Proposed Sanctioned Interpretations to e-Stewards Standard 4.0. / Part A

1. **Description:** *Explaining Capitalization Convention for Defined Terms*

Section: *Beginning of Section 3*

For this document, the verbal forms found in ISO14001 section 0.5 and the definitions given in ISO 14001section 3.0 apply unless they are superseded by the e-Stewards Standard definitions below.

Reason: This makes it clear to the uninitiated why capital letters appear in unexpected places in the standard.

Outcome: Changes made accepted with modifications.

2. ***Description:*** *A series of changes to create clarity and implementation for those processors that do their processing in mobile units. This entails a new definition for "Processing Facilities", and some new references in Appendix C.*

Section: 3, New definition:

Processing Facility:

Any location where Processing by an Organization occurs. Processing Facilities may be mobile units (e.g. possessing small shredders) unless such mobile units are already associated with, dispatched by, and are thus considered part of, a non-mobile Processing Facility.

Changes to Appendix C f) as follows:

f) Multi-Site Certification
Organizations with more than one processing Facility within one country must certify all Processing Facilities as required in Appendix B, letter d).

When a multi-sited Organization requests certification, the CB shall not permit any certification process to begin unless all Processing facilities located in that country are contracted for e-Stewards Certification. Certifications of all facilities/eProcessing companies under the same ownership shall be completed within 18 months of the initial facility certification. When multiple CBs are involved in an Organization's company-wide certification, the CB that has certified the headquarters site shall be the CB of record for the corporate certification.

On the lead-up to achieving company-wide certification, individual facility certificates may be granted. These certificates, however, shall be revoked if all required facilities are not certified within 18 months of the first Processing facility certification unless the Program Administrator has granted an extension of the deadline to the CB due to extenuating circumstances. Both the CB and the Organization shall retain the extension as documented information.

Site sampling shall NOT be permitted for the initial certification of any of an Organization's Processing facilities but may be allowed after each facility has been audited and certified, if allowable in accordance

with IAF Mandatory Document for the Certification of Multiple facilities Based on Sampling IAFMD 1 (current version). In other words, site sampling may be permissible only during the surveillance and/or recertification audits.

An exception to the above rule is made for mobile Processing Facilities that are not dispatched or associated with a non-mobile Processing Facility. Organizations using mobile Processing Facilities, entirely or in part, that are not associated already with a non-mobile Processing Facility may use the sampling procedure in the first year for these mobile processing units. In all cases involving mobile Processing Facilities, any dispatch or controlling facility that does no Processing by itself, and the mobile unit itself will be considered as the Processing Facility to be audited. Audits of mobile processing facilities will thus include time in the mobile unit as well as the dispatch/controlling facility. Any company utilizing the sampling procedure in the first year for its mobile units shall have its headquarters audited in the first year as well.

Multinational site sampling for multinational Organizations is only permissible if the CB chooses to offer this type of complex scheme to their clients, all requirements in IAF MD 1 are met, and all the following are met:

1) The multi-sited, multinational e-Stewards Organization is issued only one certificate covering all e-Stewards Processing facilities in all countries in which they choose to apply multinational sampling. (NOTE: There may be other countries in which the client has certified e-Stewards facilities, but they are not required to apply multinational sampling to all such countries, leaving it up to respective CBs to assure proper use of logo irrelevant of the location of the Processing facilities); and

2) The single certification provided to a multinational Organization is for one management system across all countries concerned (i.e. one system centrally controlled by one management system headquarters), and the CB and the Organization demonstrate that the management system is the same throughout all facilities in all the countries; and

3) The same e-Stewards CB performs all audits (of the single management system) in all countries covered by the multinational sampling scheme; and

4) The multinational sampling scheme is only applied to surveillance and recertification audits (and not for initial certification of any facility in any country, with the exception for mobile processing facilities as noted above). Processing Facilities cannot be added to a multisite certification until an audit has been completed and certification supported.

