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1. Introduction

It is the intent of Acer America Corporation (AAC) to ensure that electronic equipment, components, and materials are properly managed through AAC Electronics Disposition Programs from the point of collection through final disposition.

2. Scope

This Standard applies to all vendors and sub-vendors that perform reuse, repair, refurbishment, recycling or disposal and associated transportation, storage, or processing of electronic products, components, or materials on behalf of AAC Electronics Disposition Programs, from the time the vendor is in control of those products, components, or materials until final disposition.

3. Environmental, Health, and Safety Management System

- a. Vendors shall develop, document, fully implement, review at least annually, and update as needed a written Environmental, Health, and Safety Management System that:
 - i. Includes written goals and procedures and requires the organization to systematically manage its environmental, health, and safety matters, and
 - ii. Is based on a Plan-Do-Check-Act model for continual improvement, and
 - iii. Includes the activities that the vendor undertakes to conform to this Standard

4. Equipment and Component Reuse

- a. Vendors shall maintain in writing and adhere to a policy stating how it manages used and end-of-life electronic equipment, components, and materials, managed on behalf of AAC Electronics Disposition Programs. The management plan shall maximize reuse to the extent technically and economically feasible, allowing an exception if prohibited by a commercial agreement.
- b. Vendors shall utilize effective testing methods to confirm that reused equipment or components that have undergone repair or refurbishment are functional prior to shipment for resale.
- c. Prior to shipment of equipment or components destined for reuse, repair, or refurbishment, vendors must verify that certain functionality exists indicating that the



product is repairable and marketable. Vendors must also verify that the recipient sub-vendors sell the functioning equipment or components for reuse.

- d. Vendors shall handle all data on equipment or components identified for reuse, repair, or refurbishment in accordance with Section 8.

5. Legal Requirements & Export

- a. Vendor shall comply with all applicable environmental, health, and safety legal requirements.
- b. Vendor shall only export equipment and components containing Focus Materials to countries that legally accept them.
- c. Vendor shall develop and implement a plan that identifies each country (importing and transit countries) that is receiving such materials and maintains documentation from the receiving country demonstrating that it legally accepts the shipments.
- d. Vendor shall not export electronic waste from developed countries to developing countries, either directly or through intermediaries. Developed countries are defined as members of the Organisation for Economic Co-operation and Development (OECD) and the European Union (EU). Developing countries are defined as non-OECD/EU countries.

6. Removal and Processing of Focus Materials

- a. Prior to shredding, materials recovery, energy recovery, incineration, or land disposal of equipment or components, Focus Materials shall be removed using a safe and effective mechanical processing or manual dismantling, unless removal is technically infeasible and processing technology is designed to manage such equipment containing the Focus Materials.
- b. Vendor shall send removed Focus Materials to processing, recovery, or treatment facilities that are properly licensed to receive, and that utilize technology designed to safely and effectively manage the materials.

7. Land Disposal

- a. Vendor shall make every reasonable effort to avoid land disposal of electronic equipment, components, and materials.
- b. The following electronic components, equipment and materials may not be disposed in a landfill: Whole electronic equipment or electronic components and materials containing Focus Materials.

8. Data Tracking

- a. Vendor shall maintain records of bills of lading or other commercially-accepted documentation for all transfers of equipment, components, and materials in and out of



the facility, as well as any brokering transactions conducted on behalf of AAC Electronics Disposition Programs.

- b. All electronic equipment, components, and materials must be tracked until final disposition.

9. Data Destruction

- a. Vendor shall sanitize, purge, or destroy data on hard drives and other data storage devices. Devices that are intended to be reused must be overwritten with licensed software that performs, at a minimum, a 3-pass data wipe. Devices that are non-functioning or not intended to be reused shall be destroyed by shredding in a controlled and secure environment.
- b. Vendor shall document their data destruction procedures.
- c. Upon request by Acer, Vendor shall provide certification of destruction for all data devices that includes the serial number of the device and the date of destruction.

10. Storage

- a. Vendor shall store items containing Focus Materials and equipment and components destined for reuse in a manner that:
 - i. Protects them from theft and damage,
 - ii. Protects human health and the environment, and
 - iii. Are easily identifiable

11. Facility Security

- a. Vendor shall document and implement a security program that protects products, components, and materials handled on behalf of AAC Electronics Disposition Programs from the time they are in control of the vendor until final disposition.
- b. Vendor shall not use prison or child labor.

