

SRS US Environmental Management Standards

1. Environmental, Health, and Safety Management System

Guiding Principle: SRS uses an Environmental, Health, and Safety Management System (EHSMS) to plan and monitor its environmental, health and safety practices, compliance with legal requirements and the activities it undertakes to conform to these Standards.

SRS Standard:

SRS has developed, documented and implemented a written EHSMS that is reviewed, and updated as required, on an annual basis. This EHSMS includes:

- Written goals and procedures that allow us to systematically identify and manage our facilities' operational impacts on the environment, including both normal operating conditions and potential emergency conditions and situations
- Our policy for managing used and end-of-life electronics equipment which sets out the Hierarchy of Responsible Management Strategies (Standard 4) and which covers materials management both in our facilities and throughout our downstream vendor network
- Our plan for complying with the environmental, health and safety legal requirements relating to our operations
- Our analysis of and plan for how Designated Materials are to be managed both on site and throughout our downstream vendor network (Standard 5)
- Our plan for assuring exports of equipment and components containing Designated Materials are made only to countries that legally accept them (Standard 7)
- The EHS hazards identification and assessment of on-site occupational, health and safety risks (Standard 2)
- Our plan for responding to and reporting exceptional releases, accidents, spills, fires, explosions and other out-of-ordinary events that may pose risk to worker safety, public health or safety, or the environment.

SRS has received ISO-14001 certification of 10 sites which demonstrate our adherence to our EHSMS. The remaining sites are scheduled to receive their ISO 14001 certification by 2010. Those sites that do not currently have ISO14001

certification are managed consistent with ISO standards which allow them to effectively control the facility's operational impact on the environment.

Provide link to ISO documentation on website

2. On-Site Environment, Health, and Safety

Guiding Principle: SRS utilizes practices at our facilities that protect worker health and safety and the environment.

SRS Standard:

SRS conducts on ongoing hazards identification exercises and occupational and environmental risk assessments to understand the hazards and risks which exist or might reasonably be expected to develop our the facilities. These hazards identification exercises and occupational and environmental risk assessments are captured in writing and incorporated as a component our EMSHS. We manage the hazards and minimize the releases we identify using an appropriate combination of strategies, including but not limited to the following. (1-3 below are in order of priority.)

1. Engineering controls such as (A-C are in order of priority):
 - a. Substitution (e.g., replacing a toxic solvent with one less toxic),
 - b. Isolation (e.g., automating a process to avoid employee exposure), or
 - c. Ventilation and, if appropriate, capture (e.g., fume hood), and
 - d. Dust control, capture, and clean up,
 - e. Emergency shut-off systems, and
 - f. Fire suppression systems

2. Administrative and work practice controls, including appropriate combinations of:
 - a. Regular, documented health and safety training that covers information from the hazards assessment, as well as safe management handling, spill prevention, engineering controls, equipment safety, and use and care of personal protection equipment; all training is provided to employees in a manner that is appropriate for language and level of education considerations
 - b. Job rotation
 - c. Safe work practices
 - d. Medical surveillance

- e. Safety meetings
- 3. Use of personal protection equipment, including respirators, protective eyewear and footwear, cut-resistant gloves, etc., as appropriate for the risks involved in the tasks being performed
- 4. Utilization of monitoring and sampling protocols to assure that the practices we employ are effective in managing the risks we identify. This includes complying with all applicable Federal, Provincial and State OSHA standards and PELs for sampling and/or monitoring.

SRS treats its entire workforce (including volunteer workers and temporary employees) with the same standard of care.

3. **Legal Requirements**

Guiding Principle: SRS complies with all applicable environmental, health, and safety legal requirements.

SRS Standard:

SRS's EHSMS identifies and documents all local, state and national environmental, health and safety legal requirements that cover our operations and shipments. This plan identifies and sets out our plan for the implementation the steps necessary to comply with each requirement and documents the implementation of these steps. We routinely evaluate our compliance with the requirements and take corrective action to address any issues of non-compliance.

Copies of all permits, licenses, Competent Authority consents and/or other documentation will be provided to customers upon request.

4. **Hierarchy of Responsible Management Strategies**

Guiding Principle: SRS adheres to a policy for managing used and end-of-life electronic equipment that is based on a "reuse, recover, dispose" hierarchy of responsible management strategies.

SRS Standard:

All disposition activities shall be carried out in accordance with SRS's Reuse Hierarchy, except where customers have specifically chosen destruction or another path for equipment.:

1. All electronic equipment with potential reuse value shall be fully tested and functional prior to being marketed or sold a reusable product or component.
2. Data on reusable products or components will be managed in accordance with Section 11.
3. Non-reusable products will be recycled using SRS processes which maximize the recovery of the recyclable materials.

