Environmental, Social and Governance (ESG) & Data Security Report

Fiscal Year 2022

ERI®

People. Planet. Privacy.™

First Carbon Neutral ITAD & Electronics Recycling Company

ERI is the largest fully integrated electronics and IT asset disposition provider and cybersecurity-focused hardware destruction company in the United States and, with our global infrastructure, one of the largest in the world.

In 2022, ERI became the first carbon neutral ITAD & electronics recycling company.

ERI holds the highest level of certifications available for both data destruction and responsible recycling, being the only provider to have all 9 U.S. facilities certified by NAID, e-Stewards, and R2. In addition, ERI is the first e-waste recycler in the world to hold SOC 2 certification, demonstrating that we have the strictest procedures for data handling and data policies.
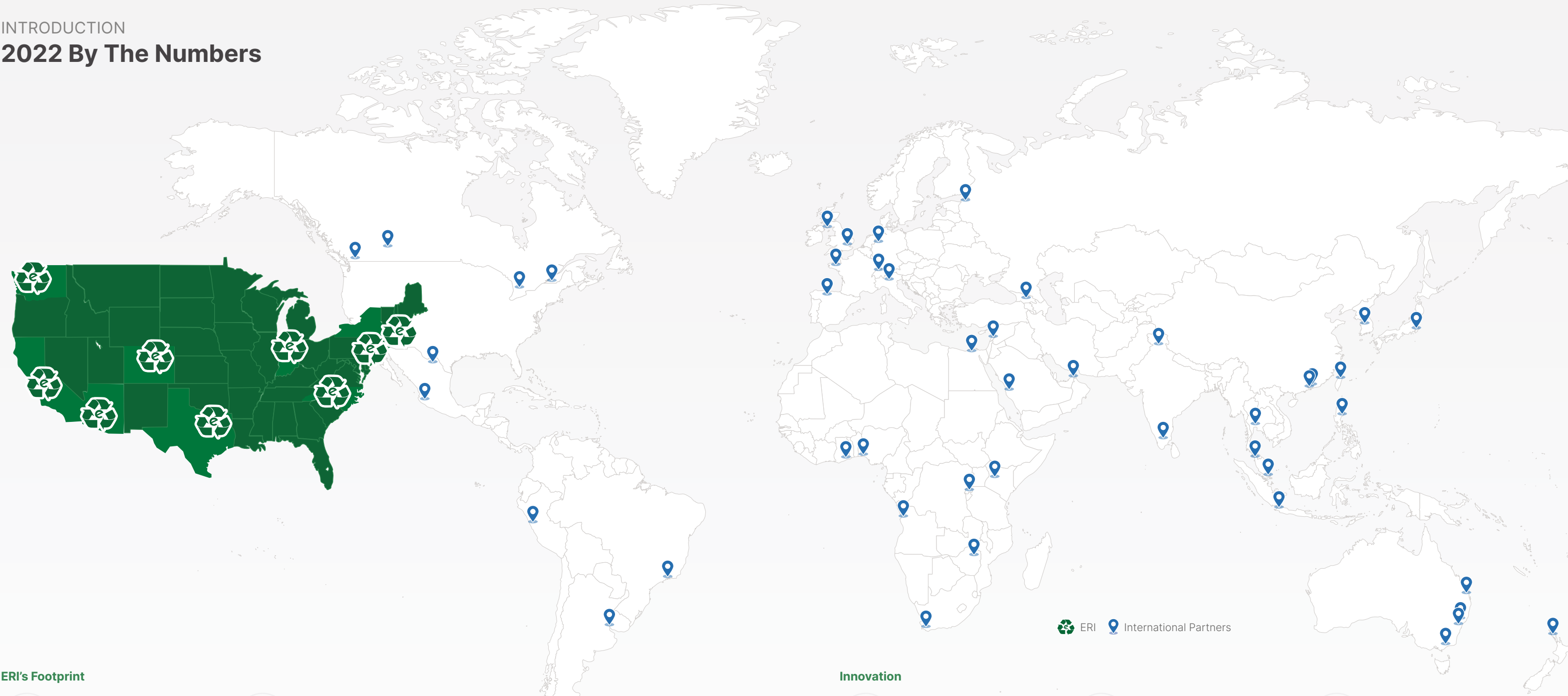
The ESG & Data Security Report represents ERI's commitment to sustainability and data security and has been prepared in accordance with the GRI Standards: Core option. Unless otherwise stated, data in this report represents the calendar year 2022 and can be used to assess ERI's performance and commitment to our people, the planet, and your privacy.

This report will be updated annually and distributed to all ERI stakeholders and customers as part of our commitment to excellence and transparency.

Contents

2022 By The Numbers

ERI International Partners

ERI's Footprint

Countries Serviced:
130

US Facility Locations: **9**
International Partners: **42**

We Are ERI

Number of Employees:
1,340

Hours of Training Undergone
Per Employee:
20

Commitment to Excellence

Environmental &
Compliance Violations: **1***

Data Security
Compliance Breaches: **0**

Innovation

First US E-Waste Company
to Deploy **2** Robots Utilizing
Artificial Intelligence (AI)

28+ Circular Innovative
Initiatives

Industry Leading & Proprietary
OCR Software Utilized for Accurate
ITAD Processing

The Environment

120 million lbs. of
Equipment Collected

4.1 million lbs. for
Beneficial Reuse

116 million lbs. of
Commodities Reintroduced into
the Economy

Carbon Impact

Less Than **64 million lbs.**
of CO_2e Emissions

708 million lbs. of
CO_2e Prevented

From the Chairman & CEO

Dear Stakeholders, Friends, Family, and Supporters of the Planet:

For ERI, 2022 was a particularly exciting year. We doubled down on innovation, contributions to the circular economy and our long-standing, solution-driven focus to make the world a better place by protecting people, the planet and privacy.

It was also a year in which our environmental, social and corporate governance (ESG)-related activities were brought to a new level of excellence. ERI continues to lead the industry, both in terms of ERI's own internal culture and operations and also for our partnerships with many of the world's largest brands who turn to ERI to assist them with achieving their ESG and cybersecurity/data destruction goals.

In a year packed with accomplishments and awards, perhaps our single greatest achievement – and something that set a new bar for our entire industry – was that we officially became the first carbon neutral recycler of electronics in the world.

Despite all our success, it's key to note that responsible recycling remains an uphill battle. Whether due to lack of education or benign neglect, we all face challenges to get things done. It's not easy, but it's critically important.

An Inconvenient Truth

Consider the very concept of recycling, which most Americans embrace wholeheartedly, despite the dismal stats on how much actually gets recycled. According to marketer Suzanne Shelton, 95% of Americans believe recycling helps the environment, and 76% say recycling helps them feel better about all the products they buy. It's also the top way to address climate change, they believe. A recent survey from Arris, a U.S. manufacturer of lightweight composites, backs this. It found 70% of Americans name recycling as the #1 thing they do to help the environment.

Americans' green aspirations, however, far exceed reality. According to the latest data from the U.S. Environmental Protection Agency, just 32% of waste gets recycled or composted, putting America in 25th place globally, just behind Estonia and Hungary. When it comes to electronics, we only recycle 17% of the devices being used globally and the EPA believes that only 12% is being responsibly recycled here in the United States. We can do so much better for our planet, and it's our mission at ERI to lead by example.

ERI is Carbon Neutral

Our latest ESG "first" culminated in 2022 when we officially became 100% carbon neutral -- distinguishing us as the world's first electronic recycling and ITAD company to achieve carbon neutral status.

We are incredibly proud to have voluntarily taken this critical next step in our ongoing mission to protect the planet and lead the industry. As most of you likely know, we have been working towards carbon neutrality since our very inception, implementing carbon-reducing measures such as energy efficient lighting, electric forklifts on our facility floors, uniquely paper-efficient business cards, shifting to off-peak demand energy usage, fleet management, and more.

Becoming carbon neutral is the latest chapter of our sustainability history – and we are incredibly proud of our work. We continue to strive to do even more at our facilities to further this initiative.

We are continuing to expand our goals through evaluation of renewables at all our sites, EV trucks, more EV forklifts, energy efficiency initiatives for each facility, and countless other projects to reduce our carbon footprint. As we continue to grow, we want to keep our climate impact from growing with us. There is no finish line in the race towards sustainability – every day we *all* can always do more, and be better stewards for our environment.

A Diverse and Inclusive Organization

Our leadership team at ERI understands that all of our accomplishments are made possible by our talented, dedicated people. Fulfilling our mission to "protect the planet, people and privacy" requires highly skilled team members to be fully engaged in solving some of the world's toughest environmental challenges.

It should be noted first that our operational mantra is *Safety First* for all our employees. We protect and provide support for our workforce through wide-ranging opportunities for training, leadership development and their well-being.

We work every day to build a diverse, equitable and inclusive culture where everyone is valued and heard, and we continue to make steady and measurable progress across our workforce, management, corporate leadership and board of directors.

Our company's commitment to diversity and inclusion goes well beyond traditional definitions of this critical social construct. It can be seen in our richly diverse overall team, as well as in the number of women who have advanced into C-level leadership positions.

At ERI, some of our most valued positions, such as President & Chief Revenue Officer, Senior VP of Human Relations, VP of Finance, VP of our Retail Division, and Chief of Staff all have been held on a long-term basis by very talented and experienced women professionals who are well-respected in their individual fields.

These positions are a direct result of our unwavering and long-standing commitment to gender diversity and is a remarkable achievement in our industry. ERI also embraces important principles of social equality, including gender pay equity, and wages above the industry statutory standards.

Another First: SOC 2 Compliance

Our commitment to protecting people, the planet and privacy is our promise to every customer we serve. While many organizations in our industry overlook the "privacy" element, we know it is a critical part of ESG because the social and governance pillars of the ESG foundation can be seriously damaged when private or sensitive data is compromised.

For this reason, we aggressively pursued another "first in industry" goal in 2022 and became the first ITAD company or electronic recycler in the world to achieve SOC 2 compliance certification.

Considered the absolute pinnacle of security and data protection, SOC 2 compliance certification is recognized globally for its rigor in the review of organizations' systems and controls. It affirms that ERI's practices, policies, procedures and operations meet the elite SOC 2 standards.

SOC 2 independent audits are conducted to review companies' effective implementation of employee controls and training, IT systems and risk management control, product discipline, and vendor selection. ERI's SOC 2 examinations for Type I compliance testing were conducted in accordance with standards from the American Institute of Certified Public Accountants (AICPA) and we passed with flying colors.

Obtaining the SOC 2 Type 1 certification reinforces ERI's ongoing commitment to security, data protection and the responsible recycling of all electronic devices. Our partners and customers can feel confident that we are making every investment to establish and maintain the highest level of security and compliance possible.

This process also demonstrates that we are willing and able to provide independent testing and validation that proves our systems and controls for handling data can be fully trusted.

CAPTURE: Efficiency through Innovation

Our ongoing success in the ESG realm is due in large part to our continual development of innovative technology. One great example is Optech CAPTURE, another of ERI's critical highlights in 2022.

From the Chairman & CEO

Our proprietary Optech CAPTURE technology establishes radically transparent, complete chain of custody tracking, starting from when the assets are serial scanned at the site of origin and then throughout the entire onsite collection process.

The technology is accessible via mobile devices and used by ERI's field technicians at the on-site customer location. Optech CAPTURE enables ERI's technicians to create a detailed list of products, complete with optional pictures of what is being picked up and packaged at the customer site. Upon completion of the onsite service, the system then provides a receipt, including a signature at the time of collection.

In the ITAD industry, a complete and detailed chain of custody is critical for proper data security and tracking. We are proud to pioneer a new level of efficiency and protection for our customers while responding to a key industry need.

In 2022 we took our Optech platform that was already best-in-class and continually added new tools in order to reach a new level of excellence. Optech CAPTURE ensures that the chain of custody starts and ends with ERI when it comes to protecting customer data.

ESG is in Our DNA

The report you are about to read is a radically transparent view of our ESG-related activities. It's substantial in volume because virtually everything we do at ERI is ESG-related.

Each month, we recycle about 20 million pounds of electronic waste. In our nine facilities and 12 buildings across America, we have over a thousand employees, and we're the largest e-waste recycling company in North America. We are also the leaders in acknowledging that e-waste is more than a sustainability issue; it's a data security and cybersecurity issue as well.

Nobody had heard the term "ESG" back when we launched ERI in 2005, but it has always been part of who we are. We were – and continue to be – on

a mission to make the world a better place by keeping hazardous toxins out of landfills, keeping people's data private and safe, and doing everything with a goal of achieving zero waste, zero landfill, and zero emissions.

The company's core values remain on the wall at ERI headquarters and in the signature blocks in every email that our team members send out, and they bear repeating:

- We Are Customer Obsessed.
- We Are Innovators.
- We Are Accountable.
- We Are Diverse and Inclusive.
- We Are One Team.
- Speed Matters. Every Second Counts.
- See Something. Do Something.

ESG is inextricably linked to every one of these tenets and I believe it has been a key to our year-over year growth and success as an organization and as an environmental and social steward.

We are also passionate about sharing our knowledge and learned perspectives on ESG and circularity with businesses and individuals on a global level. For example, ERI is a proud member and contributor to the Circular Electronics Partnership (CEP), a consortium of organizations banded together to suggest sustainability best practices and a roadmap to a genuine circular economy of electronics.

We have been working alongside CEP member organizations such as Amazon, Cisco, Dell, Google, HP, Lenovo, Microsoft, Vodafone and many others to design a blueprint to help guide industry stakeholders in the transition to a circular economy.

The CEP roadmap was officially published in 2022 and we are humbled to have been able to contribute to the narrative. The roadmap sets objectives for key areas of the electronics value chain – including design, sourcing, manufacturing, reverse logistics and recycling.