12. Insurance

- a. Vendor shall possess adequate general liability insurance including coverage for bodily injury, property damage, pollutant releases, accidents and other emergencies sufficient to comply with applicable regulatory requirements or a minimum of \$1,000,000 (U.S.) per occurrence/\$2,000,000 (U.S.) in aggregate.
- b. Vendor shall develop and keep current a written plan and a sufficient financial instrument that assures proper closure of the facility and assures against abandonment of any electronics recycling products, components, or materials.



13. Transportation

- a. Vendor shall have written documentation indicating that their transporters have all the necessary regulatory authorizations.
- b. Vendor shall ensure that all equipment, components, and materials to be transported are packaged in accordance with local regulations. In absence of regulations, equipment, components, and materials shall be packaged in a manner that is protective of the equipment, human health and the environment.

14. Recordkeeping

- a. Vendor shall maintain for a period of at least 3 years, documentation necessary to show conformity to each section of this Standard.

15. Vendor Assessments

- a. AAC reserves the right to conduct assessments of all vendor sites and operations at any time upon reasonable notice. Assessments may consist of desktop or on-site review and will examine any documentation related to handling, storage, or processing of equipment, components, and materials on behalf of AAC Electronics Disposition Programs in accordance with this Standard.
- b. Assessments may be conducted by AAC or a designated third party and all assessment results must be made available to AAC upon request.

16. Sub-Vendors

- a. Vendors must disclose their sub-vendors used in all tiers of the disposition chain.
- b. Vendors must verify and maintain documentation that all sub-vendors use to handle, store, or process equipment, components, and materials on behalf of AAC Electronics Disposition Programs comply with this Standard.
- c. Vendors must annually assess the sites and operations of all sub-vendors they use to handle, store, or process equipment, components, and materials on behalf of AAC Electronics Disposition Programs. Documented assessment results must be made available to AAC upon request.

17. Definitions

- a. Focus Materials – Electronics equipment, components or materials containing poly chlorinated biphenyls (PCBs), mercury, Cathode Ray Tubes (CRTs) and CRT glass, batteries, and whole or shredded circuit boards.



- b. Disposal – Any final disposition of electronic components or materials that does not include resale, reuse, recycling, or energy recovery. It typically refers to land disposal or incineration.
- c. Electronic Equipment – Any electrically powered computer, printer, monitor, television, phone, or tablet device. In addition to Acer-branded products, electronic equipment may include similar products that are handled through AAC Electronics Disposition Programs.
- d. Electronic Waste - Acer defines electronic waste as nonworking parts or devices; this does not include:
 - i. Materials defined as nonhazardous under the Basel Convention;
 - ii. Working equipment and parts that are not intended for disposal or recycling, but are for donation, reuse or resale;
 - iii. Components being returned to the original equipment manufacturer as part of a service repair operation¹; and
 - iv. Materials to be used in manufacturing that do not require further processing or preparation.
- e. Final Disposition – The point at which electronic equipment, components, and materials require no further processing. This includes:
 - i. Reused/Refurbished Equipment – the equipment or components are functional and ready for remarking and resale.
 - ii. Recycled Equipment/Components - the resultant materials can be used as a direct feedstock in manufacturing.
 - iii. Disposal – the components or materials have been transferred to a facility for proper disposal.
- f. Recycling – The processing of unwanted electronic equipment, components and materials to create usable or marketable materials that can be used as feedstock in the manufacturing of new products. Recycling does not include the destruction by incineration, energy recovery, or land disposal of recyclable materials nor reuse, repair, or any other process through which electronic equipment is returned to use in its original form.
- g. Resale – Sale of functioning used electronic equipment for its originally intended purpose.
- h. Reuse – Use of functioning used electronic equipment for its originally intended purpose.
- i. Sub-Vendor – a third party that provides subsequent tier (other than first tier) disposition services for electronic equipment, components, and materials on behalf of

¹ For the purposes of this standard, service repair operation includes: A. Equipment or components under original equipment manufacturer warranty to customers; or B. Equipment or components under warranty from the original design manufacturer to the original equipment manufacturer, or otherwise returned by the original purchaser of the electronic equipment, due to defect or customer dissatisfaction, and the manufacturer accepts such returns for the purposes of repair or replacement in order to return to the customer a functional product or part of the same type and model.



AAC. Sub-vendor includes the third party entities for all subsequent tiers until final disposition is reached.

- j. Vendor – a third party that provides first tier disposition services on behalf of AAC. Vendor includes any third party that provides administrative oversight of the first tier disposition services Vendor.