

| COMPANY INFORMATION     |  |
|-------------------------|--|
| Legal Facility Name:    |  |
| Facility Address:       |  |
| Country:                |  |
| Website                 |  |
| Days/Hours of operation |  |
| Years in operation      |  |
| Facility Size           |  |
| CEO/PRESIDENT           |  |
| Compliance Contact      |  |

*VH Techworks, LLC has elected to perform a desktop audit on your company ("Vendor)". Your company has been identified, as an existing or potential downstream partner for Focus Materials (FM)/Hazardous Electronic Waste/Hazardous e-waste (HEW) received from VH Techworks, LLC ("Client"). VH Techworks, LLC requires all downstream partners to acknowledge these Downstream Vendor requirements before partnering with any vendor.*

*To greater understand our requirements you can download the R2v3 Standard here: <https://sustainableelectronics.org/welcome-to-r2v3/document-library/>*

*The purpose of this downstream audit is to communicate the requirements and validate that all downstream partners are conforming to the R2/E-Steward standards as it is applicable to the materials received from VHT (VH Techworks) and, specifically, that all downstream partners are conforming to R2 or e-Stewards requirements.*

*VHT may require an additional Vendor Purchase Agreement for those who repair, refurbish or resale our material.*

***This audit will be conducted on an annual basis.*** Annual audits will consist primarily of verification of information provided and verification of the partner's downstream activities. In the instance, that we have a reason to believe that information is not entirely correct, more extensive documentation and/or site visits may be required.

*We appreciate your cooperation in acknowledging these requirements and welcome the opportunity to answer any questions that you may have regarding our Downstream Vendor Audit Process.*

VH Techworks, LLC

info@vhtechworks.com

#### • **PRE-SELECTION SCREENING**

- Before being selecting as an VHT vendor, VHT recyclers must go through the following review process:
- Demonstrate ongoing regulatory compliance.
- Agree to make all facilities available for VHT to conduct in-person audits.
- Share all relevant documentation regarding end markets for materials processed at recycler facilities and downstreams.
- Demonstrate a sufficient tracking system to ensure that VHT can monitor the disposition of electronic waste under its recycling program.
- Work with VHT to perform a Mass Balance assessment to ensure that

materials being received at each facility are properly tracked and that the volume of electronics taken into a facility for recycling can be reconciled with outgoing materials sent out.

- Provide proof of certification.
- Proof of insurance coverage that is appropriate to cover the potential risks and liabilities associated with the nature and size of the operations.
- Have legal and financial assurances in place for the proper closure of its facility.
- Ensure that all subcontractors used in the vendor's process can meet all VHT requirements.

- **LABOR AND BUSINESSES PRACTICES (CODE OF CONDUCT)**

- Vendors or their downstream Vendors must not use prison labor or child labor for any service performed for VHT throughout the disposition chain. The term "child" refers to any person under the age for completing compulsory education or under the minimum age for employment in the country. The use of legitimate workplace apprenticeship programs, which comply with all laws and regulations, is supported. Workers under the age of 18 shall not perform work that is likely to jeopardize their health or safety.
- Vendors must adhere to all applicable federal, state, and local laws, rules, regulations, orders, and ordinances and must obtain all necessary permits, licenses, etc.
- Vendors must establish and provide to VHT standard operating procedures for the proper, handling, transport, and recycling/disposal of all Covered Electronic Devices, their parts, and any other items collected by the vendor and its subcontractor(s). Recycling vendors must immediately notify VHT of any proposed or actual change in vendor/subcontractors and provided with up-to-date description of vendor/subcontractor activity.
- Hiring and employment decisions, including those relating to compensation, benefits, promotion, training and development, discipline, and termination, should be made solely on the basis of the skill, ability, and the performance of workers. Discrimination is not permitted based on race, religion, gender, political opinion, national extraction, or social origin. (Labor Organization Conventions 100 and 111). In addition, unfair treatment of pregnant employees is prohibited.
- Vendor shall not take any action that places VHT employees or representatives in a position or circumstance, which may create a conflict, or the appearance of a conflict, between such person's personal interests (gains) and the interests of VHT.
- Vendors shall possess insurance that is adequate to cover potential risks and liabilities associated with the nature and size of facility operations and shall have adequate legal and financial assurances in place for proper closure of its facility.

- **HEALTH AND SAFETY PROGRAM**

- Vendors must maintain a certified Environmental, Health, and Safety Management System to plan, implement, and monitor environmental, health, and safety practices.
- Vendors must provide employees with a safe and healthy working

environment for all employees that includes appropriate controls, safety procedures, preventative maintenance, and protective equipment. Practices must comply with all relevant local and national laws, codes and regulations.

