



# ERI<sup>®</sup> Company Overview

February 2022



Strictly Private and Confidential

# ERI at a Glance

ERI is North America's largest provider of ITAD and E-Waste recycling services. The company's fully-integrated service model provides secure destruction and Zero Landfill solutions for clients' data-containing electronic assets.



**Largest** pure-play ITAD and E-Waste recycling provider in North America



**One-stop** solution for ITAD & E-Waste



**Zero** Waste  
**Zero** Emissions  
**Zero** Landfill



**Highest** environmental and data security certifications



**Proprietary** Software Platform



**8** ERI certified processing facilities serving every U.S. zip code



**Proprietary** Hardware Solutions



**1bn+** pounds of material recycled to date

## Key Downstream Partners / Strategic Investors

**LS**-Nikko copper

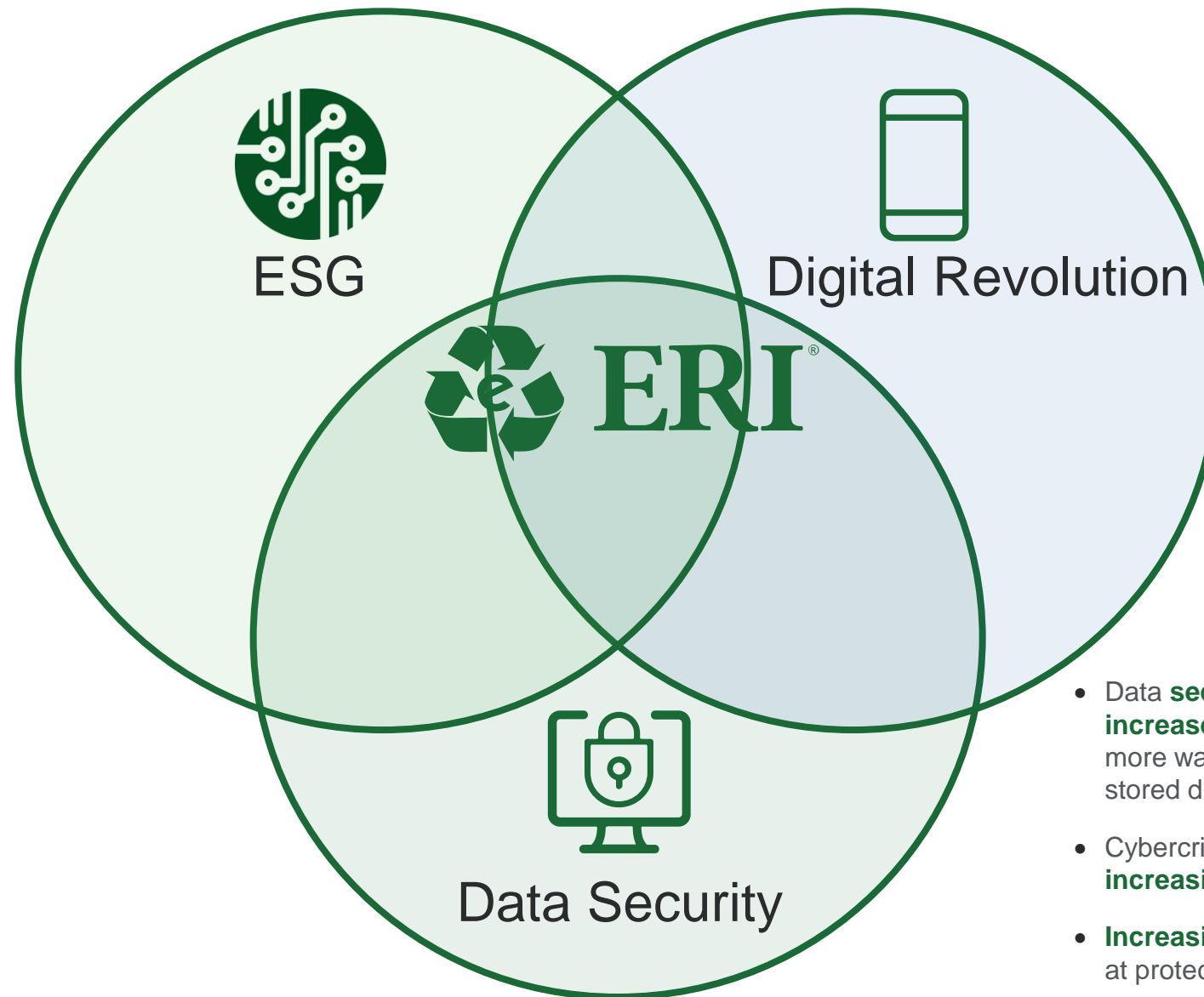
**REDWOOD**  
MATERIALS

**Alcoa**

**CLOSED**  
**LOOP** partners

# ERI Sits at the Intersection of Three Mega-Trends

- Only **17%** of electronics are responsibly recycled today
- Resource scarcity drives need to **reuse and recycle** key raw materials
- **Increasing legislation** mandating proper disposal
- **Growing demand** for ESG solutions
- Toxic substances, such as mercury and lead, which cause **health problems**, are found in e-waste
- Corporate **ESG reporting** on the rise



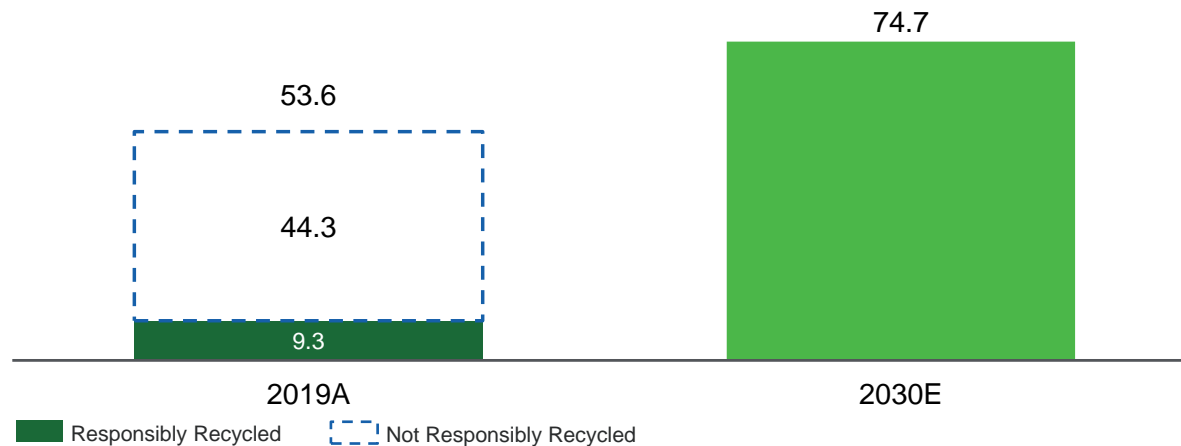
- Digitization of society driving **rapid growth** in networked devices
- Devices store **increasing quantities** of data
- **Growth in personally identifiable information (PII)** stored on electronic devices (wearables, online banking, etc.)
- Explosion of the **internet of things**
- Data **security breaches have increased** as bad actors have more ways to infiltrate data stored digitally
- Cybercrime incidents are **increasingly costly** for victims
- **Increasing regulations** aimed at protecting data privacy

# The Looming E-Waste Problem

E-waste is the fastest growing solid waste stream and vast quantities of electronic waste end up in landfills today. As e-waste volumes continue to grow, responsible disposal will be critical to protect the environment and data contained on the devices.

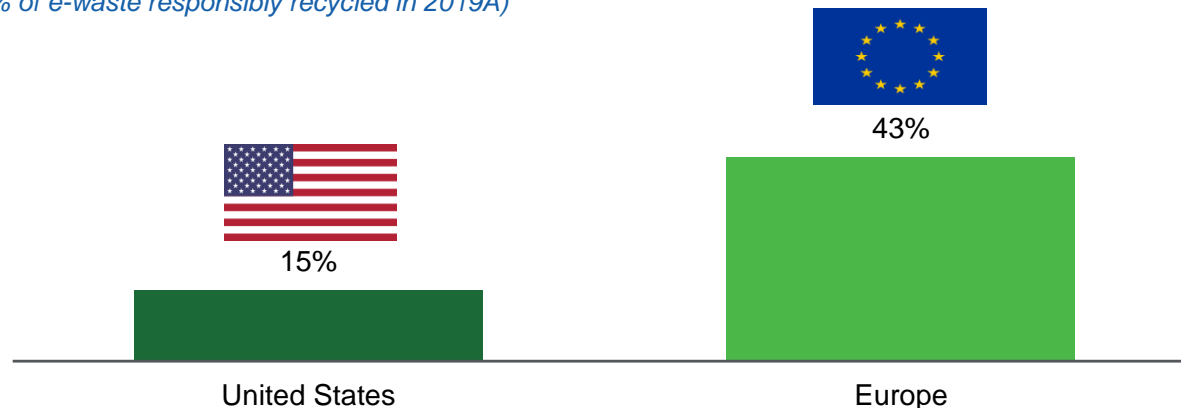
## Growing E-Waste Volumes

(Volume of e-waste, million metric tons, globally)



## The United States Lag Behind Europe in E-Waste Recycling Rate

(% of e-waste responsibly recycled in 2019A)



