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

Fiscal Year 2023

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 eight 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 2023 and can be used to assess ERI's performance and commitment to our people, the planet, and your privacy.
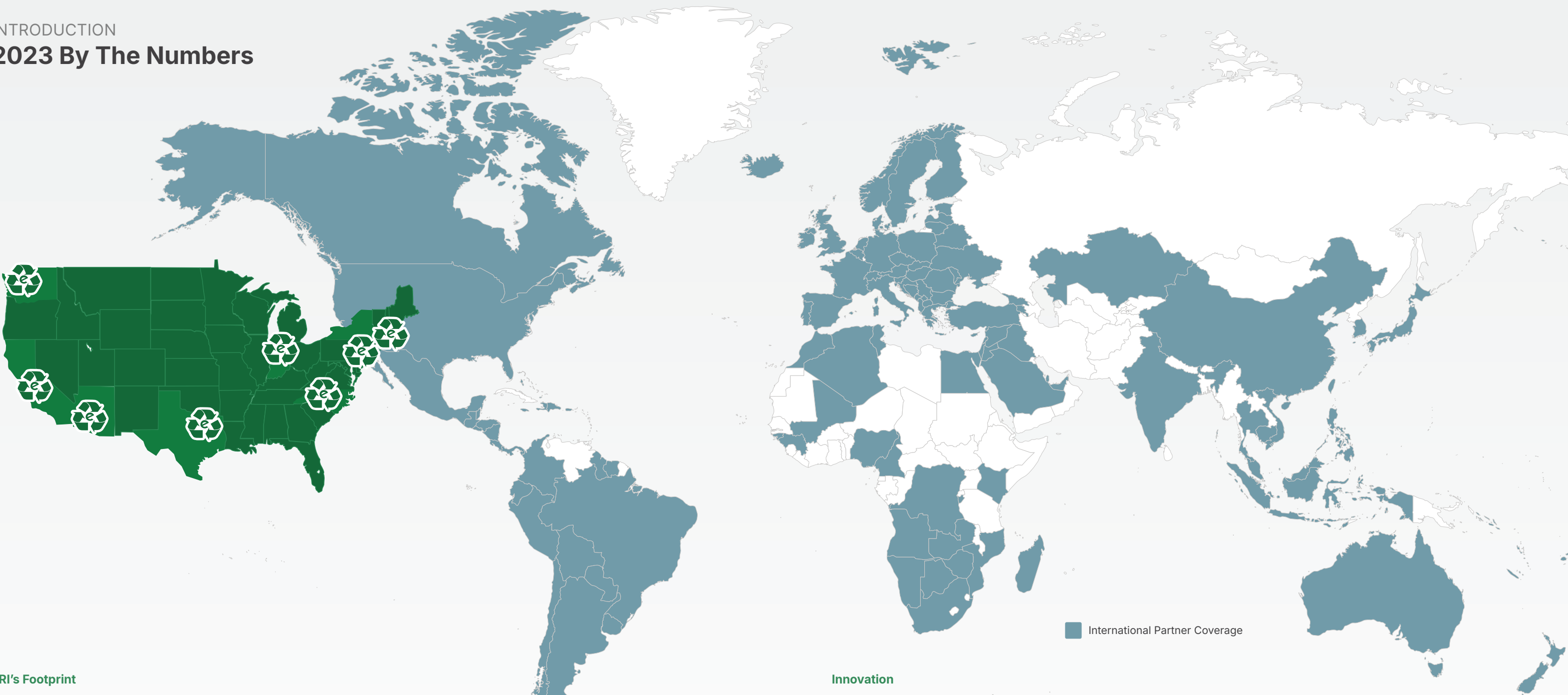
This report will be updated annually and distributed to all ERI stakeholders and customers as part of our commitment to excellence and transparency.

Contents

2023 By The Numbers

International Partner Coverage

ERI's Footprint

Countries Serviced: **129**

US Facility Locations: **8**
International Partners: **41**

We Are ERI

Number of Employees: **789**

Hours of Training Undergone Per Employee:
Temp: **6**   W-2: **22**

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

123.98 million lbs. of Equipment Collected

3.6 million lbs. for Beneficial Reuse

120.39 million lbs. of Commodities Reintroduced into the Economy

Carbon Impact

Less Than **54 million lbs.** of CO_2e Emissions

675 million lbs. of CO_2e Prevented

From the Chairman & CEO

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

2023 was another successful year on multiple levels for ERI. It was our most financially successful year to date as a business, our most accomplished year in terms of environmental programs and innovation, and perhaps most excitingly, it set the framework for 2024 – which is shaping up to be a year of significant and impactful transformation, with more bold innovations and meaningful partnerships.

Last year was also a year of continued forward progress in our environmental, social and corporate governance (ESG)-related goals. We doubled down on our commitment to innovation, contributions to the circular economy and our long-standing, solution-driven focus on making our world a better place by protecting people, the planet and privacy.

As you'll see in this report, last year we brought our ESG-related activities to new levels of industry-leading excellence – both in terms of ERI's own internal culture and operations and also for our partnerships with many of the world's largest brands. These brands turn to ERI to help them achieve their own sustainability, ESG, circular economy and cybersecurity/data destruction goals.

In another 12-month period packed with accomplishments and awards, there were several ESG-related highlights from 2023 that still stand out:

ERI's New Ops Dashboard

ERI's proprietary internal dashboard became available to the leads at all ERI facilities last year. A further step towards operational excellence, the dashboard allows leadership at each facility to better understand their locations' performance, and the ability to compare their operational progress with other facilities so that they can work together to determine areas of prospective improvement or provide guidance and support to others seeking to enhance or improve processes.

One particularly useful and innovative report that has been added is an ESG-focused waste diversion dashboard which help facilities monitor what percentage of the material going through the facilities (including supplies and internal materials) is ending up in the waste stream.

Other elements of the dashboard illustrate other important KPIs, SLA performance, received and processed materials, labor spend totals and customer production rankings.

ERI's Energy Efficiency Program

In 2023, ERI transitioned fully to market-based renewable energy. Because we believe there is always room for improvement, we continue to be focused on improving the efficiency of our operations.

Among our ongoing improvements launched in 2023 is a project to transition all ERI buildings to LED lighting by the end of 2024. We also started conducting an ongoing energy audit to find other areas where we can improve. We're continuing to implement these projects nationwide.

ERI's R&D on Enhanced Material Circularity

We strongly believe that exemplifying circular economy behaviors is the best solution for managing the fastest growing waste stream in the world today – electronic waste. ERI's Research and Development teams are laser-focused on innovation to continue to creatively enhance circular economy processes and access.

This, for example, includes ERI's mission to find even better ways to responsibly manage the plastic that we recover from electronic waste and provide it as a source of feedstock for OEMs. We are also performing R&D on critical mineral recovery options.

Optech CAPTURE™ by ERI

In 2023, we launched our newly enhanced, proprietary Optech CAPTURE system designed to comprehensively manage and track asset chain of custody throughout the entire ITAD process.

Optech CAPTURE establishes fully transparent, complete chain of custody tracking, starting from when the assets are serial scanned at the site of origin and then throughout the entire on-site 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. On completion of the on-site service, the system then provides a receipt to the client, 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 be pioneering a new level of efficiency and protection for our customers while responding to an industry need all while improving our circularity goals through better materials reuse.

Last year we took our Optech platform – which already was best-in-class – and continued to add innovative tools that take it to a whole new level of excellence. Optech CAPTURE ensures that the chain of custody starts and ends with ERI when it comes to protecting customer data.

With Optech CAPTURE, ERI offers a unique, complete end-to-end platform, capturing data at collection, in process, and providing customer accessibility via an interactive customer portal, providing real-time radical transparency into a client's account activity sharing asset details from

receipt through final disposition.

ERI's Partnership with VTEC

In 2023 we announced an impactful partnership with Vocational Training and Empowerment Center (VTEC), a division of Opportunity Enterprises. This partnership, which included a collaborative launch with ERI, Ivy Tech Community College, and Indiana Vocational Rehabilitation, unveiled a first-of-its-kind inclusivity-driven training program in electronics recycling.

The program creates the opportunity for qualifying differently-abled individuals to participate in a true post-secondary experience. Upon successful completion, individuals participating in this learning environment receive an Ivy Tech certification in Basic Production Principles.

ERI has always been an equal opportunity employer that makes employment and hiring decisions based on merit and this program opened the door to a new population of potential ERI family members.

VTEC's mission, as a division of Opportunity Enterprises, is to create inclusive and equitable opportunities for people of all abilities. VTEC and ERI understand the struggle to find qualified labor. Looking specifically at individuals with an intellectual or developmental disability, the Bureau of Labor Statistics reports in a 2019 study that 81% of this population is unemployed.

To prepare individuals to enter the workforce VTEC incorporates specialized teaching styles for those with intellectual and developmental disabilities in the field of electronic recycling.

ERI committed to this partnership by carving out space in our existing Plainfield, Indiana location for classroom teaching and a skills lab. The VTEC/ERI program began in October of 2023 and teaches

students advanced job skills in an environment that is inclusive and supportive. Training uses course materials and hands-on skills labs for students to develop technical and professional skills needed for success in the electronics recycling industry.

Further, organizations such as Easterseals Crossroads and Sycamore Services are excited to refer individuals from their programs to participate in and receive VTEC training in basic production principles.

Our mission has always been to leave the planet better than we found it. We are excited to continue building upon this partnership with our friends at Opportunity Enterprises. This work aligns perfectly with our commitment to sustainability and ongoing dedication to developing a diverse and inclusive workforce.

With this program we are not only recycling electronics and keeping toxic e-waste out of landfills, but we are also providing career opportunities in a sustainable industry for people who are differently abled. We're very proud of our relationship with Opportunity Enterprises and of the fantastic ERI team members who will become part of our work family through this program.

ESG is a Foundational Part of Our Mission

2023 was a big ESG year for ERI. And we continue to grow our ESG efforts in exponential ways this year, with many major innovation and partnership-related announcements coming soon.

The 2023 ESG report you are about to read is a radically transparent and deep dive view of our ESG-related activities from last year. It's a substantial volume because virtually everything we do at ERI is ESG-related.

One of my favorite parts of this report is the spotlight section with quotes from some of the women who have worked at ERI for 17 years. It brings to mind just how close the family of ERI employees are and what a great culture we have fostered at the company. It is rewarding for each and every one of us to come to work each day, knowing that we do truly helps make the world a better place.

Each month, we recycle about 15 million pounds of electronic waste. In our eight facilities and 11 buildings across America, we have about a thousand employees, and we're the largest and most efficient 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.

ESG has always been part of who we are. Since day one, or mission has been to make the world a better place by keeping hazardous toxins out of landfills, keeping people's data private and safe, and doing everything in a zero waste, zero landfill, zero emissions way.

Diversity and Inclusion

Fulfilling our "protecting the planet, people and privacy" mission requires highly skilled employees 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 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.

ERI'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 Vice President of Human Relations, VP of Finance, VP of our Retail Division, and Chief of Staff all have been held in a long-term basis by very talented and seasoned women.

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.

Transforming for Tomorrow

What we do at ERI is desperately needed.

The latest United Nations *Global E-Waste Monitor*[1] revealed that the amount of electronic waste being generated globally is up 85% more than it was just 10 years ago and is growing at a pace five times faster than documented e-waste recycling.

We are living through a generational and monumental shift on a worldwide basis from a linear to a circular economy – but it needs to happen faster. If we are to expedite this shift to better serve the planet, electronic waste must be responsibly and successfully recycled on a widespread basis.

With our steady stream of proprietary innovations, ERI is able to help our customers and partners achieve their own new levels of ESG excellence. And we've only just begun. Expect announcements this year about transformative new tech, unique partnership programs and achieved goals.

2023 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. This is a growing movement that is sure to continue through 2024 and for many years to come.

Collaboratively, we are challenging 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 the environment is protected for future generations.

Working with our customers, partners, colleagues and stakeholders, we look forward to continuing to achieve a sustainable and consistent profit and steady growth of our shareholders' value – all while making the world a better and more sustainable place.

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

John S. Shegerian
Chairman and CEO
ERI
Fresno, California

About ERI

Just 22.3% of electronic waste was officially collected and recycled in an environmentally friendly manner, as per the most recent findings from the Global E-Waste Monitor 2024 Report[1].

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. According to the latest Global E-Waste Monitor Report1, since 2010 the growth of e-waste generation has been increasing at a rate nearly five times faster than the formal collection and recycling efforts.

