GUIDELINE FOR HANDLING SCRAP MATERIALS:

Environment, Governance and Social Responsibility for a Sustainable Macau



Issued by CEM, S.A. - Procurement & Logistics Department
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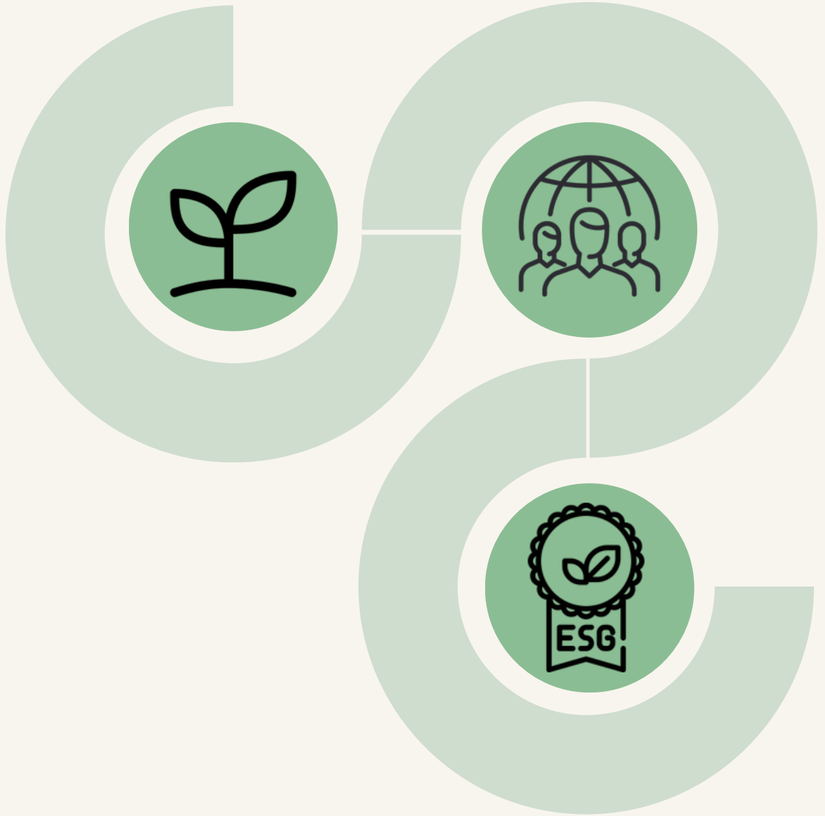
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Objective

CEM is committed to environmental protection and encourages suppliers to embrace sustainable practices in line with Environmental, Social, and Governance (ESG) principles. This guideline supports suppliers in responsibly handling scrap materials to minimize environmental and social harm, introduces approved recycling suppliers for ethical disposal, and highlights the importance of social responsibility in safeguarding communities from hazardous waste. By prioritizing sustainability, we aim to foster a healthier planet and promote positive community outcomes.



Importance of Proper Scrap Handling

Improper disposal of scrap materials can significantly impact communities.
Below are examples of common items handled by CEM and their potential harms:

Material	Potential Harm to Community	Impact
NiCd Batteries	Hazardous heavy metal (Cadmium, Nickel) may leak into soil and water, posing long-term health risks	Endangers public health, particularly for children and vulnerable groups
SF6 Gas	Potent greenhouse gas with a Global Warming Potential (GWP) 23,500 times greater than CO2 over a 100-year period	Deteriorates air quality and exacerbates global warming, impacting future generations
Waste Oil	Contaminates water sources, harms aquatic life, poses fire hazards and pollutes the soil	Violates environmental laws, leading to fines and reputational damage
Printed Circuit Boards (PCBs)	Contains lead, mercury, and brominated flame retardants, which are toxic to humans and wildlife	Pollutes drinking water and farmland, leading to chronic health issues

List of Suggested Recycling Suppliers

CEM works with various recycling suppliers to meet sustainability requirements. Suppliers may consider these options or use their own approved recycling suppliers, provided they meet all necessary compliance standards.

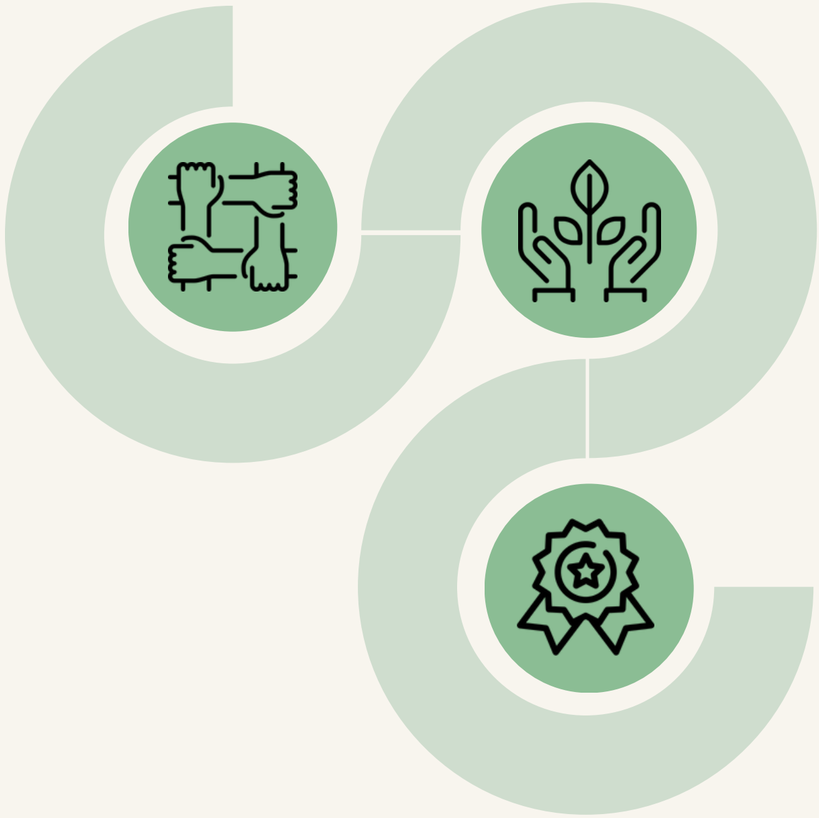
Name	Specialization	Certifications	Contact Information
Chun Wa Environmental Protection	SF6 Gas	N/A	Email: junhualtd@gmail.com Phone: 853-2889 8899
Kwan On Environmental Engineering	Chemicals, Waste Oil	ISCC EU (Sustainable Waste Oil Processing)	Email: kitty@kwanon.com Phone: 853-2871 7551
Vannex International Limited	NiCd batteries, SF6 Gas, PCBs	R2 (Responsible Recycling)	Email: info@zxv.mo Phone: 853-2850 2635

Remarks: the table above lists examples of recycling suppliers in alphabetical order

Commitment to Social Responsibility

By adhering to this guideline, suppliers contribute to:

- **Safer Communities:** Reduced exposure to toxic materials
- **Cleaner Environment:** Decreased pollution and healthier ecosystems
- **Sustainable Reputation:** Meeting ESG goals and attracting ethically-minded clients





For any questions, please contact CEM Procurement and Logistics Department - Sourcing & Supplier Development Team

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