Blazing a Trail to Tomorrow

2022 was truly a banner year for ERI in terms of innovation, collaboration and ESG. It was also our biggest year of gross revenues and profits. We have taken these profits and reinvested them into ERI to elevate us even further as the premiere brand in the industry.

With our proprietary tech described above, we are able to help our customers and partners achieve their own new levels of ESG excellence. And we have only just begun. Expect announcements this year about new innovations and achieved goals.

Electronic waste is no longer just the fastest growing solid waste stream in the world. It is now the fastest growing solid waste stream by a 2-4 times margin over the second fastest growing solid waste stream (single use plastic).

We are living through a generational and monumental shift on a worldwide basis from a linear to a circular economy. And it makes sense that if we want to expedite this shift to better serve the planet and our future generations, electronic waste must be responsibly and safely recycled on a widespread basis. 2022 was also an amazing year in that many of our new and existing partners and customers approached us directly to help them achieve their own circular economy, ESG and zero waste/zero emissions/zero landfill goals.

Together, we continue to challenge the status quo and are taking decisive actions every day now to create a sustainable future where communities can thrive, where equality is foundational, and where we can ensure that the environment is protected for future generations.
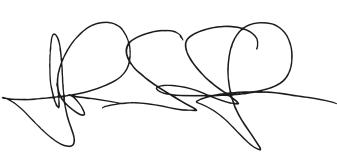
In addition to the impactful successes listed above, I firmly believe that the greatest factor that makes us the best at what we do is our passion, purpose and willingness to collaborate, which sets ERI apart from all of our competitors. Our unique strategic partnerships with LS MnM, Alcoa and Redwood Materials has allowed us to continue to innovate and

create a distinct advantage over our legitimate competitors around the world.

In addition to the impactful successes listed above, I firmly believe that the greatest factor that makes us the best at what we do is our passion, purpose and willingness to collaborate, which sets ERI apart from all of our competitors. We've helped create an entirely new industry – by working with our customers, partners, colleagues and stakeholders (government entities, OEMs, NGOs).

We look forward to continuing to achieve a sustainable and consistent profit and steady growth of our shareholders' value, while making the world a greener, cleaner, and ultimately better place.

We are all beyond grateful for your continued loyalty and support over the years,

John S. Shegerian
Chairman and CEO
ERI
Fresno, California

About ERI

Still, only 17% of the world's electronic waste is properly managed and recycled.

E-waste remains the fastest growing solid waste stream globally. And there is no slowdown in sight.

Due to a number of societal factors, including new and improved technologies being introduced faster than ever, electronics are becoming obsolete at a much faster rate than ever before. This results in approximately **100 billion pounds of e-waste generated each year**, a metric which is growing at a staggering rate.

Estimates say that only 17% of electronic waste is responsibly recycled globally. While there is no reliable data explaining what happens to the remaining 83%, it is either landfilled, stockpiled or exported to developing countries where it is improperly processed posing environmental, humanitarian and data privacy concerns.

Since 2002, ERI has been a leader in the e-waste recycling services industry. ERI's core services include e-waste recycling, IT asset disposition (ITAD), data destruction, legislative compliance, data center services, battery management, and PV / solar panel management.

In addition, ERI offers a host of ancillary services including on-site solutions, logistics services, mail back programs, remarketing, redeployment and lease return programs. ERI also offers specialty programs to fit nearly any company's electronic device management needs.

Our services touch every major sector of the economy. We are proud of our role leading the way in circular economy initiatives through responsible reuse and recycling of electronic devices. Our work provides key services to support social, environmental and economic initiatives while also ensuring data privacy and compliance with all applicable laws.

ERI serves businesses large and small, from start-ups to the Fortune 100, as well as local, state, and federal government agencies around the globe.

ERI services a wide array of industries with their unique challenges. Some of the industries we service include:

Aerospace	Healthcare
Automotive	Hospitality
Aviation	Insurance
Banking	Manufacturing
Computers	Media
Defense	Pharmaceutical
Education	Retail
Electronics	Sports
Energy	Technology
Entertainment	Telecommunications
Environmental Services	Transportation
Financial Services	Utilities
Government	

ERI's Core Values

- We Are Customer Obsessed.
- We Are Innovators.
- We Are Accountable.
- We Are Diverse and Inclusive.
- We Are One Team.
- Speed Matters. Every Second Counts.
- See Something, Do Something.

ERI's driving mission is to make the world a better place by protecting people, the planet and privacy.

ERI is certified at the highest level by the leading environmental and data security oversight organizations to de-manufacture, recycle, refurbish, and resell every type of electronic device in an environmentally responsible manner while also ensuring 100% destruction of the data contained within any type of electronic device.

Through groundbreaking innovation, strategic partnerships, radical transparency and a steadfast commitment to the circular economy, ERI works every day to keep toxins out of landfills, keep data private and safe, and do everything with a vision for zero waste, zero landfill, and zero emissions.

Leadership

ERI was founded in 2002 in Fresno, California and in the past 20+ years has built a best-in-class leadership team.

We have built an Executive Team and Board of Directors with diverse backgrounds and extraordinary experience. It is not an easy path to develop and grow a successful electronics recycling company. However, we have continued to expand operations year over year, innovating and evolving to provide critical services, led by an accomplished and seasoned executive team.

Executive Team

Aaron Blum
Co-Founder, Chief Operating and Compliance Officer, Author

David Hirschler
Senior Director of Sustainability and Legislative Compliance

Anthony Borges
Vice President of Operational Strategy

Linda Ramos
Chief of Staff

Tyler Browning
General Counsel

John S. Shegerian
Co-Founder, Chairman, CEO, Chairman of the Board, Author

Rich Calzada
Chief Technology Officer

Tammy Shegerian
Co-Founder, President & Chief Revenue Officer, Board of Director, Author

Carol DeBellis
Senior Vice President of Human Resources

Jonah Yap-De Jesus
Vice President of Finance

Kevin J. Dillon
Co-Founder, Chief Marketing Officer, Chief Sales Officer, Board of Director, Author

Board of Directors

Tae Sun Choi
Head of Raw Materials Division - LS MnM

John S. Shegerian
Co-Founder, Chairman, CEO, Author - ERI

Kevin J. Dillon
Co-Founder, Chief Marketing Officer, Chief Sales Officer, Board of Director, Author - ERI

Tammy Shegerian
Co-Founder, President & Chief Revenue Officer, Board of Director, Author - ERI

Brendan M. Egan
Founder and CEO of Simple SEO Group, Co-Founder & CMO of Engage, Author

Mark Stiffler
Vice President of the Asset Management Group for Alcoa

Kate Fazzini
CEO of Flore Albo Cybersecurity

JB Straubel
Founder of Redwood Materials, former Co-Founder and CTO at Tesla

Ron Gonen
Founder and CEO of Closed Loop Partners

David Wang
Managing Director with TCW's Direct Lending and Alternative Products Groups

Carbon Footprint

The First Carbon Neutral ITAD & Electronics Recycling Company

ERI's mission is fundamentally climate-positive by reducing waste and paving a path toward a 100% circular economy. However, our commitment to protecting the planet doesn't end there. We are committed to becoming a net-zero, nature-positive organization. As one step on this journey, we are proud to be the first ITAD & electronics recycling company to achieve **carbon neutral status** starting in Q4 2022 through exhaustive efforts to reduce our emissions and by offsetting our Scope 1 and 2 emissions with a world leading carbon credit organization focused on real, impaction projects that go above and beyond in reducing carbonization here on planet earth.

As an organization, however, we will not be satisfied with just these efforts. In 2022, ERI continued its commitment to reducing its real carbon footprint and greenhouse gas (GHG) emissions. Despite an increase in emissions due to business expansion and more employees returning to our offices and facilities, we have taken several steps to mitigate this increase. Our goal to achieve zero operational emissions by 2030 remains the same and we have built a team to help all of ERI's facilities improve on environmental impacts while providing the highest service quality for electronic material circularity.

Since we started reporting our true carbon impacts in 2021, we have examined our GHG emissions from various aspects, such as energy usage, logistics and impacts from other materials that are needed to support electronics recycling. We found that about 84.44% of the emissions were from scope 3 emissions, of which 49.75% were from logistics. Therefore, we have focused on decentralizing the reuse and recycling process by working with partners and exploring the feasibility of using electric trucks to support the critical need of transportation for recycling and reuse.

Greenhouse Gas Emissions (GHG) Inventory

While ERI's recycling and reuse dramatically reduces the carbon footprint of our clients, ERI's operations do have their own carbon footprint. We've conducted second formal quantification and captured more data points to understand greenhouse gas emission hot spots in our operations. This setup is part of ERI's corporate commitment to hold ourselves accountable for our footprint and encourage low-carbon innovations throughout our entire operations and supply chain.

We recognize that creating a more sustainable planet is a key interest of ERI as well as our customers. We are committed to doing our part in reducing our footprint so we can not only provide our customers with the carbon-friendly service they are seeking, but do so while having the smallest possible impact on the environment.
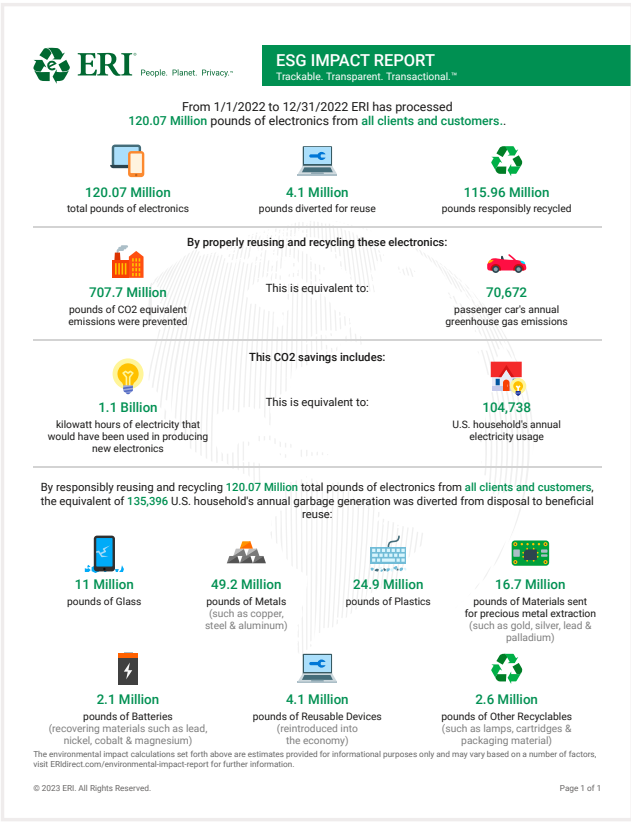
ESG Environmental Impact Report

ERI launched the industry's first ESG Impact Report in 2021. This proprietary technology allows ERI customers to see the impact their recycling efforts are having on the environment and calculate their carbon offsets.

ERI's ESG Impact Report is integrated into Optech™, which allows customers to view real-time carbon emissions, savings, and landfill diversion. The information can also be exported into a one-page PDF report. These metrics help not only ERI, but also ERI's customers to better understand how recycling and reusing electronics can have tremendous environmental impacts. For the first time ever, all this data is now fully trackable, transparent, and transactional.
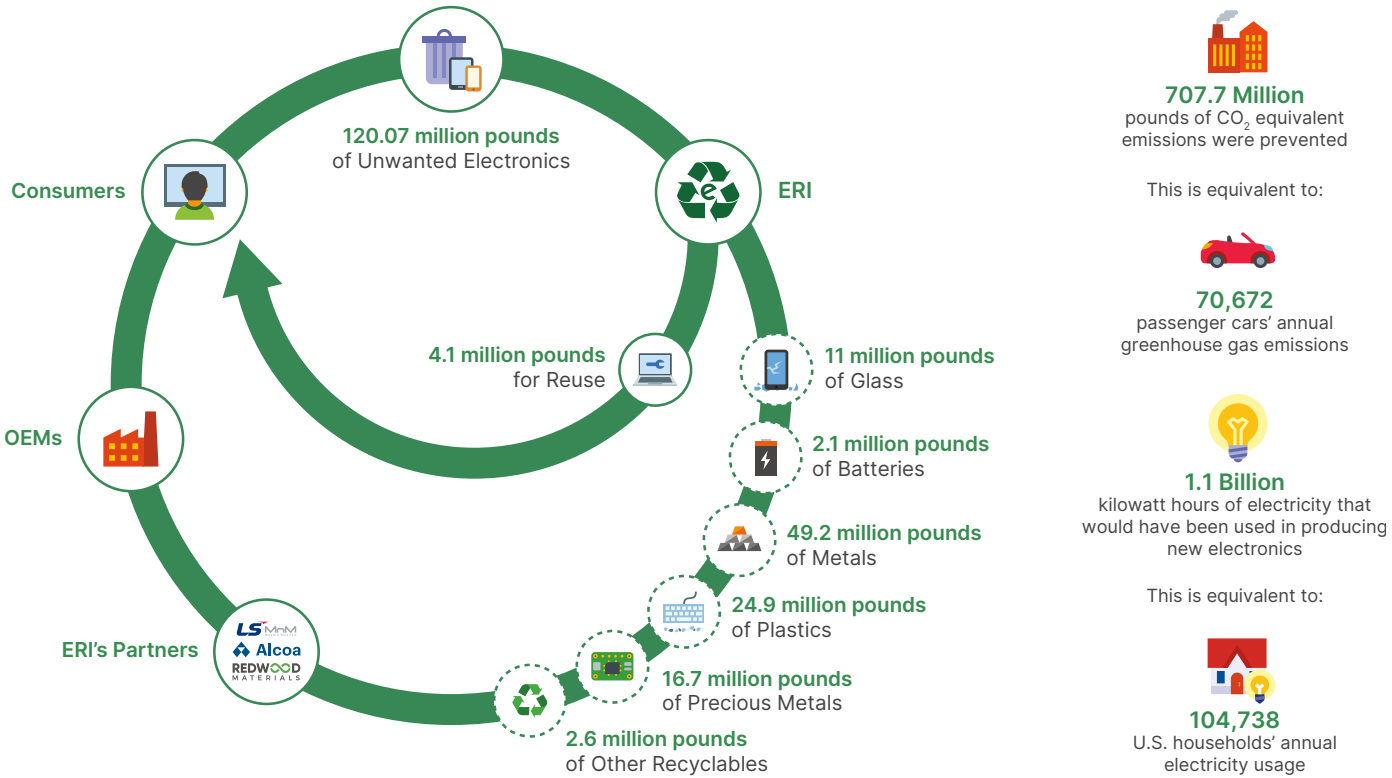
ERI supports its customers to estimate their environmental impacts by reusing and recycling with ERI. We've incorporated the calculator into ERI's proprietary system Optech™ to provide easy access to this service. For more information, please see Page 34.