Estimates say that only 22.3% of electronic waste is responsibly recycled globally. While there is no reliable data explaining what happens to the remaining 77.7%, 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 nonprofits, and local, state, and federal government agencies around the globe.
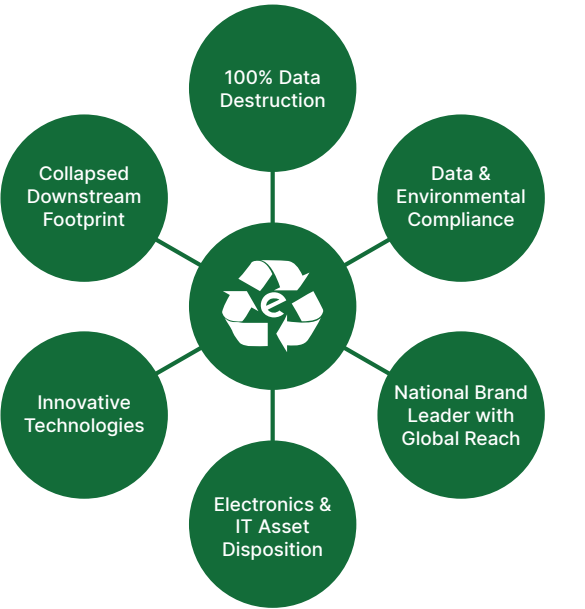
ERI services a wide array of industries with their unique challenges. Some of the industries we service include:

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
Chief Sustainability Officer

Anthony Borges
Vice President of Operational Strategy

Rudy Placencia
Executive President of Operations

Tyler Browning
General Counsel

Linda Ramos
Chief of Staff

Rich Calzada
Chief Technology Officer

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

Carol DeBellis
Senior Vice President of Human Resources

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

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

Jonah Yap-De Jesus
Vice President of Finance

Board of Directors

Jin Soo Baek
Executive Vice President - 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
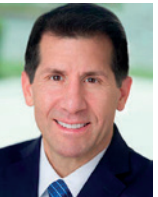
Brendan M. Egan
Founder and CEO of Simple SEO Group, Co-Founder & CMO of Engage, Author

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

2023 had been a transformational year for ERI. While ERI's overall impact on emissions is a net positive (through scope 4 reductions) we still must act responsibly regarding our own emissions. We are once again carbon neutral through our operational emissions. This year we have shifted to be 100% renewable energy (market based). Additionally, we have focused on improving our comprehensive greenhouse gas (GHG) inventory including Scopes 1, 2, and 3 to further improve our decarbonization strategies.

Our goal is to reduce our overall emissions by 45% by 2030. In 2023 we reviewed our GHG inventory with a third party climate expert; engaged reputable project developers for our carbon offets and renewable energy; and worked with an international third party professional to conduct energy audits at representative ERI facilities.

Greenhouse Gas Emissions (GHG) Inventory

In 2023, we further improved our inventory tracking methodology, switching to a third-party system that allows for enhanced visibility and accuracy. We have successfully tracked over 84% of activity-based data to measure our carbon footprint and have voluntarily chosen to track and publish our scope 1, 2, and 3 emissions including downstream freight emissions. In addition, we have used market-based solutions to eliminate our Scope 2 emissions and further utilized carbon offsets to ensure our operational emissions are carbon neutral, including our Scope 1 emissions and our internal operations for Scope 3. For the purposes of transparency, we have chosen to fully share our location-based emissions as well as our market-based emissions.

In addition to our Scopes 1-3 emissions, we have calculated our Scope 4 avoidance impact using our proprietary calculations based on the US EPA's Electronics Environmental Benefits Calculator (EEBC) and the EPA's Waste Reduction Model (WARM). Overall, there were 123.98 million pounds of used electronics collected and processed by ERI, 3.6 million pounds of them were permitted for

reuse; 120.39 million pounds of the electronics were recovered responsibly for material recovery.

675 Million
pounds of CO_2 equivalent emissions were prevented

This is equivalent to:

67,226
passenger cars' annual greenhouse gas emissions

1.1 Billion
kilowatt hours of electricity that would have been used in producing new electronics

This is equivalent to:

104,123
U.S. households' annual electricity usage
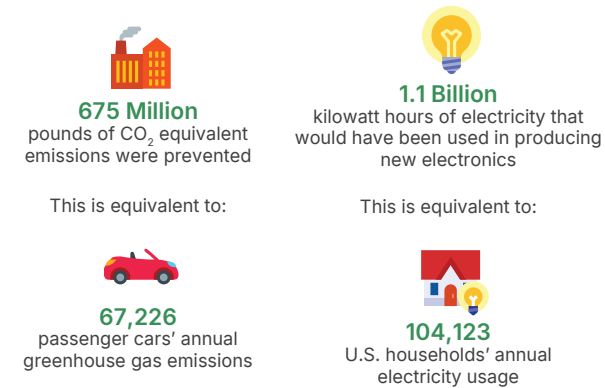
Avoided emissions and saved electricity were calculated along with the amount of solid waste diverted from U.S. household; recovered commodities like plastics, precious metals, and batteries were going back to production lines for manufacturing (see Downstream Management for Responsible Recycling for more information).

Understanding our Impacts

Using market-based calculations, ERI was able to eliminate our Scope 2 emissions completely and drop our Scope 1 & 2 emissions by 61% from 2022. Overall, our emissions dropped 10% from 2022.

However, ERI understands that this was supported by our decision to utilize local renewable energy resources for our electricity. When switching to a non-market based process, ERI found that our combined Scope 1 and 2 emissions increased by 4%, and overall emissions increased by 2% compared to last year.

In reviewing our data, we found that the increases can be explained by the increased volume of materials processed across the country by 3% and more

importantly the opening of a new 97,328 square foot facility in Goodyear, Arizona.

Transportation remains our largest source of emissions, comprising 58% of emissions from Scope 1 to 3. The other focus is the energy usage from electricity, natural gas, and propane, which represent 16% of the overall emissions.

This year, we have made strides in reducing our environmental impact. We made significant efforts to minimize the impact of our energy usage. Specifically, we achieved a 2.90% reduction in emissions from natural gas, a 61.5% reduction from propane, and a 1.8% overall reduction in scope 1 emissions compared to 2022.

Moreover, we achieved a 22% reduction in emissions from hard-to-recycle materials and a 50% reduction from purchased services and goods. We have also lowered our freight per pound emissions from 0.0444 kgCO2e to 0.0392 kgCO2e, a 12% reduction compared to last year.

Emissions by Sub-Category

1.	28%	Road freight	10.	2%	Industrial waste
2.	20%	Transportation - Customer Arranged	11.	2%	Packaging box
3.	10%	Electricity	Scope 2	12.	2%	Machinery and equipment	Maintenance & installation
4.	6%	Other	13.	2%	Building work
5.	6%	Air freight	14.	2%	Sea freight
6.	5%	Natural gas	15.	2%	Fuel	Freight
7.	5%	Travel & commute employees	16.	2%	Electricity	Scope 3
8.	4%	Machine & tooling	17.	2%	Rubbish collection & disposal
9.	3%	Construction, general installations			

Scope	%	2023 Location-Based Emissions (mTCO2e)	2023 Market-Based Emissions (mTCO2e)	2023 Impact After Offets (mTCO2e)	Notes
Scope 1	5%	1,385.10	1,385.10	-	Offset via Green-E Certified Carbon Offsets
Scope 2	10%	2,334.76	-	-	Eliminated via Renewable Energy Credits
Scope 3	85%	20,477.77	20,065.1	17,233.21	Intercompany operations offset via Green-E Certified Carbon Offsets
Grand Total	**100%**	**24,197.63**	**21,450.21**	**17,233.21**	

Carbon Footprint (Cont.)

Decarbonization

Our goal to protect People, Planet, and Privacy has never been clearer. We strive to benefit society and contribute to the global Net Zero Emissions commitments. Achieving Net Zero on operational emissions is not a task that can be completed overnight, but ERI takes immediate action to set a reduction target.

With over 20 years of experience we have had at ERI, we deeply understand that our operations across the country, has its impacts on the environment and the community. Since 2021, we've started to look into sources of greenhouse gas (GHG) emissions throughout our process. It has been a deep learning curve for the team to identify the correct resources from the massive amount of information to enable ERI to be above and beyond.

In 2023, we formally built a Sustainability Team to support each department in identifying decarbonization opportunities. This team conducts comprehensive research to strategically develop a long-term plan and evaluate the costs of actions that can contribute to our objective.

Several identified pathways have been explored and integrated into ERI's performance improvement plan, including energy audits at representative ERI facilities, electrifying offroad vehicles, building supplier ESG surveys, and conducting initial waste stream analysis.

While numerous projects are underway to mitigate our emission footprint, we have also utilized verified carbon credits to compensate for the emissions that have not yet been able to be reduced and purchased Green-e® certified renewable energy credits (RECs) to contribute to a greener electricity.

A significant portion of ERI's production activities rely on electricity. Due to business growth in 2023, ERI's scope 2 emissions increased by 7.81%. To demonstrate our sustainability commitment, we financed renewable generation assets while we were executing lighting retrofits and energy audits to reduce energy consumption.

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.

100% Renewable Energy

In 2023, ERI sourced all of its electricity from renewable energy across the country through the Green-e® Energy Program that are closest to each ERI facility's region. Green-e® certified RECs are verified by the Center for Resource Solutions (CRS) on renewable energy that meets the highest standards in North America.

An inspector from Green-e® audited the entire chain of custody of certified renewable energy from generation to retirement to ensure the quality of the RECs meeting the requirements in leading environmental standards like Leadership in Energy and Environmental Design (LEED), The Climate Registry (TCR), B Corporation, Cradle to Cradle, Sustainable Purchasing Leadership Council, and others. By purchasing 100% renewable energy credits in 2023, we achieved zero metric tons of CO2 equivalent emissions through the market-based approach of the Greenhouse Gas Protocol.

For emissions generated by our operations, we have included the entire Scope 1 and Purchased Packaging and Intercompany Transfer from Scope 3 to be compensated with verified carbon credits.

Our partner has developed and vetted high-standard carbon credit projects by conducting rigorous and careful due diligence, using conservative quantification methods, and placing a strong emphasis on community and biodiversity co-benefits.

Due diligence process includes desktop research, site visits, meetings with partners, and reviews of audited documents related to land tenure, organizational governance, and finances.

Also, the project's social and environmental risks, impacts, and mitigations were key factors to determine the project's success. We have shared the same value with our partner to expect every organization we engage to meet our stringent standards for ethics, integrity, and human rights.

As shown throughout this report, ERI is continuously investigating new opportunities to further reduce our emissions.

Client Support

In addition to our goals of transparency and to report our own emissions, ERI has continued to support our partners and customers in their own emissions calculations. ERI uses our emissions data to support clients.

In addition, ERI has continued to provide our ESG Impact Report to customers showing their specific impacts and avoided emissions. It has been a valuable tool to empower our customers to achieve their ESG goals.
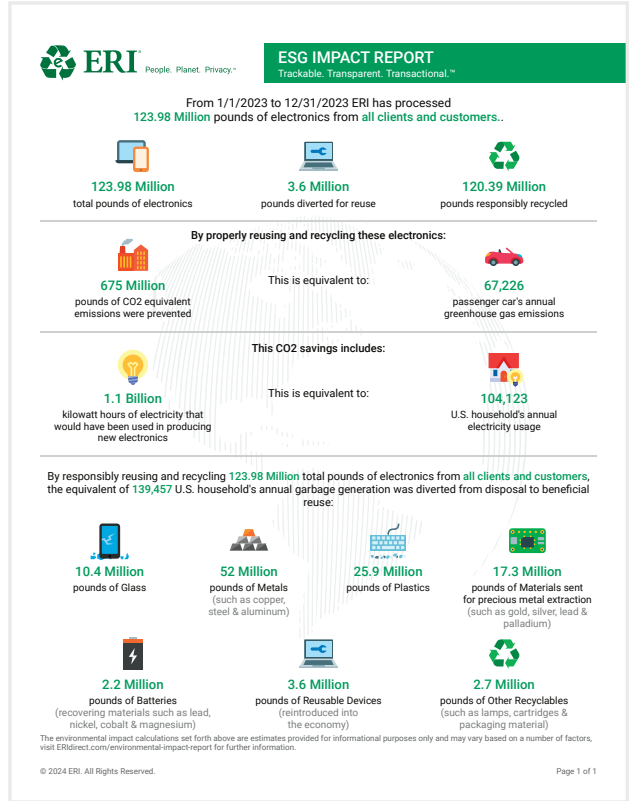
Employee Highlight - Khalia Ross

Another employee we'd like to highlight is Khalia Ross, an exemplary member of ERI. Khalia started as a Registration Clerk at our Fresno facility, moving up to become a Supervisor at the facility. Khalia was then able to transfer to the corporate office taking a role as Client Relationship Manager. Working across different environments of ERI has equipped Khalia with a comprehensive understanding of our operations.