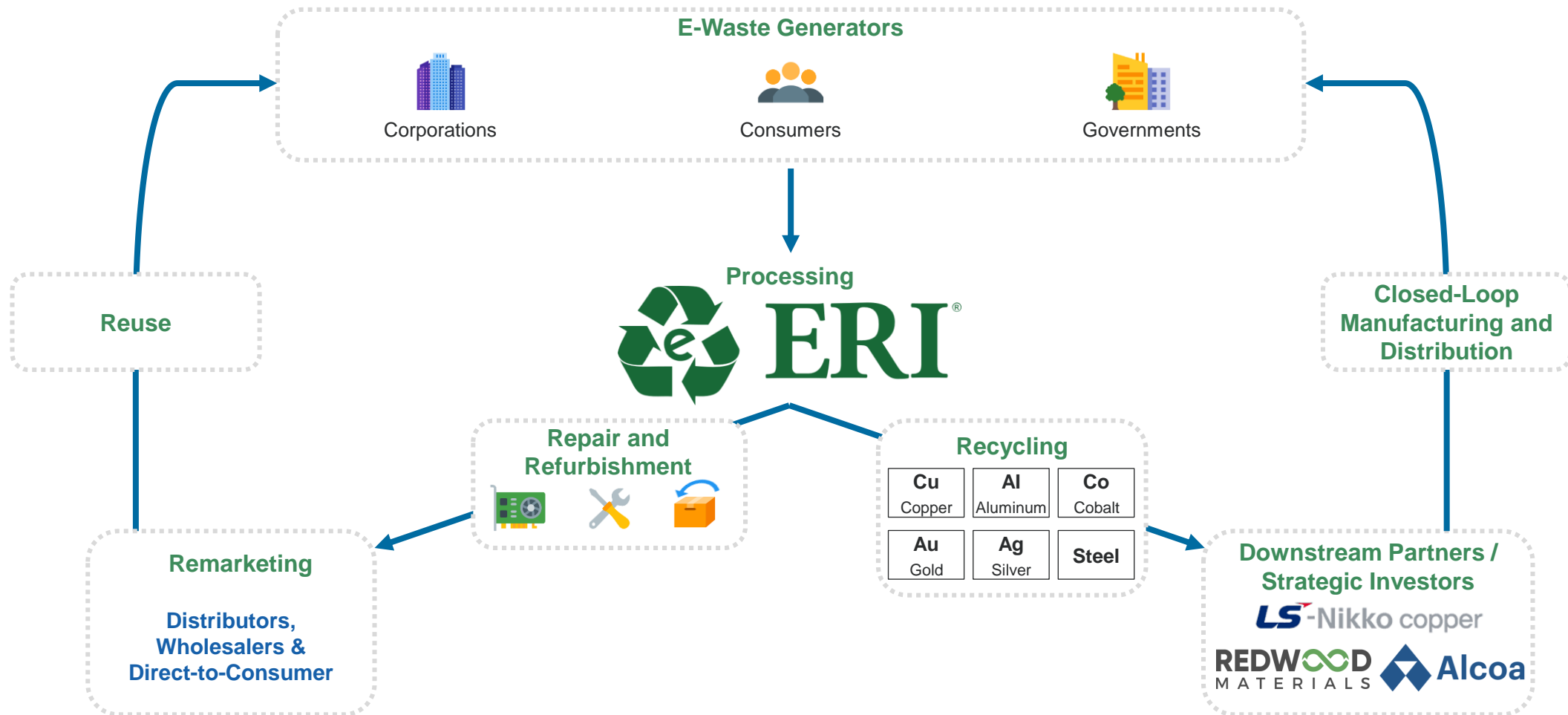
- E-Waste is the fastest growing solid waste stream
- 17% of e-waste globally is responsibly recycled
- E-waste contains valuable natural resources (copper, gold, etc.) and rare earth metals that can be substituted for virgin commodities
- E-waste contains hazardous materials (including lead and mercury) that cause environmental damage and negative health consequences when disposed of improperly
- E-waste presents a cybersecurity risk, as electronics containing valuable data can end up in the hands of cybercriminals if they are not disposed of securely

## E-Waste by the Numbers *(globally)*

- **100,000**: pounds of mercury found in un-recycled e-waste each year
- **71,000**: tons of brominated flame retardants found in un-recycled e-waste each year
- **78**: countries (covering 71% of the world's population) covered by a national e-waste policy, regulation or legislation
- **\$57 billion**: value of raw materials in e-waste generated in 2019
- **14 Percent** of total carbon emissions attributed to the production and use of PCs, laptops, monitors, smartphones and tablets by 2040

# ERI Enables the Circular Economy

ERI plays a critical role in enabling the closed loop economy. Nearly 100% of volumes are beneficially reused through recycling or remarketing.





# ERI's Comprehensive Service Offerings

## Processing / Data Destruction<sup>(1)</sup>



### Services

- Destruction of all types of data-bearing devices
- Comprehensive turnkey compliance for state e-waste and consumer take back programs

### Commercial Model

- Fee-for-service
- Charged to all ITAD / OEM customers

### % of Revenue<sup>(2)</sup>

**52%**

## Remarketing



- Asset disposition of traditional IT equipment and consumer electronic devices

- Revenue earned on re-sale of electronic devices and parts
- Customer rebated a portion of sale proceeds

**22%**

## Recycling



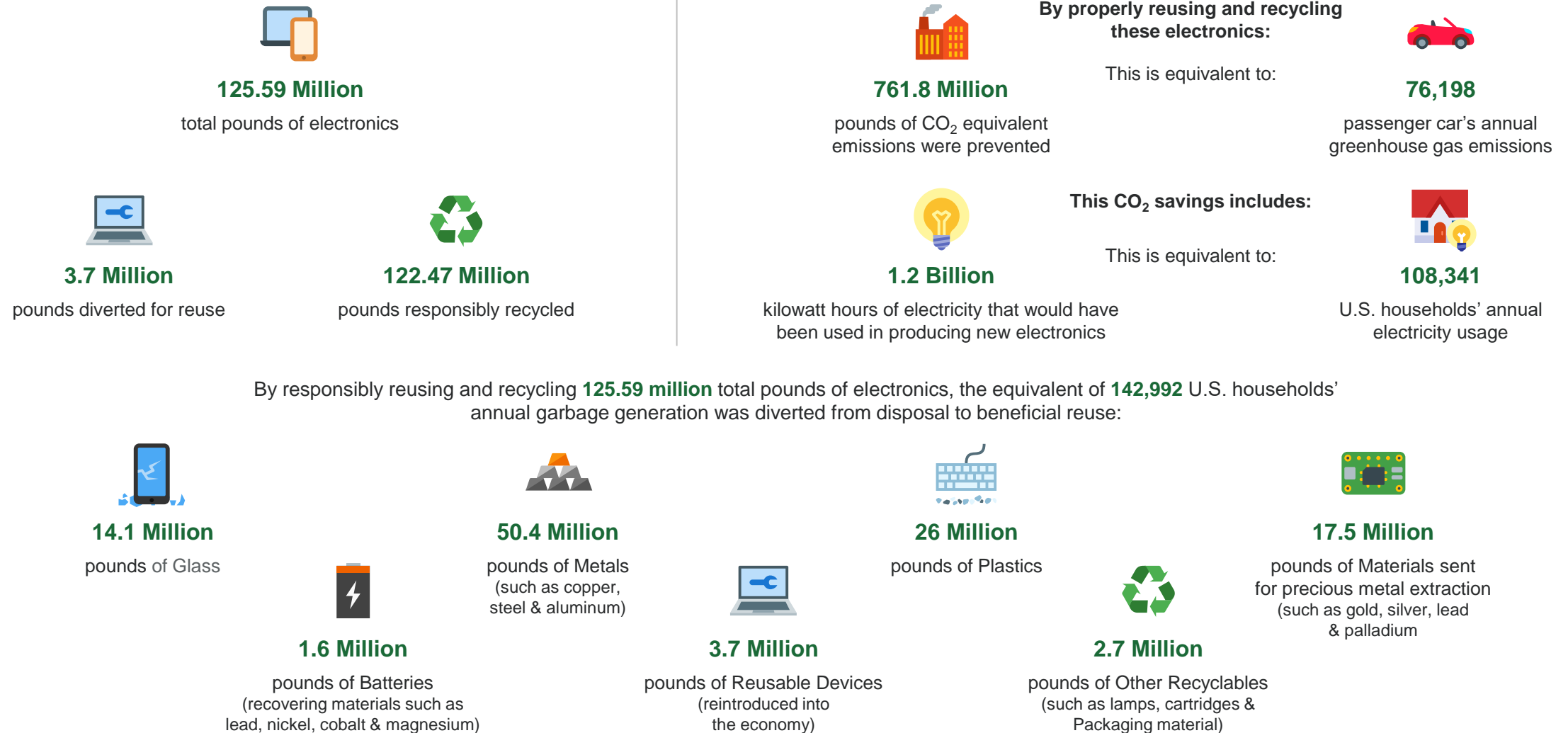
- Fully integrated processing allows for separation into individual commodities

- Revenue earned from sale of commodities to smelters
- ERI typically retains 100% of sale proceeds

**21%**

# ERI has an ESG-Focused Business Model

In 2021, ERI recycled and reused 125.59 million pounds of electronics.