5. **Designated Materials**

Guiding Principle: SRS manages – both on site and in the selection of downstream vendors – Designated Materials (DM) that pass through our facility and/or control in accordance with all applicable national and international frameworks; in a manner protective of worker health and safety, public health, and the environment; and performs due diligence on downstream vendors to which it ships these materials.

SRS Standard:

1. Designated Materials

Designated Materials are products or components thereof which contain materials which may, if not handled and recycled properly, be detrimental to public health or the environment.

Sims Recycling Solutions defines Designated Materials as:

- i. Cathode Ray Tubes (CRTs) CRT glass and other leaded glass
- ii. Circuit boards containing lead
- iii. Items containing mercury
- iv. Items containing polychlorinated biphenyls (PCBs)
- v. Batteries
- vi. Toner and toner cartridges, ink and ink cartridges

2. DM Management Plan

SRS has performed an analysis and created a plan which states how SRS and our downstream vendors will manage DM and conform to our Guiding Principle.

This plan is incorporated into the EHSMS referred to in Principle 1.

3. Removal of DM

Prior to shredding and further processing of equipment or components, DM are removed using safe and effective manual dismantling or mechanical processes.

4. Processing, Recover and Treatment of DM

DM are sent to processing, recovery and/or treatment facilities that are properly licensed to receive such DM and that employ technology designed to safely and effectively manage the DM. This includes:

- i. CRT and other leaded glass: lead smelting
- ii. Circuit boards containing lead: copper smelting
- iii. Items containing mercury: mercury retorting
- iv. Items containing PCBs: technology specifically designed for PCB destruction and licensed under the Toxic Substances Control Act and/or any other applicable law (including thermal destruction)
- v. Batteries: specific battery recyclers based on chemistry/type
- vi. Toner and toner cartridges; ink and ink cartridges: recycling through the OEM or other qualified recycler

5. Energy Recovery, Incineration and Land Disposal of DM

SRS does not utilize energy recovery, incineration or land disposal as a management strategy for DM or other electronic products or components, except for the use of US EPA permitted hazardous waste incinerators for specific materials. Hazardous waste incinerators are used for materials where the use of high temperature incineration has been determined by US EPA to be the Best Demonstrated Available Technology.

6. Selection and Ongoing Due Diligence of Downstream Vendors for DM

SRS uses downstream vendors that possess and conform to these SRS Environmental Management Standards. Downstream vendors are physically audited on a routine basis. Audit protocol, schedules and results are available upon request.

6. **Landfill**

Guiding Principle: SRS adheres to a zero landfill policy on all electronic products and components of electronic products.

SRS Standard:

SRS has made significant capital investment in creating a complete recycling solution to prevent any electronics or electronic components from going to landfill. Shredded and separated material (aluminum, steel, copper, plastic, and leaded glass) are subsequently transported off-site for final resource recovery. No electronic products, components or process streams from our e-waste recycling activities are disposed of in land. Wood byproducts of older televisions may be landfilled, as well as non-recyclable packaging materials. Sims continuously searches out appropriate recycling streams for these products.

7. Export

Guiding Principle: SRS only exports tested, working products, directly, by downstream recyclers/handlers, or through intermediaries or brokers. Non-working products are not exported to developing countries (countries designated as non-OECD).

SRS Standard:

1. SRS maintains documents that identify type, test results, and destination of equipment, components, or materials containing DM that have passed through our facilities or control. These documents identify the countries that are receiving such shipments.
2. Non-working products and components are not exported to non-OECD countries. In addition, all precious-metal bearing smelter grade materials are processed in smelters located in OECD countries.
3. Fully recycled commodities such as shredded steel and aluminum that are not longer waste streams and are secondary raw materials are sold into national and international commodity markets.

8. Indentured, Forced and Child Labor

Guiding Principle: SRS does not allow, directly or through intermediaries, any

equipment it manages or under its control to be sent to facilities or entities employing indentured, forced or child laborers.

SRS Standard:

No indentured, prison or child labor will be used in carrying out the activities described in this SRS Environmental Management Standard or in any other SRS operations.

9. Reusable Equipment and Components

Guiding Principle: Any reusable equipment or components donated or sold by SRS are properly tested for functionality and are adequately packaged for reuse.

SRS Standard:

SRS does not sell or donate equipment or components for reuse if our customer requires materials recovery. In the event reuse is allowed, SRS fully tests all equipment for functionality to assure that key functions are working properly and that the equipment or components are not destined for recycling or disposal. All reusable equipment and components are packaged in a manner that protects them from damage during transportation.

10. Downstream Accountability

Guiding Principle: SRS performs due diligence on all downstream recyclers or processors by obtaining copies of verifiable documentation from, executing a contract with, re-evaluating annually, and otherwise holding accountable the immediate downstream recyclers/processors to manage materials in compliance with these Standards, throughout final commodity sale or disposition.