Throughout her professional journey at ERI, Khalia acknowledges that her teams have been a source of inspiration, motivating her to consistently pursue excellence, confront new challenges with resilience, and cultivate a collaborative environment that nurtures innovation.

Furthermore, Khalia Ross has received recognition and nomination from our longstanding partner, Staples, for her outstanding performance as a Client Relationship Manager facilitating collaboration between ERI and Staples. In her role, she has proven to be reliable and continuously exceeds expectations with her work. Staples commends "her customer service attitude is rare in our complex world today" displaying how her nature is a true example of a good testament of what ERI stands for. We are proud to recognize Khalia for her incredible customer service and her unwavering commitment as a representative for ERI.

Innovation & Improvements

Lighting Retrofit

Our commitment to decarbonization has been affirmed by the leadership at ERI. One of our current projects involves upgrading traditional lighting systems to LED, which not only improves working conditions for our staff but also reduces energy consumption. In 2023, we successfully completed this conversion at our offices in Holliston, MA, Flower Mound, TX, and Fresno, CA. The lighting retrofit for the remaining facilities is scheduled to be completed by early 2024. We will continue to explore technologies that enable ERI to reduce energy usage and minimize greenhouse gas emissions.

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.

Energy Audit

2023 marks a critical year in ERI's journey toward achieving zero operational carbon emissions. We began by identifying the sources of greenhouse gas emissions within ERI's facilities, finding solutions to minimize these emissions, and conducting several feasibility studies to support ERI's decarbonization goals.

We engaged a third-party vendor to perform comprehensive energy audits at two representative ERI facilities. This has been an essential step in identifying the gaps we need to close to achieve zero operational emissions.

The audits resulted in numerous recommended energy efficiency measures, including upgrading to lighting equipped with motion sensors, installing variable frequency drives, and replacing older appliances with energy-certified products, among others.

We plan to implement these measures at all of our facilities nationwide, ensuring our path to zero emissions contributes positively to both our community and the planet.

Logistics

ERI operates an e-waste recycling network of eight strategically positioned facilities across the United States, processing over 123 million pounds of e-waste annually and continuing to grow year over year.

These facilities are strategically located within 500 miles of nearly every ZIP Code in the country, with three on the East Coast and three on the West Coast, covering major megalopolis and metropolitan areas.

This strategic placement enables ERI to efficiently optimize routes, serving densely populated regions and maximizing load capacities. ERI's fleet travels an average of under 300 miles per truck transportation, with an average 14.3 thousand pounds per load.

The company's commitment to environmental responsibility is evident in its logistics management. ERI collaborates with third party logistics partners to enhance efficiency in both logistics and trucking. Key facilities in Indiana, California, and Texas are strategically positioned along major freight corridors.

Collaborating closely with reverse logistics providers ensures the efficient movement of goods, reducing fuel waste and minimizing environmental impact. Notably, ERI achieves an estimated 70% backhaul shipments with its third-party partners, utilizing empty trucks returning from other shipments.

Logistics plays a crucial part in ERI's business. ERI recognizes that optimizing logistics, transporting the maximum amount of goods with the minimal use of trucks and reducing miles driven, is essential to reduce environmental impact.

Our goal is to continually evolve the logistics modules and communicate with our logistics partners to improve the capacity of every load. ERI will continue to strive towards our commitment to environmental sustainability.

Fleet Fuel Management

Monitoring fuel consumption and pursuing efficiency reduces costs and aligns with the company's broader goal of conserving fuel and reducing vehicle emissions. ERI has automated its fuel consumption tracking. Fleet fuel card transactions are also employed to monitor fueling and maintenance frequencies, providing insights into fuel usage patterns.

In our pursuit of enhanced fuel efficiency, ERI invests in driver training to refine skills and knowledge, effectively reducing idle time during transit and contributing to reduced greenhouse gas emissions. Anticipating, ERI never stops their journey to seek an opportunity to go to the next level. We are planning to implement an engine idle shutdown system to force our trucks to shut off if they idle too long.

Route optimization is another aspect where ERI emphasizes maximizing vehicle efficiency. By carefully planning routes with optimal capacities and minimizing unnecessary miles, the company ensures efficient use of resources.

ERI's current fleet comprises 20 leased vehicles, aligning with the company's commitment to the sharing economy. Leasing not only supports this economic model but also offers flexibility to adapt to evolving needs and ensures the regular replacement of older, less efficient models, reinforcing the dedication to fuel efficiency.

Looking ahead, ERI is accelerating efforts to explore alternative fuel sources and logistics solutions, with a vision to transition to clean energy in the near future. This proactive approach underscores ERI's commitment to staying at the forefront of sustainable practices in the electronic waste management industry.

Idle Time
35 Minutes

Total Gallons of Fuel Consumed by ERI's Fleet
91,456

Average Gallons of Fuel Consumed Per Pound by ERI's Fleet
0.0021

Average Miles Per Route
294.27 Miles Round Trip

Average Weight Per ERI Truck
14,208.31 pounds

ERI-owned Fleet Emissions
9.6% of Total Scope 1 & 2 Emissions

Overall Logistic Emissions
58% of Total Emissions

| 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 |

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 2023, ERI's facilities collected, sorted and processed 123.98 million pounds of material across the country, including 3.6 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 2023 alone, there were over 650,000 units of spare parts that ERI recovered to support companies in need of components.

ERI has invested millions of dollars in technological advancements (as further discussed in our technology section) to improve our results and efficiencies in analyzing equipment for potential reuse.

Design for Sustainability

ERI's legislative compliance 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 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.

Consumers
123.98 million pounds of Unwanted Electronics
ERI
3.6 million pounds for Reuse
10.4 million pounds of Glass
2.2 million pounds of Batteries
52 million pounds of Metals
25.9 million pounds of Plastics
17.3 million pounds of Precious Metals
2.7 million pounds of Other Recyclables
OEMs
ERI's Partners
LS MnM
Alcoa
REDWOOD MATERIALS
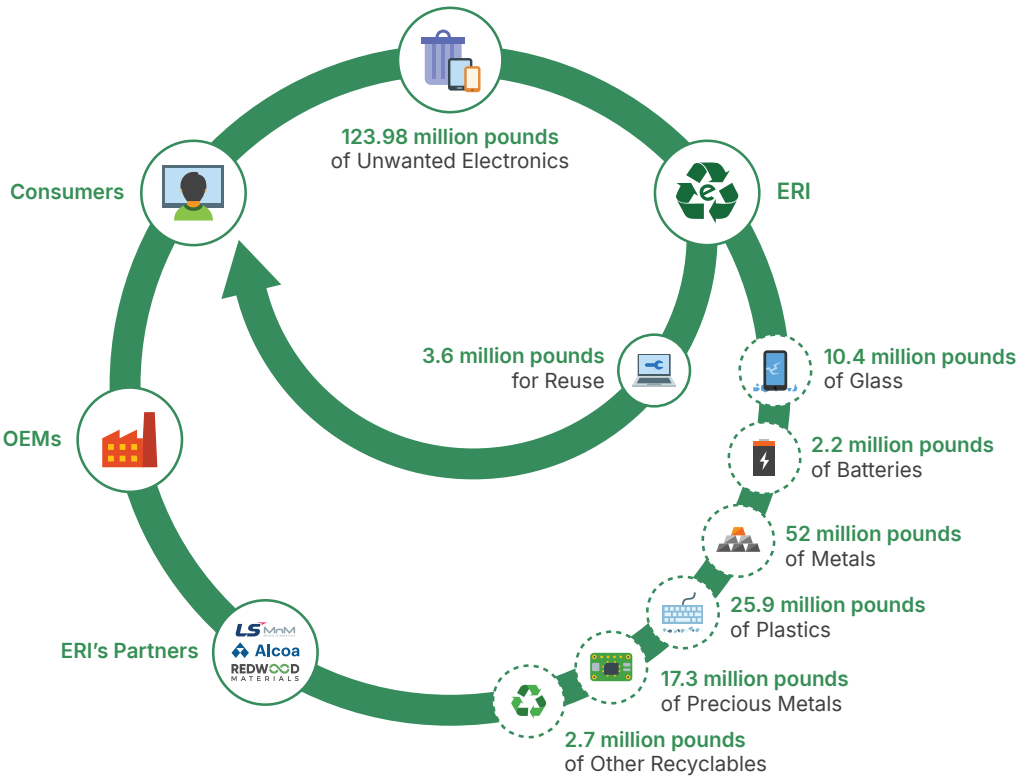
Innovation in the Circular Economy

At ERI, our commitment to sustainability is not just a philosophy but a strategic imperative, and our operational dashboard is a testament to this dedication. ERI has undertaken the initiative to maintain and manage a comprehensive suite of reports and dashboards through our Operational Dashboard and Scorecard system.

Our latest improvements include expanding the range of tracked categories within financial data, enhancing our reporting capabilities, and providing our leadership and teams with unprecedented visibility.

The operational dashboard not only signifies our commitment to transparency but also serves as a dynamic tool for strategic planning and forecasting. By embracing innovation in data tracking and analysis, ERI ensures that our leaders and teams have access to real-time insights, allowing for identification of trends and facilitating informed decision making for future planning across all our facilities.

Following the launch of this dashboard, ERI's team has already identified and addressed gaps in phone recycling and printed and packaging material management.

In 2023, we implemented improvements in printed and packaging recycling processes, seizing new opportunities in the sustainable disposal of these materials.

Above: One of our new foam densifier machines.
Below: Operational Dashboard & Scorecard

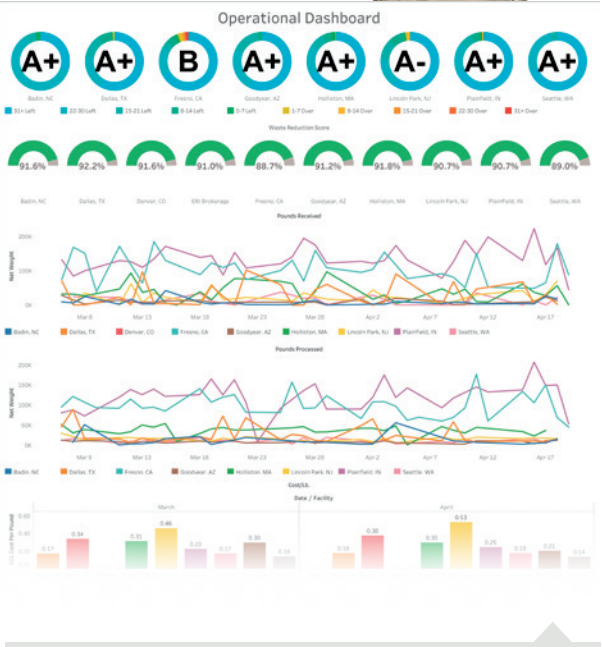| Category	Circular Measures
Innovation and Strategy	• Strategically select processing location and collection networking partners • Co-design robotics and machine learning to protect front-line operators and increase the material's recovery rate • Selectively partner with upstream and downstream organizations to secure the valued materials within the loop • Increase investment on research and development for advanced recycling technology and capacity to capture emerging electronic waste • Support various training to obtain the most up-to-date knowledge and experience that directly relates to ERI's development • Regularly review internal process and identify gaps for improvement • Provide communication channel for all employees to submit circular ideas
Service	• Collaborate with local government, business, NGOs, schools to collect and responsibly reuse and recycle the materials • Support various collection events and provide convenient recycling options for local communitiesText • Refurbish diverse types of 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 the clients can utilize the technologies without owning the actual object • Support corporates to donate refurbished electronics to the groups in need • Ensure OEM 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 certificatesText • Adopt energy efficiency solutions to 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 • Increase educational information for each facility with most updated news and circular ideas
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 recovery of hard-to-recycle materials • Vigorously attending conferences in different scales to stimulate circular economy discussion • Dedicated in conversations with ERI investors to discover the opportunities of circular system • Conduct interviews on independent thinkers and thought leaders to identify societal issues and solutions to share with public • Support local organizations and provide internships and vocational training

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. 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 25.9 million lbs. of plastics recovered through electronic recycling from ERI and our partners. These plastics include acrylonitrile butadiene styrene (ABS), polypropylene (PP), and polystyrene (PS). 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.

ERI has focused on ensuring compliance not just with US recycling regulations, our certifications, but also International law, including the Basel Convention.

ERI does not utilize landfills or incinerators to process our plastic downstream. We go direct to processors with our plastics who generate flake, extrude and also pelletize plastics per manufacturer's specs. Our current downstreams for plastics are located either domestically in the US or within OECD (Organisation for Economic Co-operation and Development) nations.