# Why ERI and its Clients Win





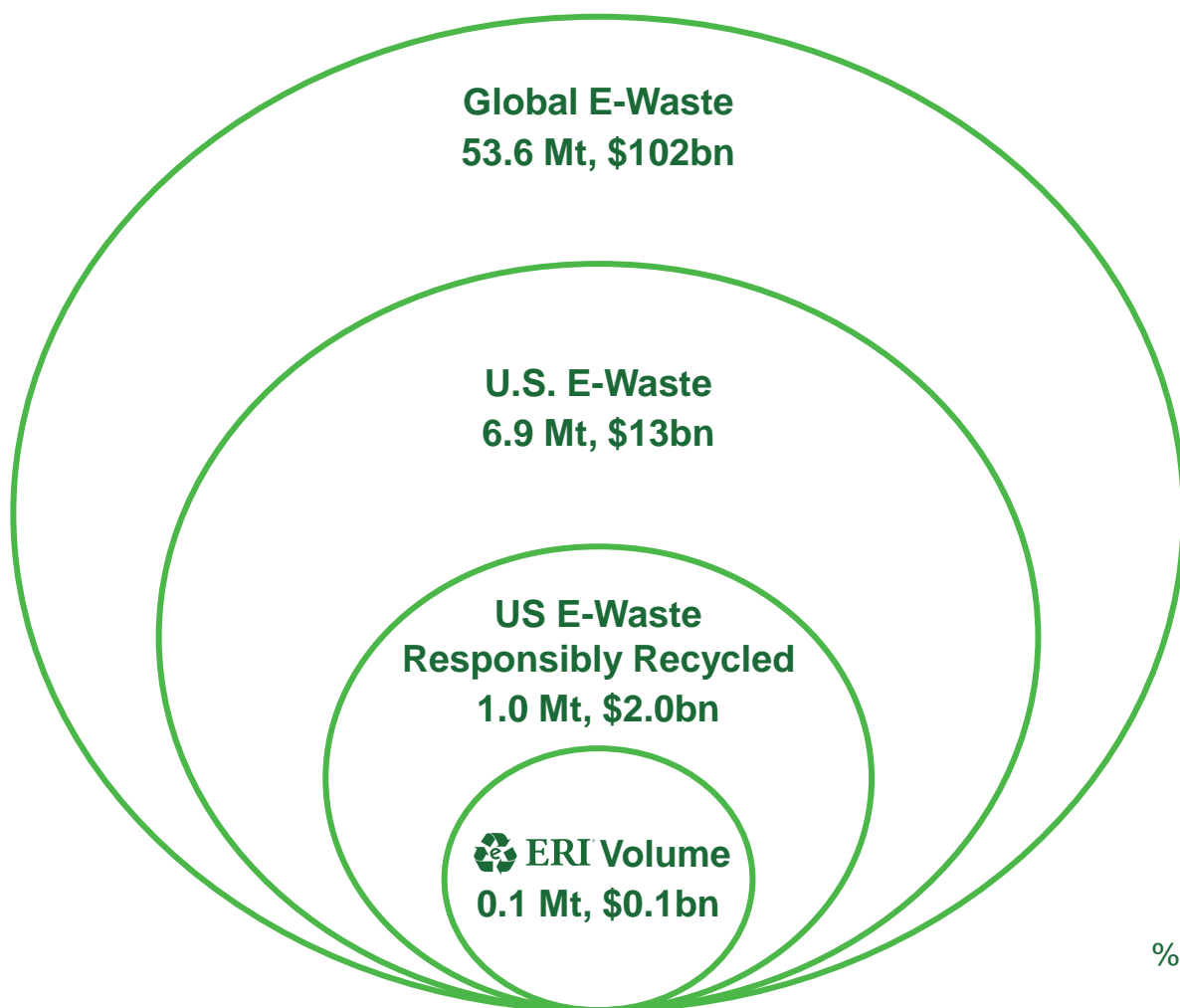
# Growth Opportunity



# Large, Rapidly Growing Market for E-Waste and ITAD Solutions

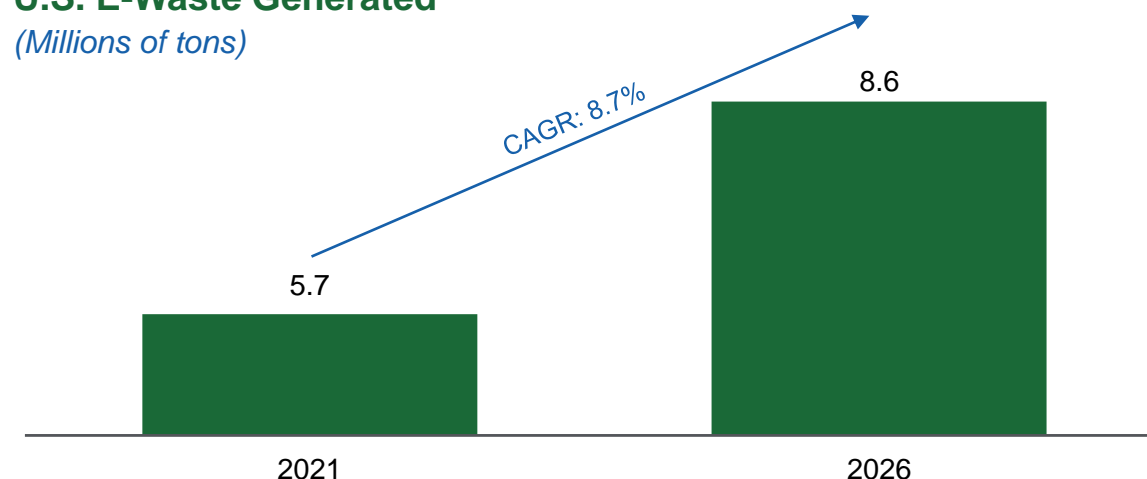
## Volume of E-Waste in 2019

(Millions of tons, \$ in bn<sup>(1)</sup>)



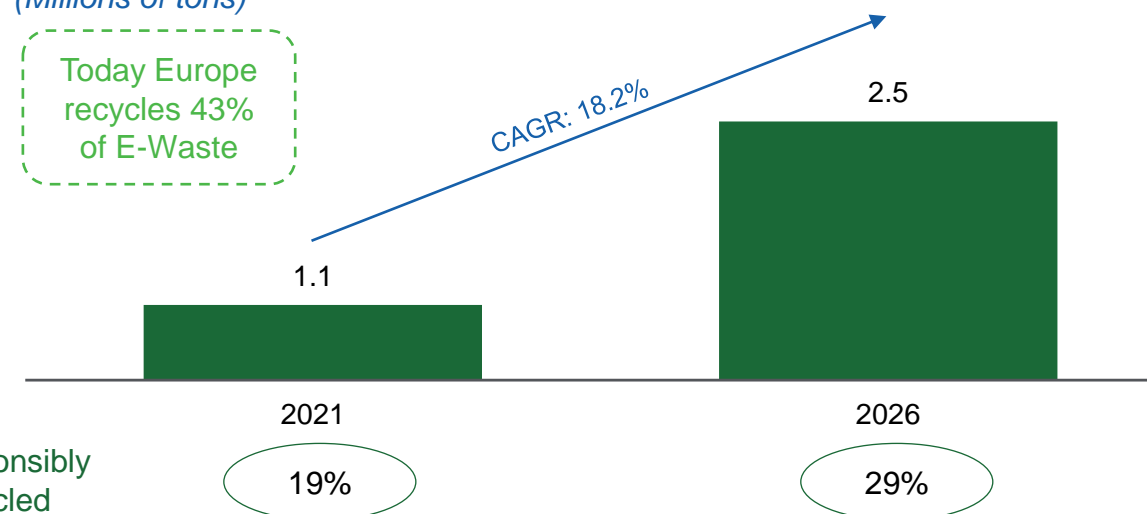
## U.S. E-Waste Generated

(Millions of tons)



## U.S. E-Waste Responsibly Recycled

(Millions of tons)



Today Europe  
recycles 43%  
of E-Waste

% Responsibly  
Recycled

19%

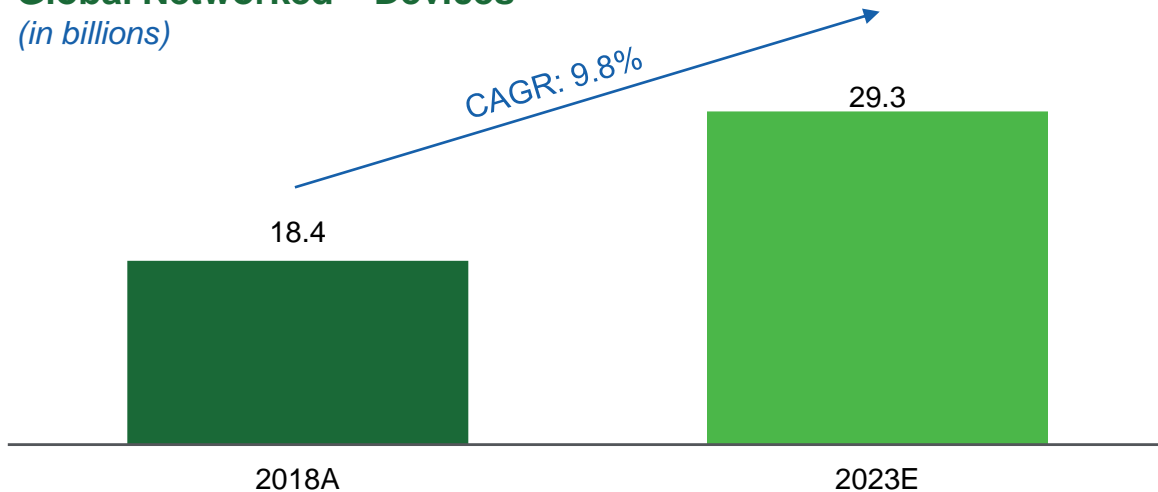
29%

# Proliferation of Electronic Devices Containing Sensitive Personal Information

Electronic devices and data are growing at a rapid pace. As more electronic devices are used and more data is created, there is a greater need for secure ITAD and e-waste recycling services.

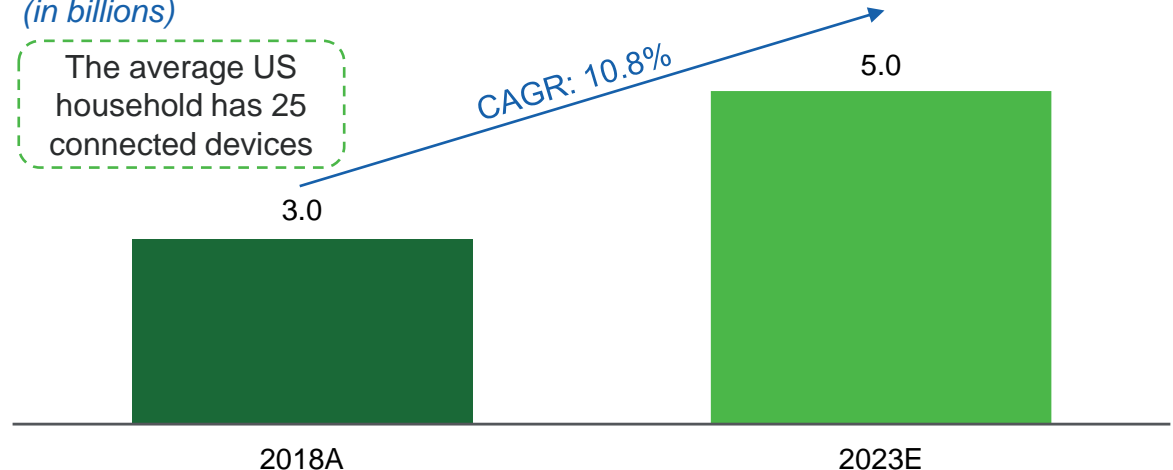
## Global Networked<sup>(1)</sup> Devices

(in billions)



## North America Networked<sup>(1)</sup> Devices

(in billions)



## Growth in Data Generated and Stored

*iPhone Storage Capacity Growth<sup>(2)</sup>*

**23%**

2020 – 2025 CAGR for global data creation and replication



1st iPhone: 16 GB



iPhone 13 Pro: 1 TB

**6,300% increase**

## Explosion of Internet of Things



Smart Home



Wearables



Data Centers



Electric Cars



Drones

The percentage of US broadband households owning three or more smart home devices has increased from **14%** in 2018 to **23%** by the end of 2020

