

Environmental Instruction

Green Procurement

(EI-02)

Date : 01 - 01 - 2006

Approved by : K.Y. Ko
(Chief Executive Officer)

[illegible]

1.0 Purpose

This instruction provides guidelines for ensuring environmental considerations are incorporated into the purchasing of goods and services for production and office activities.

2.0 Scope

This instruction applies to suppliers and service providers that provide services at Hong Kong Green Electronic Assembly Company Ltd. (HKGEAC) and suppliers who may have significant environmental aspects and used by HKGEAC.

The types of suppliers and service providers include the following categories:

- Building maintenance contractors (e.g. Property management company that manages the building in which this company is located; i.e. Yip Fat Factory Building)
- Chemical suppliers (e.g. Suppliers of chemicals such as chlorine containing solvents)
- Electronic parts suppliers (e.g. Suppliers of solar panels, buttons, batteries for calculators, etc.)
- Laboratory testing contractors (e.g. HOKLAS Laboratory for testing wastewater effluent from production process)
- Logistic contractors
- Office / facility cleaning contractors (e.g. Cleaning and maintaining of office and production facility)
- On-site installation / maintenance contractors (e.g. Maintenance of machines such as compressors)
- Packaging material suppliers (e.g. Suppliers of bubble wrap, printed box, carton boxes, etc.)
- Pest control subcontractors (Spraying of insecticides around the company's premise)
- Waste collection contractors (e.g. Collection of chemical wastes, such as spent chlorine containing solvents and solid wastes such as general refuse in the office)
- Waste recycling contractors (e.g. Collection of paper, toner cartridges, plastic bottles and aluminum cans)

3.0 Procedure

The Accounting Department shall maintain and update a List of Suppliers / Contractors (EF-EI02-01, as shown in Appendix 1) for Environmental Control. The list shall include the types of the goods / services provided and/or the name of suppliers / contractors.

3.1 Best Practices in Purchasing of Goods and Services – 4R Principles

3.1.1 When goods / services are to be purchased, the Accounting Department shall consider the 4R (Reduce, Reuse, Recycle & Replace) principles.

3.1.2 By applying the 4R's methodology (Reduce, Reuse, Recycle and Replace) at each phase of the materials' life-cycle (planning, acquisition, operations, utilisation and

maintenance, and disposal), purchasing activities can be more environmentally responsible. When purchasing, environmental considerations should be integrated with other criteria such as performance, maintenance requirements, life expectancy, quality and value for money (cost), as far as possible.

3.2 Communication and Selection of Suppliers and Service Providers

- 3.2.1 The Accounting Department shall mark on the relevant purchase order / contract for the environmental requirements considered if applicable. The Accounting Department shall carry out an environmental evaluation of potential suppliers / contractors by means of *Supplier / Contractor Evaluation Form* (EF-EI02-02, as shown in Appendix 2). The invited suppliers / contractors shall complete and return the evaluation form together with the quotation / tender documents. The Accounting Manager shall review the completed evaluation forms and determine whether the environmental performance of a supplier / contractor is "Acceptable" or not. When the environmental performance of a supplier / contractor is found "Unacceptable", the Accounting Manager shall consider the decline of order / contract unless with justifiable reason.
- 3.2.2 The Accounting Department shall ensure that the *Environmental Guidance Notes for Supplier / Contractor* (EG-EI02-01, as shown in Appendix 3) and the Environmental Policy have been issued to those listed service providers / suppliers during quotation or contract renewal wherever applicable. The Environmental Guidance Notes (EG-EI04-1) shall be signed by the suppliers / contractors and returned to the Accounting Department for record purposes.
- 3.2.3 The Accounting Department shall communicate with the contractors that work on HKGEAC premises (e.g. renovation, maintenance contractor, cleaning and pest control, etc) regarding the environmental policy of HKGEAC and the environmental requirements (e.g. waste collection and disposal). HKGEAC may ask contractors for relevant records to demonstrate the compliance to legislation requirements if necessary.
- 3.2.4 For pest control, the Accounting Department shall ensure the contractor providing details (e.g. types, formulations and possible hazards) of the pesticides products used for pest control and ensure that products are registered under the Agriculture, Fisheries and Conservation Department.

4.0 Monitoring and Checking

- 4.1 The Accounting Department shall regularly review the environmental performance of suppliers / contractors and shall bring any unsatisfactory environmental performance to the supplier / contractor's notice by appropriate communication channels and document the communication records.
- 4.2 The Accounting Department shall complete the *Supplier / Contractor Performance Assessment Form* (EF-EI02-03, as shown in Appendix 4) periodically or upon completion of the contract (for single / one-off services).
- 4.3 If the environmental performance of a supplier / contractor is found to be persistently unacceptable, the responsible staff have the authority to disqualify that supplier / contractor from future procurement.