SRS Standard:

SRS has visited and audited all downstream recyclers and processors of all DM. Documentation regarding these visits and audits are kept with the EHSMS documentation. SRS, through the use of our vendor qualification process, ensures that all the downstream vendors selected to receive our Non-Designated Materials

meet our standards for environmental protection and business practices. Non-Designated Materials include, but are not limited to, ferrous and non-ferrous metals, plastics, cardboard, paper, and other packaging materials. These Non-Designated Materials are common commodities which are legally traded world-wide and which require no further processing prior to recycling and can be used as an industrial feedstock material.

SRS performs a mass balance on all incoming and outgoing materials to ensure traceability of all materials and to provide documentation to show all shipments take place in accordance with these standards.

11. Data Destruction

Guiding Principle: *SRS employs generally-accepted data destruction procedures.*

SRS Standard:

SRS has established procedures to ensure that any data retained in memory devices will be protected from theft and loss and will not be released to unauthorized parties. Data is destroyed through physical destruction of the storage medium or through the data sanitation, purging or destruction practices described in the NIST Guidelines for Media Sanitation: Special Publication 800-88. These data destruction procedures are documented as part of the SRS documentation system. All employees receive training on proper data handling and destruction procedures on a regular basis.

12. Storage

Guiding Principle: *SRS stores items and materials that may cause harm to the environment in an appropriate manner.*

SRS Standard:

SRS stores all equipment and components in a manner that protects them from adverse atmospheric conditions and floods, is secure from unauthorized entrance.

Catchment systems are employed as warranted. All materials are stored in clearly labeled containers and/or storage areas.

13. Facility Security

Guiding Principle: SRS employs facility security measures appropriate to our business needs.

SRS Standard:

SRS maintains security programs which control access to all facilities in accordance with our customers' requirements. Our facilities are secured with access control points externally and internally, controlling both the flow of material and people. CCTV cameras monitor the entire facilities, docks, and doors. In addition, background checks are performed on all prospective employees.

Security cameras are located around and inside the buildings. During normal working hours the cameras are monitored by the on-site security force. During off hours the cameras are left on for recording purposes. All visitors and contractors are required to sign prior to entering a Sims building and all visitors must be escorted by a Sims employee. All Sims employees have ID badges that act as keycard for entrance into authorized areas. All of the buildings are equipped with security alarms for monitoring the facility during off hours.

14. Insurance, Closure Plan, and Financial Responsibility

Guiding Principle: SRS possesses insurance that is adequate to cover the potential risks and liabilities associated with the nature and size of our operations, and has adequate legal and financial assurances in place for the proper closure of our facilities.

SRS Standard:

SRS has insurance coverage in the following amounts and types:

1. Commercial General Liability Insurance: General aggregate coverage limit of \$2,000,000
2. Excess Liability Insurance: \$10,000,000 per occurrence

3. Environmental Liability Insurance: \$5,000,000 per occurrence and \$10,000,000 in the aggregate
4. Automotive Liability Insurance: \$1,000,000
5. Workers' Compensation Insurance: \$1,000,000

In addition, SRS has written plans and sufficient financial instruments to assure proper closure of any and all facilities.

15. Transport

Guiding Principle: SRS transports all equipment, components, and materials using owned and/or contracted entities that have the necessary regulatory authorizations and in a manner protective of public health and the environment and in a manner which ensures physical security of the electronic equipment, as required.

SRS Standard:

All equipment, components and materials to be transported are packaged appropriately in light of the risk they could pose to public health or the environment during transportation and in light of the level of care warranted by their intended use. All transporters used by SRS have provided SRS with written documentation or a third-party certification that they have all necessary regulatory authorizations and have had no significant violations of relevant legal requirements during the past 3 years.

16. Recordkeeping

Guiding Principle: SRS maintains the documentation necessary to assess our conformity to the requirements of this document, and business records sufficient to demonstrate that the material flow of equipment, components and materials that pass through our facilities maintain compliance with the requirements of this document.

SRS Standard:

SRS maintains, in electronic format, hard-copy format or both, all commercial contracts, bills of lading and other commercially-accepted documentation for all

transfers or shipments of equipment, components and materials into and out of our facilities, as well as for any brokering or sale transactions.

17. Disaster Recovery Plan

Guiding Principle: SRS maintains a Disaster Recovery Plan which ensures continuity of operation in the event of a natural or man-made disaster.

SRS Standard:

All plants have Disaster Recovery Plans (DRPs) on site and updated annually. These DRPs provide specific, detailed plans to ensure that customer material is stored, transported, and processed according to the terms of our customer agreements and ensure that there is no disruption in service for our customers. SRS can use its network of sites around North America to provide interim services should operations at a plant need to be disrupted because of natural or other disaster. SRS information systems are stored on local servers and then backed up and exported off-site weekly.