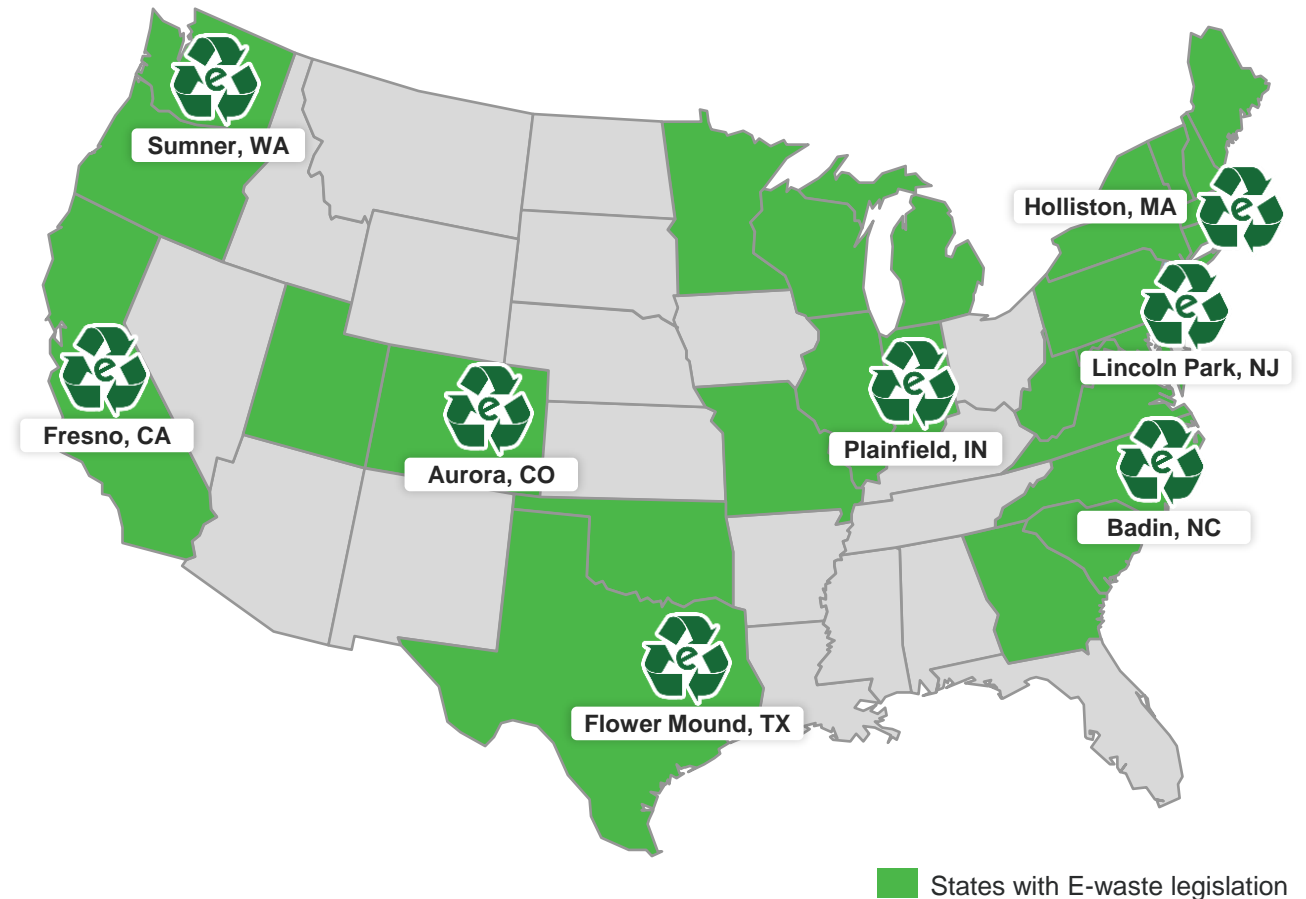
# E-Waste is Subject to a Stringent Regulatory Framework

ERI operates at the industry's highest standards, ensuring its clients are in compliance with all applicable federal and state e-waste regulations.

## ERI Helps Clients Comply with Stringent E-Waste Regulations

- **Resource Conservation and Recovery Act (RCRA):** Federal law governing the management of hazardous waste
- **Comprehensive Environmental Response, Compensation and Liability (CERCLA or Superfund):** Federal law that puts liability on persons responsible for release of hazardous waste, including electronic manufacturers
- **State Universal Waste Regulations:** 11 states designate electronic devices as Universal Waste, adding specific storage and management standards
- **State Landfill / Disposal Bans:** 19 states and the District of Columbia have a ban on the disposal of electronic material
- **Extended Producer Responsibility (EPR) Laws:** 24 US states, the District of Columbia and the province of Ontario require manufacturers to take responsibility for the end-of-life management of their products
- **Advanced Recovery Fees (ARF):** California and eight Canadian provinces have a fee on the sale of certain electronic devices to cover the cost of recycling

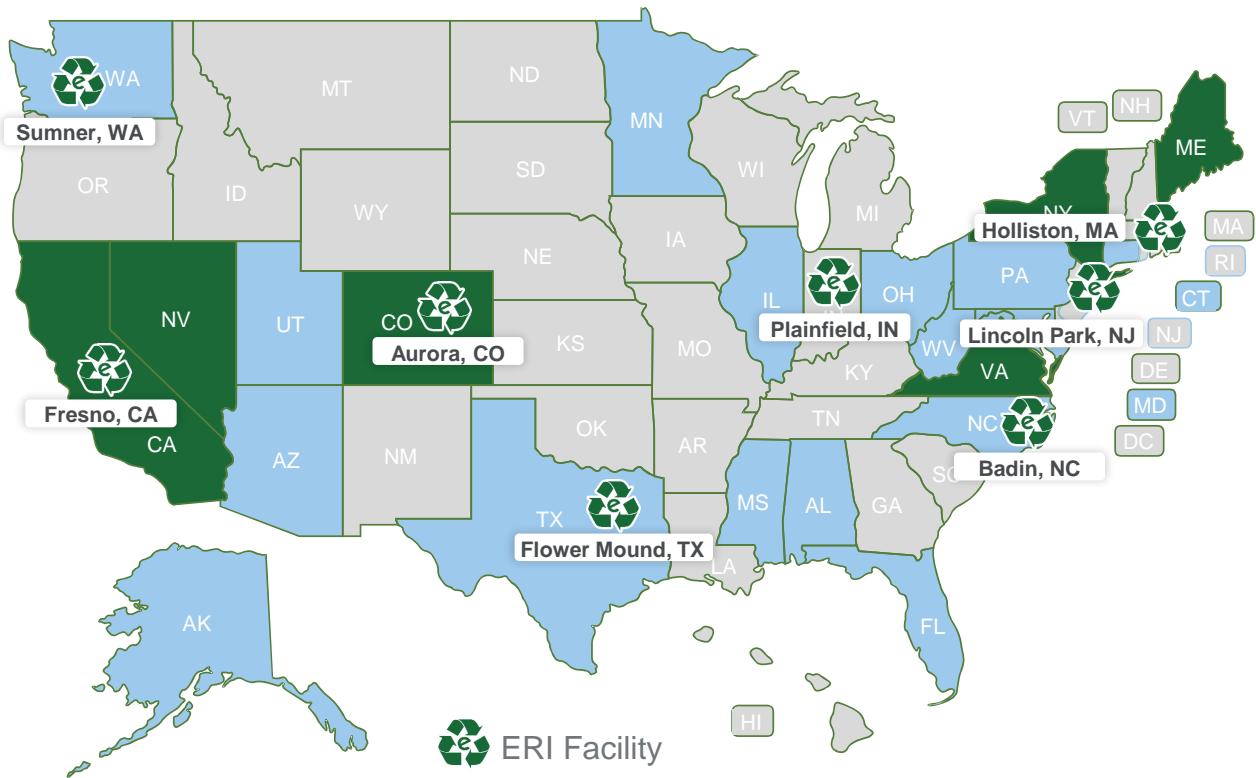
## ~75% of the U.S. Population is Covered by E-Waste Legislation



# Data Security is Highly Regulated

State and local governments are passing increasingly stringent data privacy laws, driving demand for secure ITAD and e-waste recycling solutions.

- All 50 states have data security regulations in addition to federal laws
- Since the implementation of GDPR in Europe (May 2018), six US states have passed new legislation and at least 17 states have proposed new legislation or enacted study bills
- In addition, at least six US federal laws are currently proposed



## New Legislation

- |   |                       |
|---|-----------------------|
| California – CCPA / CPRA                                      | Nevada – SB220        |
| Colorado – SB190  | New York – SHIELD Act |
| Maine – Act to Protect Privacy of Online Consumer Information | Virginia – CDPA       |

## Proposed Legislation/Task Force Establishment

- |   |   |   |
|---|---|---|
| Alabama – Consumer Privacy Act (DNP)            | New York – Privacy Act / Digital Fairness Act | US Federal:   |
| Alaska – Consumer Data Privacy Act (DNP)        | North Carolina – Consumer Privacy Act         | i. SAFE Data Act (Wicker)                             |
| Arizona – HB2865 (DNP)                          | Ohio – Personal Privacy Act                   | ii. ITPDCA (DelBene)                                  |
| Connecticut – SB893 (DNP)                       | Pennsylvania – HB1126                         | iii. Data Protection Act (Gillenbrand)                |
| Florida – Privacy Protection Act (DNP)          | Texas – HB3741 (DNP)                          | iv. 4 <sup>th</sup> Amendment is not for Sale (Wyden) |
| Illinois – Consumer Privacy Act (DNP)           | Utah – Consumer Privacy Act (DNP)             | v. National Biometric Privacy Act (Merkley)           |
| Maryland – Online Consumer Protection Act (DNP) | Washington – Peoples Privacy Act (DNP)        | vi. Public Health Emergency Privacy Act (Various)     |
| Minnesota – HF36 (DNP)                          | West Virginia – HF3159 (DNP)                  |   |
| Mississippi – Consumer Privacy Act (DNP)        |   |   |

DNP: indicates bill died or postponed



# Improper E-Waste Disposal Can Be Costly

Significant fines, particularly in the state of California, have been levied against major companies for improperly disposing of e-waste in recent years.



