

2022 SUSTAINABILITY REPORT



Letter from Marty Bryant

Chief Executive Officer

Since Charles Walton founded Wastequip over 30 years ago, our vision has been to be the All-in-One equipment provider for the industry. Today, we estimate that **40 million people in the U.S.** interact with our equipment weekly, if not daily. With products so ubiquitous comes a responsibility to our employees, our suppliers, our customers, the communities we serve, and the planet we depend on.

Our corporate responsibility program, CORE, formalized our commitments to delivering on our financial agreements, leaving more than we take from our planet and being the best company our communities have worked with and our people have worked for. So far, I am most proud that we achieved (and will continue to maintain) gender pay equity across the company.

Although our CORE program has materialized in just the last few years, the values instilled in our company culture over the last decade have provided the foundation to build a thriving program.



Marty Bryant
CEO, Wastequip
July 2023

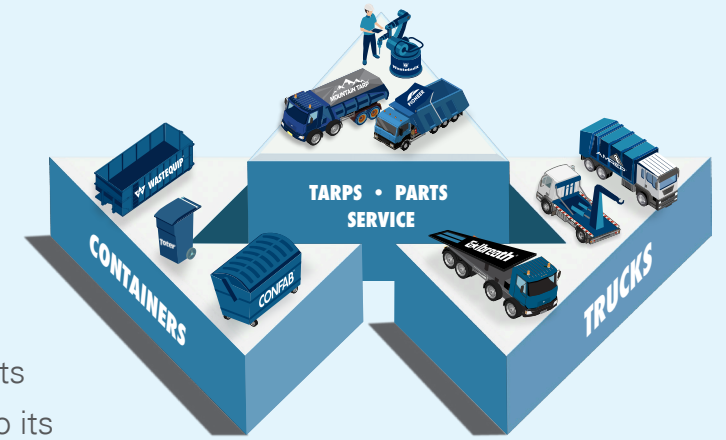
"We believe we can take care of our people, our communities, and our planet, while running a successful business."

We hope the following pages prove that to you.

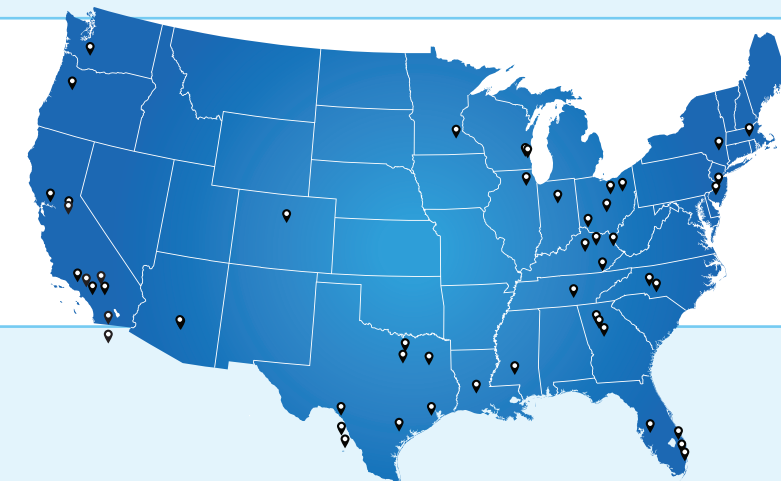
About Wastequip

Headquartered in Charlotte, NC, Wastequip is the leading North American manufacturer of waste handling equipment. Since our founding in 1989, Wastequip has built a reputation for expertise and innovation. Privately held, Wastequip is the only manufacturer to offer a full line of steel and plastic products to collect, handle and transport nearly all types of waste and recyclables.

Behind each Wastequip brand is a team of people who are transforming the waste industry. From residential homes to job sites to specialty needs across the country, Wastequip is the industry leader in the design, manufacture and distribution of products that transport waste from its original sources to its endpoint — to where it belongs.



