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Use Your ITAD Program to Support Corporate ESG Efforts

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NASHVILLE, TN MAY 9TH - 11TH

Use Your ITAD Program to Support Corporate ESG Efforts

- What is ESG?
- Why is ESG Important?
- What are Scope 1, 2, and 3 Emissions?
- How do ESG and Scope 1, 2, and 3
 Emissions Affect the IT Department?
- How Your ITAD Program Can Support Corporate ESG Efforts
- Partner with an ITAD Partner that Supports the E, S, and G
- ITAD Partner ESG Checklist







What is ESG?







Social

Governance

A set of non-financial factors used to measure an organization's impact on employees, customers, and community.



Sources: <u>Corporate Financial Institute, February 22, 2023</u>
<u>Deloitte</u>





Why is ESG important?



Global Challenges: climate change, racial and gender inequalities, transitioning from linear to circular economy & balancing economic needs with societal needs



Increasing Demands: Investors, regulators, employees, and consumers



Benefits:

- Reduces operating costs
- Streamlines regulatory compliance
- Builds stronger customer loyalty

- Improves employee engagement
- Generates better shareholder returns

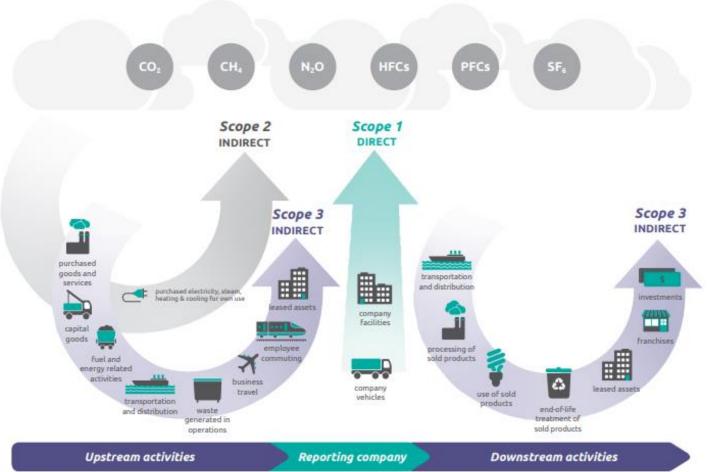


Sources: <u>Corporate Financial Institute, February 22, 2023</u>
<u>Deloitte</u>
ESG.org



What are Scope 1, 2, and 3 Emissions?

Figure [1.1] Overview of GHG Protocol scopes and emissions across the value chain





Source: World Economic Forum, September 20, 2022



What are Scope 1, 2, and 3 Emissions?

- Direct Emissions caused by operating things
- Indirect Emissions
 created by the production of energy
 an organization buys
- Indirect Emissions
 produced by customers who use the
 product or by suppliers who make the
 products the company uses

Scope 2 Scope 3 Scope 3 INDIRECT Upstream activities Downstream activities Reporting company

Figure [1.1] Overview of GHG Protocol scopes and emissions across the value chain



Source: World Economic Forum, September 20, 2022



How do ESG & GHG Emissions Affect the IT Department?

Sustainable Technology

Gartner expects that **by 2025, 50% of CIOs** will have performance metrics tied to the sustainability of the IT organization.

What is Sustainable Technology?

A framework of digital solutions that drives ESG outcomes in three areas:

- 1. Internal IT operations
- 2. Enterprise operations
- 3. Customer operations





Sources: <u>World Economic Forum</u> Gartner – September 27, 2022

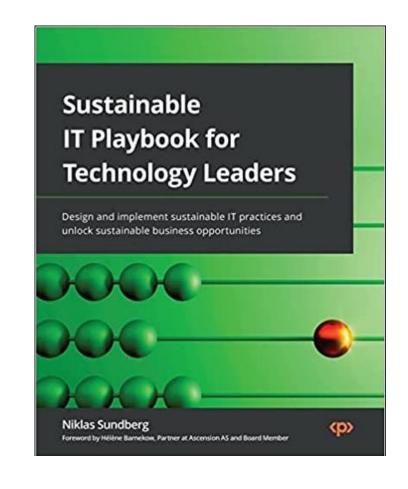


How do ESG & GHG Emissions Affect the IT Department?

Resource: Sustainable IT Playbook for Technology Leaders by Niklas Sundberg

Topics:

- Why IT is a major contributor of carbon emissions
- The principles & key methods of sustainable IT practices
- Building a robust, sustainable IT strategy based on proven methods
- Understanding your energy consumption patterns
- Applying a circular approach to the IT hardware life cycle
- Establishing a sustainable IT baseline
- Inspiring stakeholders







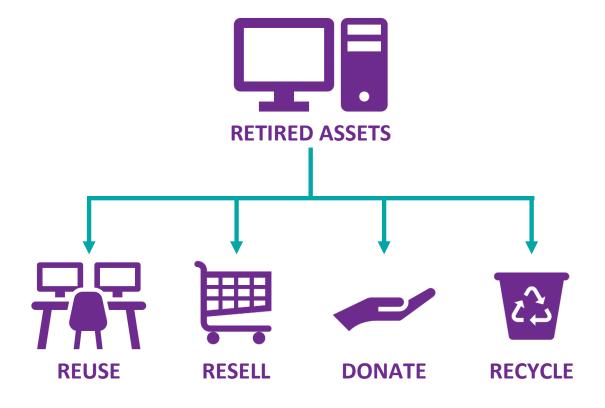
Use Your ITAD Program to Support Corporate ESG Efforts

A record of 53.6 million metric tonnes (Mt) of electronic waste was generated worldwide in 2019; by 2030 that number could reach 74 Mt, making it the world's fastest-growing waste stream.