**\$27.8mm fine**

March 2018

- Fine related to the unlawful disposal of hazardous waste, including electronic waste, and improper disposal of customer records containing data
- For several years more than 300 Home Depot stores and distribution centers throughout California were routinely sending hazardous waste to local landfills not permitted to accept it
- 45 trash compactors belonging to Home Depot stores were inspected, and all 45 contained hazardous waste



**\$7.4mm fine**

December 2018

- Fine related to the unlawful disposal of retail hazardous waste, including electronics and batteries, and confidential medical data
- Throughout 2012 and 2014 Target unlawfully disposed of 2,038 items of hazardous waste into local landfills
- This is the second time Target has been fined for improper hazardous waste disposal, as it was fined \$22.5mm in February 2011



**\$3.5mm fine**

December 2020

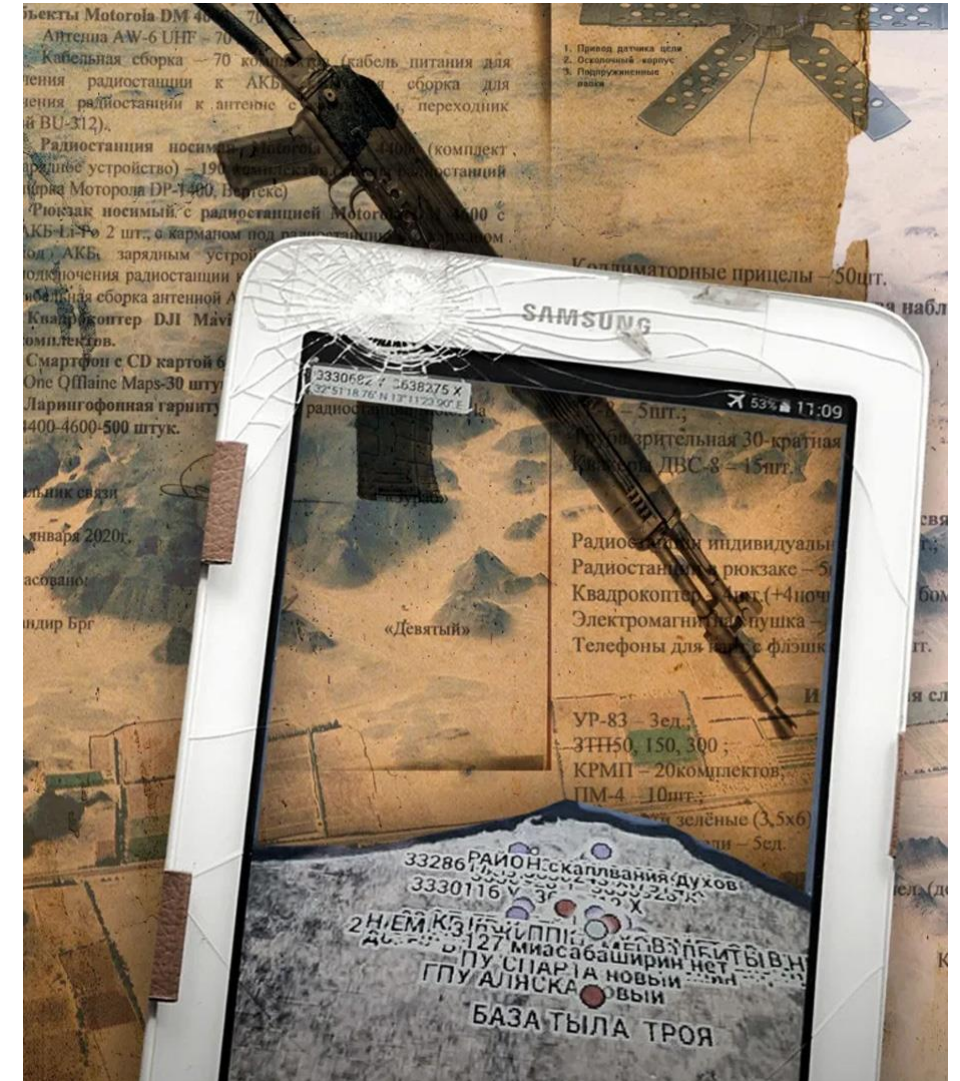
- Fine related to the unlawful disposal of hazardous waste, including electronic devices and batteries, at Walgreens' California facilities
- Between 2013 and 2020 the company disposed of hazardous waste into trash bins which were going to municipal landfills not authorized to accept hazardous waste
- This is the second time Walgreens has been fined for mismanaged hazardous waste, as it was fined \$16.6mm in June 2012

# The Lost Tablet and the Secret Documents

**BBC** August 11, 2021

**The BBC has gained exclusive access to an electronic tablet left behind on a battlefield in Libya by a Wagner fighter, giving an unprecedented insight into how these operatives work.**

- “... a Samsung tablet had been retrieved from a battlefield in western Libya.” Russian mercenaries had been fighting there in support of Libyan renegade general Khalifa Haftar, against the UN-backed Government of National Accord (GNA). It’s believed the tablet had been left behind when the fighters retreated in the spring of 2020.
- Remarkably, the information on it was easy to access. I discovered dozens of files - ranging from manuals for anti-personnel mines and improvised explosive devices (IEDs), to reconnaissance drone footage... But it was a maps app that stood out - layers of military maps of the front line, all marked in Russian.
- The Wagner group is one of the most secretive organizations in Russia. Officially, it doesn’t exist - serving as a mercenary is against Russian and international law. But up to 10,000 operatives are believed to have taken at least one contract with Wagner over the past seven years.”



# Data Security is Highly Regulated

Federal, state and local governments are passing increasingly stringent data privacy laws, driving demand for ITAD and e-waste recycling solutions.

## Existing Legislation

- ✓ **HIPAA & HITECH**  
Healthcare and Business Associates
- ✓ **FACTA & FCRA**  
Businesses that use credit checks or background checks
- ✓ **FISMA**  
Federal Agencies, State Agencies, government contractors, and service providers
- ✓ **FTC ACT**  
Businesses with a data privacy policy
- ✓ **GLBA**  
Banking, Financial Services, Insurance, and many other organizations
- ✓ **PCI DSS**  
Card Processors and Service Providers
- ✓ **Critical Infrastructure Protection**  
Power Generation, Oil & Gas, Telecommunications
- ✓ **COPPA**  
Sites that collect data on children
- ✓ **FERPA**  
Federally funded schools (under an applicable program of the U.S. Department of Education)
- ✓ **GDPR**  
Companies that handle personal information of an individual in the EU
- ✓ **NYS DFS Cybersecurity Regulations**  
Financial companies doing business in New York
- ✓ **Additional State Laws**  
State specific data security legislation in all 50 states

## New State Legislation

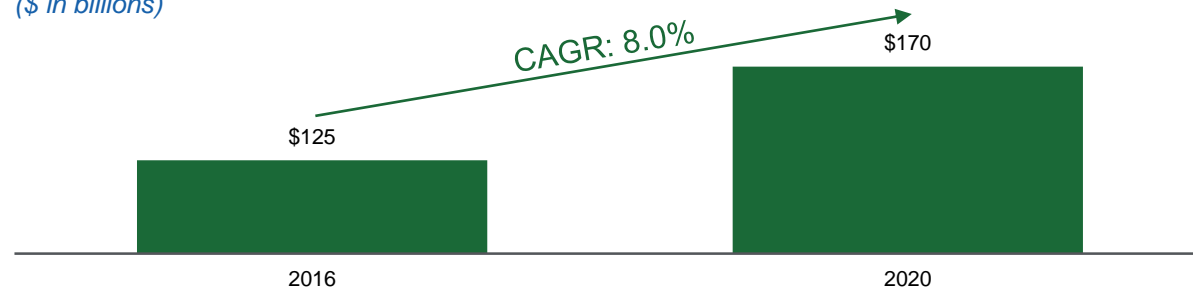
- ✓ **Nevada**  
SB220 allows consumers to opt out of the sale of their personal information by website operators
- ✓ **California**  
California Privacy Act provides consumers wide ranges of rights on knowledge, access, and management of their data
- ✓ **New York**  
The SHIELD Act expanded NY's breach notification requirements and mandates reasonable safeguards to all business entities
- ✓ **Maine**  
Act to Protect the Privacy of Online Consumer Information requires consumers opt-in to the use or sale of their data from internet service providers

# Growing Cost of Cybersecurity Incidents

Cybersecurity incidents have become more frequent and increasingly severe.

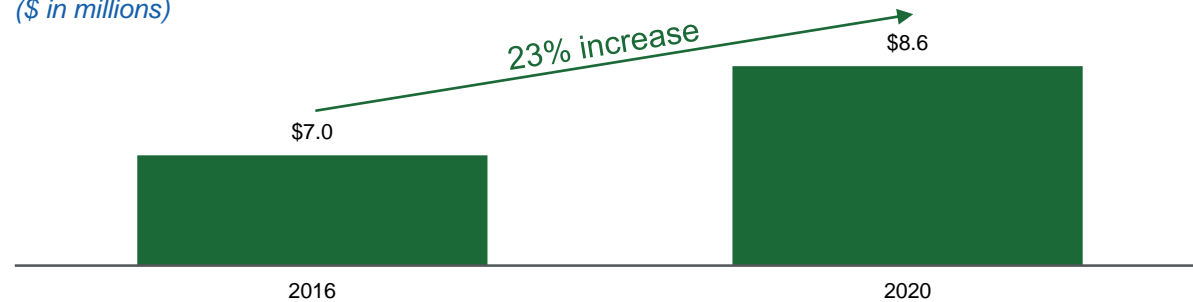
## Global Cybersecurity Spend

(\$ in billions)



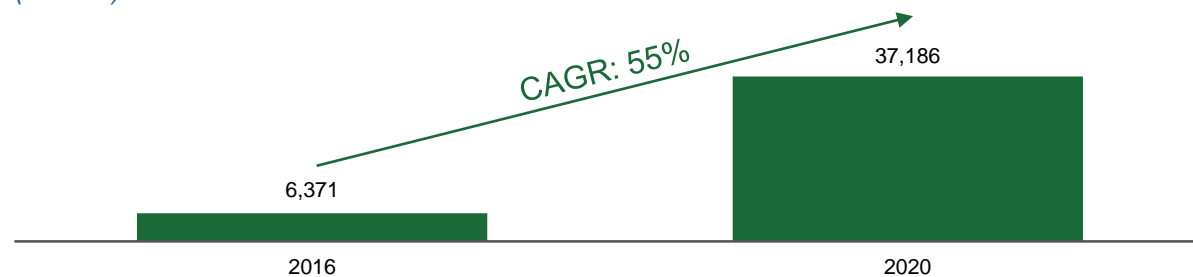
## Average Cost of a Data Breach in the U.S.