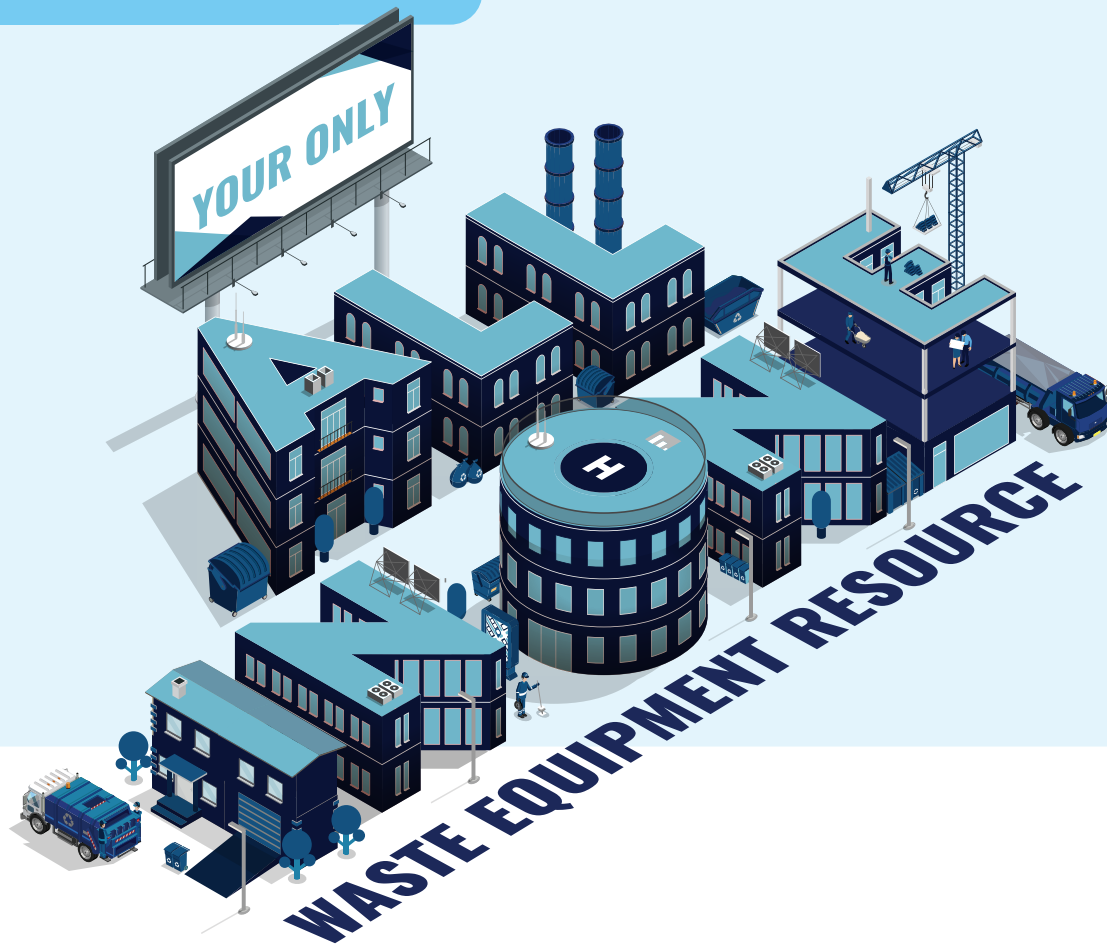
The waste industry's only ALL-IN-ONE PROVIDER



- ▶ 12 Brands
- ▶ 47 Facilities
- ▶ 3,400 Employees



Our Brands



CONTAINERS



The leading North American manufacturer of steel containers and compactors.



The West Coast's source for quality steel containers for a variety of applications.



The industry leader in cart solutions, roto-molded for extreme durability and longevity.



Intermodal containers designed for the secure, reliable transport and disposal of environmentally sensitive waste.

TRUCKS



Amrep refuse truck bodies are the most durable in the business.



The waste industry leader in roll-off hoists, container handlers and trailers.

TARPS, PARTS & SERVICE



Creator of the Rack 'n Pinion® truck tarping system, the gold standard in the waste industry.



Highly customizable tarping systems for construction, agriculture and more.



Wastebuilt is the go-to source for OEM and aftermarket parts in the waste industry.



Waste equipment service headquarters, providing maintenance, repairs, installation and parts for garbage trucks, tarping systems, hoists and compactors.



Cart and container assembly, delivery, maintenance and repair.



Cloud-based software for the management of waste services and related assets.



