HP Standard 007-3 Vendor Requirements for Hardware Reuse

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Abstract	This standard identifies the requirements for Vendors and Subvendors who provide Refurbishment, Remanufacturing and/or Remarketing services of electronic hardware products, parts, and components for or on behalf of HP.
Applicability	The requirements in this standard apply to all Vendors and all Subvendors who provide Refurbishment and/or Remanufacturing or Remarketing services for or on behalf of HP, including data sanitization, used product audit, parts harvesting, packaging, storage, and transportation, with respect to HP brand and non-HP brand electronic hardware products, parts and components.
Status	Approved

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1. Introduction

The requirements in this standard apply to all Vendors and all Sub vendors who allow used Hardware to be reused by providing, refurbishment, remanufacturing, and/or remarketing services for or on behalf of HP. This includes guidelines for data sanitization, used product

audit, parts harvesting, packaging, storage, and transportation, with respect to HP brand and non-HP brand electronic hardware products, parts and components.

2   General Vendor Compliance Requirements

a)   All vendors that access, process, or store HP data must go through an HP Cybersecurity Third Party Risk Assessment (TPRA) prior to a contract being signed and handling of HP information.

b)   Vendors must comply with the HP Supplier Code of Conduct and sign and return to HP the Supplier Social and Environmental Responsibility Agreement.

c)   Vendors must demonstrate a history of regulatory compliance. Government agency or independent input (such as environmental facility reports from Environmental Data Resources or Dun & Bradstreet) may be used to document history of compliance.

d)   Vendors in countries listed as EPEAT target by HP shall demonstrate fulfillment of requirements in section 4.6.3.1 of the IEEE std 1680.1-2018, or use HP endorsed recycling vendors for end-of-life electronics processing. Vendors must notify their designated HP Vendor Manager within 24 hours of any occurrence that could materially affect or interrupt the vendor's ability to perform services for HP. In addition, any occurrences that involve security, health, safety, environmental, or labor issues that could negatively impact HP's interests must be reported to the HP Vendor Manager without delay.

e)   Vendors must comply with all laws, regulations and other government requirements that pertain to their business, including but not limited to environment, health, and safety, and import and export laws. In addition, they must obtain and maintain all applicable permits, licenses, approvals, agreements, and other required government or regulatory documents.

f)   Vendors must implement and maintain an emergency response plan to prepare for and respond to emergency situations including fires, medical emergencies, and uncontrolled release of toxic or harmful materials.

g)   Vendors must agree to implement and comply with the HP Hardware Reuse requirements set forth in this document and cascade these requirements to all Sub vendors processing Covered UEEE.

h)   In the event the HP Hardware Reuse requirements conflict with any laws, Vendors must adhere to the applicable legal requirements. To the extent local conditions require variations with the provisions from this Standard, Vendor must acquire HP approval in writing to the solution or disposition in advance.

i)   Vendors must comply with the HP Media Handling Standard for information security, document number HX-00019-00, on the HP Supplier Portal registration required. (Internal document HP00019-00).

j)   Vendors must have an environmental, health and safety management system with performance requirements, such as ISO-14001, as described in The e-Stewards Standard for Responsible Recycling and Reuse of Electronic Equipment or R2 . This must be maintained, reviewed annually, and updated as needed. Vendors shall train and document training of employees regarding the contents of this system.

3   Refurbishment or Remanufacturing of Whole Units, Parts, or Components

a)   All whole units must be data sanitized according to NIST SP 800-88 R1 standards. See chapter 5) Information security for more details..

b) Refurbishment or Remanufacturing of Covered UEEE for HP destined for resale must conform to a level of functionality where key functions of the product or components are working properly. Effective testing methods must be utilized to ensure that Covered UEEE intended for resale or donation is functionally sound. If a Vendor or Sub vendor provides testing and inspection services, documentation must be maintained to provide assurance to HP that all items being sold or donated are in working condition.

c) Vendors refurbishing or remanufacturing Covered UEEE on behalf of HP must ensure meeting HP requirements regarding:

- Refurbishment assembly line readiness (e.g., Electro Static Discharge (ESD) procedures, Quality system in place)
- Unit Testing capability to ensure functionality according to HP requirements.
- Meeting HP cosmetic and quality standards.
- HP replacement parts usage guideline
- Following HP packaging requirements
- Sorting and segregating non-conforming materials.