Supply Chain

Supplier ESG Audits

At ERI, our unwavering commitment lies in the pursuit of Net Zero. Recognizing that a substantial 80% of our emissions emanate from Scope 3 with the highest emissions coming from our Outbound, Upstream Shipping, and Capital Goods, our team has delved into creating an enhanced Vendor Audit system. The Vendor Audit system is aimed at evaluating our suppliers and service providers making more sustainable choices regarding our partnerships.

In pursuit of this goal, we are currently in the research and development stage of building our own scorecard to gauge the sustainability performance of our vendors. Our aspiration is for vendors to move toward a circular economy and demonstrate a commitment to Environmental, Social, and Governance (ESG) initiatives.

Veritiv Operating Company stands out among our vendors as a commendable example in championing sustainability initiatives at the forefront of their business model. Currently, they have a CSR report outlining their strategies for waste reduction and emissions control, acting as their ESG and Sustainability report.

Moreover, they are actively exploring the integration of additional frameworks such as TCFD, ISSB, SBTi targets, and Life Cycle Analysis. This strategic approach aligns with their commitment to advancing towards a closed loop circular system.

Another one of our partners, One Source Freight, excels in putting forth ESG initiatives even though the company operates on a smaller scale. Noteworthy initiatives highlighted in their audit include collaborating with a third party to monitor their scope 3 emissions, vet suppliers through an in-house compliance program, and maintaining transparency, particularly regarding diversity in key management roles.

Consequently, we uphold ERI and our vendors to the highest standards concerning environmental policies, governance structures, ethics, labor and human rights, as well as health and safety protocols.

Anticipating the evolution of both the world and ERI's reach, our vendor scrutiny will naturally expand. In the future, our exploration will extend to logistics and packaging vendors, with the goal of contributing to a more sustainable supply chain across all dimensions.

ERI's International Partners

ERI aims at serving global clients with responsible solutions for ITAD and recycling services. We have developed a global network of more than 40 international partners who have provided ITAD services for our customers in more than 130 countries - yet applies the same ESG policy demands to our international partner network that we apply to our own operations.

Prospective international partners undergo rigorous pre-approval and ongoing audit assessments devised by ERI to validate compliance, capabilities, and competences to the same high standards of ITAD services which ERI provides. As a leader in the developing ITAD field, ERI now collaborates with our international partners to raise their ESG awareness and performance on such concepts. ERI's international partners already demonstrate a range of positive ESG attributes:

Environmental
- Material recycling of used IT equipment with zero disposal to landfill achieved by many and tracking materials to ultimate point of disposition.
- Safe handling of hazardous materials used in IT equipment to avoid environmental contamination.
- Environmental impact monitoring throughout the supply chain (for example, of CO_2e).

Social
- Circular Economy demonstrated by reuse of refurbished IT equipment – enabling digital inclusion by sales of quality assured and affordable used IT.
- Safe working conditions,
- Diverse & equal opportunity employment practices with fair pay.

Governance
- Data Sanitization and data media Destruction using Security Services approved tools.
- Demonstrable compliance via independent certification to leading ITAD standards, E-Stewards, R2v3 & ISO certificates.
- Due diligence of people, processes and security systems used to reassure ERI customers.

Downstream Vendor Management

Business Requirements Identified → Research & Establish Contact → MNDA → Agreement, Negotiation & Document Exchange → Audit
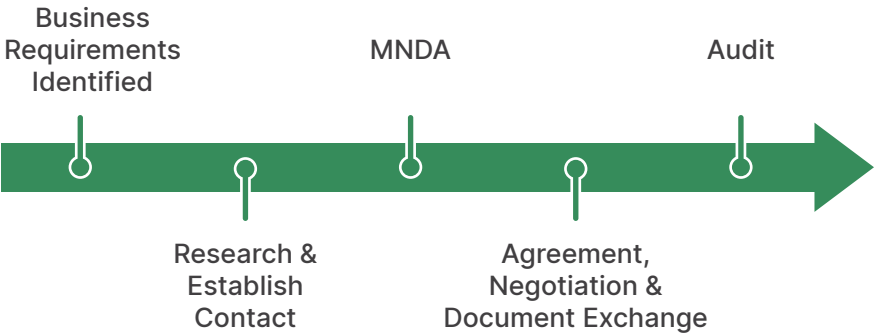
Internal Audits
- Annual audits
- Continuous internal audits to improve upon operational practices
- Preparation for audits to certification standards

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

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

Data & Privacy

With increased amounts of products containing personal or corporate data, it also creates more vulnerability for any individual and organization to cybersecurity risks. Data breaches often occurred through software attacks, other methods include credit card fraud, phishing, loss of electronics devices or hard drive. According to Statista, there were more than 353 million people affected by data breaches. Various industries were being targeted the most, such as healthcare, finance, and manufacturing.

At ERI, privacy is as important as protecting the people and the planet. Since 2021, we became the first ITAD and electronic recycling company in the United States to be SOC 2 compliant. Being SOC 2 compliant means ERI's system and controls on effective implementation of employee training, IT systems, and risk management control, product discipline, and vendor selection had been reviewed under its rigorous auditing process. The certificate has affirmed ERI's practices, policies, procedures and operations meet SOC 2 standards for security and data protection.

In 2023, we went beyond just providing proof of controls that meet SOC 2 standards. We had stepped forward and received the more stringent and prestigious SOC 2 Type 2 certification on June 12, 2023. We provided evidence of the controls for the entire auditing period, completing with testing on those controls that meet SOC 2 Type 2 requirements.

ERI's IT Department has been regularly reviewing the risks of our service commitments and system requirement set forth in TSP section 100, 2017 Trust Services Principles and Criteria for Security, Availability, Processing Integrity, Confidentiality, and Privacy (AICPA, Trust Services Criteria). Our regular risk assessments will help determining proper implementation of technical, operational, and security control to mitigate risks and vulnerabilities.

We have developed an Information Security Policy and Incident Response Plan to guide employees to know their roles and responsibilities on processing and controls, this will ensure that any significant events were reported to ERI IT personnel and/or law enforcement in a timely manner.

Obtaining SOC 2 Type 2 certification strengthens our commitment to data protection and security, as well as being responsible for managing all of the electronic devices. The time and effort invested in getting approval and receiving SOC 2 Type 2 certificates provide confidence to ERI's partners and clients with our processes.

We have also demonstrated our transparency to provide independent testing and validation of ERI's process to prove that our systems and controls on managing data can be fully trusted. Our commitment remains to pursue highest standards of security and compliance available.

Besides our data security and management, we have successfully completed the annual National Association for Information Destruction (NAID) certification once again at all of ERI's facilities. NAID certification validates ERI's compliance and security procedures on data destruction and chain of custody of clients' devices and data. Hard disk drives that were allowed for reuse would be processed pursuant to the National Institute of Standards and Technology (NIST), which is the gold standard of data sanitation process. If the device was not able to be scanned or if we can not verify whether the data is wiped, we will then destroy the hard drive physically by sending them for shredding on-site to ensure complete destruction.

Within our Asset Management area, data bearing devices are wiped in accordance with NIST standards and are complaint:

- 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

All of ERI's facilities are monitored by state-of-the-art CCTV camera systems that utilized artificial intelligence to support monitoring, alarm systems, identification card access control, and physical on-site security.

All of ERI employees, staff, and vendors are vetted and checked before hired by ERI. Different processing areas in the facilities were separated by security gate and guarded by a dedicated security guard to allow only authorized personnel to access.

We will continue to be at the forefront of cybersecurity to ensure the best service on data destruction and privacy protection.

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:

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.

ERI became the first e-waste and ITAD provider to be SOC 2 Type II 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

Environmental Health & Safety

At ERI, Environmental Health and Safety (EH&S) remain our top priority to ensure a safe space for all of our employees. ERI has been following OSHA regulations and various standards since the start of our operations. There are 44 various kinds of training conducted throughout the year at each facility.

Our continuous improved performance on safety has directly resulted in longer Lost Time Injury – meaning there were no incidents that interrupted the facilities' operation. Specifically, ERI's facilities in Badin, North Carolina, Lincoln Park, New Jersey, and Sumner, Washington have had over 1,000 days of no interruption on operations due to any incidents. We applaud all of the operation managers and EH&S team that help protect our employees and environment.

Emergency and Fire Suppression Training

Our EH&S team has been dedicated in supporting each facility with best practices on managing various types of situations. In the event where there is a natural disaster like an earthquake, tornado, or fire incident, we have had an Emergency Action Plan, Emergency Evacuation Drill, Fire Response Drill, Fire Extinguishers & Fire Prevention Job Aid in place to guide all employees to respond in these situations.

A thermal event is one of the most common incidents that occur in the waste industry. According to Ryan Fogelman from Fire Rover, 373 fire incidents occurred in 2023, 9% of the incidents resulted in injury or death. With increased amount of battery-containing devices and loose batteries mixed with other kinds of waste, all of the members are trained to be extremely cautious during collection and sorting process. Operators who were assigned to monitor the thermal cameras have to complete the Alarm Handling Protocols, which include:

1. Verification
2. Activation and Suppression
3. Dispatch

Maintenance on fire suppression system is equally important to conduct the system. Our qualified operators have to go through system maintenance training and understanding protocols when there is power or internet outages.

In 2023, we have strengthened our fire suppression system by investing more than half a million dollars on hardware installation and trainings, we believe this system can greatly assist in keeping each of our members protected and safeguarded.

Stop the Bleed Training

In addition to the regular EH&S trainings, we have partnered with Community Regional Medical Center (CRMC) to provide our staff with Stop the Bleed Training. Stop The Bleed program is a training program managed by the American College of Surgeons Committee on Trauma (ACS COT). ACS COT has been dedicated to improving emergency care for patients since 1922.

CRMC is one of the medical centers that provides the Stop the Bleed program to all organizations. Sarah Ellis from Fresno CRMC has helped in preparing our team members with the knowledge and skills to control life-threatening bleeding in emergency situations before professional help arrives at the scene.

The training includes key techniques such as applying direct pressure to a wound, correctly packing the wound to control bleeding, and properly using tourniquets in situations of severe bleeding.

At ERI, risk prevention is as crucial as reactive risk management. We have planned to roll out similar trainings to all sites to ensure the safety of our team members.

Environmental Health & Safety (Cont.)
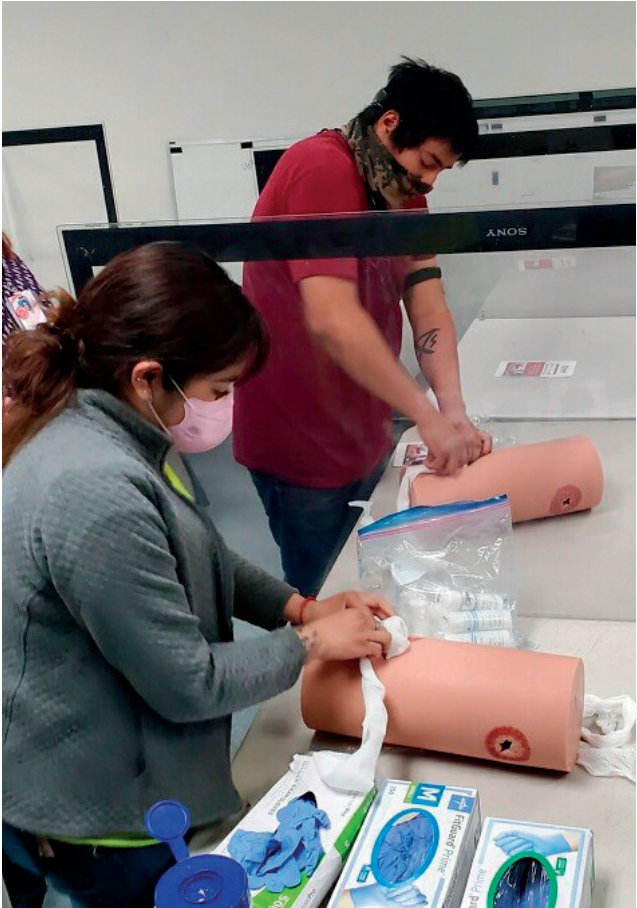
Hazardous Materials Management

At ERI, we manage over 100 million lbs. of e-waste every year, it's critical for us to ensure the Environmental Health and Safety requirements are met to protect our employees. Industrial Hygiene (IH) Monitoring has been conducted by a third party regularly at all ERI's facilities and to warrant our performance meeting e-Steward certification process.

Personal Protective Equipment (PPE) is provided and required to wear for all employees in the facility, requirements vary based on their position. The IH Monitoring process includes air and noise sampling, sound pressure surveys, and substances exposure measurements taken from various positions throughout the processing line.

In 2023, more than half of the workstations were monitored. Samples were collected by a certified Industrial Hygienist, and laboratory analyses were performed by an ISO 17025 accredited laboratory.