(\$ in millions)



## Number of Records Lost in Reported Data Breaches

(millions)



## Select Cybersecurity Incidents Linked to Hardware

HealthReach  
Community Health Centers  
**100,000 patient  
compromised**  
April 2021

- Patient data breach resulting from the improper disposal of hard drives by an employee at a third-party data storage f
- Compromised patient data includes names, addresses, birth dates, SSNs, medical insurance information, lab results and treatment records

## Morgan Stanley

**\$60mm OCC fine**  
October 2020

- Morgan Stanley failed to exercise proper oversight of the 2016 decommissioning of two business data centers, where equipment was not fully wiped of data, and similar offenses in 2019
- Morgan Stanley is currently facing two class action lawsuits claiming the data left on decommissioned equipment – including SSNs – was everything needed to steal customers' identities



**\$3mm HIPAA fine**  
November 2019

- UPMC suffered data breaches in 2013 & 2017 through the losses of an unencrypted flash drive and laptop containing protected health information
- UPMC failed to conduct an enterprise-wide risk analysis, implement security measures sufficient to reduce risks and vulnerabilities and employ a mechanism to encrypt electronic health information



**8,000 employees  
compromised**  
May 2018

- Employee data was compromised after a former employee stole an external hard drive before departing the company
- Documents containing certain personal information for Coca-Cola employees were found on the hard drive

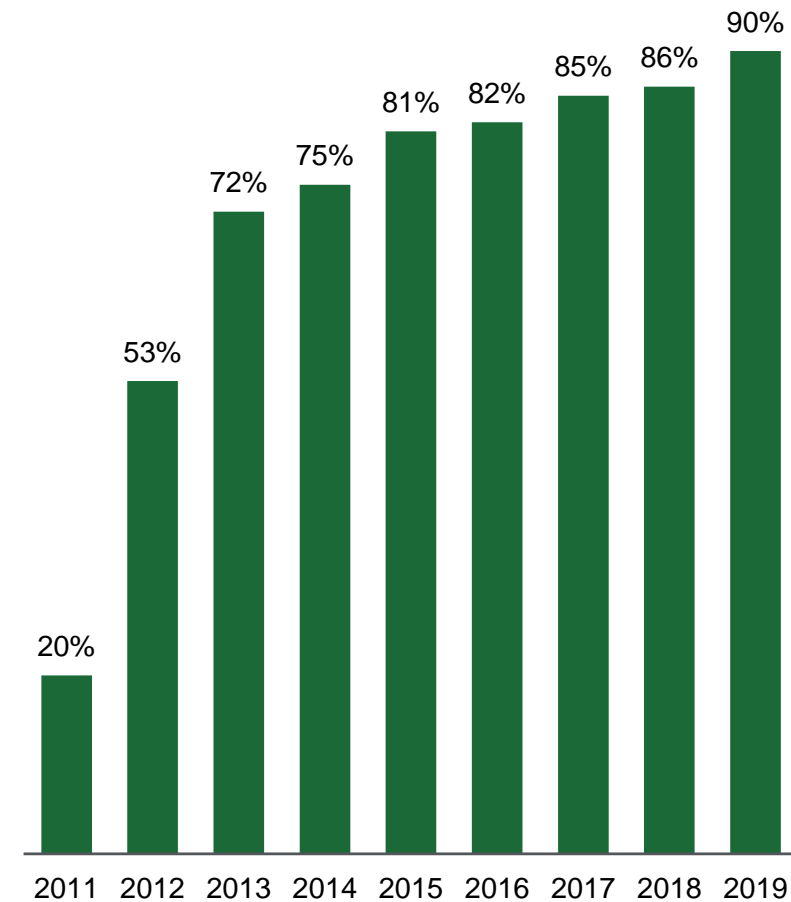


# Increasing Focus on ESG Across Corporate America

Both companies and investors are committed to ESG.

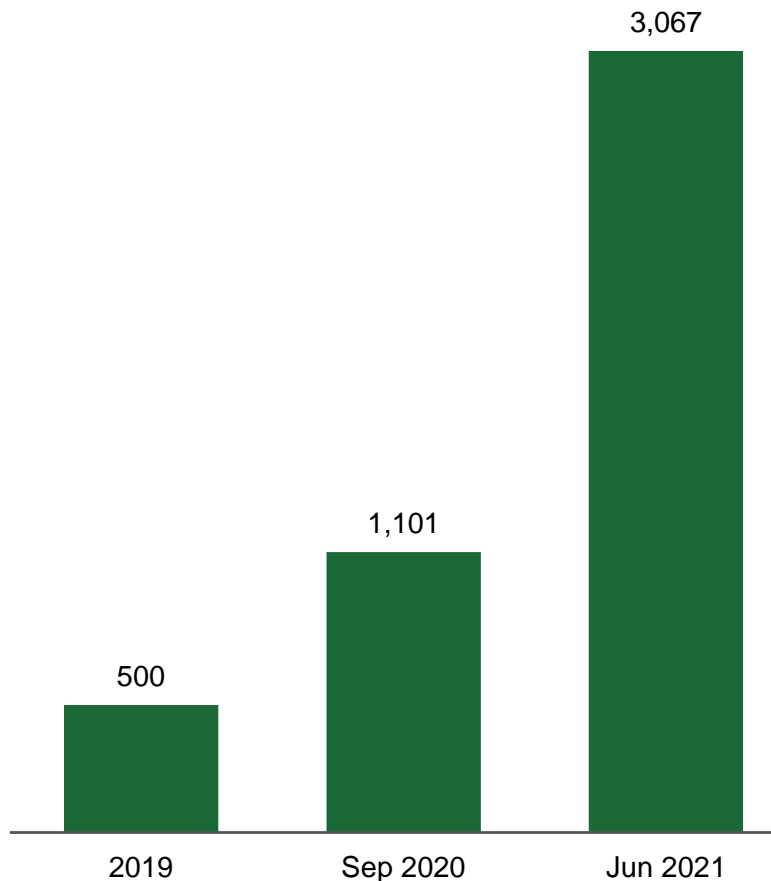
## Corporate ESG Reporting is on the Rise

% of S&P 500 companies that report on ESG



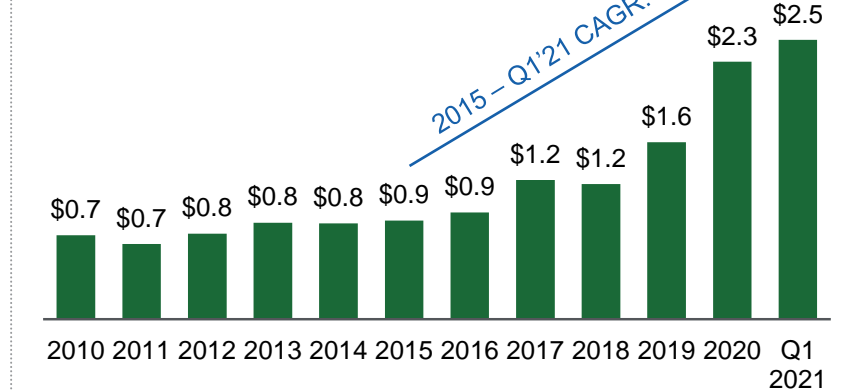
## Companies are Committed to Net Zero Emissions

Number of companies globally committed to achieving net zero carbon emissions by 2050



## ESG Investing is on the Rise

ESG ETFs & mutual funds AUM (\$ in tn)



“There is a mismatch between the expectations of investors in wanting more and more to invest in ESG type of products and the **actual availability of products that are truly ESG compliant or sustainable**”




– CNBC, October 2020

“**We are asking companies to disclose a plan** for how their business model will be compatible with a net zero economy... we are asking you to disclose **how this plan is incorporated into your long-term strategy**”

– Larry Fink's 2021 letter to CEOs



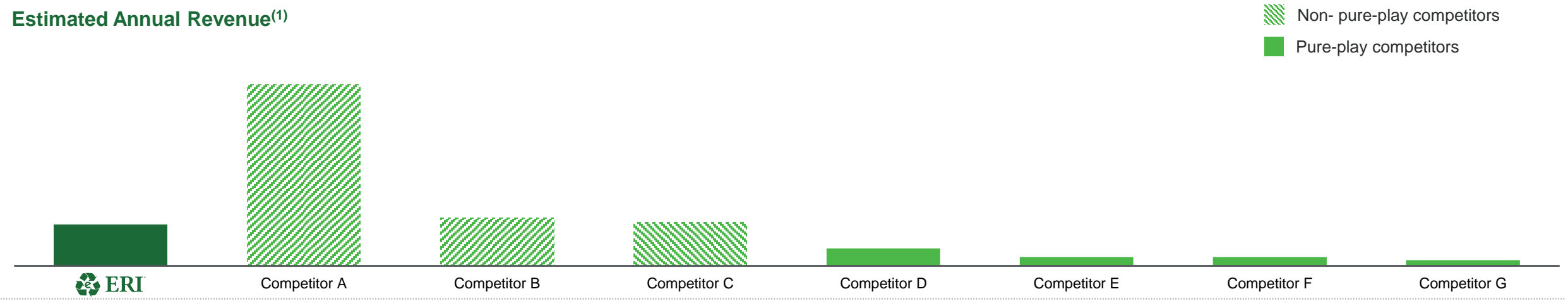
# ERI is the Only One-Stop Solution for E-waste Recycling AND ITAD Services

	 ERI®	ITAD / E-Waste Competitors	Waste Companies / Scrap Dealers	
National footprint	✓ ✓	✗	✓	 <div>ITAD players lack recycling capabilities and a national footprint, and won't accept all device types</div>
Certifications	✓ ✓	✓	✗	
Remarketing	✓ ✓	✓	✗	
Recycling	✓ ✓	✗	✓	
Accepts all device types	✓ ✓	✗	✓	 <div>Waste management firms aren't focused on e-waste, lack remarketing capabilities, certifications, and security protocols</div>
E-waste primary business	✓ ✓	✓	✗	
Rigorous security protocols	✓ ✓	✓	✗	
Guaranteed destruction	✓ ✓	✓	✗	
Zero Waste Zero Landfill Zero Emissions	✓ ✓	✗	✗	<div>No other provider of ITAD and E-Waste recycling services can match ERI's scale and breadth of offering</div>
Zero export	✓ ✓	✗	✗	

# ERI vs ITAD & E-Waste Competitors

ERI is the largest pure-play ITAD & E-Waste recycling services provider in North America, with unmatched scale and breadth of offering. No company has more certifications than ERI.