- **REUSE, RECOVER, RESALE AND RECYCLE PROCESS**

- Vendors must not store any unprocessed VHT equipment or product for greater than 60 days without written approval from the VHT this does not apply to processed commodity for sale to the downstream Vendors.
- Vendors engaged in the collection and transportation of VHT equipment shall do so in accordance with all State and Federal Department of Transportation rules and regulations.
- Vendors are required to retain ongoing records for all outgoing shipments under the Organization's Control, and corresponding acknowledgments of receiving and Processing/Final Disposition provided by each downstream vendor.
- Upon request, vendors are required to provide samples of selected time periods to VHT.
- Vendors agree not to export any non-working end-of-life electronics to non-OECD countries.
- Vendor agrees to provide any license to export, re-export, or import as may be required.
- Vendors utilizing logistics brokers and/or transporters will ensure the proper permits, licenses, and procedures are in place prior to transporting, shipping, or collecting VHT material.
- Vendor agrees that only material identified by VHT can be sold for reuse or parts harvesting for reusable components.
- Vendors must ensure that any items processed for reuse are tested and are fully functional.
- Vendors who perform Test and Repair must be certified, by an accredited Certification Body, to an approved quality management system (QMS) standard with a scope that includes all the equipment, components and processed.
- Vendors must maintain a robust written Quality Assurance Program in accordance with industry and VHT testing standards.
- Vendor must provide testing results to VHT for material that is sold as functional material.
- Material that is generated from the parts harvesting process that is not tested functional must be recycled by an approved downstream or returned to VHT.
- Vendors are to ensure that materials are processed in a manner that does not result in incineration, landfill, dumping, exporting for processing, or otherwise disposing of materials. It is understood that the recycling process may produce a minimal amount of waste for disposal via landfill or incineration.
- Vendors must shred (fragment size no larger than 22mm), degauss, and/or impair all electronic storage media incorporated into a Covered Electronic Device, or otherwise overwrite the data located thereon in accordance with the NIST Special Publication 800-88, Revision 1: Guidelines for Media Sanitization specifications, such that no information on any storage medium escapes the process in a recoverable condition.
- Vendors must provide detailed information to include contact information on

all tiers of downstream processors to end of life. In some instances, vendor is required to provide due diligence documentation for all tiers of processing.

- Equipment containing cathode ray tubes (televisions and monitors) may not be considered for reuse and thus may not be exported for any reason.

- **PHYSICAL/DATA SECURITY**

- Vendor is required to have closed circuit camera systems with at least 60 days of recordings covering all areas of the facility where equipment or components containing data are received, stored, or passed through.
- Vendor is required to provide for the security and sanitization of all data storage devices as appropriate to the type of device and level of sensitivity of the data.
- Vendor is required to have a documented Data Security Program that includes response to data security breaches and incidents.
- When physically sanitized, data storage devices shall be physically destroyed in accordance with an applicable method or the National Security Agency (NSA) Storage Device Sanitization Manual using equipment listed on the Evaluated Products List, or any other method of physical destruction that has been independently verified by a competent expert and determined to be an effective means of sanitization.
- Vendor is required unless otherwise requested by VHT in writing to effectively sanitize all Customer Data prior to its departure from its facility 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.
- Vendor is required to have quality controls implemented to verify that received equipment and components containing data, are processed as planned, quantities processed match quantities received, and VHT is notified of any discrepancies.
- Vendor must have an independent party validate its processes annually.

- **DOWNSTREAM COMPLIANCE**

- As an approved downstream vendor for VHT , based on your certification you agree to comply with one of the requirements of the following standards:

R2:2013 standard;

- 5. Focus Materials and
- 6. Reusable Equipment and Components or the following requirements of R2v3;
- Appendix A Downstream Recycling Chain or the following requirements from e-Stewards;
- 8.5-Reuse and Refurbishment of Electronic Equipment,
- 8.6-Restrictions on Materials Recovery and Final Disposition,
- 8.7-Control of Transboundary Movement, and
- 8.8-Downstream Accountability.
  - Vendor will perform due diligence on all downstreams that receive Focus Material and provide downstream information or reports to show diligence as requested.
  - Vendor will provide End of Life downstream (Life Cycle) reporting to VHT as requested for FM/HEW received by vendor.
  - Upon request, Vendor will provide a certificate of destruction/recycling for