We are dedicated in providing a safe environment for all of the employees. Our employees' health and wellbeing are our essence to provide top protection for the People, Planet, and Privacy.

Personal Protective Equipment (PPE)

Various positions at ERI's facilities need different PPEs. Most commonly used PPE are street clothes, gloves, and safety glasses. For the shredding site, hearing protection are needed for some personnels; forearm protectors are worn by personnel who disassemble certain electronics. In order to enhance our commitment to protect our employees, we have also provided annual boot vouchers as part of ERI's employee benefits.

Air and Noise Monitoring

While ERI's operation does not emit any significant air emissions, however, indoor air quality and noise monitoring were being managed in each of our facility. We've deployed high-quality Donaldson Air Filtration System at our shredding sites, which include Massachusetts, Indiana, and California facilities.

High Efficiency Particulate Air (HEPA) filters and carbon filters are used and assessed weekly to make sure air quality is within acceptable range. ERI's operations team is required to follow standard procedures to monitor the system during the maintenance process.

Throughout various reuse and recycling processes in the facilities, there is noise generated in the work environment. We've developed Hearing Conservation Program for all sites, managers at all sites should make sure that affected personnel are aware of the noise and receive training and hearing tests. PPEs are provided for individuals to use at their workstation. Individual sampling results during the IH Monitoring were conducted.

Handling Hazardous Materials

Hazardous materials like lead, mercury, arsenic, and chlorofluorocarbons are commonly used in electronics. We've followed requirement from Occupational Safety and Health Administration (OSHA) to provide thorough and accurate information to our employees with each hazardous chemical present at the workplace.

Training was provided to employees on chemical safety to be followed in the workplace. We've developed Program and Job Aid to support each facility

understanding how to provide awareness, knows how to evaluate hazardous materials, as well as how to properly manage hazardous materials.

In order to correctly manage hazardous materials, several requirements have to be met by employees who might handle hazardous waste, which includes:

- Receive qualification assessment and trained through Job Safety Analysis Plan.
- Understand labels and warning signs.
- Equip with proper PPE, which includes Atlas Kevlar Gloves, Hard Hat, Dust Masts, Safety Glass, Steel Toe Boots, etc.
- Aware of federal and local regulation to manage hazardous waste.
- Knowing methods of protection and emergency procedures.
- Training program related to hazardous waste is conducted annually to ensure related individuals are familiar with the practices.

Handling Batteries and Battery Containing Devices

One of the most commonly received products from e-waste is batteries. Various products have contained batteries or require batteries to function. However, batteries like lithium-ion batteries could cause fire incidents easily. It's crucial for us to provide appropriate training for our employees and educational materials for our clients.

Since April 2022, our partnership with Call2Recycle and CellBlock FCS developed a safe solution – OneDrum – for clients to dispose of their batteries safely. Our clients have been able to save huge amount of time to sort and pack their used batteries correctly, which directly help reducing risk in transportation and fire incidents at clients' and ERI's site.

As the use of battery and battery embedded products continues to grow ERI has been dedicated to improving our battery sorting process. We've developed work procedures for trained individuals who are managing batteries at ERI's facilities, to help them understand and get acquainted with sorting, packaging, and emergency response at least once a year. In addition, investments were made to install Fire Rovers, Fire Enforcers, and heat/smoke detectors to distinguish fire events before any damage happens at all of ERI's facilities.

In 2023, ERI was awarded a grant from the Indiana Department of Environmental Management's Recycling Market Development Grant program to help expand our safe battery processing abilities at our Indiana facility. This system has been a success, it has increased productivity of sorted batteries while kept all the workers safe in their work station.

Employee Highlight - Kelly Kaitangian

In our ongoing commitment as an environmentally responsible organization, we are proud to share the experiences of one of our dedicated team members, Kelly Kaitangian, whose ERI career exemplifies the essence and values embodied by ERI. Kelly has moved from a National Safety Manager to a Compliance Specialist, where he attributes "ERI's mission to safeguard people, and the environment" as a driving factor in enhancing his employee growth and professional development.

Kelly highlights how ERI's "synergy between strong leadership, a mission-driven culture, and a collaborative work environment" fosters strong teams within his working environment and enforces a "collaborative spirit" among his colleagues.

Kelly's pride in witnessing the positive impact of training initiatives on staff, enhancing safety performance and environmental compliance, aligns seamlessly with ERI's dedication to continuous learning and development.

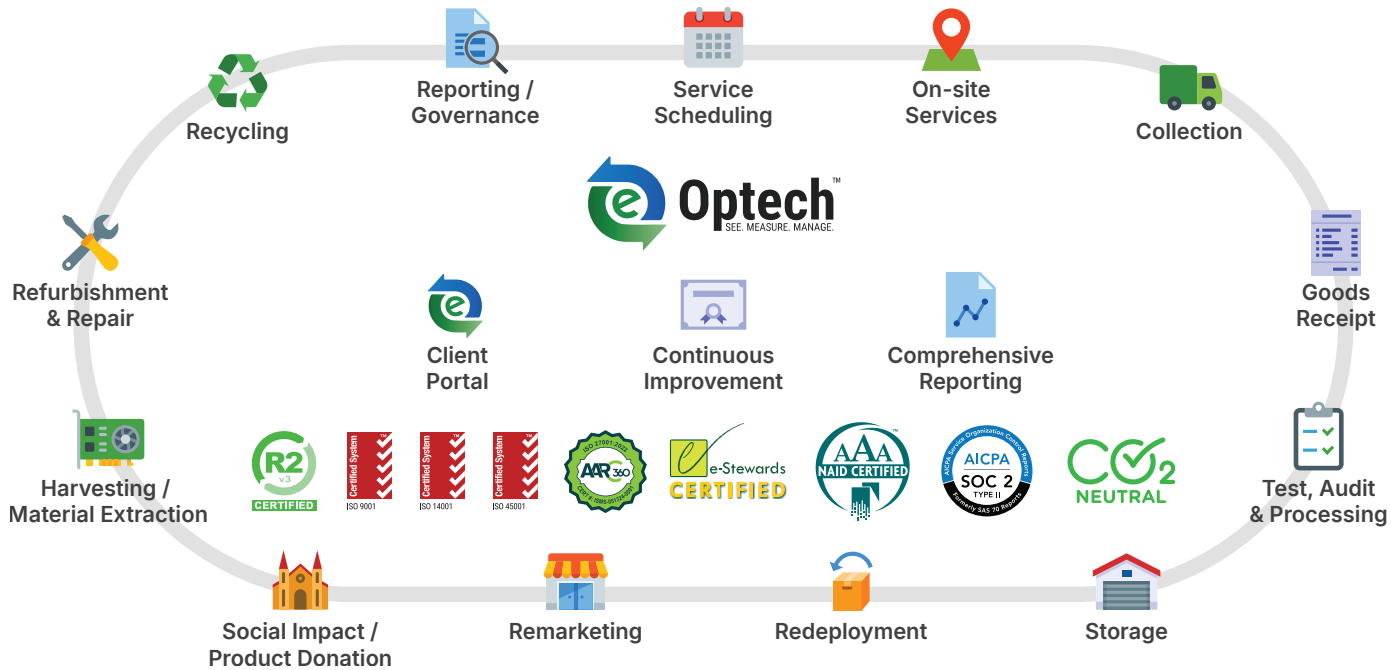| Number of Work Stoppages:	Zero	Average Idle Time Per Day:	35 Minutes Per Truck
Total Case Incident Rate (TCIR)		**Days Away, Restricted, or Transferred (DART)**	
Average Across 12 Buildings:	5.82 TCIR	Average Across 12 Buildings:	2.10
Average Across 3 Buildings:	Zero TCIR	4 Facilities Recorded:	Zero DART
		Fatality Rate:	Zero
Number of Road Accidents & Incidents:	Zero	**Safety Measurement System BASIC Percentiles (Last 2 Years)**	
		Unsafe Driving:	2 Violations
		Hours-of-Service Compliance:	3 Violations
		Driver Fitness:	2 Violations
		Controlled Substances:	Zero Violations
		Vehicle Maintenance:	8 Violations
		Hazardous Materials Compliance:	Not Public

Kelly Kaitangian, ERI's Compliance Specialist in Fresno, CA.

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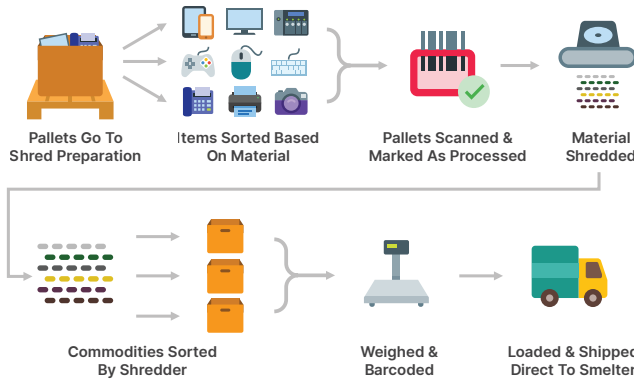
Currently, over 90% of active users are utilizing real-time account activity, sharing asset details from receipt through final disposition. We will continue to improve the accessibility of our system for ERI's customers to track the entire material supply chain and advance environmental performance.

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.

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.

Optech Capture & Project SOAR

At the end of 2022, into 2023, ERI upgraded our SOAR system, our internal system designed to harness proprietary A.I. and machine learning technology innovations to further enhance operational efficiency.

SOAR utilizes ERI's proprietary Optical Character Recognition (OCR) technology to highlight text on a picture, allowing the user to easily make selections during the receiving process. The second phase of the SOAR platform, takes the process to the next level of efficiency. Driven by machine learning and artificial intelligence, the system provides automated selections of the appropriate text from the OCR scans of images, which eliminates the need for user decision-making.

This system improves ERI's circularity capabilities by dramatically improving our capacity to detect and process reusable material.

ERI then launched our Optech Capture system. Our inaugural mobile application that seamlessly bridges our facilities and customers through cutting-edge electronics and advanced account management. This groundbreaking platform has revolutionized information flow, ensuring a standardized chain of custody that rests securely in the hands of ERI's on-site carriers and vendors.

The innovative capture system empowers users to effortlessly capture images, barcodes, and signatures, with all data seamlessly streaming into the Optech cloud for logging and future utilization. Since the launch of Optech Capture, we have successfully completed 20+ on-site jobs, and our commitment to enhancement remains as we continually refine its technology based on feedback from our technicians.

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

At ERI, our commitment is to cultivate a workforce that embraces inclusivity and diversity. As an unwavering equal opportunity employer, we firmly believe that diversity adds invaluable worth, and are proud of our diverse workforce.

We actively promote diversity across age, ethnicity, gender, and background at all levels within ERI. Our commitment extends beyond ideology to tangible benefits — every one of our employees receives a competitive wage, and our full-time employees enjoy comprehensive health and wellness benefits, including:

- Medical, dental, vision, disability, and life insurance
- Option to contribute to a 401(k) where ERI matches the contribution, enabling our employees to maximize their benefits
- Resources for employee mental health support
- Assistance for individuals undergoing substance abuse recovery

- Provision for time off and reasonable accommodations for victims of domestic violence or sexual assault
- Comprehensive on-site health and safety measures for workplace well-being

Additionally, ERI is partnering with Danford Works to publish an e-newsletter for our employees that entails the greatest health and wellness tips, empowering our workforce to take charge of their own health and wellness.

We believe providing these benefits to our employees is crucial to fostering a positive and productive work environment at ERI.

Legacy Women in ERI Operations

In celebration of ERI's workforce, we conducted an interview with our "legacy warehouse" team of women who have made an impact in our warehouse production for over 17 years on topics such as ERI's impact on their lives, work culture, and advice for any newcomers. The "legacy warehouse" represented by voices such as Maria Arredonda and Kim Jaime embody the essence of ERI's success.

Maria Arredonda, reflecting over 17 years of employment with ERI, shares "the culture at ERI has impacted me in the way it develops workers into leaders and maintains such an efficient work team."

ERI's role in her life, marked by a sustained reliance on company's employment opportunities, paints a vivid picture of our commitment to our workforce and contributing to long-lasting careers.

Kim Jaime, with a focus on personal pride and satisfaction with a job well done, divulges her advice "to the new team members, my advice is to be open to learning new techniques to achieve your goals, ask questions and give your best. Success only happens when you are willing to learn."

These testimonials collectively emphasize ERI's commitment to fostering a positive and empowering culture that extends beyond the workplace, creating a legacy of success that women proudly contribute to and celebrate.