Estimated Annual Revenue<sup>(1)</sup>



ERI's Certifications vs ITAD & E-Waste Competitors

	Certifications				
	NAID	R2	E-Stewards	ISO 14001	ISO 9001
ERI	✓	✓	✓	✓	✓
Cascade Asset Management	✓	✗	✓	✓	✓
Dynamic Lifecycle Innovations	✓	✓	✓	✓	✓
Regency Technologies	✗	✓	✗	✓	✗
Sage Sustainable Electronics	✗	✗	✓	✓	✓
Sims Lifecycle Services	✗	✓	✗	✓	✓
Sunnking	✗	✓	✗	✗	✗
Universal Recycling Technologies	✓	✗	✓	✓	✓
WiseTek Solutions	✗	✓	✓	✓	✓

# The ERI Platform



# ERI is Uniquely Positioned to Win

## Why ERI Wins

① Largest pure-play ITAD and E-Waste recycling provider with a national footprint

② Highest level of environmental and data security compliance certifications

③ One-stop solution for ITAD and E-Waste

④ Proprietary hardware solutions

⑤ Proprietary software platform

⑥ ESG-focused business model – zero waste, zero emissions, zero landfill

⑦ Strategic downstream partners / investors



## Why it Matters to Customers

**Ability to serve customers in every zip code in the U.S. with ERI owned/operated facilities**

**Assurance that customer data-bearing devices will be handled in the most secure manner**

**Broadest service offering in the industry**

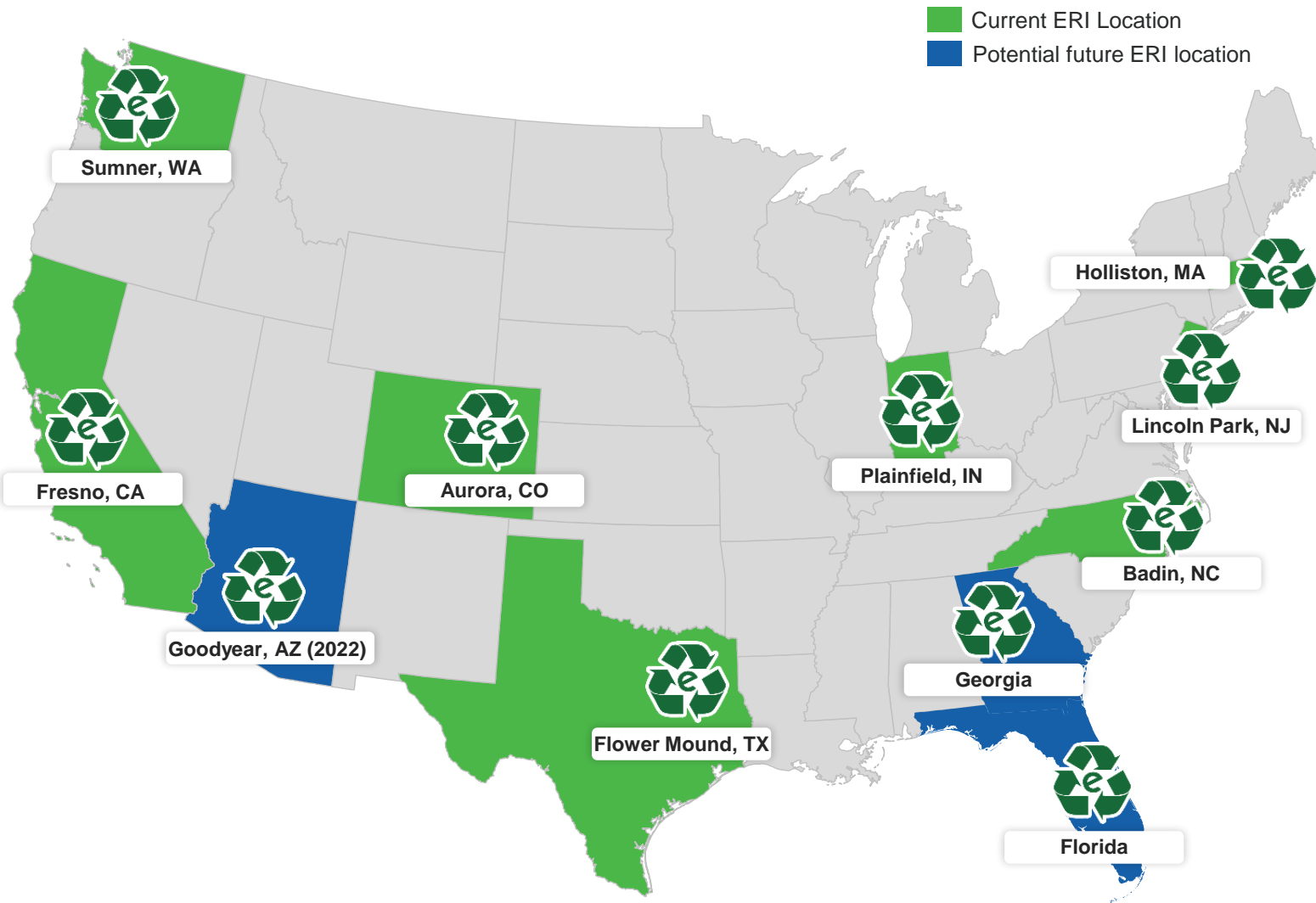
**Ability to provide a streamlined solution for all of its customers' ITAD and e-waste recycling needs**

**Complete transparency and certification of destruction**

**Growing need to report on ESG initiatives**

**Greater transparency + circular economy**

# ① Largest Pure-Play ITAD and E-Waste Recycling Provider with a National Footprint



- ERI's facility footprint is strategically located, enabling the company to serve every zip code in the U.S.
- All locations provide processing & data destruction, remarketing and recycling
- ERI has the ability to double volume with current processing capacity

Location	Size (sqft 000's)
Plainfield, IN	443
Fresno, CA	329
Badin, NC	150
Holliston, MA	125
Flower Mound, TX	97
Aurora, CO	81
Sumner, WA	57
Lincoln Park, NJ	54



## ② Highest Level of Environmental and Data Security Certifications in the Industry

ERI's certifications are unmatched and differentiate the company from smaller, less sophisticated competitors.

ERI is the only company in the world with e-Stewards, R2, and NAID AAA Certifications at 8 locations



Responsible<sup>TM</sup>  
Recycling



ISO 14001



ISO 45001



ISO 9001

**Microsoft**  
**REGISTERED**  
Refurbisher



### ③ One-stop Solution for ITAD and E-Waste

ERI is a one-stop-shop for all of its customers' ITAD and E-Waste recycling needs. No competitor is able to handle the variety of electronics or offer the same breadth of services as ERI.

#### Core ITAD and E-Waste Recycling Services



Data Destruction / Processing



Electronics and IT Asset Disposition

- Remarketing



Electronics Recycling



Electronics Legislative Compliance

- Extended Producer Responsibility (EPR)
- Advanced Recycling Fee (ARF)



Data Center Services



Customized Reporting & System Integration

#### Enhanced Services



Customized Logistics Programs



Employee Programs & Special Events



Technology Recycling Kits

- Home and Office Employee Mailback



Channel Partner Program



PV / Solar Panel Management



Sustainable Materials Management (SMM)  
Electronics Challenge

## ④ Innovative Processing Technology, Techniques and Services

ERI's proprietary shredding process enables the company to process material more efficiently, use less labor and produce commodities with higher re-sale value. Its tracking and reporting processes provide complete transparency to the customer.



### Tracking and Reporting

- All electronic devices are assigned a serial number, enabling tracking from entry to final disposition
- Proprietary Optech software provides access to information at any point
- Ensures complete transparency and verifies all regulatory requirements have been met
- ESG impact reporting

### Proprietary Shredders



- World's largest and most sophisticated shredders
- State-of-the-art and custom-built by ERI
- Capable of handling 30,000 pounds of e-waste per hour

[Watch Shredding Overview \(YouTube\)](#)

### Flat Panel Shredding



- Electronic Recyclers Next Innovative Efficiency (ERNIE) is an LED and LCD flat panel dismantling system
- Shreds flat panels that contain mercury and other toxic materials in an airtight chamber
- Commodities then go to SAM for final sorting

### Optical Sorting



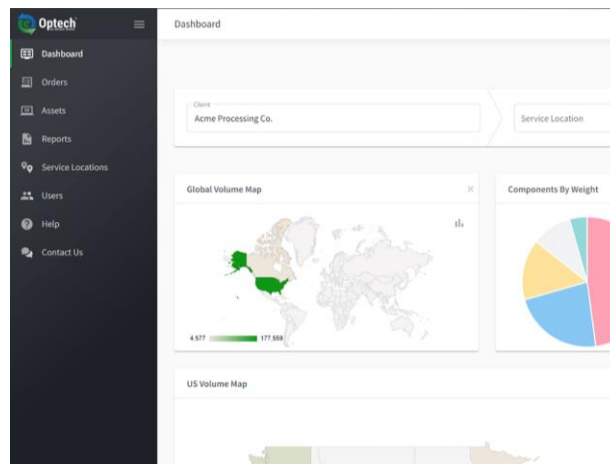
- Super Automated Machine (SAM) is a groundbreaking, A.I.-driven system embedded in ERI's scrap metal sorting line
- Uses a vision system to separate shredded material into clean streams
- Sorting system can achieve 70 picks per minute

## ⑤ Proprietary Software Platform

ERI's proprietary Optech software provides customizable, real-time reporting that gives customers an on-demand view of the status of their assets. No competitor can provide the level of detail, integration and personalization that ERI can through Optech.

### Optech Overview

- ERI's robust, online IT and electronic asset disposition portal
- Provides real-time transparency into a client's account activity and shares asset details from receipt through final disposition
- Offers Environmental Impact Reports to support ESG initiatives
- Highly customizable portal can be configured to meet specific customer needs
- Various APIs enable ERI to integrate Optech with all customer platforms
- Designed, maintained and updated by in-house software development team

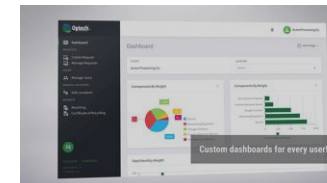


Optech™ features state-of-the-art platform and framework that has been built from scratch to ensure the best possible performance, flexibility and ease-of-use

### Features

### Optech

API & CMDB Platform Integrations	✓
View All Account Activity	✓
Manage Channel Partners	✓
Manage User Accounts	✓
Customizable Dashboard Per User	✓
Order Multiple Service Levels	✓
Real-time Reporting	✓



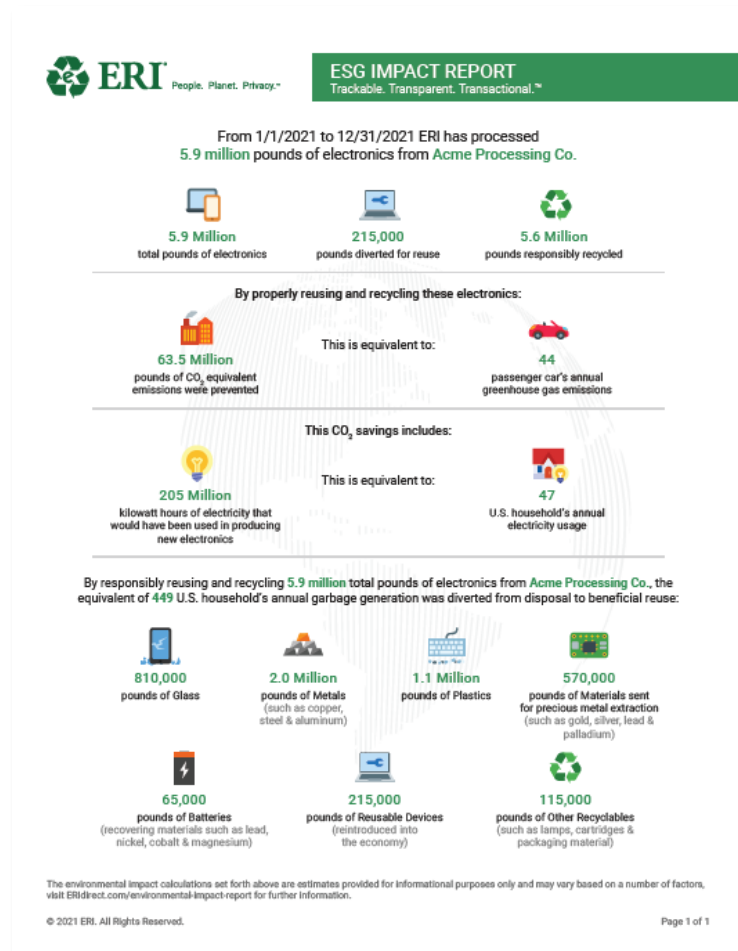
Watch Optech Overview  
([YouTube](#))

# ⑥ ESG-Focused Business Model – Zero Waste, Zero Emissions, Zero Landfill

Optech's customizable reports make it easy for customers to closely track their environmental impact and generate compelling data to support ESG initiatives and guide ESG decision-making.