If performing multinational site sampling, the CB shall ensure:

The Organization within each country is still required and verified by the CB (regardless of multinational sampling) to meet all the country-by-country requirements defined in the e-Stewards Standard, (e.g. to certify all Processing facilities within the country regardless of brand [i.e. Appendix B, letter d)]; and The CB makes available objective evidence to its accreditation body that all of the applicable requirements of IAF MD 1 have been addressed and documented where required.

Reason for above changes: Changes needed to accommodate companies that process from many mobile Processing Facilities (e.g. trucks shredding hard-drives). Without sampling, the sheer numbers of

such units would make the auditing cost prohibitive and because the units are all the same or similar, sampling will be entirely appropriate.

Outcome: Changes accepted.

3. ***Description:*** *Change to definition Problematic Components or Materials*

Section: 3.35 - 4th bullet

"> Plastics with halogenated additives or constituents, such as those containing brominated flame retardants other than those listed on Annex II or VIII of the Basel Convention; and/or"

Reason: PVC has been removed because PVC is already listed in Y48 (Annex II of the Basel Convention) so we should not reference it here as a PCM -- it is an HEW.

Outcome: Changes accepted.

4. **Definition***: Added note in Definition of e-Stewards Processor Note*

Section: 3.11, add note at the end

Note: As specified by 4.1(b) e-Stewards Processors must uphold the e-Stewards Standard for all Electronic Equipment entering their Control even if it is never subjected to Processing. See also Definition 3.6 – Control.

Reason: Some believed that if they purchase electronic equipment and simply resell it without doing anything to it they are not accountable for (export violations, data security violations etc.). It is thus necessary to make sure this is even more clear that this is not acceptable for obvious reasons, without muddying the waters by redefining processing.

Outcome: Changes made accepted with modifications.

5. ***Description:*** *Changing Numbering in 4.1*

Section: 4.1

Proposed Text:

Within its scope and taking consideration of the concerns and requirements identified above, the SMS shall:
e) Apply the Precautionary Principle; and
f) Seek to reduce the negative lifecycle impacts of Electronic Equipment; and
g) Follow, where practicable, the Waste Management Hierarchy; and
h) Manage Materials of Concern appropriately and transparently throughout the Recycling Chain.

Reason: To avoid referencing confusion, these are all in the same section and so should each have a separate letter in our numbering system.

Outcome: Changes accepted.

6. *Description:* *Change definition of Repurposing*

Section: 3.42

Repurposing

A form of Direct Reuse where the primary function of a piece of Electronic Equipment is altered to utilize existing or added components to perform an electronic function ~~is~~ different than that originally intended by its manufacturer (e.g. a phone repurposed as a digital music player.)

Reason: This improves the earlier definition by a) allowing components to be added to others to create repurposed products; and b) to ensure that the repurposing cannot be for a non-electronic technology purpose such as (e.g. doorstops, footstools, hole fillers etc.).

Outcome: Changes accepted.

7. *Description:* *Change to Requirements on Transboundary Movement*

Section: 6.1.3.1, b) and c)

Proposed Text:

b) For the purposes of this standard, MOCs shall be treated as if they are hazardous wastes with respect to transboundary movements and where such transboundary movements of hazardous wastes are generally prohibited by any country involved, all such trade in MOCs will be prohibited.

c) The organizations shall apply the Basel Convention's Article 4A (Basel Ban) as if the nation where the Organization operates has ratified and is bound by this Article (i.e., Trade in all MOCs from Basel Annex VII countries to non-Annex VII countries is prohibited).

Reason: It is impossible for e-Stewards to insist on prior-informed consent procedures (which must be done by governments) for materials that governments don't consider as hazardous or a controlled waste. All that an e-Stewards Processor can do is to prevent the export/import when either the importing or exporting country already bans all hazardous waste trade between the countries concerned. In the case that no country concerned in the trade bans the import or export of hazardous wastes then the MOCs can proceed under the control procedures (if any) established by the governments concerned. We have also clarified what Article 4A says to prevent people from having to look it all up. Annex VII will be shown in the Guidance.