From left to right:Rosalba Garcia De Martinez, Rosa Alcaraz, Kim Jaime, Maria Gastelum, and Maria Arrendondo.
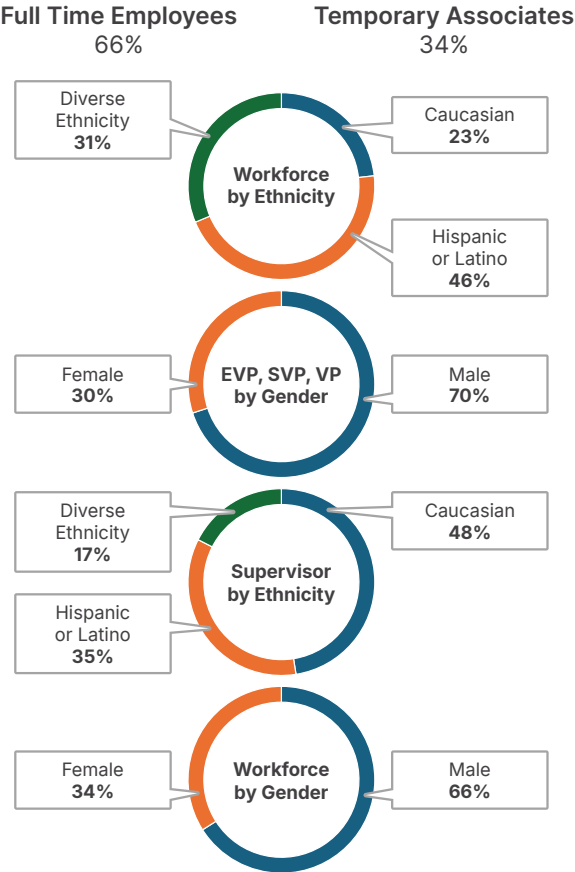
Diversity, Equity & Inclusion

ERI's diverse workforce creates an inclusive environment for all the employees to have safe working conditions. All of ERI's employees have been trained to strictly follow our anti-discrimination policy and unlawful harassment and ethics policies.

New employees are also obligated to review the employee handbook which helps them understand ERI's culture and establishes an environment that embraces individuals with different backgrounds and experiences. On average, ERI employees received 22 hours of training on these topics in 2023.

In 2023, we had 76.8% of employees of diverse ethnic backgrounds, which is a 2% increase compared to 2022. In terms of management, 86.2% of the Team Lead are from different ethnic backgrounds, which is a 6.2% increase compared to 2022. Additionally, for the Manager positions, there was a 3.8% increase from 2022 to 2023. Thus, we value each one of ERI's employees contribution to the company and we believe diversity will help ERI evolve sustainably.

We believe this carefully cultivated working environment has resulted in more than 9% of the overall employees that choose to continue growing with us for at least 11 years. Overall, more than 30% of the employees have been with ERI family for more than 6 years.

Full Time Employees
66%

Temporary Associates
34%

Diverse Ethnicity 31%

Caucasian 23%

Workforce by Ethnicity

Hispanic or Latino 46%

Female 30%

EVP, SVP, VP by Gender

Male 70%

Diverse Ethnicity 17%

Caucasian 48%

Supervisor by Ethnicity

Hispanic or Latino 35%

Female 34%

Workforce by Gender

Male 66%

Employee Highlight - Amy Teeters

At ERI, our exceptional team is comprised of individuals who bring unique perspectives and strengths, contributing to the diversity of our workplace. One outstanding example is Amy Teeters, whose journey at ERI has been nothing short of remarkable.

As a deaf individual, Amy has seamlessly integrated American Sign Language into her daily interactions, demonstrating the power of inclusivity within our organization.

Her ability to read lips and bridge communication gaps has not only fostered an environment of understanding but has also highlighted the richness that diverse backgrounds bring to ERI.

Amy Teeters takes pride in her role, having worked diligently up and is now a supervisor in Asset Management in Flower Mound facility. Despite potential communication challenges, her commitment to excellence and dedication to learning across all departments in her area have allowed her to better understand the electronics recycling industry.

Her journey serves as a testament to the inclusive and supportive culture at ERI, where individual differences are embraced and celebrated. Amy recounts "ERI has supported me every step of my career to advance my knowledge in this industry" on her experience as a member of the ERI family.

We are proud to celebrate Amy's outstanding achievements and look forward to her continued success as she inspires others to overcome barriers in their careers.

Diversity, Equity & Inclusion (Cont.)

Tammy Shegerian Recognized in Dark Rhiino Security

In March 2023, Dark Rhiino Security proudly recognized Tammy Shegerian, ERI's cofounder and President & Chief Revenue Officer, for being acknowledged as a remarkable woman in the cybersecurity and tech industry.

Aligned with the theme of media and storytelling, Tammy emphasized the importance of mentoring and promoting gender diversity especially with her experience of over 25 years of working in business management.

With her achievement, it is apparent that our commitment to equality is evident in key leadership roles held by talented women, showcasing our dedication to fostering diversity.

"
As a woman in the cybersecurity and tech realm, it is critical to share what you have learned with the next generation of professionals by mentoring other women. It is also hugely beneficial to pay your own experiences forward by promoting other talented women into leadership positions.

At ERI, for example, some of our most valued roles and positions at the company – including my own role as President & Chief Revenue Officer – are represented by women. Our Senior Vice President of Human Relations, VP of Finance, VP of our Retail Division, and Chief of Staff positions have all been held for many years by talented and seasoned women.

These positions are a direct result of our unwavering and long-standing commitment to gender diversity, which I believe is vital in our industry, and that I hope other tech companies will replicate. It is also important to embrace principles of social equality such as gender pay equity so that talented women are given a level playing field in which to excel.

Tammy Shegerian
Co-Founder,
President & Chief Revenue Officer

Increasing Engagement through Significant ESG Performance

In a dynamic business landscape marked by disruption, the significance of Human Resources leaders has become increasingly pronounced. Notably, our Senior Vice President of Human Resources, Carol DeBellis, participated as a keynote speaker at the Chief Human Resources Officer (CHRO) and Chief Learning Officer (CLO) Summit held on September 26, 2023 in Santa Clara, CA at the Hyatt Regency.

This summit, a convergence of leading HR experts, provided a platform for Carol to present her insights on "Increasing Engagement through Significant ESG Performance."

During her keynote address, Carol DeBellis underscored the critical link between ESG performance and employee engagement, emphasizing the importance of aligning ESG goals with a company's overall strategy to meet stakeholder expectations.

Carol not only shared her expertise on the subject but also outlined easy steps that businesses can take to integrate ESG principles into their company culture. The recognition of Carol's efforts reflects ERI's commitment to ESG values and its dedication to educating others to take part in it as well.

Wellness

At ERI, fostering an inclusive and safe environment is crucial for the well-being of our employees. Underlining this commitment, our Senior Vice President of HR, Carol DeBellis, co-authored a Safe Space article titled "Trauma-informed training practices to help establish a learning environment that fosters psychology safety" which delves into the effective mechanisms for supporting individuals who have experienced trauma.

These mechanisms include responding to subtext in communication, focusing on bridging information gaps, and asking calibrated questions. By approaching these actions with openness, individuals can support others who are navigating a challenging time.

Given that most US adults deal with trauma, often manifested in various forms including individual, collective, intergenerational, and toxic stress, it's important to recognize that each person's experience is unique. Therefore, each person has their own trauma-informed perspective. By, integrating trauma-informed practices into employee training, individuals can help support those affected by trauma and help provide the necessary space for the weight people endure.

Additionally, ERI places a high priority on wellness, actively promoting the health and well-being of its employees. To achieve this, we offer benefits that include tele-health visits through Teladoc Health and in-person visits at CVS Minute Clinic, demonstrating our commitment to comprehensive employee care.

Furthermore, our partnership with Danford Works clinic, enhances our employees' education and awareness of their holistic health. Recommended medical checks from Danford Works include DXA scans, thorough blood panels, and further medical evaluations to pinpoint significant health risks and empowers our workforce to prioritize their well-being.

Complimenting regular wellness check-ups, ERI enriches its employee support system with a comprehensive employee assistance program. Under this program, employees are given work-life solutions, financial resources, confidential emotional support, and more, to help them navigate solutions to the challenges in their life. Thus, our employees have access to an extensive network of resources, enabling them to take charge of their overall health and well-being.

COMMUNITY OUTREACH & EDUCATION
Accessible E-Waste Services for Everyone

Collection Events

ERI understands that collection events provide consumers with recycling access in their communities, particularly those without strong recycling infrastructure. These events also serve as an educational tool to allow consumers to see the sheer volume and types of e-waste at their end-of-life.

Some examples of events held in 2023 include:

In collaboration with LG Electronics USA, ERI hosted a special e-waste collection event in Milwaukee at the Salvation Army on November 4, 2023. The event allowed residents to responsible recycle their unwanted consumer electronics free of charge including computers, monitors, TVs, DVD players, and mobile devices.

Similarly, ERI extended it commitment to responsible e-waste recycling by organizing free collection events throughout the state of Wisconsin, targeting rural to urban communities that have less access to electronics recycling. Throughout 2023, we were able to host over 6 collection events and will continue to improve our collection network across the nation.

Another community event highlighting ERI's collection efforts, is ERI's collection event hosted with Adams County Solid Waste and Recycling. This collaborative effort was integrated into the county's Agricultural & Household Hazardous Waste Clean Sweep Event, offering local residents a free and environmentally responsible avenue to dispose of their electronics.

Similar to our outreach in states like Wisconsin, ERI hosted several events across the United States including in Indiana and our headquarters in Fresno, California. In Sullivan County, IN (a historically underserved area of the state), ERI partnered with the State of Indiana to hold an e-waste collection event at Sullivan High School. Expressing honor in this partnership, the initiative aimed at preventing electronics from entering landfills and providing an option for decluttering.

We also held an electronics collection event on Earth Day on April 22, 2023, in partnership with the Caglia Environmental Group. By aligning our e-waste collection event with Earth Day, we emphasized the urgent need for diverting electronic waste from landfills, especially since this holds a significant importance in promoting environmental sustainability that is often overlooked.

A collection event held on October 29, 2023, at Coney Island, Brooklyn.

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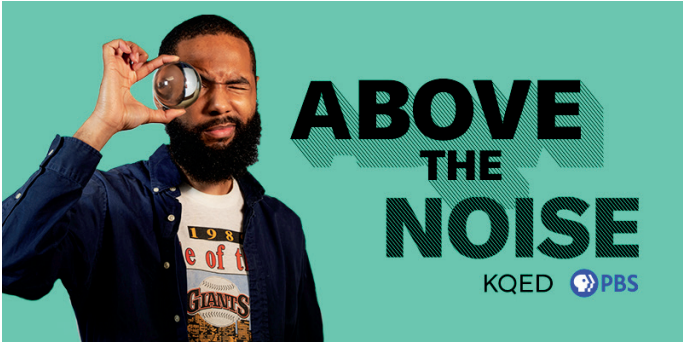
Education

ERI's John Shegerian participated along with Jim Puckett of Basel Action Network in an educational piece titled "Above The Noise" which is an educational show produced by KQED (PBS' San Francisco affiliate).

In the episode, Shegerian pointed out how e-waste recycling works and discussed the importance of the circular economy, which showcased ERI's facilities in action as a model for responsible recycling.

Being able to engage and educate high school students across online platforms on e-waste, a topic often overlooked, provides an opportunity to raise awareness on the importance of electronic device recycling.

Check it out here:
https://youtu.be/j3Av1-nApuo

Jobs of Tomorrow Series on Amazon

John Shegerian and ERI were asked to be featured in the "Jobs of Tomorrow" docuseries, which highlights the future of the recycling industry and the innovative fields within recycling.

Sponsored by the Institute of Scrap Recycling Industries (ISRI), the series delves into innovations and technologies shaping the recycling sector, emphasizing the importance of community education.

Particularly, John and ERI are featured in Episodes 15 and 16, which focus on electronics and recycling of e-waste.

Check it out here:
https://tubitv.com/series/300010121/jobs-of-tomorrow

Boy Scouts

John Shegerian delivered an educational presentation on the importance of the responsible recycling of electronics to more than 3000 Boy Scouts across the country for the Scouts' annual Summer Cyber Camp held in June of 2023.

In the presentation, John shared with the Scouts a short video about ERI's AI robots SAM and ERNIE.
The interactive session allowed John to engage with Boy Scouts, answering questions and fostering a sense of environmental responsibility, thereby contributing to community education on the significance of the circular economy.

