. The actual 2007 value was 883 tons, after discounting one time generations of 156.5 tons of waste produced from demolitions and RODI modification implementation which were unrelated to production rates.

The waste numbers are normalized to production based on square feet of circuitized layers of product manufactured in accordance with EPA guidelines.

4. Material Procurement – Increase Recycle Paper purchase

Recycle Paper Purchase

Goal 10% in 2007, 20% in 2008 and 30% in 2009 of total 8.5x11 white paper purchase



■ Normalized ■ Actual ▲ Goal ▲ Baseline

In 2007, the use of 30% recycled content white paper (8.5"x11") was introduced in all office printing and photo-copying functions. The Year 1 goal was achieved and 10% recycled paper was purchased based on the baseline year.

Environmental Performance (4) Commitments:	
Progress Towards Other Significant Aspects of EMS:	
Energy Conservation	Energy efficiency improvements to biological waste treatment system and to reverse osmosis de-ionized water purification system.
Solid (Non-Hazardous) Waste	Achieved a 65 % recycle rate for our solid wastes. Initiated a pilot test for onsite treatment of chelated copper wastes.
Hazardous Materials	Completed Chemical Facility Security Assessment.
Products	Updated material certification database
Water Conservation	Improved chemical bath life Horizontal Plate Line from 1 per week to 1 per 2 weeks.
Environmental Management System Assessments	
Independent third party Audit:	ISO 14001 Standard Audit was conducted by Bureau Veritas Certification in April 2007. Policy, Planning, Implementation & Operation, Checking & Corrective Action and Management Review were included in the audit.
EMS Internal Audit:	Audits were conducted by Environmental and Chemical Services Department: including, but not limited to Warehouses, Waste Management Facilities, Offices, Other Company Divisions or Product Lines On-site, Main Operations and R&D Facilities. Audits were conducted January through December.
Internal Compliance Audit:	Resource Conservation and Recovery Act (RCRA) – December 2007 Emergency Planning & Community Right-To-Know Act (EPCRA) – February 2007 Toxic Substances Control Act (TSCA) – April 2007
Regulatory Inspections/visits:	One (1) regulatory inspection of the Endicott facility was conducted by government agencies during 2007: Air - NYSDEC – September 2007
Public Outreach Activities:	
<p>We co-hosted a community wide personal computer recycling day along with several other local companies on May 5, 2007. Computers, printers and other peripherals were collected on the Huron Campus for subsequent disassembly and recycling at no cost to the public.</p> <p>We also participated in Endicott Clean up day. Volunteers from EI painted the Susquehanna River flood wall and cleaned up Washington Avenue in the Village of Endicott. EI employees volunteered their time in several local Day of Caring projects including cleanup of a local cemetery.</p> <p>Our Environmental Management System includes a detailed procedure for handling potential community inquiries or concerns. Public inquiries or concerns of an environmental nature are directed to the Environmental department for evaluation and follow-up. In 2007 we identified an odor issue based on a complaint from several neighbors. We investigated and determined the cause to be a biological treatment unit at our wastewater treatment plant. We implemented corrective actions which involved modifications to the treatment process to eliminate the odor.</p>	