Material Circularity

As the demand for electronics, their components and renewable technologies only continues to accelerate, the intensity of mining activities related to this growth continues to increase, resulting in environmental consequences both local to the mining communities as well as around the globe.

Many of these materials are mined in developing countries where there is very little protection of human rights and labor and where technology to reduce the carbon impact of mining is few and far between. As demand is predicted to continue to grow, it becomes more and more important to properly reuse and recycle old electronic devices to close the loop and create a true circular economy.

A truly circular economy is critical for the world to sustain the environment and the planet not just for generations of tomorrow, but for our very well being today and in the immediate future. ERI has implemented this belief since inception -- not just delivering best in class services for our customers but maximizing the circular economy and minimizing our carbon footprint for the planet we all call home.

In 2022, ERI's facilities collected, sorted and processed over 120 million pounds of material across the country, including over 4 million pounds of products which required data sanitation in accordance with NAID and SOC 2 certified procedures.

Resources Reuse

With over 20 years of experience, ERI has built an industry leading asset management team at our 9 facilities from coast to coast and internationally through strategically vetted partners. Reuse and refurbishment of electronics, along with responsible reuse of raw commodities from electronic devices, has enabled ERI to help be a solution to the problem of virgin commodity mining. In fact, during the supply chain disruptions that plagued many businesses during the COVID-19 pandemic, ERI was not in any way impacted by supply chain issues and even saw a dramatic increase in the demand for recycled electronics, components and their commodities. In 2022 alone, there were over 650,000 units of spare parts that ERI recovered to support companies in need of components.

Deforestation of rainforest for mining in Sumatra, Indonesia.

Design for Sustainability

ERI's OEM program has long helped producers of electronics stay in compliance with various state and federal regulations regarding recycling of electronic devices in the states which they sell new devices.

In 2022, ERI launched a new Design for Sustainability service aimed at helping to empower our OEM clients in understanding the recycling process and how product design can help with collection, hazardous material identification and dismantling of old electronic devices.

At ERI, we strongly believe that improving the recycler - OEM relationship will only lead to great things for our collective sustainability goals.

Generating Commodities through Recycling

Our nationwide and international collection network and growing capacity for recycling has transformed ERI into a world leader for various commodities, including copper, plastics, aluminum, steel and more. In 2022, ERI set records in the amounts of commodities recycled.

As a good steward of the earth, ERI goes above and beyond our certification requirements for auditing and reviewing our internal processes to ensure we are producing the highest quality of commodities with the least amount of waste possible. With multiple international downstream vendors for nearly all of our commodity streams, ERI continues to be a leader in the circular economy supporting manufacturers in their quest for recycled commodities.

The Fimiston open pit mine, also known as Super Pit and Golden Mile, was the largest open pit gold mine in Australia.

Carbon Footprint (Cont.)

As part of our commitment to reducing Scope 1 and 2 emissions, we have conducted an in-depth analysis of our energy consumption patterns. Our findings have revealed that a significant portion of our emissions, specifically 56.26%, is result from the consumption of electricity. To reduce our operational emissions, we have expanded investment in energy-efficient equipment and planned to source renewable energy for all the ERI facilities.

We are committed to implementing clean energy sources at our facilities. We plan to install renewable power to demonstrate our dedication to sustainability and reduce our reliance on finite energy sources. We are currently evaluating all of our facilities to determine if installing solar panels is feasible. By using renewable power, we can significantly decrease our GHG emissions and contribute to a cleaner environment. Additionally, we are reviewing equipment in all of our facilities to accelerate the transition to clean energy equipment, such as LED lighting, HVAC, and dock seals.

In addition to our ongoing sustainability projects, we continue to explore opportunities to decarbonize our activities in the near future while supporting society with ERI's high-quality circular solutions. At ERI, protecting "People, Planet, and Privacy" has been our motto to ensure we are doing everything we can for a better future.

ERI's Estimated Emission Distribution - 2022
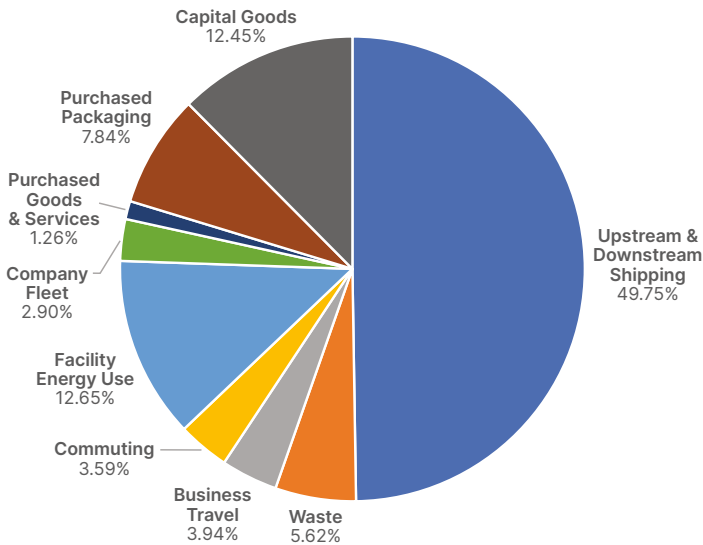
2022	GHG Emission (CO2e Lbs.)	%
Scope 1	4,379,885.94	6.80%
Scope 2	5,633,506.19	8.75%
Scope 3	54,359,861.88	84.44%
Total	**64,373,254.01**	**100.00%**
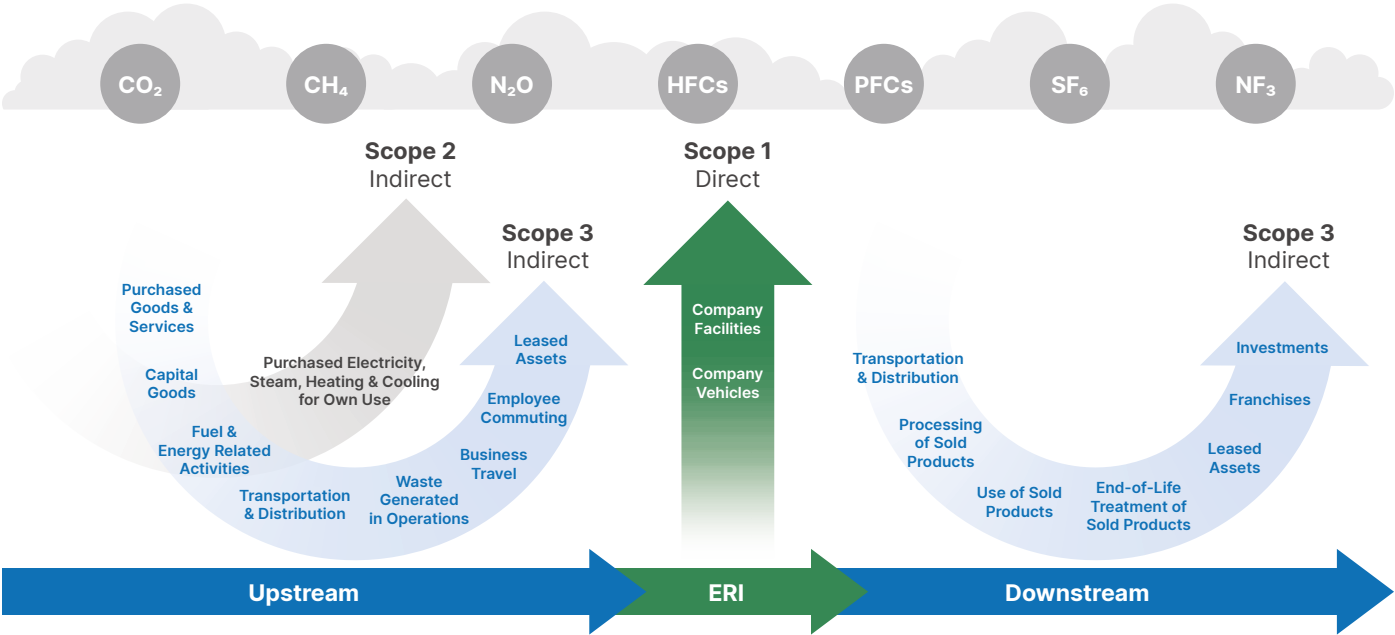
Innovation & Improvements

Lighting Retrofits

ERI continues to reduce our Scope 2 emissions by replacing metal-halide light fixtures with LED fixtures. Our California facility converted 75% of its shredder building to LED lighting. Many of ERI's facilities have followed suit, such as Texas and Indiana, with 100% conversion to LED lighting to reduce our energy consumption and optimize our energy efficiency. We have continued to explore options for converting and installing more LED lighting in other facilities.

Supply Reuse & Minimizing Waste

While ERI's operations heavily involve the circular economy model, we continue to make an internal zero waste effort, especially with internal operational reuse. ERI builds relationships with our clients and downstream partners to reuse and circulate facility's supplies.

Across our facilities, during FY2022 alone, we reused 70% pallets, 60% Gaylord cardboard containers, and 30% of our drums which met the quality and standards of the Code of Federal Regulations and the U.S. Department of Transportation. The reused supplies are only utilized if they meet these safety regulations.

As a company that prides itself on its sustainability efforts, when purchasing new materials ERI searches for environmentally friendly and recyclable products. By purchasing products with recycled contents, our emissions are lower, and we are directly contributing to the circular economy by supporting other environmentally conscious organizations.

Forklift Electrification

As part of our continued effort to transition into clean energy resources, ERI has converted more than 87% of its propane-powered forklifts into fully electric models.

We are proud to announce that our Arizona, Colorado, Massachusetts, New Jersey, Texas, and Washington facilities are all fully electric.

We will continue to convert everything into electric and will transition our energy sources into renewables.

Water Fountains

Over 3 of our facilities have installed water fountain stations to encourage a culture of reuse and limit waste generation.

For example, our Texas facility installed water fountain stations saving 6,845 bottles since 2021. The California and Colorado facilities have installed several fountain stations, with California completing 75% capacity.

We strive to look for ways to reduce single-use plastics and continue to increase our accessibility to water fountain stations for improved employee productivity and health.

100% of ERI's fleet is leased which enables us to use the most efficient freight technology	ERI has converted 75% of the warehouse forklifts to electric	97% of the warehouse lighting has been replaced with energy-efficient LEDs	**100% of ERI leadership has focused on building a circular economy**	100% of the supersacks and pallets we have purchased are used	With strategic reverse logistics, 70% of our shipments are backhauled	We have reused at least 65% of our corrugated boxes

Logistics

ERI's nine facility locations nationwide have been carefully selected to both improve efficiency in logistics and in trucking. ERI is within 500 miles of almost every zip code in the United States.

Our facilities, especially in Indiana, California, and Texas, are within common freight routes to increase our ability to efficiently use reverse logistics providers. With the advantage of these locations, ERI has been able to ensure that an estimated 70% of our third-party shipments are backhaul shipments which utilizes empty trucks returning from other shipments.

In addition, ERI has three facilities on the east coast of the U.S. and three facilities on the west coast to efficiently service high population centers. Therefore, ERI's fleet travels an average of under 130 miles per shipment. ERI also has a strong focus on ensuring efficient movement of goods on the fleet.

While we understand that not all of our clients can fill a truck to its maximum capacity, our goal is always to efficiently load material in and out of our facilities.

As a result of these efforts, ERI's non-courier shipments exceed an average of 6,000 lbs. per load (including all truck sizes). ERI understands that the more efficiently a truck can be loaded, the less trucks are needed.

Fleet Fuel Management

ERI uses its fleet of 19 vehicles to move products which includes a combination of semi-trucks, box trucks, and passenger vehicles. As part of our continued effort to support the sharing economy, ERI leases all of its fleet vehicles to ensure that we are not creating unnecessary waste as our business grows and our fleet needs change. As an additional benefit, by leasing our vehicles we tend to replace older, less efficient vehicles with newer models more regularly, so we can count on our fleet being as fuel efficient as possible.

We hope that by participating in this sharing economy we are sending market signals that encourage reuse and sharing business models over traditional cradle-to-grave models. ERI is also considering utilization of alternative fuel sources in the future as technologies improve.