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.
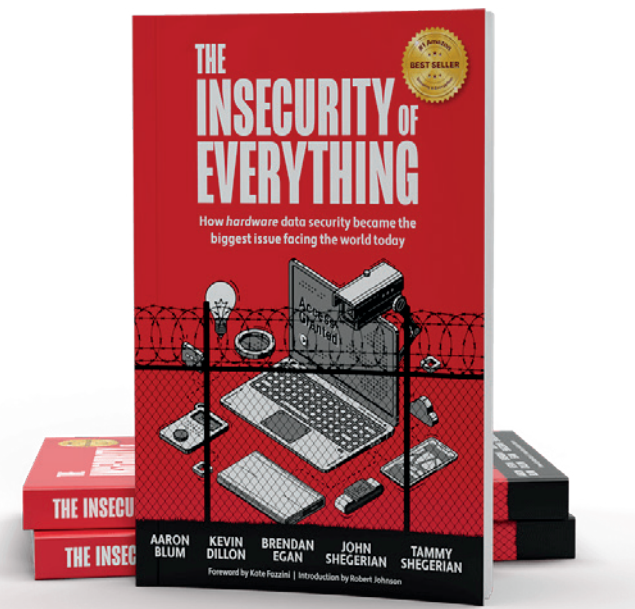
Collaboration with Community on Outreach & Education

Vocational Training and Empowerment Center (VTEC)

ERI is committed to consistently contributing to the community and fostering inclusivity and opportunities within the e-waste sector. In line with this commitment, we have joined forces with the Vocational Training and Empowerment Center (VTEC), a division of Opportunity Enterprises. VTEC is a division of Opportunity Enterprises that focuses on customized education and hands-on experience that is dedicated to supporting individuals with autism, Down syndrome, cerebral palsy, cognitive delays, traumatic brain injuries, disabilities, Alzheimer's, dementia, loss of limbs, and other delays to equip them with skills necessary to enter the workforce and their chosen discipline.

Through our collaborative efforts, VTEC will play a pivotal role in facilitating the integration of individuals from their program into ERI's work environment, working together to assist them in finding meaningful employment. The training program has been implemented in our Plainfield, Indiana facility. Upon successful completion of the 10–12-week program, graduates have the opportunity to embark on careers with ERI.

Additionally, VTEC will oversee job coaching during the initial two years to guarantee a seamless integration into our workforce.

The VTEC/ERI partnership aims not only to help us discover valuable work but also to provide vital support to differently-abled people, enabling them to reach their full potential.

We are excited to provide sustainable career opportunities within the electronic recycling industry for people who are differently abled, furthering our commitment to cultivating a workforce that is both diverse and inclusive.

Education (Cont.)

Battery and Critical Metals Recycling Conference

Our Chairman and CEO of ERI, John Shegerian participated in a panel about sustainable battery recycling at the Battery and Critical Metals Recycling Conference in June 2023. During this conference, Shegerian spoke about the life cycle of electronics in relation to producer responsibility, market trends, and current recycling infrastructure. Shegerian points out that "responsible recycling is the answer" in terms of protecting the supply of critical minerals and achieving our sustainability goals.

Angie Ransom Presents at RLA

In February 2023, ERI received the annual Green Reverse Logistics award for sustainability excellence from the Reverse Logistics Association (RLA). The Green Reverse Logistics award is given to companies that strive for innovation in their sustainability efforts and exhibit exemplary approaches to their circular economy goals.

At this conference, ERI's own Angie Ransom, the Vice President of Sales spoke on a panel titled, "Reverse Our Thinking: Logistics Powered by Data" where she emphasized the importance of data in ESG and circular initiatives.

Not only with an emphasis on individual contributions held by companies, but Angie also recognized how data capture on a national level can maximize efficiencies across every sector. We are proud to be working with companies that recognize multifaceted relationships between the world and the circular economy like RLA.

New York's 2023 Responsible 100

In December 2023, David Hirschler, ERI's Chief Sustainability Officer, received the prestigious honor of being named one of New York's 2023 Responsible 100. The esteemed list acknowledges leaders who embody the essence of social responsibility.

At ERI, Dave finds fulfillment in his role, as he can witness the real-world impact of his efforts, ranging from enhancing access to e-waste collection to actively promoting consumer engagement in the circular economy. We take pride in supporting Dave as he attains this noteworthy achievement, further exemplifying our commitment to sustainability and responsible business practices.

Verizon's Supplier Sustainability Award

ERI is honored to have been chosen as the recipient of Verizon's 2023 Supplier Sustainability Award. This prestigious recognition underscores ERI's commitment to supporting Verizon's sustainability initiatives, particularly through our collaboration on the innovative 'direct to recycler' PC Refresh Program.

Through this program, we facilitated the responsible recycling of electronic devices by providing more than 2,600 UPS labels, enabling customers to conveniently ship their devices directly from their homes to ERI.

As a result of this collaborative effort, ERI successfully resold over 215,000 pounds of electronics, while also responsibly recycling over two million pounds of e-waste. This award serves as a testament to ERI's dedication to environmental stewardship and sustainable business practices.

NYC "Follow Your Waste" Educational Game

In 2023, ERI along with the New York City Department of Sanitation (DSNY) launched the "Follow Your Waste" recycling education program. Launched for school children, the interactive online program educates the next generation about responsible recycling and waste management, covering various materials, including e-waste.

In collaboration with ERI, DSNY developed key information and best practices for e-waste including simple illustrations that showcase the step-by-step process of recycling laptops, TVs, and cell phones.

We are thrilled and honored to contribute to New York City's forward-looking educational initiative, especially empowering the public to take part in recycling and responsible e-waste management. Since 2013, our commitment has extended to improving the city's e-waste collection accessibility, by installing over 8,000 e-waste collection bins in buildings.

In 2023, we collected 2.8 million lbs. of e-waste from NYC with 25.4% from Manhattan alone - showing the impact of our partnership with NYC. We remain dedicated to supporting and promoting our recycling and education efforts with NYC.

GreenBiz23 Conference

In 2023, our CEO, John Shegerian spoke at the GreenBiz23 annual conference in Scottsdale, AZ, where more than 1,000 sustainability professionals convened to discuss innovations in the sustainability sphere. During this conference, he participated in a panel discussion on the "Barriers and Opportunities to Improving Recycling Across Sectors," where he shared insights on the current state of the ITAD and e-waste recycling industry.

Emphasizing the importance of communication and education, John highlighted that these elements are vital for problem-solving and collaborative efforts to create solutions that protect our planet. We are grateful for the opportunity to contribute to furthering education and impactful dialogue, particularly in terms of the evolution in the recycling industry.

VERGE23 Conference

In October 2023, John took part in a circular economy panel at the VERGE23 conference, a prominent climate tech event in San Jose, CA. He contributed to a panel titled "Circular Principles in Clean Energy Tech," offering insights on end-of-life product management and responsible recycling of unwanted electronics.

By participating in this strategic conference covering diverse areas such as sustainable transportation, clean energy, and carbon removal to name a few, we can enhance our understanding and contribute to developing better solutions for the climate crisis.

Circularity 23 Conference

Our leadership also attended the Circularity 23 conference, held in Seattle from June 5-7. John was featured in a multi-panel discussion titled "Recovering Critical Materials From E-Waste and the Untapped Urban Mine," where a key highlight was the discussion on future proofing critical material supply chains, an issue confronting global supply chains today.

Additionally, David Hirschler, ERI's Chief Sustainability

Officer, participated in a panel titled "The Circular Electronics Roadmap: Two Years In" delving into achieving a circular system in the electronics industry based on the Circular Electronics Partnership's (CEP's) roadmap. We commend our leadership for their educational efforts and proactive steps in promoting circularity.

RecycleNation

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 2023, 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 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 2023 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.

27th Annual Webby Awards

The 27th Annual Webby Awards named John Shegerian, the co-founder and chariman/CEO of ERI, as an honoree in the Business Podcast category.

The Webby Awards considered the "Internet's highest honor" according to the New York Times, recognized the Impact Podcast for its innovative and creative contributions to the digital landscape.

John hosts the Impact Podcast, which features influential guests sharing their firsthand accounts of their efforts to make the world a better place. The Webby Awards recognition reaffirms ERI's commitment to fostering impactful conversations and driving positive change in the world.

Giving Back to the Community

At our Badin, North Carolina facility, we hosted a food donation event where we were able to collect 500 lbs. of goods that were donated to our partners, the Stanly County Christian Ministries. Specializing in food and financial aid, SCCM collaborates with other organizations by hosting food pantry locations where eligible residents can receive grocery support.

SCCM not only addresses immediate food needs but also extends emergency financial assistance for rent, utilities, and medical prescriptions. We are pleased to partner with an organization like SCCM that enables us to make a substantial impact on our local community.

Throughout the fiscal year of 2023, ERI has proudly contributed to multiple charitable initiatives including partnerships with the Salvation Army involving toy drives and food banks for those in need, spanning across various facilities including our Flower Mound, Holliston, Plainfield, and Fresno sites.

Notably, our Fresno headquarters, held a "Warming Drive" where they collected blankets, gloves, beanies, socks, and jackets to keep individuals warm during the winter months.

The "Warming Drive" was held in partnership with the Imperial Dove Court De Fresno, Chase the Guise & Sid are the Duke and Duchess, and donations were directed towards supporting Transitions Children Services.
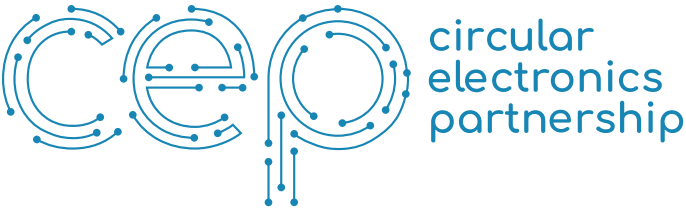
At ERI, our core belief revolves around giving back to the communities where we operate, aligning with our mission to safeguard organizations, people, and the environment.

Items collected at our Fresno headquarters for the Back to School Backpack & Supplies Drive in August 2023.

"Warming Drive" held at our Fresno headquarters.

Circular Electronics Partnership

ERI takes pride in its affiliation with the Circular Electronics Partnership (CEP), a collaborative effort among partner organizations aimed at accelerating the circular transition for electronics. Historically, the CEP consists of its partner committee along with private sector companies to drive actions throughout the electronics supply chain.

According to the Global E-waste Monitor1, in 2022 alone, 62 million tons of e-waste was generated which is enough to fill 1.55 million 40-ton trucks, roughly enough trucks to forma bumper-to-bumper line around the equator. Given the alarming rate of e-waste accumulation globally, achieving circularity in the electronics sector is imperative to curbing further environmental degradation.

As part of our partnership with CEP, we are heavily involved in building CTI guidelines, and we are working on collaborating with other organizations to find best practices for material circularity. As part of this group for electronics circularity, we analyze key performance indicators, collect relevant data, and identify opportunities for improvement in helping the industry transition to full circularity.

At ERI, our primary focus areas for circular initiatives include the responsible management of precious materials, recyclables, and batteries.

Currently, e-waste is projected to rise to another 82 million tons by 2030, which is another 32% waste generation increase. Thus, we are continuing to gain more knowledge on best circularity practices and are dedicated to transforming our linear outflow into a circular outflow, in support of responsibility circularity for all.

E-Scrap

As an industry leader, one of our focuses is continuous learning and educating everyone on responsible reuse and recycling. We have been actively engaged in conferences, trade shows, public events to convey the importance of protecting the people and the planet.

E-scrap is one of the most popular conferences in e-waste industry, with over 1,200 attendees from more than 35 countries. ERI co-founder Kevin Dillion was invited in panel discussion on "Tips to Tackle Problematic Material Streams". This panel discussion explained the best practices in identifying and managing hard-to-recycle electronics and components in an efficient way.

The topic is significantly crucial for all of the collectors and recyclers who might receive battery-containing devices, properly managing the risk of potential thermal event from batteries is what we should all be aware of.

At the same conference, ERI's newly Chief Sustainability Officer David Hirschler was representing Circular Electronics Partnership (CEP) to participate in 2 events hosted by International E-Waste Management Network (IEMN): the IEMN Product Standards and Certification Programs session; and as part of a Workshop on Key Challenges Under State Electronics Recycling Laws Presented by the National Center for Electronics Recycling.

We are proud that David Hirschler was able to share his insights with the audiences based on over 15 years of experience he has had from public and private sectors. The presentation has sparked interests from the audiences to engage with ERI for more in-depth conversation.

Right: Kevin Dillon (right) at E-Scrap 2023 as part of the panel of experts on responsibly recycling challenging materials.
Below: David Hirschler (top left) representing CEP at the IEMN.

External Engagement

External Engagement is vital for ERI as it allows us to learn from other organizations to improve our overall circular economy strategy and leads to fostering more transparency and accountability within the electronics recycling and ITAD space and beyond.