Outcome: Changes made accepted with modifications.

8. ***Description:*** *Adding directions on Performance Verification Programs*

Section: *6.1.4,*

Proposed Text:

The Organization shall ensure that the Performance Verification program of the administration utilizing unannounced inspections and unannounced use of GPS tracking is created, implemented, and maintained in a documented plan, including the following:

a) Management commitment to cooperate with inspectors in all regards, unless evidence is provided that the inspection is disallowed by the Organization's compliance obligations; and
b) Assignment of primary and back-up contacts. If neither assigned official is available on the day of the inspection, then the senior site manager shall be the contact; and
c) Confirmation that the Organization will permit inspection to begin within 15 minutes of inspector arrival and verification of their credentials as an e-Stewards inspector; and
d) Permission unless evidence is provided that inspection of certain areas is disallowed by the Organization's compliance obligations for the inspectors to access all areas and structures under the scope of the SMS; and
e) Acknowledgement and acceptance that there may be disruptions in production during inspection and due to the use of GPS tracking; and
f) Acknowledgement that in-process and finished materials may be sampled and that any operations or materials may be required to be unloaded, unpacked, inspected, re-tested, or otherwise verified to meet the e-Stewards Standard and management system requirements in all regards; and
g) Provision of documented information to inspectors upon request during the inspection; and
h) Commitment to take no actions designed solely to discover or to interrupt embedded GPS tracking devices at any time; and
i) Agreement to contact the Administrator within one business day when GPS trackers are discovered and to return such trackers (with batteries removed) to the Administrator, unless otherwise directed.

Reason: These changes actively include requirements for implementing the GPS tracking program as part of the Performance Verification requirements of the e-Stewards standard, policies and procedures, with some small reminders not to seek to prevent the GPS tracking and to ensure trackers are kept in place or, if not feasible to return these. Further this change accommodates the possibility that government contracts might preclude third party inspections.

Outcome: Changes accepted.

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9. ***Description:*** *Export reminder (Reuse and Refurbishment)*

Section: 8.5 b

Proposed Text:

b) Outsource Repair and Refurbishment processes only to Immediate Downstream Providers, with the exception of ink and toner remanufacturing, which may be conducted by the next Processor in the Recycling Chain after the Organization's IDP. If use of outsourced repair or refurbishment involves export, all relevant export rules of 8.7 apply; and

Reason: Without this reminder it might be too easy to think that IDPs in foreign countries are exempt from trade rules.

Outcome: Changes accepted.

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10. *Description:* *Test Electronic Equipment and Ensure Full Functionality & Data Sanitization Change*

Section: 8.5.1 b)

Proposed Text:

b) Determine and document the state of health of each rechargeable battery from mobile computing devices (e.g. laptop computers) destined for Direct Reuse unless the device is Repurposed to a use that does not require a battery, as follows:

Reason: This is to allow consistent language recognizing Repurposing just as was done in (c).

Outcome: Changes accepted.

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11. *Description:* *Exception on battery testing for non-removable batteries*

Section: 8.5.1 b) 2) (adding a new iii)

Proposed Text:

iii. "When a battery cannot be tested without removing it, and the removal of the battery requires applications of solvents, heat, or special skills (not designed for replacement), the device can be directed to Direct Reuse markets or destinations without battery testing as described in i. and ii above, provided that the rest of the device is fully functional, the end-user or buyer is made fully aware through labeling and/or other means that the battery health is unknown, and any AC power supply, cords, and/or adapters necessary to allow operation accompany the sale or donation."

Reason: Some excellent equipment can be given a longer life without significant risk to developing countries from the chance that spent or unhealthy batteries would be easily removed and disposed of as waste.

Outcome: Changes accepted.