5.0 Records

Record Description	Record Location/ Retention Responsibility	Minimum Retention Time
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Environmental Procurement List (Supplier / Contractor) (EF-EI02-01)	Accounting Department	3 years
Purchasing records / communication with supplier / contractor on the requirement / projects	Accounting Department	3 years
Supplier / Contractor Evaluation Form (EF-EI02-02)	Accounting Department	3 years
Environmental Guidance Notes for Supplier / Contractor (EG-EI02-01)	Accounting Department	3 years
Supplier / Contractor Performance Assessment Form (EF-EI02-03)	Accounting Department	3 years

6.0 Appendix

Appendix 1 : Environmental Procurement List (Supplier / Contractor) (EF-EI02-01)

Appendix 2 : Supplier / Contractor Evaluation Form (EF-EI02-02)

Appendix 3 : Environmental Guidance Notes for Supplier / Contractor (EG-EI02-01)

Appendix 4 : Supplier / Contractor Performance Assessment Form (EF-EI02-03)

No.	Company name	Type	Related SEA	Related Department
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HKGEAC operates an Environmental Management System (EMS) and requires environmental management details of potential suppliers for our records and to assist in the assessment of the capabilities of supplier / contractor to comply with our environmental management system requirements.

Please note that failure to complete this form may affect your opportunity to supply products / services to our company.

Part A : To be complete by Supplier / Contractor

Company Name:

Contact Person:

Tel:

Fax:

Email:

Address:

Brief description on products / services provided:

1. Do you have an EMS in place?

☐ No ☐ Yes

2. Is your EMS certified to a recognized standard? Please give date of certification.

☐ No ☐ Yes Date of certification:

3. Do your organisation have an in-house environmental policy?

☐ No ☐ Yes (Please attach a copy)

4. Have your organisation breached any environmental legislation for the past one year?

☐ No ☐ Yes (Please provide details)

5. Does your organisation establish plans / programs for pollution prevention, waste recycling / reuse, and/or resource conservation?

☐ No ☐ Yes (Please provide details) ☐ NA

6. Is your organisation provides packaging take-back service? (for supply of bulky goods)

☐ No ☐ Yes (Please provide details) ☐ NA

7. Are your product(s) made from sustainable / recycled source, recyclable, energy-efficient, resource-efficient, and/or certified to a recognized safety or environmental standard?

☐ No ☐ Yes (Please provide details) ☐ NA

8. Do your organisation provide environmental training to your staff?

☐ No ☐ Yes (Please provide details)

9. Do your organization identify your environmental impact of your services and how do you improve it?

☐ No ☐ Yes (Please provide details)

Company Chop and Signature:

Date:

Part B: To be completed by HKGEAC

HKGEAC's comments and recommendations:

Name and position		Signature		Date	

As part of our effort to contribute to sustainability in Hong Kong and further our Environmental Performance, Hong Kong Green Electronic Assembly Company Ltd. (HKGEAC) has implemented an Environmental Management System (EMS) comply with the ISO 14001 standard requirements.

In keeping with the intent of the standard, we adhere to the attached Environmental Policy and request that all our Suppliers and Contractors observe the following environmental requirements: -

- Comply with all legal and other requirements.
- Control the use of materials and resources (e.g. electricity, fuel, chemicals, paper, etc.) to be both energy and resource efficient.
- Minimise the production of all kinds of waste, while carrying out any work outside or within our premises.
- Ensure that wastewater is discharged to in accordance with legal requirements
- Reuse and recycle materials/waste wherever possible
- While working on any of our premises, contractors are required to ensure that all waste materials are properly handled, stored and disposed of in an efficient and sensitive manner to avoid any spillages and leakages
- Regularly maintain all vehicles used for the purpose of conducting business with the company to ensure that noise and air emissions are controlled.
- For supplying products to HKGEAC, it is encouraged to use recyclable packaging and take back or reuse the transportation packaging wherever possible.

Please complete the following Acknowledgement Slip and return to HKGEAC by fax :

Acknowledgement

TO : Hong Kong Green Electronic Assembly Company Ltd.

From : _____ (Company Name)

We are fully aware the Environmental Policy of Hong Kong Green Electronic Assembly Company Ltd and willing to work with Hong Kong Green Electronic Assembly Company Ltd in complying your policy requirements.

Authorized Signature with Company Chop

Name : _____

Position : _____

Date : _____

Job No / Order No. :
Contract Period :
**Name of Supplier /
Contractor :**
Contact Person :
**Services / Products
Description :**

Performance Area	Poor	Needs Improvement	Acceptable	Not Applicable	Remarks
1. Services / goods delivery on time					
2. Services / goods Quality					
3. Co-ordination with our staff					
4. Material usage and wastage (reuse, recycle materials, can take back packaging materials for reuse)					
5. Proper waste handling and disposal					
6. Environmental Performance (product performance / on site work performance)					
7. Rectify problem effectiveness					
8. Overall Assessment					

Reviewed by :
Date