Total Gallons of Fuel Consumed by ERI's Fleet
82,926.09, a 7.9% increase versus 2021
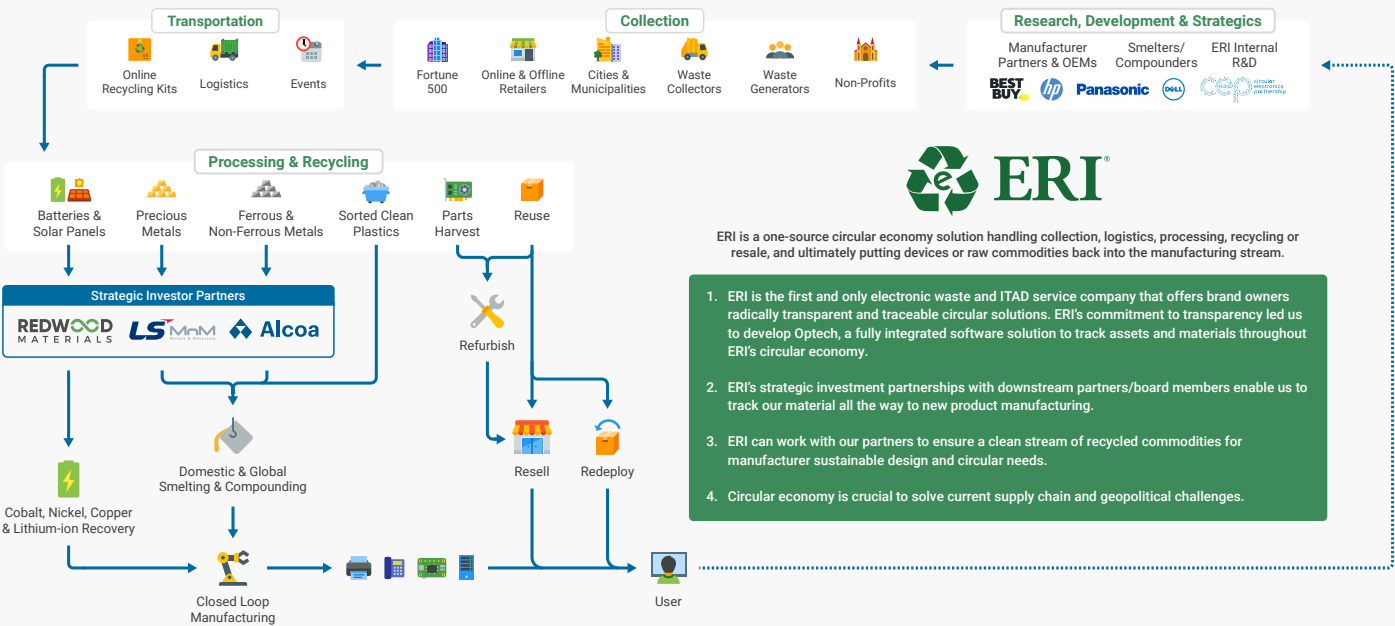
Average Miles Per Shipment
610.45 Miles Round Trip

Average Weight Per Truck
Non-Courier: 6,018.37 lbs.

ERI-owned Fleet Emissions
18.67% of Total Scope 1 & 2 Emissions

Overall Logistic Emissions
52.69% of Total Emissions

Innovation in the Circular Economy

Category	Circular Measure
Innovation and Strategy	• Purposely select processing location and collection networking partners • Co-design robotics and machine learning to protect front-line operators and increase the material's recovery rate • Strategically partner with upstream and downstream organizations to secure the valued materials within the loop • Increase and expand recycling technology and capacity to capture emerging electronic waste • Support advanced training to obtain the most up-to-date knowledge and experience that directly relates to ERI's development
Service	• Collaborate with local government, business, NGOs, schools to collect and process the materials • Refurbish the reusable electronics to extend their lifecycle based on service contract and share revenue with source clients • Provide Leasing Program for organizations to promote shared economy which they can utilize the technologies without owning the actual object • Support corporates to donate refurbished electronics to the groups in need • Ensure original equipment manufacturers (OEMs) clients to comply with regulations in all states, assist OEMs to increase products' reusability and recyclability
Operation	• Strictly comply with highest electronics recycling standards, information destruction criteria, and other environmental management certificates • Reduce dependance on finite energy resources • Reuse facility supplies wherever economic feasible and applicable • Selectively work with vendors that provide service as products to reduce dependency on single-used materials • Regular training for emergency occasions to ensure staff's safety
Engagement	• Weekly internal newsletters to promote news on circular business, upcoming sustainability events, and educational materials • Communicate with vendors and associations that support facility supply reuse program • Encourage clients to reuse and refurbish the products that still present value • Constantly explore potential partners that support material recovery system • Vigorously attending conferences in different scales to stimulate circular economy discussion • Dedicated in conversations with ERI investors to discover the opportunities of circular system • Interview independent thinkers and thought leaders to identify societal issues and solutions

Since ERI's inception nearly 20 years ago, we've valued and followed best practices of collecting and processing electronics in a responsible way. Even before the countless industry certifications and audits which exist today, ERI was doing things the *right* way. Our standards for data destruction and electronics recycling have always been the strictest in the industry.

With the concept of circular economy becoming commonplace in the last few years, we found that building a circular system for materials is one of our many core strengths and an area we will continue to expand upon this year and in the years to come.

" The mounting glut of e-waste, the need to protect private data, and the move by more and more businesses away from a linear and toward a circular economy are among the most critical and pressing issues in society today.

ERI has made it a priority to share best practices and a real-time example of how through innovation and collaboration, we can empower businesses to achieve their ESG and sustainability goals, protect people and the planet and grow our profits all at the same time.

John S. Shegerian
Chairman and CEO

Closed Loop Supply Chain for Plastics

At ERI, we know that our clients have the same vision as we do to continue building a circular economy. It's been obvious in light of COVID-19 and other supply chain disruptions that establishing a closed-loop supply chain system is critical to avoid business disruptions. Innovative and responsible waste management is not only diverting waste away from landfills, it also helps dramatically increase the feedstock for manufacturing new products.

Last year, there were more than 710,829 lbs of plastics recovered through electronic recycling from ERI and our partners. These plastics include polypropylene (PP), polystyrene (PS), and polyethylene terephthalate (PET). We continue to explore new opportunities with our downstream partners in order to continue to upcycle these materials and sell them back into the manufacturing loop.

NEW PRODUCT ASSEMBLY
Products are manufactured by the OEM with recycled components

CUSTOMER PRODUCT USAGE
Customers buy/rent the product and use it

MOLDING NEW PLASTIC PARTS
Recycled resins are sent to molders to create new product components

POST-CONSUMER PRODUCT RECOVERY
Recycling programs with OEMs and partners facilitates the recovery of end-of-life products

SORTING & COMPOUNDING NEW RECYCLED RESINS
New high-quality engineering resins are made at are made at manufacturing facilities with post-consumer plastics

POST-CONSUMER PRODUCT DISMANTLING
ERI processes used products and separates plastics from other materials

Using AI & Robotics to Improve Safety & Efficiency

Optech Capture

Building on ERI's industry leading Optech platform which connects all our facilities and customers together for tracking of their electronics and account management, ERI announced in 2022 the launch of Optech Capture.

Optech Capture is an industry-first mobile application which enables customers, logistics companies and ERI personnel to scan, serialize and photo capture each electronic device at the time of pickup, leading to a truly complete and indisputable chain of custody ensuring the highest level of security and sustainability.

Optech Capture helps organizations get that "next level" of reporting and peace of mind knowing every single device is serialized and documented from the second it is picked up on-site to its final disposition.

Project SOAR

To compliment Optech Capture, ERI announced in 2022 the launch of Project SOAR. Project SOAR is an AI driven optical recognition software proprietary to ERI which allows our facilities to photograph and scan devices and their bar codes, serial numbers and other information ensuring 100% accuracy every single time a device is logged within Optech.

This new process cuts down on room for human error and creates an indisputable record of every single serialized device at ERI, providing our customers with the added peace of mind that the data on their device is destroyed and their device is tracked throughout ERI's facilities.
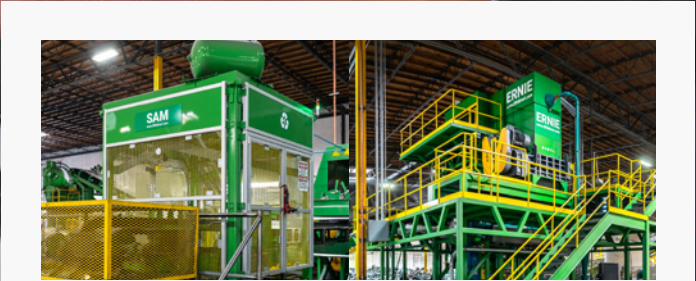
SAM & ERNIE

One of ERI's many proprietary innovations in recycling brings us a new world class, state-of-the-art proprietary flat screen dismantling system, allowing for safe and efficient recycling of flat panel televisions. Named "ERNIE," ERI is proud to announce as of the end of 2022, this robotic system has dismantled **over one million units.**

ERI's Super Automated Machine, nicknamed SAM, is our newest robot which incorporates artificial intelligence (AI) to automate the process of material separation and produce cleaner commodity streams than if processed by hand.

SAM uses optical AI to constantly learn about materials on a conveyor belt which come from ERI's shredders. SAM is able to then pick and sort the materials into plastics, metals, glass, and other commodity streams and further liberate the commodities from their debris. As of the end of 2022, SAM has sorted **over 30 million commodity pieces.**

Downstream Management for Responsible Recycling

Supporting the Circular Economy

In order to truly support the circular economy, ERI carefully tracks the movement of materials and commodities once they leave our facilities. ERI only utilizes recycling services and downstream partners certified by specific organizations that meet or exceed our own rigorous requirements, audits, and approval processes.

This ensures compliance with all relevant health, safety, security, and environmental legislation. ERI maintains a register of permits and license details for all our waste carriers, processors, recyclers, and commodity companies that we work with.

While ERI is a zero landfill company, it is inevitable to generate some waste during the sorting and recycling process. ERI reduces waste generation in every way possible by reusing facility supplies and working with our downstream partners to process materials like cardboard boxes and pallets to properly recycle any waste generated into a new material stream of paper products.

Partner Management Program

ERI's Partner Management Program includes internal and independent third party audits to ensure compliance with all local, state, federal, and international laws and regulations, as well as compliance with e-Stewards, R2, NAID, SOC 2, and ERI's own internal standards.

These extremely thorough audits encompass reviews of our partners' and vendors' recycling processes, their downstream partners, regulatory compliance, liability, and finances in order to verify full compliance and competency.

These audits have the dual purpose of meeting our own certification requirements as well as guaranteeing processing and downstream compliance to reduce any potential liability for both ERI and its customers.

ERI is the only electronic recycling & ITAD company to have three strategic downstream partners invested in ERI and sitting on our board.

Redwood Materials & ERI

In March 2021, Redwood Materials, a company inventing sustainable materials by creating circular supply chains co-founded by former Tesla co-founder & CEO JB Straubel, made a significant investment in ERI along with a partnership agreement in battery recycling.

"Redwood is focused on steadily and relentlessly improving recycling economics with technology to reduce the cost of materials and create a circular supply chain to power a sustainable future," said JB Straubel, Redwood Materials Co-Founder and CEO. "By partnering with ERI, we'll be able to ensure the largest supply of e-waste batteries in the US is recycled into materials to build new EVs and clean energy products."

As part of the investment, Redwood Materials Founder & CEO JB Straubel was named to ERI's Board of Directors.

Closed Loop Partners & ERI

In July 2021, Closed Loop Partners, an investment firm focused on circular economy and ESG investments, made a significant investment in ERI.

"There are synergies across the network," said Martin Aares, managing director of Closed Loop's private equity platform. What's more, the firm will focus on helping ERI grow its asset management services for its corporate partners, which include the likes of Microsoft, Nestle and Unilever. "There is a huge market in being able to divert these materials from landfills, and in being able to extend the asset life of products or the individual components within," Aares said.

As part of the investment, Closed Loop Partners Founder and CEO Ron Gonen was named to ERI's Board of Directors.

Business Requirements Identified — **MNDA** — **Audit**

Research & Establish Contact — **Agreement, Negotiation & Document Exchange**
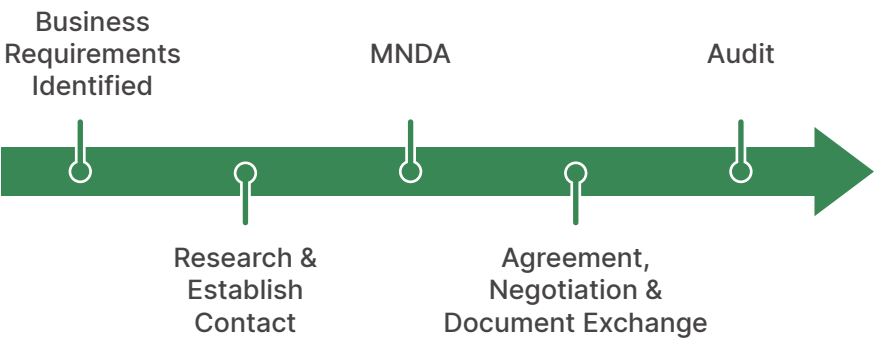
Internal Audits

- Annual audits
- Continuous internal audits to improve upon operational practices
- Preparation for audits to certification standards

International Partner Audits

- Compliance with industry recycling standards
- Compliance with all relevant electronic waste laws and regulations
- Compliance with all ERI's standards (security, asset management, environmental safety, NIST 800-88-R1 guidelines)
- Compliance with ERI's Service Level Agreements
- Downstream management and reporting
- Annual desk audits and physical audits every 3 years

Downstream Vendor Audits

- Documented Downstream Vendor Management Program
- Pre-audit evaluation and documentation (e.g., permits, insurance, etc.) gathering in compliance with e-Stewards and R2 standards
- First-tier, high-risk or hazardous e-waste vendors (e.g., CRTs, batteries, mercury-containing devices) are audited annually
- Medium-risk vendors (e.g., ink/toner, metals and plastics) are audited every 3-5 years
- For low-risk vendors (non-hazardous material, solid waste, wood), desk audits are performed at a minimum
- Increase expectations

Data & Privacy

Due to the Internet of Things (IoT), there are more data bearing devices in use than ever before including wearables, smart watches, smart phones, compact media storage devices, smart cars, smart homes, and much more. Because of this ever growing trend of being more connected, it is critical that individuals and organizations alike take data security and destruction seriously.