d) Records of Covered UEEE refurbishment, remanufacturing, or disposition, including unit serial numbers, device origin, refurbishment level, resale values if applicable and final destination must be captured and retained per record retention and reported to HP.

e) Applicable Microsoft COA/Reimaging standards must be adhered to. If a vendor or Sub vendor provides testing and inspection services, documentation must be maintained to provide assurance to HP that all units, parts, or components being sold or donated are in working condition.

f) Unless otherwise specified by HP, warranty must be provided as per country regulation for Covered UEEE. Unless otherwise specified by HP, Covered UEEE is to be reused to the extent technically and economically practical. Units that are not technically and economically practical for reuse, need to be recycled according to section 2.d.

4   Resale, Remarketing or Donation of refurbished or remanufactured Whole Units, Parts, or Components

a) Vendors selling on behalf of HP or HP entities selling Covered UEEE must have an adequate sales staff and the remarketing infrastructure necessary to sufficiently handle volume accounts and at least meet market values on sales of equipment, subassemblies, and components. Covered UEEE must be sold as functional (not "where is, as is") and yield a fair market value as a functional item and must be sold for its original intended use. Fair market value refers to the price agreed for the purchase of Covered UEEE that represents the objective price that the free market would support in a wholesale transaction between a willing seller and a willing purchaser. Sale and contract agreements must include return provisions enabling customers or purchasers to return defective or non-functional equipment with quality issues to be returned to the selling entity.

b) Records of Covered UEEE resale, remarketing or donation, including resale values, unit serial numbers, and final destination must be captured and retained per record retention and reported to HP.

5 Information Security

All data-containing media such as hard drives, random access memory (RAM), read-only memory (ROM), disks, flash memory, memory devices, phones, mobile computing devices, networking devices, office equipment, mother boards or other similar items must either be fully erased or sent to an HP approved recycling facility.

a) **Units for Reuse:**

If hard drives or other data bearing media may be contained within a remarketable unit, the unit must be physically opened, and the presence and number of data bearing media shall be verified and documented. Each data bearing media must be overwritten using industry-standard disk-wiping software or physically destroyed. The disk wiping software must comply with the latest Media sanitization standards, such as NIST (National Institute of Standards and Technology) SP 800-88. If devices are reused in the same company method type CLEAR is used, if devices are reused in a different company method type PURGE is used. The devices, components and parts must be tested and inspected to ensure they are free from any personal or company data and in working condition prior to resale or donation (see Information security section and refer to the Media Handling Standard for information security). As applicable, the sanitization process must ensure that the system BIOS/UEFI is reset to factory defaults.

The vendor will perform a software verification according to the standard applied on each wiped disk to confirm that the wiping of all addressable sectors was successful. A well-defined information security management system must be maintained that supports data protection that includes the following: data security handling procedures; defined and measurable processes, risk assessment program, training program, secure transportation procedures, physical handling, storage, and final recycling/disposition protections, along with data breach investigation plans. All customer identifying labeling, markings, asset tags, or documents found in or on any UEEE must be removed and destroyed. Any data bearing storage devices that cannot be successfully "sanitized" must be stored in a secure location and destroyed according to NIST Destroy standards . The vendor will maintain auditable records to document the disk wiping process, identifying the serial number of the host unit, date of wipe, and verification of wipe performance. New units in unopened (original) packaging, channel returns, surplus inventory, and other equipment that does not contain customer or HP business data are exempted from this requirement.

b) **Units to be Recycled or Disposed**

Any data bearing devices that are specified for destruction or data bearing media contained in a unit for reuse that cannot be successfully sanitized in all addressable sectors for any reason, must be stored in a secure location and destroyed according to NIST Destroy standards.

Records must be maintained for the above data bearing devices/media including, where applicable, device serial numbers and date of destruction or processing. Any customer labels, tags or other identifying marks on the products and components must be destroyed or sent to an HP approved recycling facility.

