

Premier Farnell plc

Global waste IT/electronic equipment disposal policy

Stakeholders

Premier Farnell believes that the stakeholders to its waste electronic equipment disposal policy are:

- The employees of the Premier Farnell Group
- Waste electronic disposal companies, both already engaged and prospective
- Charitable organisations appealing for unwanted electronic equipment
- Premier Farnell plc shareholders and the investment community at large
- Potential future employees

Definitions

GIS – Global Information Systems

WEEE – Waste Electrical and Electronic Equipment, including (but not limited to):

- CRT monitors
- Personal computers, laptops and peripherals
- Audio-visual equipment
- Mobile telephones
- Scrap warehouse stock
- Printers and print ink/toner cartridges

Background

Premier Farnell has highlighted the dangers of electronic waste being improperly handled by unlicensed and untrained recyclers in less economically-developed areas of cities in non-OECD countries. The Company seeks to raise awareness in the industry of the issues and garner support for action to reduce the impacts of this 'backyard recycling' on both the recyclers and the environment.

Electronic components contain a number of substances that, when burned or treated with certain chemicals, can produce toxic gases that lead to respiratory diseases, attack the body's main organs and immune system and cause other illnesses including lead poisoning, which affects children's development.

E-waste also has harmful effects on the environment. Leakage from the recycling process or from waste stored on open ground can contaminate the groundwater supply of the local area and can poison plants, fish and animals, damaging the ecosystem and increasing the risks of harm to human health through the food chain.

The Basel Convention on the Control of Transboundary Movements of Hazardous Waste and their Disposal forbids electronic waste from being exported across international boundaries. The USA is not a signatory to the convention. However significant quantities of unwanted electronic equipment, both functioning and beyond use, still leave the EU and the USA and are processed in countries that lack adequately developed facilities.

There are a number of charities that collect second-hand IT and electronic equipment in order to distribute it to schools and similar organisations in non-OECD countries. Whilst the majority of these charities deliver equipment direct to recipients in need, these items will ultimately become waste in that country, which probably does not have adequately developed means to process the waste safely.

This policy defines the group-wide approach to WEEE disposal adopted by Premier Farnell plc in light of the serious health risks posed by improperly handled electronic waste, and the serious difficulties in properly tracking e-waste and ensuring its correct disposal.

Compliance with local and international laws

In all locations, businesses will comply first and foremost with all applicable laws and regulations regarding the disposal of electronic equipment.

Scope

This policy applies to all Premier Farnell group companies, and covers all electronic and electrical equipment which is the property of the Company, and has reached the end of its useful life, irrespective of whether the equipment is still in working condition, or no longer functioning.

Responsibility for compliance and implementation

Divisional CEOs are responsible for compliance with this policy. They may assign policy compliance responsibility to appropriate personnel at affected facilities. Division personnel are to keep auditable records for at least two years after the disposal of electronic waste documenting the waste handler and the quantity handled. In the US, the Corporate Director of Safety, Health and Environmental Affairs is available to assist Divisional personnel in complying with this policy. For EAP, the Group Safety, Health, Environmental and Quality Manager will provide support in compliance.

Policy

- **Electronic waste will be directed to the correct disposal channels**
 - > Businesses will not dispose of WEEE to landfill.
 - > Under no circumstances will WEEE be knowingly disposed of for the specific purpose of export.
 - > Businesses will not knowingly dispose of WEEE in any manner that contravenes the Basel Convention.
 - > WEEE intended for disposal may only be transported by carriers holding the necessary licenses as required by law and only to recyclers as defined below.
 - > WEEE must only be disposed of through registered electronic waste recyclers, who possess the necessary licences as required by law.
 - > Where there is no specific law regarding the disposal of WEEE, businesses will use electronic waste recyclers approved by the Group, who will be selected in accordance with European WEEE recycling standards.