Research released by Javelin Strategy & Research found that there was more than $50 billion lost in 2020 through identity fraud from the increased societal dependency of video calls, email, and social media. This risk continues to increase as we are more connected and have data stored on more and more devices.

Across all the facilities in the U.S., we provide secure data destruction through our network of certified ERI facilities.

ERI holds the highest level of certifications available for both data destruction and responsible recycling, being the only provider to have all nine U.S. facilities certified by NAID, e-Stewards, and R2.

In 2021, ERI became the first ITAD and electronic recycling company in the United States to become SOC 2 compliant.

SOC 2 compliance certification is recognized globally for its rigor in the review of organizations' systems and controls. It affirms that ERI's practices, policies, procedures and operations meet the SOC 2 standards for security and data protection.

SOC 2 independent audits are conducted to review companies' effective implementation of employee controls and training, IT systems and risk management control, product discipline, and vendor selection. ERI's SOC 2 examinations for Type I compliance testing were conducted in accordance with standards from the American Institute of Certified Public Accountants (AICPA). Type I testing confirms that the company's systems and controls meet SOC 2 audit standards.

ERI will always remain at the forefront of information and data security, and becoming the first to achieve SOC 2 certification in our industry further demonstrates this commitment to excellence.

All ERI facilities are secured with state-of-the-art CCTV camera systems which include artificial intelligence to aid in monitoring, alarm systems, identification card access control, and physical on-site security. All ERI employees, staff, and vendors are vetted and checked prior to being hired by ERI. Each ERI facilitiy also features an Asset Management (AM) area which is separate from the primary facility processing floor and guarded by a dedicated security guard and metal detector as well as electronic access control to limit only authorized personnel into this area.

At ERI, we continue maintaining the highest certifications and are setting the industry's best practices when it comes to data security and privacy.

All data containing devices at ERI are processed by an asset management employee who is specially trained in hard drive wiping. ERI follows all NAID standards and data security processes to ensure 100% of data is destroyed every time. Hard drives are processed pursuant to the National Institute of Standards and Technology (NIST) overwrite procedures and are immediately fully scanned to verify that all data was destroyed. If the drive is either unable to be scanned or we cannot verify that data was wiped, ERI will then destroy the drive by shredding it to physically ensure 100% data destruction.

Within ERI's AM areas, data bearing devices are wiped in accordance with NIST standards and are compliant:

- Fair and Accurate Credit & Transaction Act (FACTA)
- The Fair Credit Reporting Act (FCRA)
- Gramm-Leach-Bliley (GLB)
- Health Insurance Portability and Accountability Act (HIPAA)
- Sarbanes-Oxley Act (SOX)
- The Payment Card Industry Data Security Standard (PCIDSS) regulations

Data breaches can inflict permanent damage to brands. ERI has never experienced any sort of data breach, however, we have also developed a Data Security and Breach Program in accordance with DoD 5220 22-M and NIST 800-88 for all ERI employees to follow, which successfully prevents any risk of releasing ERI customer data and ensures in the event of a breach a plan is in place. We maintain accurate records of all data destruction to ensure the highest levels of compliance and security.

ERI employees who handle data bearing media are required to receive training along with mandatory new hire training. Refresher training courses are taken on a regular basis by any ERI employees who handle data bearing devices.

Other security measures at ERI's facilities include annual and random audits, employee background re-checks, and third party security personnel.

ERI has developed internal data security policies that not only protect our operations but further strengthen our promise to our customers. In 2020, ERI implemented the following new security procedures:

 ERI became the first e-waste and ITAD provider to be SOC 2 certified at all of our US facilities

 Being a NAID AAA Certified company ensures operational data security and compliance procedures are documented and followed

 All data destroyed in accordance with NIST SP 800-53 security controls and NIST SP 800-88 Guidelines for Media Sanitization

 Destruction of all types of data bearing devices including printers, projection equipment, and all forms of electronic media storage

 On-site destruction is available for drives, magnetic tape, and mobile devices

 Four levels of data destruction services, including witnessed destruction through video feeds or in-person for high security data destruction services and de-mil destruction services

1. Monthly phishing tests for ERI employees since 91% of all breaches start with a phishing email.
2. A new highly available cloud SaaS solution for emails to help employees identify phishing attempts and other email security breaches.
3. An email restriction framework which removed over 65% of ERI employees from having access to external emails as their communications were deemed necessary internally only.
4. Two-factor authentication for all ERI employees to access ERI systems. This prevents unauthorized devices from logging into ERI accounts.
5. Additional software and hardware security to prevent attacks, email scams, and other cybersecurity concerns.

Environmental Health & Safety

EH&S

- Ergonomics, Hands, Eyes, Hearing Protection, Injury Prevention
- Battery Fire, Hazard Prevention
- Earthquake, Tornado, Emergency Evacuation
- Waste/Battery Handling Program
- Confined Space, Lock-out/Tag-out
- Machine Guarding, Forklift Safety, Workplace Housekeeping

ERI's Environmental Health & Safety (EHS) team conducts various trainings throughout the year to provide a safe and clean environment for our employees and partners.

ERI always follows OSHA regulations and standards and has scheduled over 40 different EHS related training events in the corporate office and our facilities. We conduct monthly EHS trainings that cover not only work specific refresher courses but also include waste management procedures, security protocols, and quarterly safety committee meetings.

Natural Disasters

Natural disasters have become more and more common across all regions of the world. Destructive wildfire events and excessive ice storms in 2020 caused billions of dollars in losses in the United States alone.

ERI has prepared and trained personnel to respond when an emergency or interruption to normal business functions occurs. ERI will utilize our national network of facilities until the recovery efforts conclude. ERI's goal is to minimize the impact a disruption might have on business processing and ERI's customers.

Each ERI facility has in place a Business Continuity and Disaster Recovery Plan designed to guide ERI through a recovery effort at each level of the organization. At the

onset of an emergency situation, ERI employees and resources will respond quickly to any condition or disaster, which could impact ERI's ability to perform its critical functions.

ERI has assigned members to crisis management teams to ensure the safety of all ERI employees throughout the emergency condition, disaster declaration, and recovery process.

The crisis management teams consist of an Emergency Management Team (EMT), Location Response Coordinators (LRC) and Local Response Team (LRT), to ensure that each team member contributes the skills used in everyday work to the overall response process.

Hazardous Materials Management

Industrial Hygiene (IH) Monitoring

Engineering and administrative controls at our facilities is crucial for us to provide a safe and healthy workplace for our employees in order to continue to advance our mission.

A critical step in recovering the value of the materials from e-waste requires necessary sorting and dismantling tasks. ERI provides and requires individuals in this certain area within each facility to wear Personal Protective Equipment (PPE) such as:

Classification	Item
• Eye Wear/Face Protection • Head Protection • Hearing Protection • Respiratory Protection	• Hard Hats • Ear Plugs/Muffs • Dust Masks • Face Shields • Full-Face/Half-Face Respirators • Welding Helmets • Safety Glasses/Side-Shields
• Arm Protection • Hand Protection	• Atlas Re-Grip Gloves • Atlas Kevlar Gloves • Kevlar Glove Liners • Mesh Arm Guards • Kevlar Sleeves • Leather Guantlets/Gloves • Chemical Resistant Aprons/Gloves
• Foot Protection	• Steel Toe Boots
• Body Protection	• Hi-Visibility Safety Vests • Uniforms • Leather Aprons

ERI complies with e-Stewards requirements to monitor and identify operational risk and hazards along ERI's Potentially Hazardous Processing Technologies (PHPTs) to ensure all employees are well-protected.

We are required to conduct industrial hygiene monitoring at least every two years for areas that handle all dismantling, shredding, and equipment operations that generate noise and potential airborne hazards. Any changes to our processing technology also requires additional air and noise monitoring.

Sampling procedures are conducted and directed by a Certified Industrial Hygienist and laboratory analyses are performed by an ISO 17025 accredited laboratory.

Air Quality

ERI's core operations do not emit any significant air emissions such as NOx or SOx, however indoor air quality is monitored and managed in each of our facilities to ensure safe working conditions for our staff.

For example, ERI installed Donaldson air filtration systems at ERI's Massachusetts, Indiana, and California facilities which are equipped with a shredding system.

High Efficiency Particulate Air (HEPA) filters and carbon filters are utilized and checked weekly to guarantee indoor air quality is within healthy ranges.

Environmental Health & Safety (Cont.)

ERI's mission is to protect people, the planet, and their privacy. Due to the nature of our business, risk is always presented in our day-to-day operations. From e-waste collection, logistics, sorting, to processing electronics at our facilities, it requires extreme caution and preparation to protect our employees and the environment.

Environmental, Health & Safety (EHS) Statistics

By the end of 2022, our Badin, Sumner, and Aurora facilities achieved over 1,000 days of continuous operation without a work-related injury or EHS event. Furthermore, all of ERI's nine facilities received an Experience Modification Rate (EMR) under 1.0, meaning our workplace is safe and the surroundings are less risky than most of the other warehouse businesses.

This isn't just by chance – ERI believes it is critical for us to ensure all of the conditions of our employee's work environment are well structured and monitored, as well as all of our employees are equipped with knowledge and training to ensure risk prevention is part of their DNA.

Battery Fire Prevention

Since the start of COVID-19, the dependence on electronics has continued to rapidly increase. The growing electronics market has only seen accelerated growth over the past several years, however with this growth we also are seeing shortened useful lifespans of electronic devices.

At ERI, we are generating over three times more battery commodities than pre-COVID-19, and this trend is only continuing to grow. It is more important now than ever that the millions of lithium-ion batteries handled by ERI are done so in the safest possible manner, reducing thermal events, and implementing technology to keep our employees and facilities safe.

Industrywide, more than 60% of fire incidents occurring in a recycling facility were related to lithium-ion battery products.

To safeguard our employees at ERI across the country, we have invested millions of dollars installing all the necessary systems to prevent, detect and extinguish battery fires. These innovations include Fire Rovers, Fire Enforcers, and heat and smoke detectors to detect fire events before they cause any injuries or damages. All ERI facilities now include 24/7 remote monitoring and emergency dispatch services.

Last year, we successfully installed a battery sorting conveyor system in ERI's Plainfield, IN facility, the system was custom fabricated with non-conductive plastic on the infeed, side rails, and drop points.

This additional conveyor system includes fixed thermal cameras to scan all batteries for thermal anomalies before they arrive for packaging and transporting. Our in-house research and development team is also working on additional AI driven robotics and automation to help in detecting and extinguishing thermal batteries before they have the opportunity to cause injury or damage to our employees and facilities.

ERI & OneDrum

While ERI is well-prepared to properly process collected batteries, we have realized that it is difficult for our clients to identify the types of batteries they have and pack the used batteries safely for shipment following Department of Transportation (DOT) standards.

In April 2022, we partnered with Call2Recycle and CellBlock FCS to provide business a convenient and safe solution to recycle their batteries. It has reported to save 80% of the time clients spend preparing batteries for transport and reduces the risks for logistics fires in the process.

Facility Updates

In our Massachusetts facility, emergency sirens and lights were installed on the production floor to help guide our leadership team in emergency situations.

In our Colorado facility, we trained our staff to work multiple roles in case of risks of weather disruptions or being short staffed.

To mitigate the shortage of labor, our Washington facility has also enhanced training for employees by giving them training protocols on 1-3 extra tasks outside of their typical role. Jamie Vorachak serves as Washington's R&R production sorter, but he also bales cardboard, takes the batteries to our sea container, and helps with unloading trailers.

Employee Highlight - Shallony Wright

"My experience working with ERI has been a great learning experience. When I first started working for ERI in 2021 I was blown away by the complexity of recycling and how it affects us all. I had no clue electronics could be recycled in such an environmentally responsible manner. Needless to say I am constantly learning something new whether it's a process, procedure and/or learning about new advanced electronics." said by Shallony Wright, ERI's Environmental Health & Safety Supervisor in Plainfield, IN.

Shallony joined ERI in 2021 and has helped managing the facility and overseeing responsibility at EH&S Department, specifically guiding the employees using proper tools and receive trainings with 44 various topics throughout the year.

ERI supports our employees to grow with us through online courses, certification process, and other official trainings. Shallony just achieved her 30-hours OSHA industry certificate and will start support improving ERI's process in Battery Department.

Shallony Wright, ERI's Environmental Health & Safety Supervisor in Plainfield, Indiana.