6 Site Security and Controls

a. **Physical Security**

Business processes and physical locations must be designed and maintained in a

manner to ensure the protection of Covered Materials from the time of receipt, including any transit or third-party transfer, until final disposition.
Protection systems must be based on the degree of risk and include:

Facility security protections	Access control, alarm system, closed-circuit television (CCTV), building construction, adequate lighting, fencing and gates if any processing or storage occurs outside.
Security process controls	Badging and identification for all high security areas, HR processes, concealed theft prevention, incident reporting and escalation, training, yard controls
Business process controls	Disposition, inventory control (such as cycle counts/ physical verification), loading and unloading
In-transit controls	Driver requirements, security seals, and truck security

b. **Workforce**
Vendors must perform adequate pre-employment screening (unless prohibited by law) before assigning any employee or contractor work or access to Covered Materials. Work rules must be documented and enforced to facilitate the security of Covered Materials and to prevent unauthorized use or resale of Covered Materials. Employees must be trained on the requirements for all transactions completed on behalf of HP and the training must be documented.

c. **Processing**
Vendors providing refurbishment, remanufacturing, or recycling services for Covered Materials must ensure that those operations occur in a timely fashion and under appropriate security conditions to prevent unnecessary stockpiling, and that Covered Materials are refurbished, remanufactured or recycled as specified and are not diverted. HP reserves the right to audit or witness Vendor operations at any time.

d. **Storage**
Vendor storage and processing areas must be secured to prevent theft or unauthorized access or removal or value degradation. All Covered Materials must be stored and processed in covered or contained areas to prevent releases of hazardous substances to the environment. Specifically, Covered Materials must be protected from weather (such as wind, rain, or snow) during storage, and must not be stored (as a method to hold items for potential future processing) for more than 90 days unless a longer period is authorized under applicable law and approved by the HP Vendor manager.

e. **Accounting** Vendors must provide an accounting to HP for all Covered UEEE processed on HP's behalf. Accountings must include, but are not limited to, the quantity received, type of product/part/component, country of origin, refurbishment or remanufacturing level, final destination (Reuse or recycling) , the country sold to, the country shipped to, and transaction receipts. Vendors must provide and operate a tracking process that accounts for and documents the Covered UEEE activity from receipt through the downstream first tier.

f. Inventory Control

Inventory control systems and procedures are required. These controls include systemic tracking of assets, bin location, cycle count program, physical inventories, and reconciliation process. The system must show evidence that equipment can be tracked by serial number from receipt to shipment.

g. Infrastructure and Business Interruption

Vendors' operations must be scalable and able to support large volume accounts without delays or adverse impacts to compliance with these standards. Vendors must have adequate equipment and support infrastructure (such as staff, storage space, equipment, process capabilities) to meet current volume requirements and have the ability to scale up operations when necessary.

h. Packaging and Shipping

Vendors transporting whole units, components, or parts to downstream Vendors, customers or resellers for donation, sale or further refurbishment, testing, inspection, or resale must package items in a manner consistent with transporting products of value for resale

Materials ultimately intended for resale or donation must be packaged in a reasonable manner to prevent breakage. Vendors must comply with all applicable shipping, transportation, export/import, and customs requirements.

i. Financial Stability

Vendors must be in conformance with HP regional and country requirements for financial solvency and must not be undergoing bankruptcy proceedings. Requirements for financial stability are provided by the HP Vendor Manager.

j. Risk Governance

Formal vendor management governance must be performed to oversee vendor performance by any HP entity performing or subcontractor Reuse operations. Such governance programs must include (but are not limited to) the following:

- Annual assessments of performance
- Performance scorecards
- Central reporting/repositories
- Ongoing review of HP standards and regulatory changes
- Ensure compliance with local, state, and federal regulations.

k. Management Structure

Any HP business managing a recycling or reuse program must maintain a management structure and governance model to ensure adherence to the requirements set forth from HP Corporate Standards. In addition, dedicated resources must be assigned reuse management system responsibilities. Resource(s) must have linkages to HP to and infrastructure to ensure the appropriate business changes will be implemented as emerging legislation and regulatory changes occur. Such maintenance procedures must include (but are not limited to) the following:

- RPL programs
- HP accredited audit program
- Insurance standards being met

- Documented Business Continuity Planning (BCP) and site closure plans
- Annual financial and credit checks
- Key performance metric and quarterly vendor reviews
- General Specifications for the Environment (GSE) compliance
- Corporate audit program
- Assurance that Covered UEEE and any other products, parts, components, or materials are handled, stored, transported or processed by HP approved Vendors and process.
- Serial number tracking of assets dispositioned.
- Adherence to global regulatory standards
- Adherence to HP policies and standards
- Maintain linkages with HP corporate environmental compliance groups to ensure compliance with relevant legislation such as RoHS and REACH, to ensure compliance with HP standards within approved HP take-back programs and to ensure compliance with requirements communicated by other HP business units such as HP Legal, Global Trade and Global Procurement.
- Metrics: Managing entities must track all activities including receipt of units, units processed, units sent to recycling/scrap, product types of equipment processed, downstream location of sold products, import and export data, weights of material processed, equipment testing results, sales values, and country of origin and final destination of products leaving facilities. Managing entities must report activities and metrics to HP Environmental Compliance Groups meeting Local, State, Federal, and HP requirements

7   Transboundary Shipment

a. Covered UEEE exported across country borders must have prior approval from the HP vendor Manager.
b. Vendors must be able to report all export information at a minimum according to Appendix III of Basel convention Technical Guidelines and in compliance with country shipment laws. For your reference a copy of the Basel convention Technical Guidelines form is here below.

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Appendix III

Information accompanying transboundary transports of used equipment falling under paragraph 32 (b)

1. Person who arranges the transport Name: Address: Contact person: Tel.: Fax: E-mail:	2. Receiving facility Name: Address: Contact person: Tel.: Fax: E-mail:	3. Purpose of the transport:[1] ☐ Failure analysis ☐ Repair ☐ Refurbishment
4. Start date of the transport:		
5. Countries/States concerned:		

Export/dispatch	Transit	Import/destination

6. Declaration of the person who arranges the transport of the equipment:
I declare that I am entitled to represent my company and that:

a) The equipment in this transport is equipment that is not defined as or considered to be waste in any of the countries involved in the transport.
b) A contract fulfilling the conditions set out in paragraph 32(b) (ii) of the Basel Convention *Technical guidelines on transboundary movements of electrical and electronic waste and used electrical and electronic equipment, in particular regarding the distinction between waste and non-waste under the Basel Convention,* is in place.
c) Upon request from the relevant authorities, I will make available underlying documentation (e.g., contracts or equivalent documents) that can be used to verify the statements contained in subparagraphs (a) and (b) above.
d) The above information is complete and correct, to the best of my knowledge.

Name: Function: Date: Signature:

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[1] If multiple options apply to the equipment, please indicate them all.

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7. Description of the equipment (e.g. name)[2]	8. Name of the producer (if available)	9. Identification number (type No.) (if applicable and/ or if available)	10. Year of production (if available)	11. Year of earlier repair or refurbishment and kind of repair or refurbishment (optional)	12. Under warranty (yes/no) and if yes, remaining duration of warranty	13. Quantity of equipment

TO BE COMPLETED BY THE RECEIVING FACILITY						
14. Movement received at the receiving facility:		Quantity/volume received:				
Name: Date: Signature:						

c. Covered UEEE is appropriately protected against damage prior to any transport or loading (proper packaging)

d. Any required permits or government consents for transboundary shipments must be secured before shipment.

e. Vendors must maintain a documented Restricted Party List (RPL) process and demonstrate that a RPL check was performed .

f. Supplier must not export, ship or otherwise transport any Covered UEEE from developed countries (defined to include any country that is a Member of the Organization for Economic Co-Operation and Development (OECD) or the European Union (EU)) to developing countries (defined as any country that is not a Member of the OECD or EU) except if such exports are in compliance with applicable laws, the Basel Convention, and HP's Policy on Export of Electronic Waste to Developing Countries,

8   Subvendors Use and Audits

a.   Vendors must disclose the identity of all Subvendors used to perform reuse services for Covered UEEE throughout their entire downstream supply chain through Final Disposition.

b.   Vendors must verify and maintain documentation that any Subvendors they employ to provide reuse services for Covered UEEE will and do comply with this Standard, including the HP Supplier Code of Conduct. Vendors must agree that any such subcontract will impose on the Subvendor all requirements to which the vendor is subject in its contract with HP. Vendors will ensure that subcontractors and Subvendors comply with these requirements.