Disposal of electronic waste in Europe and APAC

Europe, ANZ and ASEAN

- > Electronic equipment at the end of its useful life will only be disposed of (including the handling of donations to approved charities) by the local GIS function.
- > Waste transfer notes will be completed and obtained in all cases of disposal where they are required by law. These will be retained for audit for a minimum of two years in all cases.
- > In the case of donations to authorised charities, a log must be made of the donation and maintained in the same manner as a waste transfer note.

India

- > Electronic waste handlers and recyclers operating for Farnell India must be able to present a valid and current Consent for Establishment and Consent for Operation (and where applicable an Export Licence) on request.
- > Collectors, handlers and recyclers should be able to demonstrate on request that they operate within a Clean E-Waste Channel.

China

- > Only recyclers and electronic waste handlers who meet the following four criteria, as laid out in the Regulations on Recovery Processing of Waste Electrical and Electronic Products, due to take effect in Jan 2011 may be used. The criteria are:
 - Having complete and sound facilities for processing waste electrical and electronic components.
 - Having a solution for proper use or disposal of waste electrical and electronic products which cannot be fully processed.
 - Having sorting, packing and other equipment which match with electrical and electronic products to be processed.
 - Having relevant professional safety, quality and environmental protection technicians.

Disposal of electronic waste in the USA

Premier Farnell facilities in the Americas are to:

- ensure unwanted electronic devices generated by company facilities are responsibly re-used, recycled or otherwise disposed;
- comply with all applicable federal, state and provincial electronic waste disposal laws and regulations when disposing of electronic waste; and
- **only use company approved electronic waste handlers.**

Company approved electronic waste handlers are those accredited by the internationally recognized e-Stewards certification program (see listing of e-Stewards certified electronic waste handling companies at: http://www.e-stewards.org/local_estewards.html).

Note: Electronic waste handlers accredited by the e-Stewards program meet rigorous sustainable and socially responsible electronics recycling criteria consistent with international law.

Minimum expectations of all recyclers

The following requirements will be made of all recyclers that Premier Farnell engages in order to ensure the security of the disposal chain. The recyclers that we engage must;

- > Not allow any WEEE to be sent to prisons for recycling.
- > Have an environmental management system and the appropriate standard in place.
- > Operate as part of a recycling chain that demonstrably meets appropriate health and safety and environmental standards.
- > Provide visible tracking of WEEE through the recycling process on request.

Recyclers that are currently engaged and do not meet these standards will be expected to work with the Company in order to achieve compliance.

Accepted alternatives to disposal direct to authorised recyclers

1. Authorised sale of WEEE to employees

Any equipment that is to be sold or given to an employee of the Premier Farnell group may only be transferred to employees who take ownership and will make further use of the equipment.

2. Disposal of WEEE through vendor/manufacture take-back and replacement programmes

WEEE may be disposed of by means of returning it to the original vendor or manufacturer, who holds responsibility for its disposal, as part of a waste equipment take-back initiative.

3. Disposals of WEEE in the form of authorised charitable donations

We recognise that there are global charities that redistribute functioning WEEE to schools and other institutions in non-OECD countries.

In accordance with the Premier Farnell Global Waste IT/Electronic equipment donations policy, businesses will not donate WEEE to charitable organisations, unless they qualify under the following exemptions:

Recipients of authorised charitable donations must be:

- Registered electronic waste recyclers or, where applicable, charities who will use the equipment for its intended function for the benefit of their service-users.
- Where required, registered with regional/national environment agencies.
- Where required, licensed electronic waste carriers/handlers.
- Operating **only** on a domestic level, with no exports to countries outside of the region (an operator within the European Union may export within the EU)
- Able to provide documentary evidence (or willing to sign a document stating) that those donations have not been knowingly exported by the charity. If the equipment can be observed in use at a charity's facility, this is satisfactory evidence.
- Able to guarantee that they will dispose of donated equipment at the end of its useful life through legal, registered and appropriate channels.