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12. ***Description:*** *Repurposing Elaboration*

Section: New paragraph 8.5.1.1

Proposed Text:

8.5.1.1 Repurposing equipment is an acceptable form of Direct Reuse as long as:
a) any non-functional hazardous parts, including removable batteries not meeting the battery health requirements found in b) and c) in 8.5.1 above, are removed or replaced before delivery to the end-user and are managed and repurposed in accordance with this standard (an exception to this rule is found above in 8.5.1 b) 2) iii, or when removal of other non-functional hazardous components is impossible without resorting to solvents, heat guns, or special skills (not designed for replacement).

b). an information disclaimer accompanies the sale/donation of the equipment, making it clear to all end-users what the repurposed equipment can do and which parts have been removed or added to allow the repurposing.

Reason: There needs to be an explanation as to Repurposing as it relates to Full Functionality requirements. Currently, we only mention Repurposing once regarding mobile phone battery testing despite it being a defined term. And it does need to be defined and used with respect to functionality and transparency.

Outcome: Changes made accepted with modifications.

13. ***Description:*** *Small changes in record keeping of Each Item*

Section: 8.5.2

Proposed Text:

8.5.2 Record Identifying Information for Each Item of Electronic Equipment

The Organization shall retain identifying information for each item of Electronic Equipment (including components) destined for reuse. Identifying information shall include:

a) Information for each device and separate component, as follows:

1) Type of device or component; and
2) A unique identification number for each whole device and component sold or donated separately if the item has a manufacturer's identification number. Qualified Smaller Components (QSCs) are exempted from this requirement; and
3) Year of production (if available); and
4) Model number (if available); and
5) Manufacturer or brand name.

b) Type of testing and, if applicable, data sanitization performed on each device or separate component;
c) Results of tests performed, including:

1) An accurate representation of the condition of the device or component (including cosmetic condition and battery status); and
2) A description of missing components (if applicable); and
3) Confirmation that all equipment & components are Fully Functional (except for EE exempted in Table 3 above); and
4) A clear representation that the item is a used device or component or is new/unused.

NOTE: QSCs require only general test status, such as untested (in the event it is going to an IDP which will perform the required testing), Fully Functional, missing components, etc.

d) Name, address (including country), and current contact information of the Organization responsible for evidence and confirmation of Full Functionality (i.e. Immediate Downstream Provider, if applicable, or the Organization); and
e) Product return policy.

Reason: Provides consistency with abbreviated use of Qualified Smaller Components (QSCs) and provides the only explanation of why one would not test a QSC (e.g. that it is destined for an IDP that will do this testing).

Outcome: Changes accepted.

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14. *Description:* *Conditionally Allowable Option Mechanism Clarification*

Section: 8.6.1a)

Proposed Text:
Prior to using a conditionally allowable option, the organization shall provide the e-Stewards Program

Administrator, their Certification Body program manager, and as appropriate, the Certification Body auditor(s) written justification of their decision to use this option. This documentation shall include evidence that all "preferred" options are not viable due to one of more of the following:

Approval is deemed to be granted if the e-Stewards Administrator confirms in writing receipt of the justification and a further 10 working days' elapse without denial or a call for further information by the e-Stewards Administrator.

Reason: It was previously unclear if consent was needed, tacitly or overtly and there was no safeguard of confirmation of receipt of the justification.

Outcome: Changes made accepted with modifications.

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15. *Description:* *Removing Closure Plan requirements from all but IDPs*

Section: *8.8.2.1 and 8.8.2.3 / Processing Capability Evaluations*

Proposed Text:

Change b (5) to: Have appropriate insurance coverage in place,

Proposed Text: Change 8.8.2.3 as follows in 3rd paragraph

Onsite audits shall include verification of insurance coverage, closure plans, and financial surety for the audited IDP.

Reason: Requiring all DPs in the recycling chain to present closure plans was seen as excessively burdensome.

Outcome: Changes made accepted with modifications.