c.   Except for those Subvendors that HP advises Vendor in writing do not require audits, Vendor must conduct annual audits of each of its Tier One Subvendors to document conformance with this Standard at all sites and operations, regardless of their location, that are used to provide services with respect to Covered UEEE. Vendor's audits of its Tier One Subvendors may be conducted by Vendor or third party auditors selected by Vendor.

d.   Vendor must ensure that annual audits are performed on each Subvendor that is not its Tier One Subvendor that is providing services with respect to Covered UEEE. The audits must document conformance with this Standard at all sites and operations, regardless of their location, that are used to provide such services and may be conducted by Vendor, by Subvendors with respect to their own downstream Subvendors, or by third party auditors. Some portion of the audits must be conducted on-site.

e.   In all agreements with Subvendors, Vendor must reserve the right but not the obligation for HP or HP's designated third party to conduct annual on-site audits of Subvendors; and require its own Subvendors to ensure by contract that all Subvendors providing services with respect to Covered UEEE are subject to the requirements in this section.

f.   The on-site audit must assess all elements set out in the [U.S. EPA's Plug-In to eCycling Guidelines for Materials Management](), including, but not limited to, inspection of the Subvendor's facilities, review of the Subvendor's EHS management systems, materials tracking, export compliance and tracking, emergency management plan, closure plan, insurance documents, relevant permits, licenses, approvals, agreements and other required government or regulatory documents, and interviews with Subvendor employees. The vendor shall make available to HP, upon request, documentation, and results of all on-site audits of Subvendors.

9   Audits of Vendors and Documentation

a.   HP reserves the right to conduct annual audits and assessments of all vendor sites and operations, regardless of their location, that are used for handling, storage, or processing of Covered UEEE. Such audits may be conducted by HP or an auditor selected by HP. HP reserves the right to conduct these annual audits on-site.

b.   Corrective actions must be managed by the vendor in close cooperation with the HP Vendor Manager to ensure the implementation of expedient remedial corrective action per audit program specifications. Records related to actions to correct deficiencies and documented management activities must be retained.

c. Upon request, Vendors must make available to HP, records and information related to their internal self-assessment process and supply copies of records and relevant information to HP. Records and information include, but are not limited to, material tracking documents, material balances, unit counts, materials analysis, shipping records, disposal records, emissions monitoring, employee medical testing, inspection reports, regulatory notices, training records, spill, or release reports. Results from audits and assessments will measure conformance to this Standard and the terms of the contract. Vendors are required to show documentation on an ongoing basis and will be audited in areas including all elements set out in the U.S. EPA's Plug-In to eCycling Guidelines for Materials Management including but not limited to:

- Financial stability
- Insurance Coverage
- Business Continuity
- Physical and building Security Protections
- Permits, Licenses, etc.
- Asset Mgmt. tracking mechanisms
- Data Destruction practices, software utilized, and tracking
- Environmental Health and Safety Mgmt. system
- Document Control practices
- Training Records
- Waste Generation
- Waste Management Plan for material of concerns
- Facility Operations
- Ethics and Business practices
- Management and account structure
- Monitoring Results
- Battery Removal process
- Safety Procedures and Protocol
- Risk Assessments
- Human Resource procedures and documentation

10 Definitions

a. **Covered Materials/ Covered UEEE**: Electronic hardware products, parts, components, or materials, whether HP brand or non-HP brand, that are handled, stored, transported or processed by a Vendor or Sub vendor pursuant to a, refurbishment, remanufacturing or recycling services contract or other arrangement with HP.

b. **Designated Materials:** are a subset of Covered Materials that, because of their properties, require special care. They are: (i) printed circuit boards, plastics, cathode ray tubes (CRTs) and CRT glass, batteries, mercury- and polychlorinated biphenyls (PCB)-containing lamps and switches, whether broken (included shredded) or intact, and any other items containing lead, mercury, cadmium, hexavalent chromium, beryllium, or PCBs; and (ii) products that include such materials. "Designated materials" do not include material following the point of Final Disposition.

c. **Disposal**: Landfill, incineration without energy recovery, and any other disposition of electronics hardware products, parts, components or materials that is not for resale, reuse, refurbishment, parts harvesting, recycling, or energy recovery.

d. **Disposition**: Management of unwanted electronic hardware products, parts, components, or materials for resale, reuse, refurbishment, remanufacturing, recycling, or disposal.