- material destroyed onsite or from the downstream vendor.
  - Vendor will notify VHT of any changes to their downstream vendors prior to shipment of VHT material. ***VHT must approve new downstreams prior to shipment.***
  - Vendor will notify VHT of any changes to their downstream vendors prior to shipment of VHT material. ***VHT must approve new downstreams prior to shipment.***
- 
- **IMPORT/EXPORT COMPLIANCE, REPORTING, & TRACKING**
    - Vendors must verify import/export compliance of each shipment in accordance with its legal compliance plan that affirms the international shipment is legal. Verification shall document if the equipment, components, or materials are a regulated waste under the regulations of the export, transit, and import countries, and if determined to be a regulated waste, determine if the waste is hazardous, and other information or documentation required by applicable law.
    - Vendors must maintain all written reports; shipping documentation (e.g., bills of lading), packing lists, and other transactional reporting documentation required by law or regulation and shall ensure that those documents will allow VHT to verify all downstream markets for materials processed by vendors.
    - Upon request, vendors must provide documentation of VHT material processed. This documentation may include, but is not limited to, testing/data wiping results, mass balance accounting of all material received, processed and disposed; detail on the downstream flow of material through the ultimate disposition of VHT e-waste processed; Certificates of Recycling/Destruction with specific commodities generated and amounts and the ultimate disposition of those commodities. Shipping manifest will be requested on a quarterly basis to assist with tracking throughput.
    - Vendors must notify VHT of any changes in ownership, reportable fines or regulatory orders, reportable incidents/injuries within 30 business days.

***By returning this document, Vendor agrees to adhere to these requirements while it conducts business with and/or on behalf of VHT. Management shall provide its employees access to these requirements and ensure the compliance by its company. Both Parties agree to hold this information in confidence and will not disclose the information to any person or entity without prior written consent of the other party.***

**Name of Management Representative:**

**Date** Click or tap to enter a date.

**Position:**

**PLEASE RETURN THE FOLLOWING DOCUMENTATION WITH THIS AGREEMENT:**

| <b>R2V3 CORE REQUIREMENTS</b>  | <b>DOCUMENT EVIDENCE</b>   |
|--|--|
| <b>Core Requirement 1</b> – Scope  | R2 Certificate<br>Business License<br>Any Permits (Stormwater/No Exposure, etc.)   |
| <b>Core Requirement 2</b> – Hierarchy of Responsible Management Strategies | Policy for managing end-of- life electronic equipment, components, and materials   |
| <b>Core Requirement 3</b> – EH&S Management System                         | Accredited EHS Certificates<br>Environmental, Health & Safety Policy   |
| <b>Core Requirement 4</b> – Legal and Other Requirements                   | Legal compliance plan<br>Non-discrimination policy   |
| <b>Core Requirement 5</b> – Tracking Throughput                            | Downstream Vendor Flow Chart<br>Bills of lading or other commercially accepted records for all tiers<br>Import/Export approval (if applicable)<br>Copy of Downstream vendor audits for all tiers<br>Copy of Return policy        |
| <b>Core Requirement 6</b> – Sorting, Categorization, & Processing          | Process to evaluate, sort, and categorize electronic equipment<br>Quality Assurance Plan<br>Testing Record examples (If applicable)<br>Categories, for Functioning Product, Data Sanitization Status (invoice or grading matrix) |

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| <b>Core Requirement 7 – Data Security</b>   | Data Sanitization Plan<br>Wiping Record/Results Examples (if applicable)<br>Written contractual requirements not to sanitize data on user's data storage devices when requested (if applicable)<br>Data security policy<br>Internal data security audit<br>Security Program<br>Training & Confidentiality Agreements |
| <b>Core Requirement 8 – Focus Materials</b>   | FM Management Plan<br>Flowchart of the DSV Names and Locations   |
| <b>Core Requirement 9 – Facility Requirements</b>   | Insurance COI<br>Closure Plan and Financial Instrument   |
| <b>Core Requirement 10 – Transport</b>  | Transportation Plan  |
| <b>COMPANIES MUST MEET THE REQUIREMENTS OF THE APPENDIX ASSOCIATED WITH THE SERVICE PERFORMED BELOW</b> |  |
| <b>APPENDIX B – DATA SANITIZATION</b>   | <b>EVIDENCE/REFERENCED DOCUMENT</b>  |
| <b>*Pollution Liability Insurance</b> (negative value materials) (If applicable)                        | Compliant   Noncompliant   N/A   |
| Closure Plan  | Compliant   Noncompliant   N/A   |
| Import/Export Compliance documentation (If Applicable)  | Compliant   Noncompliant   N/A   |
| Complete Downstream Recycling Chain with evidence of shipments  | Compliant   Noncompliant   N/A   |
| Registered with Seri  | Compliant   Noncompliant   N/A   |
| <b>APPENDIX B – DATA SANITIZATION</b>   | <b>EVIDENCE/REFERENCED DOCUMENT</b>  |
| Data Sanitization Plan  | Compliant   Noncompliant   N/A   |
| Data Protection representative  |  |
| <b>Methods to distinguish</b> sanitized devices from devices containing data                            | Compliant   Noncompliant   N/A   |
| <b>Documented</b> quality controls  | Compliant   Noncompliant   N/A   |
| <b>Records unique identifier</b> of each data storage device  | Compliant   Noncompliant   N/A   |
| Data sanitization <b>employee training</b>  | Compliant   Noncompliant   N/A   |