(Global E-waste Monitor 2020 Report)

ITAD is Something You Already Do

How you go about it could have a negative or positive effect on the environment and help meet corporate emissions benchmarks.







Partner with an ITAD Partner That Supports the "E" of ESG



How does the ITAD Vendor support Environmental goals?



Reuse

Remove secure data with the help of a Certified ITAD provider before transitioning the asset to its next life



Recycle

Break down the asset so the materials can be used for something else



Resell

Extend the life of the device & add profit to the company's bottom line

> Your ITAD Partner can provide reporting on these activities which you can easily incorporate into company ESG reporting.

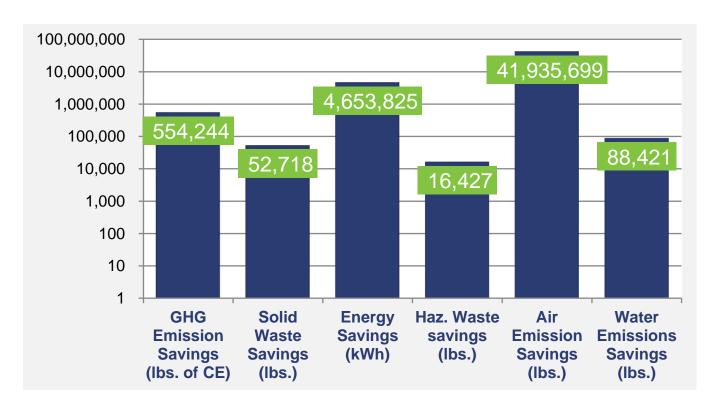




Environmental Impact

ELECTRONICS REUSE & RECYCLING

Reporting period: January 1, 2022 – December 31, 2022



ENVIRONMENTAL EQUIVALENTS OF E-CYCLING ACTIVITY



Enough energy to power **389 typical US homes**



Removing **169 passenger cars** from the road for 1 year



Amount of solid waste generated by **12 US households** over the course of 1 year



Amount of primary materials used in manufacturing **185 refrigerators**



Reduction in air emissions of **19,018 metric tons**



Total carbon saved: 277 tons



All computer and electronic equipment represented in this report was processed for reuse or recycling by Cascade Asset Management in accordance with the e-Stewards Standard for Responsible Recycling, the most stringent independently certified standard for secure and responsible electronics recycling. All equipment has been processed in the United States and no electronic waste has been shipped overseas to developing countries for disposal.



Partner with an ITAD Partner That Supports the "S" of ESG



How does the ITAD Vendor support Social initiatives?

Donate devices or rebates to a good cause

- **Social:** Bridge the Digital Divide
- Financial: Show the financial impact of company contributions and reduce tax liabilities



Your ITAD Partner can provide reporting on the number of units processed for donation and/or the resale dollars generated for charity.





Partner with an ITAD Partner That Supports the "S" of ESG



How does the ITAD Vendor support Social initiatives?

Evaluate Stakeholder Relationships, including Your ITAD Partner

- Community Involvement
- **Recycling Events**
- **Donations and Charitable Partnerships**
- Employee Diversity, Equity, & Inclusion
- Employee Engagement
- Industry Memberships & Involvement















Partner with an ITAD Partner That Supports the "G" of ESG



How does the ITAD Vendor demonstrate Governance?

Certifications & Standards

- Proves commitment to managing data security risks, adhering to environmental regulations, & maintaining quality operations
- Audits by a third party
- Robust record-keeping



Data security: NAID AAA Certification

which meets regulations of HIPAA/HITECH, FACTA, FISMA, FERPA, Sarbanes-Oxley, Gramm-Leach Bliley, PCI-DSS, GDPR & various state requirements





Environmental: e-Stewards & ISO 14001

which meets the requirements of Resource Conservation and Recovery Act (RCRA), and mitigate risks from Superfund Law (CERCLA)



Quality Management: ISO 9001





Partner with an ITAD Partner That Supports the "G" of ESG



How does the ITAD Vendor demonstrate Governance?

Well-Managed Organizations

- Have internal controls, goals, & track performance
- Less risky to work with

Ask for Performance Metrics

















ITAD Partner ESG Checklist

Avoid accusations of greenwashing. Find an ITAD that can provide facts to support your ESG program.

- Supports your environmental goals
- Offers secure data removal services to enable equipment reuse
- Manages a successful resale program that provides revenue
- Recycles devices in an environmentally responsible way
- Facilitates donation programs (assets or resale profits)

- Provides detailed reports on the status your company's assets and the environmental impact of your reuse, resale, recycling, and donation activities
- Values stakeholder relationships as proven by their social activities
- Maintains security, environmental, and quality certifications
- Measures business performance in key areas
- Aligns with your company's standards in relation to Environment, Social, and Governance





Summary: Reap the Benefits of ESG Now & in the Future

Start Incorporating ESG into Your Current ITAD Practices

ESG is an evolving topic that's gaining more notoriety each year. Take steps to ensure your ITAD program supports company ESG goals.

Benefits











Questions?

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BOOK GIVEAWAY!

Sustainable IT Playbook for Technology Leaders

by Niklas Sundberg