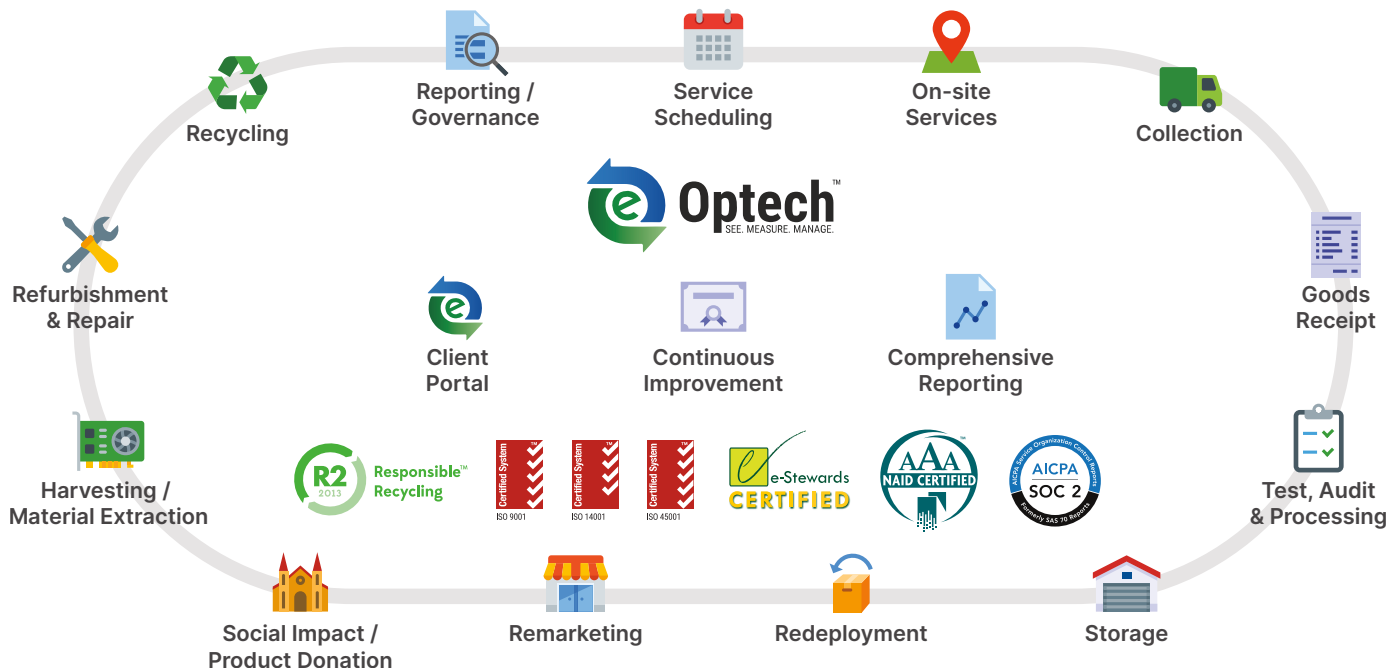|			
Number of Work Stoppages:	Zero	Average Idle Time Per Day:	82 Minutes Per Truck
Total Case Incident Rate (TCIR)		**Days Away, Restricted, or Transferred (DART)**	
Average Across 12 Buildings:	6.86 TCIR	Average Across 12 Buildings:	4.81
Average Across 3 Buildings:	Zero TCIR	4 Facilities Recorded:	Zero DART
		Fatality Rate:	Zero
Number of Road Accidents & Incidents:	Zero	**Safety Measurement System BASIC Percentiles (Last 2 Years)**	
		Unsafe Driving:	1 Violation
		Hours-of-Service Compliance:	Zero Violations
		Driver Fitness:	1 Violation
		Controlled Substances:	Zero Violations
		Vehicle Maintenance:	4 Violations
		Hazardous Materials Compliance:	Not Public

Technology

In 2006, ERI developed TrackTech, an internal proprietary software which became the hub of all ERI operations. In 2020, ERI retired TrackTech and launched Optech™ as part of ERI's commitment to technical excellence.

Optech™ is an industry leading internal and customer facing management system which allows ERI employees and customers to interact with all ERI services and gather reporting and key information on critical ESG and data security metrics.

Optech™ provides users with real-time account activity, sharing asset details from time of pickup through final disposition.

Currently, over 90% of active users are utilizing real-time account activity, sharing asset details from receipt through final disposition. We will continue to improve the accessibility of our system for ERI's customers to track the entire material supply chain and advance environmental performance.

In 2021, ERI doubled down on its commitment to technology. Technology is the way forward both for our industry as a whole as well as ERI and our customers individually. ERI upgraded our entire network infrastructure to state-of-the-art Cisco Meraki devices, modernizing our firewalls, security, and network speeds. ERI of course responsibly recycled our old networking equipment.

In addition, ERI began a two year long project upgrading every ERI facility to high definition Verkada cameras. These new cameras utilize Artificial Intelligence (AI) to better keep track of security in all ERI facilities.

ERI also began a two year project to be a 100% cloud based company by 2023. This will help improve efficiency and security, while also making ERI a greener company with less on-site resources and power consumption.

As part of this project, ERI rolled out a 100% cloud based VoIP phone solution through 8×8.

As part of our software upgrades, in 2021 ERI launched customer-generated ESG Impact Reports, allowing ERI customers to generate on-demand reports outlining how their responsible recycling has reduced carbon emissions.

In 2021, ERI began rolling out several logistics software updates for internal ERI employees which will help improve efficiency in logistics resulting in less green house emissions through ERI's logistical operations.

Reporting Integration

The Optech™ API capabilities allow for an endless amount of custom integration options with customers' existing reporting and management software. In addition to dozens of reports within Optech™, this allows customers access to their raw data where they can import it into their systems to report and analyze as necessary.

This enhanced reporting provides full transparency and data into how electronic recycling is impacting a customer's data security and ESG requirements, all the while knowing that their devices are being handled in a sustainable and secure manner.

The ERI Family

We recognize our impact as the largest brand in our industry and continue to work towards building an inclusive and diverse workforce, especially in leadership positions. At ERI, we encourage diversity in age, ethnicity, gender, and background throughout all levels of ERI.

Not only are 100% of our employees paid a competitive wage above the local minimum wage, but our FTEs are also provided with robust health and wellness benefits such as:

- Medical, dental, vision, disability, and life insurance
- Ability to contribute to a 401(k) along with a matching contribution by ERI
- Employee assistance program in partnership with local organizations
- Support for individuals recovering from substance abuse
- Employee mental health resources
- Ability to take time off and receive reasonable accommodations for victims of domestic violence or sexual assault
- Robust on-site health and safety precautions, including investment in training, certifications, extensive audit preparations, and access to technical programming to support workplace safety

Risk Prevention - COVID Protocols & Flu Shots

Throughout 2022, we continued to uphold the best health and safety practices to mitigate risks of COVID-19 and other health hazards. We continue to give updates on any adjusted protocol for COVID including mask protocol, vaccine, and quarantine information.

Additionally, we want to ensure safety against any health risks. For example, we hosted a flu shot clinic for ERI employees and their families to provide convenient vaccine access for employees.

Years of Service

Additionally, ERI's commitment to its people as its most important asset is highlighted in our employee retention rate.

For example, over 9% of our 1340+ employees have worked with ERI for over 10-15 years, indicating our culture of fostering growth and career development. We are proud to continue to develop and encourage employees to grow with us.

ERI Internal Events

In May 2022, our HQ held an Employee Health and Safety Poker event to encourage the best employee health and safety practices.

Similarly, holiday and safety parties were celebrated across our other facilities in North Carolina and Texas.

Diversity, Equity & Inclusion

EEO/Anti-Discrimination

At ERI, our priority is the safety and security of our employees. ERI requires mandatory sexual harassment training and has a zero tolerance for workplace violence. Our Anti-Bullying policy is committed to providing a safe and harassment-free workplace for all employees. We foster a safe workplace environment, which is vital to our operations and the wellbeing of our team.

ERI welcomes individuals of all races, identities, world views, abilities, sexual orientations, nationalities, marital status, and conditions. We protect against bias in any form and celebrate the diversity of our workforce. With our Equal Employment Opportunity Statement/ Ant-Discrimination policy, we strive for a culture of belonging and active allyship among every community. Our policies adhere to global equity initiatives and establish visibility to empower our diverse ERI workforce.

Full Time Employees
38%

Temporary Associates
62%

Workforce by Ethnicity
- White 25%
- Other 4%
- Asian 5%
- African American 21%
- Hispanic 45%

EVP, SVP, VP by Gender
- Female 40%
- Male 60%

Supervisor by Ethnicity
- White 42%
- Other 4%
- African American 17%
- Hispanic 34%
- Asian 3%

Workforce by Gender
- Male 62%
- Female 37%
- Non-Binary 1%
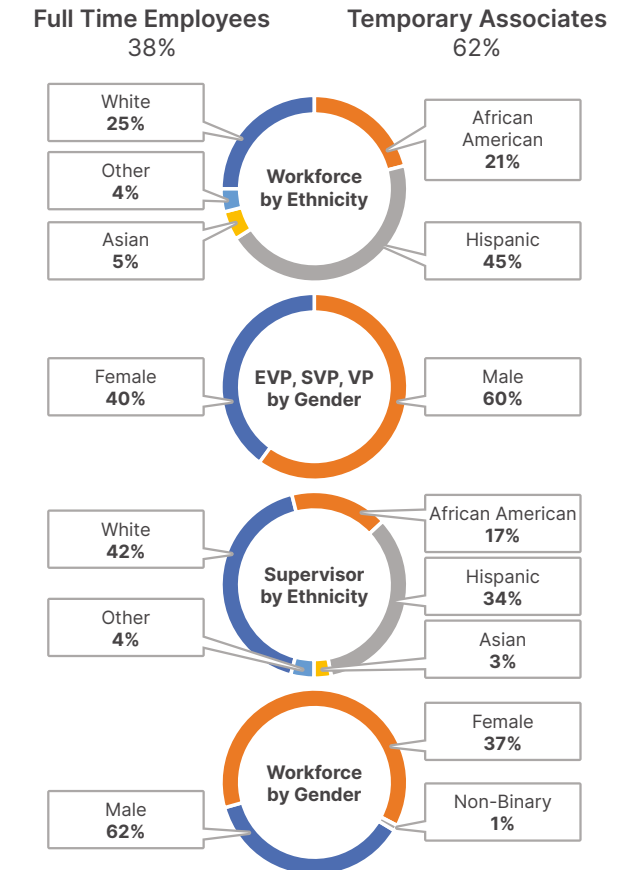
Employee Highlight - Nancy Vazquez

We believe in empowering and upskilling our employees to achieve leadership roles within ERI.

For example, Nancy Vazquez was promoted as ERI's HR Manager where she attributed her "ability to take a lead role" and "attention to detail has proven to be a valuable skill with identifying potential risks within the organization from an HR perspective."

Nancy's role in HR-working with employees while maintaining compliance standards displays the cross-functional collaboration required across different departments within ERI.

Nancy Vazquez, ERI's HR Manager

Employee Highlight - Danni Espindola

At ERI, empowering our people is at the core of our sustainability strategy. Our people are our best asset across all levels of ERI. Danni Espindola, ERI's administrative assistant, shares his experience of growth with ERI over the past couple of years.

Danni emphasized his career as "the opportunity to grow within the company and I am constantly learning new things", even utilizing his position to acquire skills across different departments. The positive work environment and morale from team leads and colleagues allowed Danni to flourish as an individual, especially with his confidence level. ERI supports and encourages our employees, like Danni, to become the best version of themselves.

Danni Espindola, ERI's Administrative Assistant
(Photo Credit: Life's Moments by Ray Quenga)

Growing Capacity: Goodyear, AZ

With e-waste remaining the fastest growing waste stream in the world, leading to an increasing need for environmentally friendly solutions, we are proud to announce our newest facility in Goodyear, Arizona in 2022.

Our Goodyear facility is well-equipped with our state-of-the-art ITAD and recycling services. We continue to grow steadily, the new Goodyear facility will support the Southwest region, expanding our service and logistics network.

With its strategic location within the Goodyear Gateway South complex, the facility provides more green jobs in the region, increased capacity of collection and sorting of electronics, and more accessibility to local communities.

Accessible E-Waste Services for Everyone

E-waste by Eagle Scout Drive

Our community events have been integral to ERI's success and outreach, especially with in-person recycling events. Abhinav Kartik, a young Eagle Scout, partnered with ERI to collect electronics for his community in the Township of Marlboro, New Jersey.

Through the help of his seven fellow scouts, he was able to collect electronics from 121 laptops, 88 cell phones/tablets, 120 TVs/monitors to name a few from over 80 households in his neighborhood. In total, the E-waste drive collected 783 items for responsible recycling, where some of the computers and TVs dated back from the 80s. We are proud to see younger generations take part in the circular economy and inspire others to make actionable change.

Community Collection Events in Wisconsin

ERI partnered with our friends at The Salvation Army and LG Electronics USA to host a free e-waste collection event held on November 5th, 2022, for Milwaukee residents. The free e-waste collection and drive-through event collected 20,313 lbs (about the weight of a school bus) of electronics including 2,186 computers, 2,129 monitors, 10,377 TVs, and 5,621 mixed e-waste which were then used for responsible recycling or refurbishment.

The event brought the Milwaukee community together to give a new life or proper disposal of unwanted electronics in an environmentally responsible way. We are excited to continue our partnership with manufacturers like LG Electronics USA and organizations like Salvation Army to enhance the accessibility of electronics recycling for local communities.

Education

ERI believes education is critical in teaching individuals and organizations about the circular economy, sustainability, and hardware cybersecurity. Our leadership team is often invited to share and engage in conversations at conferences and on major media outlets.

ERI continues to be a thought leader, speaking at over 30 conferences both in-person and virtual, appearing on dozens of podcasts, and publishing thought leadership pieces in some of the nation's leading press publications.

Newsweek

Newsweek

John Shegerian authored an incredibly well read and syndicated opinion piece in Newsweek titled "*2022 Needs to Be the Year that Technology Recycling Goes Mainstream.*"

The piece focused on the various gaps that still exist in the technology recycling space, including a lack of attention around data security and the circular economy.

Shegerian pointed out that still only 17% of a growing mass of electronic waste is properly recycled. In 2019 alone, he pointed out that 53.6 million tons of e-waste was generated, which comes down to about 16 pounds per person.

The full article can be read at: https://eridirect.com/go/newsweek-recycling-goes-mainstream

The Washington Post

John Shegerian was quoted in The Washington Post in an article focusing on the importance of electronic device recycling.

The article explains a variety of ways for consumers to help battle the e-waste crisis.

The full article can be read at: https://eridirect.com/go/washington-post-unwanted-electronic-devices

Forbes

John Shegerian was also quoted in Forbes in an article focusing on ERI partner Redwood Materials mining riches from batteries.