Letter from Kristin Kinder

VP Research & Waste Stream Sustainability

This report took months to write but years to create. In many ways it began the day I started my career. I had just returned home inspired by the resourcefulness I had seen while living in Germany, remembering the recycling wisdom I had learned way back in kindergarten, and tying it all together with the science education I had received in college—I knew I wanted to devote my working hours to how we consume resources.



I found a home in the waste industry—one of the most critical to driving down the resources we consume—and now, with the largest manufacturer serving the waste industry exclusively, **I can't think of a better way to live that promise I made to myself in my early 20s.**

In 2018, I left a company with a sustainability strategy to work for a company without one, which would have felt risky, except for one thing: Every Wastequip executive (and even owner) I interviewed with mentioned integrity. I heard loudly that **doing what you say you're going to do matters**, and I easily connected the dots: If a company values integrity and doing the right thing, a sustainability program is a natural progression.

In 2019, we planted the seeds for our sustainability program. Three of us dreamed of where we could start, researched consultants to help us and identified how to **build an authentic program**. Each year, the ripple of people at the company addressing sustainability has widened.

In 2020, we officially launched our **corporate responsibility program, CORE**. We began our first life-cycle assessment with a leading consultancy, hired a full-time Sustainability Programs and Reporting Manager, and formed our CORE Steering Committee to define the most important next steps, ensure accountability and diversity of thought, and report progress to the Board.

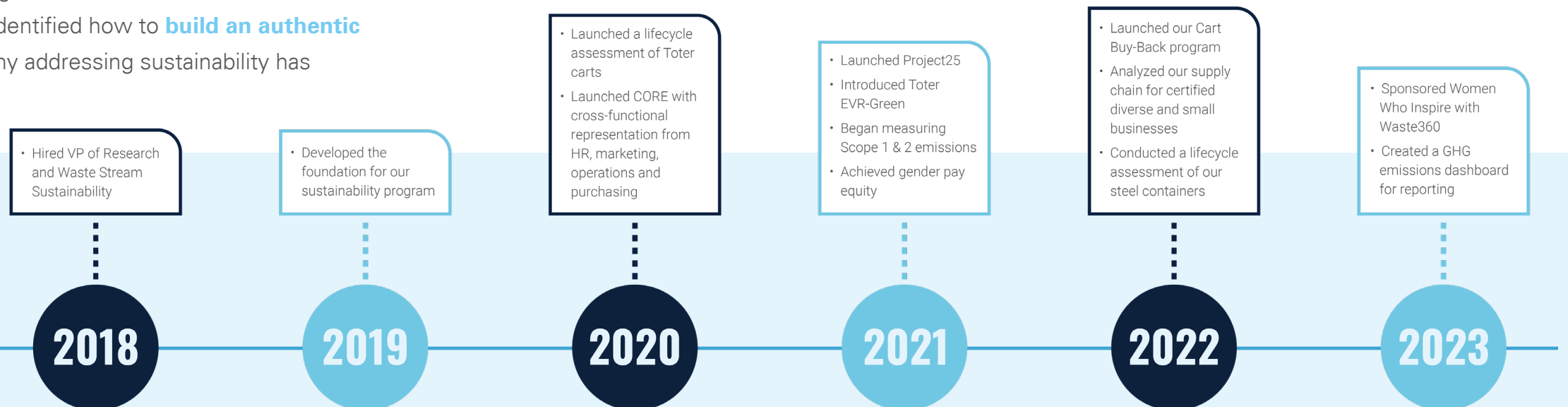
In 2021, we incorporated CORE goals into Wastequip's **annual operating plan**; we tied **executive bonuses** to our top initiatives and formally included people and planet in approving our **capital investments** and **developing new products**.

This year, I am particularly proud that we created a dashboard for our greenhouse gas emissions, which our Trucks and Containers division leaders will present in our monthly financial reviews. This will inspire the **true collaboration** that comes from working toward a common goal.

For example: When our sustainability team learned that 60% of a Toter cart's carbon footprint comes from virgin resin, our operational and engineering teams came up with actionable solutions that our sustainability team wouldn't even know to dream of—reorganizing our facilities to become more efficient with our resin, testing thousands of carts with new recipes, and developing one with no virgin resin at all, our EVR-Green.