For the past 3 years, ERI has been a proud member of the Circular Electronics Partnership which unites leaders in technology, consumer goods, and waste management to find solutions to improve the circularity of e-waste. As a part of this task force, ERI and other industry leaders use this platform to innovate in terms of circular design and production.

With the rise and increased use of solar panels, more are discarded at an alarming rate due to natural disasters and advancements in technology. As one of the few and largest companies specializing in PV modules and battery recycling in the US, ERI holds a prominent position in the industry. In 2021, ERI became a member of the Solar Energy Industries Association (SEIA) to actively participate in advancing the solar industry and discovering innovative solutions for addressing the upcoming significant e-waste challenge associated with solar technologies.

Circulytics

At ERI, we value the circular economy by prioritizing material circulation through recycling and minimizing waste generation to the best of our capacity. Sustainability serves as ERI's foundational core, driving ongoing innovation and guiding the design of our practices towards building a comprehensive circular economy.

In our commitment to boost sustainability, we have shared our data with the Circulytics program–a globally recognized top-tier measurement tool for evaluating a company's circularity, spanning from a evaluating a company's operations to its external engagement with stakeholders. We are honored to achieve an overall score of "A", for a fourth consecutive year by the Ellen MacArthur Foundation's Circulytics Program2.

In the "Enablers" category, ERI received an "A" in industry benchmarks including external engagement, operations, people and skills, innovation, and strategy and planning.

As a result of the score from CY2022 which was received

in 2023, we are proud that ERI's key assets include our cybersecurity efforts, IT department, and innovative technological developments. We aim to establish a resilient circular model within and beyond our organization and use the Circulytics program to determine how we can continuously improve our circular economy practices.

CleanTech Leader Forum and Carbonauts

CleanTech Leader Forum and Carbonauts are the latest two influential organizations that ERI has participated in.

By actively participating in the CleanTech Leader Forum, ERI aims to contribute to insights and innovations to advance sustainable practices within the clean tech sector. Additionally, the collaboration with Carbonauts presents an opportunity for ERI to deepen its involvement in carbon reduction initiatives and climate education focused on scope 3 emissions, aligning with their commitment to environmental responsibility.

Through these partnerships, ERI anticipates increased collaboration, knowledge exchange, and collective efforts towards fostering a greener and more sustainable future.

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.

Good Health and Well-being

ERI actively advances Sustainable Development Goal 3, emphasizing Good Health and Well-being by championing holistic wellness throughout our community, with a particular focus on our dedicated team members.

This year, our employees were presented with an enriching Longevity Masterclass seminar, centering on the importance of harnessing and comprehending personal health data to optimize health and well-being. Through this collaboration with Danford Works clinic, employees were able to gain insights on the

advantages of comprehensive medical scans, aiding in the identification of potential health risks and methods in mitigation before these ailments manifest.

Similarly, our employees are encouraged to manage their health with vaccine drives, routine checkups, and engaging in a healthy lifestyle. Integrating wellness systems into our company's culture reinforces the importance of health and well-being, while also addressing and managing global health challenges.

Industry, Innovation and Infrastructure

Improving material circularity has been ERI's core business, focusing on the fastest growing waste stream in the world.

We believe that responsible solutions for e-waste can lead to protecting people, the planet, and privacy. While only 22.3% of the e-waste was formally collected and recycled worldwide, we have continuously focusing on innovation to increase efficiency, safety, and productivity.

Since the early 2000s, we developed our Optech system to track all material flows and provide real-time report for our clients.

Our proprietary shredding systems, SAM and ERNIE, have managed over a billion pounds of e-waste from the beginning of our establishment.

We have invested millions of dollars on research and development efforts to create AI recognition, robotic sorting, and advanced processing machines. Additionally, we have conducted energy audits to explore all opportunities to help our facilities become more resilient.

All of the efforts mentioned above contribute to managing existing and emerging electronics more efficiently in society. We believe that innovation and well-designed systems will help us achieve material circularity.

Sustainable Cities and Communities

With the rise of migration and technological reliance, a growing number of people are moving towards urban

SDG	Pages
1 NO POVERTY	47
2 ZERO HUNGER	
3 GOOD HEALTH AND WELL-BEING	28-31, 34-35, 36-39
4 QUALITY EDUCATION	42-45
5 GENDER EQUALITY	34-35, 36-39
6 CLEAN WATER AND SANITATION	
7 AFFORDABLE AND CLEAN ENERGY	18-19
8 DECENT WORK AND ECONOMIC GROWTH	25, 35, 37, 43
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	12-13, 18-19, 22-23, 24-25, 26-27, 32-33
10 REDUCED INEQUALITIES	26-27, 36-39, 42-45, 46-47
11 SUSTAINABLE CITIES AND COMMUNITIES	40-41, 46-47
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	12-13, 18-19, 20-21, 22-23, 24-25, 50-52
13 CLIMATE ACTION	14-17, 19-21, 22-23, 31
14 LIFE BELOW WATER	
15 LIFE ON LAND	22-23
16 PEACE, JUSTICE AND STRONG INSTITUTIONS	13, 24-25, 26-27
17 PARTNERSHIPS FOR THE GOALS	36-39, 42-45, 48-49, 50-52

Please refer to the above page numbers for detailed insights on how ERI has integrated the United Nations Sustainable Development Goals.

External Engagement (Cont.)

areas, making it more difficult to achieve sustainable cities. The surge in climate change risks, waste, and unevenly distributed issues further compounds the issue.

Despite the setbacks in urban areas, ERI remains committed to improving our collection efforts, extending our efforts in major cities as well as rural areas.

For example, ERI alongside with LG hosted a free electronics collection event for residents in Milwaukee, the largest city in Wisconsin. Additionally, in 2023 alone we hosted over 173+ free electronics collection events across the United States, to give individuals access to responsible recycling services, building more inclusive, resilient cities.

Responsible Consumption and Production

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.

Climate Action

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 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.

Partnerships for the Goals

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 LG 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 2023 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: 513. Temp Count 276. See We Are ERI.	4-5
102-9	Supply chain	ERI's supply chain is made up of a network of transport providers.	24-25
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 Innovation in the Circular Economy.	22-23
102-13	Membership of associations	See Innovation in the 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.	11
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 fourth GRI-compliant report.	N/A
102-50	Reporting period	January 1, 2023 - December 31, 2023. All data represents this reporting period unless stated otherwise.	N/A

Disclosure ID	Disclosure Title	Response	Ref. Page
102-51	Date of most recent report	This is ERI's fourth report.	N/A
102-52	Reporting cycle	Annual.	N/A
102-53	Contact point for questions regarding the report	David Hirschler, Chief Sustainability Officer - 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 The ERI Family.	34
202-2	Senior management hired from local community	100% of senior management is hired from their respective community. See Diversity, Equity & Inclusion.	36-37
GRI 300: Environment			
GRI 302: Energy			
302-1	Energy consumption within the organization	Natural Gas: 5,654,384.72 kWh, Road Diesel: 346,198.62 liters, Propane: 2,873.15 gallons, Electricity: 6,611,092.16 kWh and 1,190.45 M2.	N/A
302-3	Energy intensity	Scope 1: 9.89 tCO2e/revenue (M). Scope 2: 16.68 tCO2e/revenue (M). Overall Energy Intensity: 26.57 tCO2e/revenue (M).	N/A
302-4	Reductions in energy consumption	See Understanding our Impacts & Decarbonization.	14-16
302-5	Reductions in energy requirements of services	See Innovation & Improvements.	20
GRI 305: Emissions			
305-1	Direct (Scope 1) GHG emissions	1,385.10 mTCO2e.	14
305-2	Energy indirect (Scope 2) GHG emissions	2,335 mTCO2e and further reduced to 0 mTCO2e using a Market-Based approach.	14
305-3	Other indirect (Scope 3) GHG emissions	20,477.77 mTCO2e.	14
305-4	GHG emissions intensity	Scope 1: 9.89 tCO2e/revenue (M). Scope 2: 16.68 tCO2e/revenue (M). Scope 3: 146.27 tCO2e/revenue (M). Overall GHG emissions intensity: 172.84 tCO2e/revenue (M).	N/A
305-5	Reduction of GHG emissions	See Understanding our Impacts & Decarbonization.	14-16
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 We Are ERI.	4
404-2	Programs for upgrading employee skills	See Environmental Health & Safety.	28-29
404-3	Regular performance and career development reviews	See Employee Highlight - Amy Teeters.	37
GRI 405: Diversity and Equal Opportunity			
405-1	Diversity of governance bodies and employees	See Diversity, Equity, and Inclusion.	36-39
405-2	Gender wage ratio	ERI is proud to have a 1:1 gender wage ratio. See The ERI Family.	34
GRI 418: Customer Privacy			
418-1	Substantiated complaints concerning breaches	One. See Commitment to Excellence.	4

SASB Index

SASB ID	Accounting Metric	Response	Ref. Page
Greenhouse Gas Emissions			
IF-WM-110a.1	Gross global Scope 1 emissions	1,385.10 MT CO2e. 0% of these emissions are covered under emissions-limiting or emissions-reporting regulations. See Greenhouse Gas Emission (GHG) Inventory.	14
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 Decarbonization.	16
Fleet Fuel Management			
IF-WM-110b.1	Fleet fuel consumed	91,456 gallons equal to 13,400 gigajoules. 0% natural gas. See Fleet Fuel Management.	19
IF-WM-110b.2	Alternative fuel vehicles in fleet	Zero. See Fleet Fuel Management.	19
Air Quality			
IF-WM-120a.1	Significant air emissions	None.	N/A
IF-WM-120a.2	Facilities near areas of dense population	90% of the facilities within an urbanized area.	N/A
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 Environmental Health & Safety.	30-31
IF-WM-150a.2	Toxic release corrective actions	ERI to determine: Number of corrective actions implemented for landfill releases. See Environmental Health & Safety.	30-31
IF-WM-150a.3	Incidents of environmental non-compliance	ERI to determine: Number of incidents of non-compliance associated with environmental impacts. See Environmental Health & Safety.	30-31
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.	30-31
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.	30-31
IF-WM-320a.2	Safety Measurement System BASIC percentiles	See Environmental Health & Safety.	30-31
IF-WM-320a.3	Road accidents and incidents	See Environmental Health & Safety.	30-31
Recycling & Resource Recovery			
IF-WM-420a.1	Hazardous Materials Management	(1) Amount of waste incinerated, (2) percentage hazardous, (3) percentage used for energy recovery	30-31
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: 120.39M lbs. or 54,607.94 metric tons Reused: 3.6M lbs. or 1,632.93 metric tons See The Environment.	5
IF-WM-420a.4	Amount of electronic waste collected and recovered	Total of 123.98M lbs. or 56,236.34 metric tons of electronic waste were collected, and 120.39M lbs. or 54,607.94 metric tons were recovered. See The Environment.	5
Activity Metrics			
IF-WM-000.B	Vehicle fleet size	20 total fleet vehicles. See Fleet Fuel Management.	21
IF-WM-000.C	Number of facilities	8 total recycling facilities. See Highlights.	4
IF-WM-000.D	Total amount of materials managed	Recycled: 120.39M lbs. or 54,607.94 metric tons Reused: 3.6M lbs. or 1,632.93 metric tons See The Environment.	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 marks the fourth time ERI has reported greenhouse gas data. Primary data was used whenever reasonably activity-based data was 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 emissions in the future.

Inclusions and Omissions	
Scope 1	Natural Gas, Propane, Company Fleet Fuel Usage
Scope 2	Electricity Usage at ERI Facilities
Scope 3	C1 Purchased Goods and Services C2 Capital Goods - Fixed Assets C3 Fuel- and Energy-related Activities Not Included in Scope 1 or Scope 2 C4 Upstream Transportation and Distribution - ERI Arranged Inbound and Outbound Logistics C5 Waste Generated in Operations C6 Business Travel C7 Employee Commuting C8 Downstream Transportation and Distribution - Client Arranged Inbound and 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.

Notes & References	
1	Cornelis P. Baldé, Ruediger Kuehr, Tales Yamamoto, Rosie McDonald, Elena D'Angelo, Shahana Althaf, Garam Bel, Otmar Deubzer, Elena Fernandez-Cubillo, Vanessa Forti, Vanessa Gray, Sunil Herat, Shunichi Honda, Giulia Iattoni, Deepali S. Khetriwal, Vittoria Luda di Cortemiglia, Yuliya Lobuntsova, Innocent Nnorom, Noémie Pralat, Michelle Wagner (2024). International Telecommunication Union (ITU) and United Nations Institute for Training and Research (UNITAR). 2024. Global E-waste Monitor 2024. Geneva/Bonn.
2	The Ellen MacArthur Foundation does not endorse our organization and has not verified the information provided to generate the Circulytics score.

Acknowledgements

ERI's fourth 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 on the left 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:

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ERI

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