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# Lucent Technologies

## Business to Business Electronic Recycling Programs

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# Lucent Technologies Presentation Overview

- **Lucent Current Profile**
- **Lucent EH&S Programs**
  - **Policy**
  - **Goals**
  - **Worldwide Standards (WWS)**
    - **WWS for Hazardous Waste and Contaminated Scrap**
- **Case Study -Product Takeback and Recycling Programs**
- **Key challenges for Lucent's PTR programs**



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# Lucent Technologies - Who we Are!

- **Lucent is a world leader in the Communications Networking Market**
  - We are a team of 150,000 people including 26,000 members of our innovative engine, Bell Laboratories
  - We are 33rd among Fortune 500 companies: a global leader in virtually all the markets where we compete
  - Building on a 125 year heritage with a team now 40% new to Lucent since our launch
  - Constantly reinventing our business for the evolving communications market



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# Lucent's EH&S Policy

## Lucent Technologies environmental, health and safety policy

Lucent Technologies is committed to protecting the environment and the health and safety of our people, our customers, and the communities where we operate. Meeting this commitment is a primary management objective and the individual and collective responsibility of all Lucent employees worldwide. To that end, we shall:

**comply** with all applicable environmental, health and safety laws, regulations and Lucent's Global EH&S standards

**establish** management systems for environment, health and safety based on recognized standards, and set company-wide goals for continual improvement

**integrate** environment, health and safety into our business plans and decisions -- including in the design, production, distribution and support of our products and services

**ensure** that our products are safe, and work with suppliers and customers to promote responsible use throughout their life cycle

**reduce** environmental impact and conserve natural resources by minimizing waste and emissions, reusing and recycling material, and responsibly managing energy use

**motivate and prepare** all employees to take personal accountability for protecting the environment and creating a safe and healthy workplace

**be a leader** in deploying and promoting innovative, cost-effective environmental, health and safety technologies and procedures both within and outside the company.

We will regularly review and improve this policy, communicate it to all employees, and make it available to all stakeholders.



Rich McGinn  
Chairman and  
Chief Executive Officer



John Pittman  
Vice President, Chief Quality,  
Environment, Health and Safety Officer



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# Lucent's EH&S Goals

## Purpose and Intent

- EH&S Goals serve both as drivers to ensure the organization is focused on key activities and measure the progress of our actions.
- The Goals are tools to communicate progress to our leadership and ensure adequate resource and attention are focused on the effort.



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# Lucent's EH&S Worldwide Standards

- Reduce potential risks and liabilities.
- Increase productivity through improved working conditions.
- Protect and enhance Lucent's brand image.
- Establish Lucent as responsible corporate citizen.
- Compensate for lack of harmonization among country laws.



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# Lucent's Current Recycling Programs

## Materials of Concern Generated by Lucent

- All types of batteries (lead-acid, Ni-Cad, Metal Hydride, Absolyte, Lithium etc.)
- Mercury wastes
- *Electronic Scrap*
- Solder paste, dross, skimmings etc.
- Printed Wiring Boards/Printed Circuit Boards (PWB/PCB)
- Fluorescent Lamps
- Waste Solvents
- Radiological waste
- Remediation Waste



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# Lucent's Current Recycling Programs



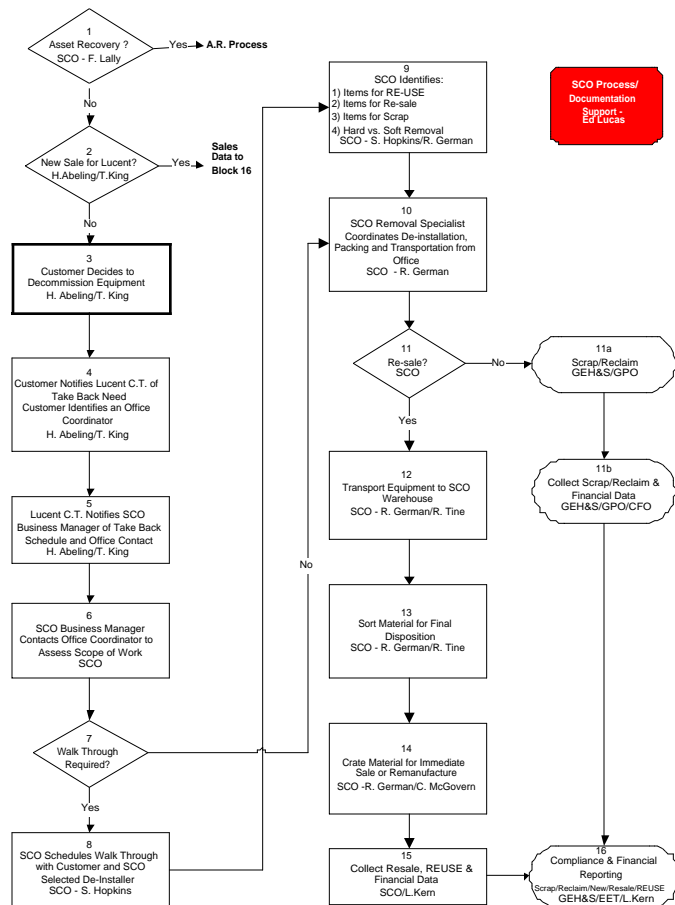
## Drivers

- **Regulatory Requirements**
- **Business Needs - Internal and External Customers**
  - **Global Approach**
    - **North America, EMEA, CALA, Asia/Pacific and China**



# CASE STUDY : Lucent's Take Back Process Flow Diagram for EMEA

One-Lucent Take Back Process



- **Creation of Lucent-wide Strategy**
- **Designing in proactive mode**
- **Teams meet formally via conference calls - weekly**
- **Will make logical use of existing infrastructure (LU or External)**
- **Gap closure focusing on in-country legislation/regulations and transboundary shipments.**
- **Projected turn up by Qtr4, 2000**



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# Lucent Asset Recovery Program

**Customer is looking for:**

- **Consolidating of its Physical Plants and Services**
- **On-Line Tracking of Assets and Services**
- **More Efficient Use of its Office Space**
- **Cost Savings by Reduction of Inventory**
- **Reducing Infrastructure Equipment Costs by Reapplication of Equipment Into Customer Network**



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# Asset Recovery Program Value

- **Creates Equipment Options for Customer**
- **Recover Revenues for Valuable Assets**
- **Removal and Reduction of Hazardous Materials**
- **Resale Avenues for Surplus Equipment**
- **Established Vendor in a World-Wide Resale Market**
- **Exceeding \$1.5B in 2000**
- **Liquidation of Certain Equipment**
- **Consolidation of Services**
- **Scrapping of Unmarketable Equipment\***

*\*Customer's main concern was proper disposal and recycling of equipment. Lucent will only use approved vendors for the scrapping of material.*



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# Lucent Services Provided

- **Assistance in Identification and Categorizing of Retired or Antiquated Telecommunications Equipment**
- **Upgrading Revision Levels of Certain Assets**
- **De-Installation, Handling and Shipping of Designated Customer Assets**
- **On-Line Reporting, Dialogue and Accounting**
- **Barcode Cataloging of Assets**
- **Storage and Warehousing of Assets**
- **Insuring Assets During Lucent Possession**



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# Product Take Back - *Key Challenges*

- **Communication of Takeback Program to Internal Lucent Organizations:**
  - Product Designers, Product Managers, Sales and Marketing
- **Understanding Customers needs and requirements.**
- **Understanding and complying with regulations.**
  - Ensuring appropriate reporting requirements are met.
- **Establishing business relationships with key vendors.**
  - Approved Scrap Dealers
  - Approved Transporters