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16. *Description:* *CNC Trigger better and more realistically defined*

Section: 8.8.2.1 (b) (2)

Proposed New Text:

2) Have not had an instance of violation of laws that:
> exceeded $100,000 in penalties/fines within a one-year period;

> entailed jail time of owner or executive team member(s); or
> recurred 3 times within the last 5-year period (same violation).

Reason: The old language referred to triggering a CNC. The CNC is a process which can result in a Critical Non-Conformity. It is triggered by many things including judgement on willfulness. To make things clearer and not to refer to a distant document better to spell out the automatic triggers found in the CNC policy.

Outcome: Changes made accepted with modifications.

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17. *Description: Downstream Accountability Clarification*

Section: in 8.8.2.4 (c)

Proposed Text:

The Organization shall ensure each DP beyond an IDP establishes and maintains the same control systems for all MOCs as those described in Section 8.8.2.4 (b) for PCM IDPs.

Reason: It was unclear whether PCMs were the only concern under (c) as it simply said follow (b) above. When in fact MOCs are the concern.

Outcome: Changes made accepted with modifications.

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18. *Description: Adding assurances of Confidentiality*

Section: Appendix B (j).

Proposed Text:

j) Oversight by e-Stewards Program Administrator/Confidentiality

An Organization shall permit oversight by the e-Stewards Program Administrator, or a third party designated by them, of all auditable Certification aspects, including access to records providing evidence. Such oversight may include the Program Administrator witnessing onsite CB audits, or performance verification inspections with or without advance notice. Findings, including all documentation required by the Standard, shall be made available to the Administrator upon request.

No such information sent directly to the Administrator (e.g. annual reports) shall be released to any

third party without the expressed written consent of the Organization in question. The only exceptions to the aforementioned non-disclosure policy would be for a) instances of requests by law enforcement authorities and, b) instances of a determination by the Administrator of a finding of Critical Non-Conformity (CNC) in accordance with the CNC Policy in which case general narrative information may be revealed to the public or third Parties.

Reason: It is important to state more clearly the non-Disclosure Policy for information required to be made available to auditors and the Administrator under the standard.

Outcome: Changes accepted.

19. *Description:* *Ensuring sanitization of all Data not still owned by customer*

Section: 8.9.1 (after sunset) and Appendix D: Data Security 8.9.3 (before sunset)

Proposed Text:

Appendix D

8.9.3 [new first paragraph]

Except in the case of tolling, where the customer maintains ownership of the Electronic Equipment, the organization must effectively sanitize all Customer Data prior to its departure from the Organization's Control, which may include outsourced processing by an IDP, by conforming, at a minimum, to either a published national standard for data security in the country or region where services are being delivered or the current version of NIST Special Publication 800-88 Guidelines for Media Sanitization, whichever is more stringent. In the case of tolling, the customer should be informed of the advantages of sanitizing all data and the options for doing so prior to any processing activities.

8.9 - Data Security

Sanitize all Customer Data

The Organization shall ensure the effective sanitization of all Customer Data prior to its departure from the Organization's Control, which may include outsourced processing by an IDP, except in the case of Tolling or other circumstances where Control of Electronic Equipment is transferred directly back to the customer. In the case of Tolling, the customer shall be informed of the advantages of sanitization and the options for doing so, prior to any processing activities.

Transition to NAID AAA Certification

The Data Security provisions for those Organizations that are not yet NAID Certified are found in Appendix D. As of July 1, 2022, all organizations will be required to be NAID AAA Certified to the relevant Sanitization Standards applicable to their operations. IDPs however that are conducting data

sanitization for the Organization will have until July 1, 2023 to become NAID AAA Certified. Until then they can continue to provide the required Data Security via Appendix D.

Reason: It is the Processor's legal and moral obligation to ensure the safety and protection of confidential and personal information in all data containing EE received. This duty of care does not cease to exist if a customer claims to have pre-sanitized the data contained in EE. It is important to routinely sanitize all data as a matter of course unless the customer maintains ownership of the equipment throughout the processing.

Outcome: Changes accepted.

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