e. **EHS**: Environmental, Health and Safety.

f. **Electronic hardware**: All electrically powered computing, printing, video display, audio, peripheral input/output (e.g., keyboard, mouse, remote control) or other equipment operated by electrical current (e.g., batteries, power supply, power cord, etc.), whether HP or other brand. This includes, but is not limited to, products for sale or lease, sample and prototype products, factory scrap managed by HP, obsolete inventory, customer or reseller returns, trade-in, components, subassemblies, and whole units.

g. **Energy Recovery**: Processing of materials to generate and collect energy, such as through incineration of material to create steam and drive electrical turbines.

h. **Final Disposition**: The point at which the output fractions from recycling or residuals (a) have been subjected to final disposal (including through land disposal) or energy recovery; or (b) are converted into a material that needs no further processing in order to be directly used in other manufacturing processes.

i. **Final Destination:** The final destination of UEEE can be Reuse if the product will be refurbished or remanufactured or Recycling if the product will be recycled.

j. **Repair:** The process by which the faults in a unit preventing its specified operation are corrected, including parts replacement while not significantly changing the unit's composition and design.

k. **Refurbishment**: The process by which used electronic products or components are restored to a defined condition in function and form that is comparable to, or better than, a new unit. The unit's composition and design is not changed significantly, as in remanufacturing.

l. **Remanufacturing**: All actions necessary to build up as-new products using components taken from previously used electronic equipment as well as new components, if applicable. Depending on the components used, this process may significantly change the unit's composition and design.

m. **Recycling**: Recycling means processing of electronic hardware products to recover usable or marketable raw materials (ingredients in manufacturing) or other products such that the original products lose their identity. Recycling does not include

processing to return products to use in their original form (for example, repair, remanufacturing or refurbishment for the purpose of reusing computers).

n. **Resale/ Remarketing**: Sale of a used electronic hardware product for its original intended purpose with or without prior repair or refurbishment.

o. **Donation: A**ssets that are given freely to a future user of the refurbished or remanufactured products, with no consequent obligation

p. **Reuse**: Reused material is defined as recovered products or components of products that are used for the same purpose for which they were conceived. (SASB definition)

q. **Sub vendor**: Any third party who provides services to or on behalf of HP's Vendors with respect to recycling, reuse, or disposal of electronic hardware products, parts, components, or materials.

r. **Vendor**: Any third party who either manages first tier Vendors (sometimes known as "Tier 0" Vendors) or provides first tier services to or on behalf of HP with respect to recycling, reuse, or disposal of electronic hardware products, parts, components, or materials.

s. **Vendor Manager**: The designated HP employee or representative responsible for managing HP's relationship with a Vendor, Vendor's understanding and compliance to HP standards and policies, and Vendor responsiveness to corrective action.

11 References

HP Media Handling Standard, document number HP-00019-00 (External version HX-00019-00, is on the HP Supplier Portal; registration required)

HP Standards of Business Conduct

HP Supplier Code of Conduct (pdf file)

Supplier Social and Environmental Responsibility Agreement (pdf file)

HP Standard 007-2 Vendor Requirements for Hardware Recycling

HP Standard 007-3 Vendor Requirements for Hardware Reuse

HP Standard 007-4 Vendor Requirements for Printing Supplies Recycling

Export of Electronic Waste to Developing Countries Policy

The e-Stewards Standard for Responsible Recycling and Reuse of Electronic Equipment

Responsible Recycling ("R2") Practices for Use in Accredited Certification Programs for Electronic Recyclers

U.S. EPA's Plug-In to eCycling Guidelines for Materials Management

Revision History

Revision, Date, Change Number	Brief Description of change
A, 13-Aug-2008	Initial release
A1, 11-Nov-2008	Clerical update to indicate new owner
B, 10-Jun-2014	Major revision of the entire document
01-Aug-2015	Cloned the standards for HP Inc.
E, 12-Aug-2019	Added new requirements: General Compliance Requirements, Physical Security, Auditors and vendor documentation
F, 17-Apr-23	Revision of the entire document, include refurbishment and remanufacturing on behalf of HP, removal of Insurance section.
G, 5-May-23	Highlighting the sanitization process must ensure that the system BIOS/UEFI is reset to factory defaults.