|   |                                     |              |     |
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| <b>All markings</b> associating a device with its previous user shall be removed or destroyed   | Compliant                           | Noncompliant | N/A |
| <b>Effective</b> security controls  | Compliant                           | Noncompliant | N/A |
| <b>Closed circuit camera systems with at least 60 days of recordings</b> covering all areas of the facility where equipment or components containing data are received, stored, or passed through                         | Compliant                           | Noncompliant | N/A |
| <b>Data sanitization services outside of Facility</b> performed in conformance with Appendix B and Core Requirement 7   | Compliant                           | Noncompliant | N/A |
| <b>Defined</b> Physical Destruction Methods   | Compliant                           | Noncompliant | N/A |
| <b>Electronic records of data sanitization</b> created by the software used to sanitize the data  | Compliant                           | Noncompliant | N/A |
| <b>A minimum of 5%</b> of logically sanitized data storage media shall be routinely sampled by a <b>competent and independent party</b>   | Compliant                           | Noncompliant | N/A |
| <b>APPENDIX C – TEST AND REPAIR</b>   | <b>EVIDENCE/REFERENCED DOCUMENT</b> |              |     |
| <b>*Certified by an accredited Certification Body to an approved quality management system (QMS)</b> standard 10 with a scope that includes all the equipment, components, and processes to which this Appendix C applies | Compliant                           | Noncompliant | N/A |
| <b>*Documented R2 Reuse Plan</b>  | Compliant                           | Noncompliant | N/A |
| <b>Ensure data is sanitized</b> on equipment or components being tested in accordance with Appendix B – Data Sanitization   | Compliant                           | Noncompliant | N/A |
| <b>Maintain records of test results</b> for each function tested for each unique identifier assigned  | Compliant                           | Noncompliant | N/A |



|   |  |
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| <p>For equipment or components that do not meet a REC functioning product category when tested:</p> <p>(1) <b>Identify the equipment or components</b> as non-functioning products, and</p> <p>(2) <b>Repair the equipment or component</b> and repeat testing after repair, or</p> <p>(3) <b>Harvest the reusable components</b>, or</p> <p>(4) <b>Evaluate the equipment</b> in accordance with Core Requirement 6 to continue processing</p>   | <p>Compliant    Noncompliant    N/A</p>    |
| <p>For equipment or components that meet a functioning product category in the REC when tested:</p> <p>(1) <b>Identify and disclose the appropriate REC</b>, or equivalent correlated internal categories, for Functioning Product, Data Sanitization Status, and either the Cosmetic Condition or provide other detailed description of the cosmetic condition, and</p> <p>(2) <b>Execute the quality assurance plans</b> to confirm the assigned categories, and</p> <p>(3) <b>Based on the new category assigned after test and/or repair</b>, manage the equipment in accordance with Core Requirement 6 to continue processing</p> | <p>Compliant    Noncompliant    N/A</p>    |
| <p><b>APPENDIX E – MATERIALS RECOVERY</b></p>   | <p><b>EVIDENCE/REFERENCED DOCUMENT</b></p> |

|  |                                       |
|--|---------------------------------------|
| <p>Industrial Hygiene hazards identification and assessment of occupational health and safety, and environmental risks <b>conducted by an individual trained in risk assessment and analysis techniques</b>, and knowledgeable of the hazards associated with the materials recovery activities, hazards identification and assessment shall be captured in writing and incorporated as a component of the organization's EHSMS.</p> <p><b>Implement an industrial hygiene monitoring program, including air, noise, and wipe sampling to monitor applicable risks at a frequency consistent with past results and current trends of the results,</b> and</p> <p>Risks associated with mechanical separation processes shall be re-evaluated at least annually, and</p> <p>Air quality shall be periodically monitored for mercury in material recovery areas where electronic equipment with fluorescent lamps is dismantled or lamps are removed, and Implement a medical monitoring program to establish baseline and regularly evaluate worker exposures to mercury, lead, or other toxic substances consistent with hazards in the materials recovered and trends in monitoring results</p> | <p>Compliant   Noncompliant   N/A</p> |
| <p><b>Controls are maintained in any disassembly areas</b> to minimize the risk of environmental, health or safety incidents during dismantling operations</p>   | <p>Compliant   Noncompliant   N/A</p> |
| <p><b>Sends removed FMs to processing, recovery, or treatment facilities that meet all applicable regulatory requirements</b> to receive the FMs, and that use technology designed and operated to safely and effectively manage</p>   | <p>Compliant   Noncompliant   N/A</p> |