The article talks about ERI's role in the battery circular economy and the growing amounts of batteries, especially lithium ion, being created from recycled electronic devices.

The full article can be read at: https://eridirect.com/go/forbes-mining-riches-from-old-batteries

Public Engagement

ERI's leaders actively engaged and shared their expertise at over 19 conferences in FY2022 on trending topics in sustainability including circularity. ERI participated at the IAITAM Annual Conference and Exhibition (ACE), the world's leading IT Asset Management conference with global representatives discussing ITAM and its impact on business operations, compliance, and profitability.

John Shegerian presented a talk titled "The New Better: Protecting Data in a Post-Pandemic Age" where he emphasized how electronics are the largest growing stream of solid waste in the world. With the threat of a sustainability and cybersecurity crisis, consumers need to reevaluate their consumption patterns and be cognizant of the disposal of their electronics.

The ERI team provided on-site assistance with educational resources and promoted ERIs services to the public.

Our Senior Director of Sustainability and Legislative Compliance, David Hirschler, represented ERI at Circularity 22 speaking on a panel titled "Building a Blueprint for the Circular Electronics Industry." David emphasized the importance of the role of the consumer in the circular economy, their "distrust and skepticism can be a barrier to e-waste recycling".

The success of a circular model will only thrive if consumers become active participants and evolve their behaviors. Additionally, our co-founder Kevin Dillon moderated a special panel titled "OEM Visions for a Circular Economy" at the E-Scrap Conference and Trade Show 2022 in New Orleans.

The E-Scrap Conference hosted various OEMs to gain better insights on the industry standard and trajectory of electronics recycling. These conferences serve as opportunities for our leaders to learn about best industry practices, new technologies, and discover innovations in the evolving electronics recycling field.

RECYCLE NATION

RecycleNation is a free online platform built by ERI which provides information on how to recycle over 100 different items at over 150,000 locations nationwide.

In 2022, RecycleNation assisted over 2.6 million consumers with their recycling needs. ERI will continue to invest resources in RecycleNation with a goal of helping over 5 million consumers per year with their recycling needs by 2030.

IMPACT PODCAST with John Shegerian

Impact with John Shegerian is a weekly podcast which interviews high profile thought leaders who are working to make the world a better place. Guests in 2022 included ESG thought leaders from dozens of fortune 500 companies and other business leaders all around the globe. The podcast features over 50,000 hours of content related to ESG and sustainability with hundreds of thousands of listeners every year.

Book: The Insecurity of Everything

With data bearing electronics having a role in every part of our daily lives, we are living in a day and age where our cybersecurity risks increase literally every second.

The ERI Executive Team published *The Insecurity of Everything* as an educational tool to explain this trend and how everyday devices which are often thought of as harmless contain more personal information about us than ever. The book can be accessed as a hardcover, paperback, audio book, or digital book on Amazon.
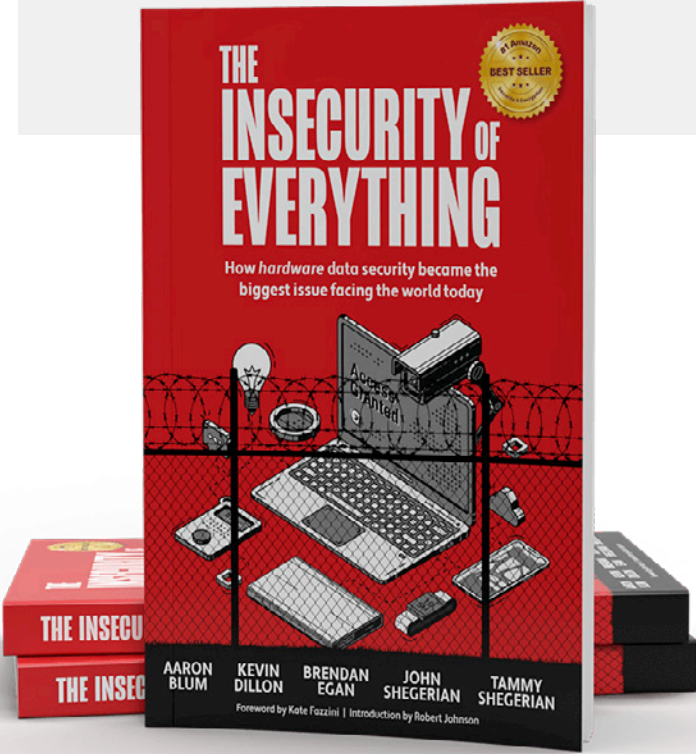
Giving Back

In alignment with our commitment to giving back to the community, ERI actively engages in philanthropic efforts through meaningful charitable donations. We firmly believe in leveraging our resources and influence to make a positive impact in the communities in which we operate.

Our approach to charitable giving is guided by a thorough evaluation process ensuring our donations are directed towards organizations and initiatives that align with our core values and contribute to the betterment of society. By making purposeful donations, we aim to create lasting social value and maximize our reach to foster long-term sustainable development.

In 2022, ERI supported The Best Buy Charity Classic Donation which serves as a crucial support for Best Buy Teen Tech centers that offer training, mentorship, and access to cutting edge electronics to underprivileged and at-risk youth residing in marginalized communities that have been historically underserved. By directing our contribution to this program, we actively contribute to bridging the digital divide and empowering young individuals with tools to thrive in our digital driven world today.

Other donations include the Christian Business Men's Connection (CBMC) which is an organization that emphasizes building supportive relationships and enables businessmen to share their experiences with one another. Contributing to an organization like this fosters relationship building by creating a network where individuals can gain insight from one another.

ERI also strongly supports the Central California Women's Conference (CCWC) an annual one-day event that focuses on team building, personal development, and charitable endeavors. With a mission to educate, motivate, and inspire women in their personal and professional lives. This event welcomes women of all generations, ethnicities, and backgrounds, uplifting them to be the best versions of themselves.

At ERI, we are actively seeking opportunities for empowering individuals from all backgrounds to drive positive change.

ERI Supports Evangel Crisis Home

ERI employees supported Evangel Crisis Home in 2021 with donations of supplies to help this important organization continue running. Evangel Crisis Home is a home where the cycle of crisis ends. The organization primarily helps women in need and acts as an emergency crisis shelter.

ERI Supports Toys for Tots

This year, ERI kicked off the holiday season announcing the company's support for Toys for Tots, a program to collect new toys and distribute those as Christmas gifts to less fortunate children in the community.

ERI announced that every toy donated by the ERI team would be matched with a toy donation by ERI. In the weeks leading up to Christmas, ERI's lobby was flodded with toys donated by our employees.

Circular Electronics Partnership

ERI is dedicated to continually improving its circularity practices throughout its organization, and we invest in new opportunities to achieve this goal. Over the past two years, we have collaborated with the Circular Electronics Partnership (CEP) to enhance circularity for electronic products at every stage of their lifecycle.

CEP, which is part of the WBCSD group, launched CTI, a framework designed to help businesses optimize their circularity indicators, including material productivity and water/energy usage. By working closely with CEP and other like-minded organizations, we conduct research and develop sustainable design practices to move us closer to achieving circular economy.

In 2022, CEP released its Blueprint Report highlighting the systematic enablers for circular electronic products and optimal methods for electronics recovery during the end-of-life stage. As part of our efforts at ERI, we provide our downstream partners with recycled materials, including precious metals, batteries, and solar shred materials, for use in the circular economy.

A case study conducted by CEP with ERI emphasized the significance of collaboration between recyclers and material suppliers in sorting, disassembling, and recovering products. Such partnerships enhance supply chain transparency across and promote a closed loop of recycled materials. We will continue to actively seek partnerships with organizations that promote circular economies.

NYC Award for John Shegerian

Being home to the most innovation in the United States, New York is a hub for transformative change and new models that are often used throughout the U.S. Our CEO, John Shegerian, was named to the City & State's inaugural Above & Beyond: Innovators list which acknowledges leaders who have made a huge impact to improve the lives of New Yorkers.

We have set up e-waste collection bins in over 8,000 buildings in New York City since we started the partnership with local government in 2013. Since it was launched, the program has collected over 2.7 million lbs. of e-waste.

Under John's leadership, ERI has increased accessibility to recycling services, educational resources for proper e-waste disposal, and provided reassurance to consumers that data destruction meets the highest standards.

We strive to expand our New York City model across other major municipalities in the United States and are open to working with all levels of government to make e-waste recycling more accessible to the public.

Continued Engagement

ERI understands that in order to continue to reduce the global footprint of e-waste we have to continue to improve the industry as a whole and not just ourselves as a company.

ERI is actively researching opportunities to enhance the quality of material circularity. We deeply understand the complexity of achieving a complete circular economy which requires continuous learning and cooperation with other stakeholders. In August 2021, ERI joined Circular Electronics Partnership (CEP) along with other important players in the electronics supply chain as part of a task force to increase the value of materials throughout their life cycle. ERI brings its experience and operational scale to enrich various circular production and design activities for electronics and to create a positive value chain that helps our society and the environment.

Utilizing solar panels, otherwise known as photovoltaic (PV) modules, to harvest electricity from the sun has been extremely popular in the 21st century. ERI is positioned as one of the only (and the largest) PV module and battery recycling companies in the United States. ERI joined the Solar Energy Industries Association (SEIA) in 2021 to engage in improving the solar industry and explore new ways to recycle what is going to be one of the largest e-waste challenges going forward.

The Ellen MacArthur Foundation

At ERI, we recognize the necessity of radical transparency in order to create a thriving business within the circular economy.

To enhance our sustainability efforts, we have collected and shared our data with The Ellen MacArthur Foundation's Circulytics Program. The Circulytics Program is recognized globally as a top-rated measurement tool of a company's entire circularity from its supply chain to its consumer practices.

We are honored to achieve an overall score of "A", for a third consecutive year by The Ellen MacArthur Foundation's Circulytics Program. In the "Enablers" category, ERI received an "A" in industry benchmarks including strategy and planning, innovation, people and skills, operations, and external engagement.

As the industry-leader in electronics recycling and ITAD, ERI became the first electronics recycling & ITAD provider to achieve an exceptional score. We continue to strive for more opportunities to build a resilient circular economy within our walls and beyond. With sustainability as a core foundation of ERI, we continue to innovate and design our practices in accordance with achieving a complete circular economy.

UN Sustainable Development Goals (SDGs)

At ERI, we believe in building a sustainable future for the people and planet. Incorporating the United Nations Sustainable Development Goals (UN SDGs) as an integral part of our business endeavors will allow us to take strategic action globally.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

ERI's Supporting Initiatives

Currently, most of the world's electronic waste is not being managed properly in terms of collection practices and recycling efforts. ERI supports SDG 12 Responsible Consumption and Production by adhering to circular economy approaches and upholding the highest recycling standards. For example, ERI was the first ever electronics recycling company to achieve an overall "A" rating from The Ellen MacArthur Foundation's Circulytics Program, which measures progress towards a circular economy. Additionally, we have a closed loop supply chain for plastics that not only diverts waste but helps with manufacturing new products. We are also striving to improve our internal operations to minimize waste. For example, we have implemented a reuse system in our facilities of items such as pallets, drums, vermiculites, cardboard containers, and plastic bags which dramatically reduces waste and logistics. Through our circular economy initiatives, we are continuing to provide manufacturers and OEMs with a sustainable stream of recycled commodities.

13 CLIMATE ACTION

ERI's Supporting Initiatives

ERI supports SDG 13 Climate Action through the management of our own carbon footprint and continuously improving our operations in support of the environment. This year, we announced we were the first carbon neutral electronics recycling and ITAD company in the world. Alongside this announcement, we launched our Net Zero plan which aims at zero carbon emissions by 2030. Following this goal, we have identified our scope 1 and scope 3 greenhouse gas emissions and are making continuous efforts to reduce our carbon footprint.

Additionally, we have improved our auditing practices and standards for our downstream vendors to

Go to the pages shown above to learn more about how ERI has incorporated the United Nations Sustainable Development Goals.

enhance our supply chain transparency and reduce waste generation. By adhering to these targets, climate change risk factors and biodiversity loss will decrease, building a better world for our people and planet.

17 PARTNERSHIPS FOR THE GOALS

ERI's Supporting Initiatives

As the United States largest electronics recycling manufacturer, ERI would not succeed without its strategic partnerships and network. ERI's accessibility of e-waste services across the United States has allowed consumers to participate in recycling services on a community level to a city-wide level as well. Retailers and OEMs such as Staples and Sony have collection events to make recycling more accessible to the masses. In large cities like New York, recycling bins are placed in common areas to create a convenient recycling method for residents. ERI's downstream partners include some of the largest in the world including Redwood Materials, LS MnM, and Alcoa, providing partnerships for keeping commodities within the circular economy.

Conclusion/Remarks

While ERI has made strides in both internal ESG and data security efforts as well as helping our customers with their own ESG and data security goals, there is still a significant amount of work to be done.

In a world with a finite number of resources, ERI is working endlessly to improve electronic recycling rates around the world. As more and more companies wake up to the grim reality facing our planet and their customers and stakeholders demand better, ERI is ready to answer the call.

This report serves as a collection of ERI's ESG and data security activities to date and has helped uncover several opportunities for 2022 and beyond, including:

- Continued improvements in ERI's technology to become more transparent, provide better services for our customers and continue to push sustainability and data security forward through innovation.
- Working with customers, partners and utilizing technology to continue to improve efficiency in logistics.
- Continuing to promote from within, creating a diverse workplace and rewarding employees with unique ideas to continue to move ERI and the industry at large forward.

We recognize that being the largest brand in our industry brings with it special responsibilities to be a leader in both ESG and data security. We will not only continue to make progress on our current goals, but establish new objectives and standards each year that will help us achieve our mission while setting the bar for the industry as a whole.