## Environmental Impact Report

*Estimates emissions reductions and other environmental savings through use of ERI's services*



## ERI was Highlighted in Raytheon's Corporate Responsibility Report

Raytheon moved from 13 e-waste processing suppliers to a single national supplier – ERI

### Reasons why Raytheon Partnered with ERI

- ✓ One-stop national solution
- ✓ Data security
- ✓ Environmental compliance
- ✓ Financial return / IT asset disposition
- ✓ Maximum capacity & superior technology

### STREAMLINING OUR APPROACH TO E-WASTE MANAGEMENT

We are committed to 100 percent eco-responsible e-waste management. We moved from more than 13 e-waste processing suppliers to a single national supplier, Electronic Recyclers International (ERI), able to process e-waste of all types—IT and non-IT—from all of our locations.

Our e-waste program consists of three core aspects, including:

- 🔒 information security
- 🌿 environmental protection
- 💰 financial return

Raytheon processed more than  
**200,000 lbs.**  
 of e-waste through ERI

We securely shredded more than  
**3,200 HARD DRIVES**  
 effectively protecting data



# ⑦ Strategic Partnerships Provide Competitive Advantages and Growth Opportunities

ERI's strategic downstream partners / investors create new business opportunities and improve profitability of commodity recycling.

**LS**-Nikko copper

**REDWOOD**  
MATERIALS

**Alcoa**

Investor	✓	✓	✓
Direct Relationship	✓	✓	✓
Length of Relationship	12+ years	1 year	10+ years
Key Materials	<ul style="list-style-type: none"> <li>• Copper</li> <li>• Gold</li> <li>• Silver</li> <li>• Palladium</li> </ul>	<ul style="list-style-type: none"> <li>• Lithium-ion batteries</li> <li>• Cobalt</li> <li>• Nickel</li> </ul>	<ul style="list-style-type: none"> <li>• Aluminum</li> </ul>
Strategic Benefits	<ul style="list-style-type: none"> <li>• Bypass brokers</li> <li>• Collaborate on optimizing material (assays)</li> <li>• Higher realized pricing</li> <li>• Reduced logistical costs</li> <li>• Transparency and tracking</li> </ul>	<ul style="list-style-type: none"> <li>• Expansion into battery and solar panel recycling</li> <li>• Referral of Redwood customers to ERI</li> <li>• Transparency and tracking</li> <li>• Higher realized pricing</li> <li>• Closed-loop manufacturing</li> </ul>	<ul style="list-style-type: none"> <li>• Bypass brokers</li> <li>• Collaborate on optimizing material (assays)</li> <li>• Higher realized pricing</li> <li>• Transparency and tracking</li> </ul>

# Growth Strategy

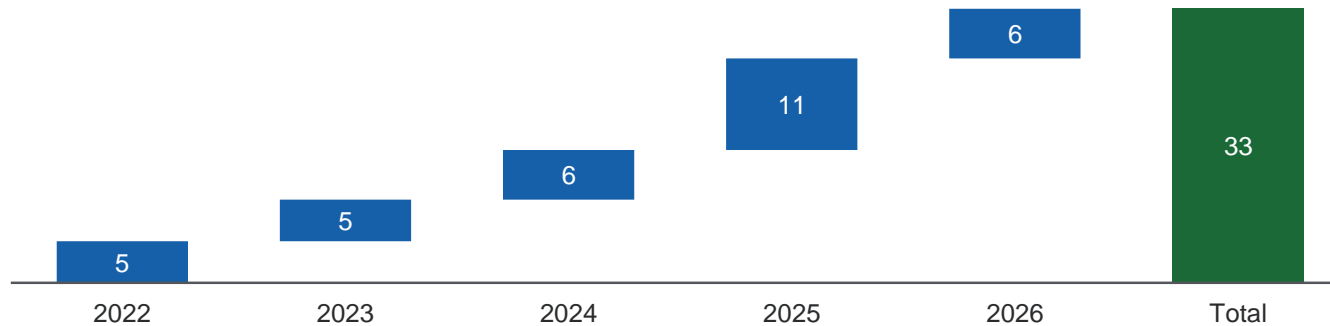


## ② Sales Team Hiring Strategy

Strategically expanding its sales force will enable ERI to accelerate its new customer growth.

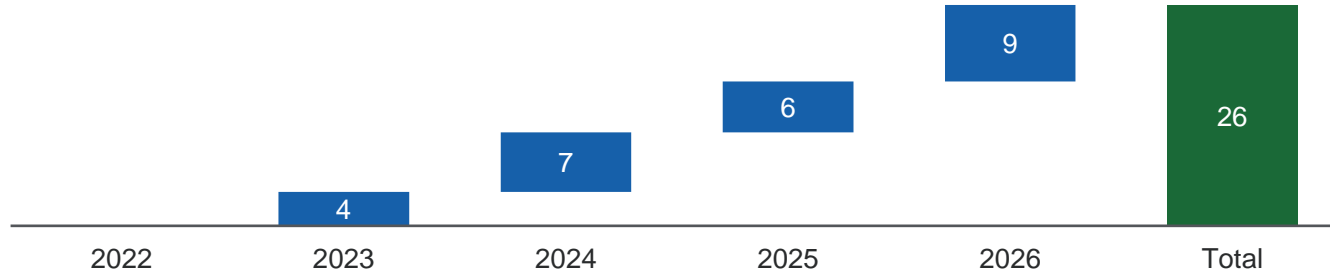
### Electronics and IT Asset Disposition Sales Team Hiring

(Number of Teams Hired)



### Battery and Solar Panel Recycling Sales Team Hiring

(Number of Teams Hired)



### Sales Team Build-out

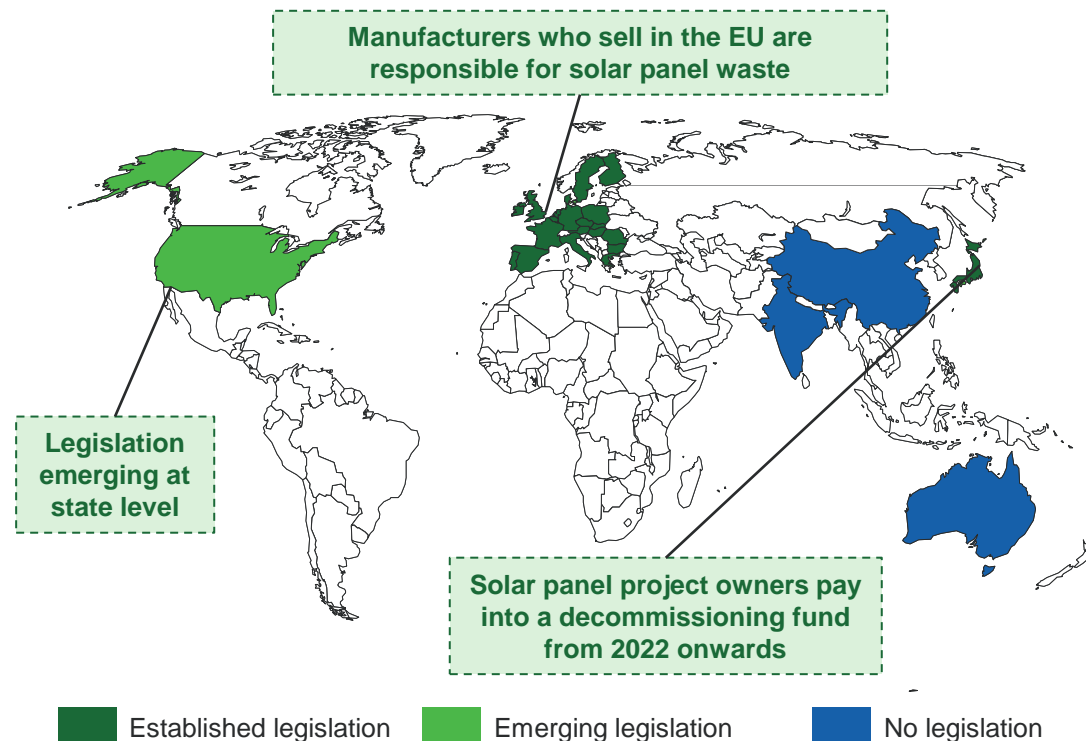
- ERI will expand its current sales force to capitalize on key growing markets:
  - Electronics and IT Asset Disposition
  - Battery Recycling
  - Solar Panel Recycling
- ERI's sales expansion will utilize a team approach, with four different roles per team:
  - External Business Development (Hunter)
  - Internal Business Development (Farmer)
  - Client Relationship Manager/Support
  - Subject Matter Expert/Specialized Technician
- Sales teams will be organized by Industry Segmentation and Geographic Region
- Expected number of sales teams onboarded by 2026:
  - Electronics and IT Asset Disposition: 33 teams
  - Battery Recycling / Solar Panel Recycling: 26 teams
- Hiring will commence in mid-2022 and will continue through 2026
- Estimated average labor and travel costs per each sales team: ~\$1mm

## ④ Expansion into Solar Panel Recycling

Solar panel recycling provides a substantial opportunity for long-term growth as the market further develops in the coming years. ERI is well positioned to capture disproportionate market share with existing capabilities and expertise once the market matures.

- Current options for disposing of solar panels include sending it to a landfill, bringing it to a waste processor, or finding a manufacturer that will accept used panels
- As solar panel waste volumes increase and regulation evolves, the market opportunity is expected to rapidly expand
- ERI expects to enter the solar panel recycling market in 2023 and grow segment revenue from \$10 million in 2023 to \$225 million in 2026

### Solar Panel Waste Legislation in Major Solar Markets



### Pure Mechanical Recycling Process