|  |                                |
|--|--------------------------------|
| <b>*Pollution liability insurance</b> , guaranteed reserves, or government guarantee to cover potential environmental incidents, per Core Requirement 9                          | Compliant   Noncompliant   N/A |
| <b>Evaluate each output stream from the materials recovery process</b> , re-categorize in accordance with the REC, and continue processing in accordance with Core Requirement 6 | Compliant   Noncompliant   N/A |

**DESKTOP AUDIT RESULTS (To be completed by VH Techworks, LLC)**

| <b>CERTIFICATIONS</b>                    | <b>CURRENT</b> | <b>EVIDENCE/<br/>REFERENCED<br/>DOCUMENT</b> |
|--|----------------|--|
| <b>ISO 9001</b>                          | Yes No NA      |  |
| <b>ISO 14001</b>                         | Yes No NA      |  |
| <b>ISO 45001</b>                         | Yes No NA      |  |
| <b>R2:2013 OR R2V3</b>                   | Yes No NA      |  |
| <b>eStewards</b>                         | Yes No NA      |  |
| <b>NAID</b>                              | Yes No NA      |  |
| <b>OTHER<br/>CERTIFICATIONS</b>          | Yes No NA      |  |
| <b>PERMITS</b>                           | <b>CURRENT</b> | <b>EVIDENCE/<br/>REFERENCED<br/>DOCUMENT</b> |
| <b>EPA ID</b>                            | Yes No NA      |  |
| <b>BUSINESS PERMIT</b>                   | Yes No NA      |  |
| <b>STORMWATER/NO<br/>EXPOSURE</b>        | Yes No NA      |  |
| <b>HAZARDOUS MATERIAL<br/>MANAGEMENT</b> | Yes No NA      |  |

|   |                          |  |
|---|--------------------------|--|
| <b>UNIVERSAL WASTE HANDLING</b>                 | <b>Yes No NA</b>         |  |
| <b>INSURANCE</b>                                |                          | <b>EVIDENCE/<br/>REFERENCED<br/>DOCUMENT</b> |
| <b>GENERAL LIABILITY</b>                        | <b>Yes No NA</b>         |  |
| <b>WORKERS<br/>COMPENSATION</b>                 | <b>Yes No NA</b>         |  |
| <b>POLLUTION</b>                                | <b>Yes No NA</b>         |  |
| <b>AUTOMOTIVE</b>                               | <b>Yes No NA</b>         |  |
| <b>COMPLIANCE HISTORY</b>                       | <b>RESULTS OF SEARCH</b> |  |
| <b>ENFORCEMENT &amp; COMPLIANCE<br/>HISTORY</b> |                          |  |
| <b>OSHA HISTORY</b>                             |                          |  |
| <b>SERI WEBSITE</b>                             |                          |  |

**APPROVAL STATUS (Based on example BOLs of shipments to Downstream Vendors)**

| <b>FOCUS MATERIAL/HEW</b>  | <b>STATUS</b>   |                     |
|--|-----------------|---------------------|
| <b>WHOLE DEVICE CONTAINING FOCUS<br/>MATERIAL</b><br>(CRT/LCD, Laptop/Desktop, Tablet/Mobile Device, etc.) | <b>Approved</b> | <b>Not Approved</b> |
| <b>CIRCUIT BOARDS</b>  | <b>Approved</b> | <b>Not Approved</b> |
| <b>BATTERIES</b>   | <b>Approved</b> | <b>Not Approved</b> |
| <b>MERCURY CONTAINING DEVICES</b>  | <b>Approved</b> | <b>Not Approved</b> |
| <b>CRT GLASS</b>   | <b>Approved</b> | <b>Not Approved</b> |
| <b>POLYCHLORINATED BIPHENYLS</b>   | <b>Approved</b> | <b>Not Approved</b> |
| <b>INK/TONER</b>   | <b>Approved</b> | <b>Not Approved</b> |
| <b>PLASTICS (Based on request)</b>   | <b>Approved</b> | <b>Not Approved</b> |

**Comments:**

**Audited by:**

**Date:** Click or tap to enter a date.