Should you have any questions, comments, concerns or contributions, please email info@ERIdirect.com

GRI Index

Disclosure ID	Disclosure Title	Response	Ref. Page
GRI 102: General Disclosures			N/A
Organizational Profile			
102-1	Name of the organization	Electronic Recyclers International, Inc. DBA ERI	N/A
102-2	Activities, brands, products, and services	ERI is the largest fully integrated IT and electronics asset disposition provider and cybersecurity-focused hardware destruction company.	N/A
102-3	Location of headquarters	Fresno, California	N/A
102-4	Location of operations	See Highlights.	4-5
102-5	Ownership and legal form	Privately held. Limited liability company.	N/A
102-6	Markets served	See Highlights.	4-5
102-7	Scale of the organization	See Highlights.	4-5
102-8	Information on employees and other workers	FTE Count: 503. Temp Count 837. See ERI Employees.	4-5
102-9	Supply chain	ERI's supply chain is made up of a network of transport providers.	40-43
102-10	Significant changes to the organization and its supply chain	None.	N/A
102-11	Precautionary Principle or approach	ERI's environmental impact strategy is informed by the precautionary principle.	N/A
102-12	External initiatives	See Circular Economy.	22-23
102-13	Membership of associations	See Circular Economy.	22-23
Strategy			
102-14	Statement from senior decision-maker	See From the Chairman & CEO.	6-9
Ethics and Integrity			
102-16	Values, principles, standards, and norms of behavior	See ERI Core Values.	10
Governance			
102-18	Governance structure	The CEO is ultimately responsible for decision-making on economic, environmental, and social topics.	N/A
Stakeholder Engagement			
102-40	List of stakeholder groups	ERI occasionally engages its customers, suppliers, and employees on ESG topics.	N/A
102-41	Collective bargaining agreements	All employees have a right to unionize, though no employees have exercised this right to date and therefore no collective bargaining agreements exist.	N/A
102-42	Identifying and selecting stakeholders	ERI could not achieve its goals without the successful relationships it has with customers, suppliers, and employees.	N/A
102-43	Approach to stakeholder engagement	No stakeholder engagement was conducted as part of the report process.	N/A
102-44	Key topics and concerns raised	Key topics were determined by ERI and are reflected in the contents of this report.	N/A
Reporting Practice			
102-45	Entities included in the consolidated financial statements	Privately-held, this information is not disclosed.	N/A
102-46	Defining report content and topic boundaries	ERI utilized the Reporting Principles to define report content and determined key topics based on information that was relevant, balanced, and timely.	N/A
102-47	List of material topics	Emissions; Energy; Employee Training & Education; Diversity and Inclusion; Customer Privacy; Market Presence	N/A
102-48	Restatements of information	None.	N/A
102-49	Changes in reporting	None. This is ERI's third GRI-compliant report.	N/A

Disclosure ID	Disclosure Title	Response	Ref. Page
102-50	Reporting period	January 1, 2022 - December 31, 2022. All data represents this reporting period unless stated otherwise.	N/A
102-51	Date of most recent report	This is ERI's third report.	N/A
102-52	Reporting cycle	Annual.	N/A
102-53	Contact point for questions regarding the report	David Hirschler, Senior Director of Sustainability & Legislative Compliance - david.hirschler@ERIdirect.com	N/A
102-54	Claims of reporting in accordance with the GRI Standards	This report has been prepared in accordance with the GRI Standards: Core option.	N/A
102-55	GRI content index	This index serves to satisfy this disclosure.	N/A
102-56	External assurance	This report is not externally assured. All information provided has been internally validated.	N/A
GRI 200: Economic			
GRI 202: Market Presence			
202-1	Entry level wage compared to local minimum wage	100% of entry level wages are above local minimum wage. See Labor Practices.	36-37
202-2	Senior management hired from local community	100% of senior management is hired from their respective community. See Labor Practices.	36-37
GRI 300: Environment			
GRI 302: Energy			
302-1	Energy consumption within the organization	See Greenhouse Gas (GHG) Emissions Inventory.	16-19
302-2	Energy consumption outside the organization	See Greenhouse Gas (GHG) Emissions Inventory.	16-19
302-3	Energy intensity	See Greenhouse Gas (GHG) Emissions Inventory.	16-19
302-4	Reductions in energy consumption	See Environmental Impact.	20-21
302-5	Reductions in energy requirements of services	See Environmental Impact.	20-21
GRI 305: Emissions			
305-1	Direct (Scope 1) GHG emissions	See Greenhouse Gas (GHG) Emissions Inventory.	16-19
305-2	Energy indirect (Scope 2) GHG emissions	See Greenhouse Gas (GHG) Emissions Inventory.	16-19
305-3	Other indirect (Scope 3) GHG emissions	See Greenhouse Gas (GHG) Emissions Inventory.	16-19
305-4	GHG emissions intensity	See Greenhouse Gas (GHG) Emissions Inventory.	16-19
305-5	Reduction of GHG emissions	See Environmental Impact.	20-21
305-6	Emissions of ozone-depleting substances	None.	N/A
305-7	Significant air emissions	None.	N/A
GRI 400: Social			
GRI 404: Training and Education			
404-1	Average hours of training per year per employee	See Labor Practices.	36-37
404-2	Programs for upgrading employee skills	See Labor Practices.	36-37
404-3	Regular performance and career development reviews	See Labor Practices.	36-37
GRI 405: Diversity and Equal Opportunity			
405-1	Diversity of governance bodies and employees	See Diversity, Equity, and Inclusion.	38-39
405-2	Gender wage ratio	ERI is proud to have a 1:1 gender wage ratio. See Diversity, Equity, and Inclusion.	38-39
GRI 418: Customer Privacy			
418-1	Substantiated complaints concerning breaches	Zero. See Highlights.	4-5

SASB Index

SASB ID	Accounting Metric	Response	Ref. Page
Greenhouse Gas Emissions			
IF-WM-110a.1	Gross global Scope 1 emissions	93,434.67 lbs. CO_2e equal to 42.37 MT CO_2e. 0% of these emissions are covered under emissions-limiting or emissions-reporting regulations. See Operational GHG Inventory.	16-19
IF-WM-110a.2	Landfill gas generated	Not applicable to ERI's operations.	N/A
IF-WM-110a.3	Discussion of long- and short-term strategy to manage emissions	See Environmental Impact.	20-21
Fleet Fuel Management			
IF-WM-110b.1	Fleet fuel consumed	86,926.09 gallons equal to 10,926.34 gigajoules. 0% natural gas. See Fleet Fuel Management.	21
IF-WM-110b.2	Alternative fuel vehicles in fleet	Zero. See Fleet Fuel Management.	21
Air Quality			
IF-WM-120a.1	Significant air emissions	None.	N/A
IF-WM-120a.2	Facilities near areas of dense population	ERI to determine. See Highlights.	4-5
IF-WM-120a.3	Incidents of air emissions non-compliance	None.	N/A
Management of Leachate & Hazardous Waste			
IF-WM-150a.1	Toxic release inventory	ERI to determine: (1) Total Toxic Release Inventory (TRI) releases in metric tons unit, (2) percentage released to water. See Recycling & Resources Recovery.	26-27
IF-WM-150a.2	Toxic release corrective actions	ERI to determine: Number of corrective actions implemented for landfill releases. See Recycling & Resources Recovery.	26-27
IF-WM-150a.3	Incidents of environmental non-compliance	ERI to determine: Number of incidents of non-compliance associated with environmental impacts. See Recycling & Resources Recovery.	26-27
Labor Practices			
IF-WM-310a.1	Collective bargaining agreements	All employees have a right to unionize, though no employees have exercised this right to date and therefore no collective bargaining agreements exist.	N/A
IF-WM-310a.2	Work stoppages and days idle	See Environmental Health & Safety.	30-33
Workforce Health & Safety			
IF-WM-320a.1	Recordable incident rate and fatality rate	See Environmental Health & Safety. ERI tracks near misses on internal reports but does not currently track NMFR % rate overall.	30-33
IF-WM-320a.2	Safety Measurement System BASIC percentiles	See Environmental Health & Safety.	30-33
IF-WM-320a.3	Road accidents and incidents	See Environmental Health & Safety.	30-33
Recycling & Resource Recovery			
IF-WM-420a.1	Hazardous Materials Management	(1) Amount of waste incinerated, (2) percentage hazardous, (3) percentage used for energy recovery	31-32
IF-WM-420a.2	Services offered to customers	100% of customers receive recycling services	N/A
IF-WM-420a.3	Amount of material recycled	Recycled: 115.96M lbs. or 52,598.57 metric tons Reused: 4.1M lbs. or 1,859.73 metric tons See Highlights.	4-5
IF-WM-420a.4	Amount of electronic waste collected and recovered	Total of 120.07M lbs. or 54,462.84 metric tons See Highlights.	
Activity Metrics			
IF-WM-000.B	Vehicle fleet size	20 total fleet vehicles. See Fleet Fuel Management.	N/A
IF-WM-000.C	Number of facilities	9 total recycling facilities. See Highlights.	4-5
IF-WM-000.D	Total amount of materials managed	Recycled: 115.96M lbs. or 52,598.57 metric tons Reused: 4.1M lbs. or 1,859.73 metric tons See Highlights.	4-5

Methodology/Assumptions

Greenhouse Gas Emissions Inventory

All greenhouse gas data reporting follows the GHG Protocol, developed by the World Resources Institute (WRI) and World Business Council for Sustainable Development (WBCSD), in accordance with the Climate Registry, Intergovernmental Panel on Climate Change (IPCC) Guidelines, and the CDP.

This is the second time ERI is reporting greenhouse gas data. Primary data was used whenever reasonably available. Secondary data (spend-based data), estimations, and assumptions were used only when primary data was not wholly or partially available. All estimations follow GHG Protocol approved methodologies and rely on third-party approved sources. We will continue to expand the findings on sources of GHG emissions and explore opportunities to reduce the emissions.

Inclusions and Omissions	
Scope 1	Propane, Company Fleet Fuel Usage
Scope 2	Electricity Usage at ERI Facilities, Natural Gas
Scope 3	C1 Purchased Goods and Services C2 Capital Goods - Fixed Assets C3 Transmission and Distribution Losses (T&D losses) of Scope 2 Electricity Use C4 Upstream Transportation and Distribution - Inbound Logistics C5 Waste Generated in Operations C6 Business Travel C7 Commuting C8 Downstream Transportation and Distribution - Outbound Logistics

Environmental Impact Claims from Recycling and Reuse

ERI's savings claims were developed using the company's proprietary Optech™ system in conjunction with the Electronics Environmental Benefits Calculator (EEBC). ERI's system tracks every component processed by ERI at the individual client level, including what material was sent for reuse and what was processed and recycled. The EEBC software uses life cycle analysis to calculate the impact on greenhouse gas emissions and energy usage for recycling or reuse of various product types and commodities. ERI is able to map received products to this system and determine the benefits of recycling or reusing these items.

In addition, for each product type recycled by ERI, ERI utilizes our historical data to understand the volumes of commodities or residual waste produced from each type of material. ERI's Optech™ system allows us to determine the amount of volume recycled, excluding residual waste and then determine the volumes of commodities sent for recycling as well as any additional items sent for reuse.

The environmental impact calculations set forth in this report are estimates provided for informational purposes only and may vary based on a number of factors.

*The Ellen MacArthur Foundation does not endorse our organization and has not verified the information provided to generate the Circulytics score.

Acknowledgements

ERI's third annual ESG & data security report was only possible through leadership's tremendous support and individual ERI employee contributions. Special thanks go out to the ERI team members listed in bold for curating this important report, as well as the additional team members listed below for their assistance in gathering vital data on policies, procedures, and protocols that help make ERI a greener, more secure place:

Brendan Egan
Vice President of Marketing

David Hirschler
Senior Director of Sustainability &
Legislative Compliance

Eric Husted
Director of Creative Services

Lee-Tan Lu
Environmental Specialist

John Shegerian
Chairman and CEO

Mark Barnes
Assistant Operations Manager

Aaron Blum
Chief Operating & Compliance
Officer

Anthony Borges
VP of Operational Revenue

Tyler Browning
General Counsel

Joline Bryson
Accounts Receivable Coordinator

Rich Calzada
Chief Technology Officer

Andres Camarena
Human Resources Generalist

Rufus Covacevich
Operations Manager

Bart Cowser
Office Manager

Lisa Darrough
Senior Human Resources Generalist

Carol DeBellis
Senior Vice President of Human
Resources

Linda Dervishian
Assistant Controller

Kevin Dillon
Chief Marketing Officer

Shannon Duarte
Compliance Assistant

Dane Fairbanks
Senior Application Developer

Trey Gibson
Operations Manager

Adrian Grace
Director of Global Development
Solutions

Joe Haight
Senior Special Projects Operations
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Justin LeDoux
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Nicholas Linscomb
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Chi-Yun Liu
Sustainability Intern

Joyce Mount
Technical Solutions Architect

Andrew Nunan
Senior Operations Manager

Justin Page
Junior Application Developer

Linda Ramos
Chief of Staff

Angie Ransom
Vice President - Retail Division

David Revis
Director of Environmental, Health,
Safety & Security

Ken Richardson
Senior IT Support Specialist

Aaron Scheller
Global Account Executive

Evan Selander
National Account Executive

Tammy Shegerian
President & Chief Revenue Officer

Addison Stallard
Senior Manager of Recycling
Operations

Ross Sylvester
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Nikki Trasmonte
Sustainability Intern

Trevor Tuchten
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Johnny Vasquez
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Nancy Vazquez
Human Resources Manager

Elena Vidanoska
Global Solutions Enablement

Dana Volden
Environmental Health & Safety
Supervisor

Cathy Wilkerson
Operations Manager

Paul Williams
VP of Communications &
Media Relations

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