I can only imagine what great ideas will spark when we provide our division leaders and their teams with our ideas and data on emissions at their facilities. To me, this is the biggest ripple of all. We are proud to share with you where we started and just as excited about where teamwork will take us.

CORE TIMELINE



2022 CORE Highlights

Our **CORE** program rests on three pillars — People, Planet, and Profit.

- People.** We want to be the best company our communities and suppliers have worked with and our people have worked for.
- Planet.** We believe in leaving more than we take from our environment and leaving the planet better than we found it.
- Profit.** We believe that doing the right thing makes good business sense.

Each year, our CORE Steering Committee defines our top initiatives, communicating our progress to the Board. In 2022, **at least 10% of the bonuses** for all staff who reports to our CEO was tied to achieving all goals.



*Reduction calculated by dividing the total resin we used by the lbs. of product we produced and comparing that to the amount of virgin resin used on average per cart in 2019.

Materiality and Wastequip

We have many opportunities to make the world a better place: Every year, approximately **\$76B of revenue for our customers passes through our equipment**. Our over 10,000 customers represent local haulers, regional haulers, national haulers, retailers, distributors, institutions like universities and hospitals, and municipalities of a few thousand to over a million. We estimate that **40 million people in the U.S. interact with our equipment weekly, if not daily**.

As a manufacturer, we can take responsibility for what we make, and how we make it. The Sustainability Accounting Standards Board’s materiality assessment closely aligns with our own perception of our business. For People, **health and safety** ranks at the top. For the Planet, our greatest impacts come from the **raw materials** we source, the **energy** we use to manufacture our products, and in the **use-phase and end-of-life of our products**. (Aside from compactors and trucks, most of our products use very little energy during their use phase.)

As a manufacturer serving the waste industry, we can not only control the energy and raw materials we use, but also think creatively about how our products can minimize environmental impacts, facilitate a more circular economy, and lower carbon emissions for our customers.

- ▼ Our containers have long been part of preventing waste from leaking into our natural environment.
- ▼ Our products enable businesses and municipalities to optimize waste as a resource through recycling and organics collection.
- ▼ Our products are known for quality and durability, which greatly increases their useful life and reduces environmental impacts.

For our retail customers, their supply chain is responsible for the majority of the emissions from their business. The greatest opportunity for national haulers to lower emissions originates from their fleets and landfills, but they are beginning to show interest in carbon emissions from their supply chain. About half of the U.S. cities on Climate Disclosure Project’s (CDP) “A List” for 2022 are our customers, and many have set reduction targets for greenhouse gas emissions.

As the waste industry begins to value more waste streams as a resource, **Wastequip’s equipment is poised to enhance a circular economy**.

Embedding them Into Our Business

Since **defining our company values ten years ago**, they have been present through our hiring, annual employee evaluations, and employee compensation. They have also provided a foundation for our employees to work as a team on CORE.

- ▼ **We act with safety, honesty and integrity**, which is fundamental.
- ▼ **We improve what matters most**, guiding our priorities with data, which keeps us focused on having the biggest impact.
- ▼ **We act quickly but thoughtfully**, picking the few, most important goals and making steady progress toward achieving them.
- ▼ **We embrace change** with employees and leadership who think differently.
- ▼ **We make commitments and keep them**, focusing on doing the work before we talk publicly about our achievements.
- ▼ **We serve customers (internal and external) to total satisfaction**, knowing we can help our customers meet their ESG goals and maintain the quality for which they know our products.

Considering people and planet in our business is the strongest way to align the many departments that compose our company.

We take one conscientious step each year to institutionalize CORE (people and planet) considerations into our business decisions.

Our **CORE steering committee** includes leadership from HR, Finance, Marketing, Operations, Purchasing, Strategy, and Sustainability. (Five steering committee members report directly to Wastequip's CEO.) Our job is to make sure that we select the right priorities, understand unintended consequences (for example: a project to benefit the environment is a problem if it adversely affects our employees), overcome unexpected challenges, and hold each other accountable. We meet quarterly and report updates to the Board through our CEO.

Our sustainability team is small but mighty, led by Kristin Kinder, whose position centers on objectively understanding the waste industry and how our world is determining the right thing for our planet and people, and identifying priorities for the steering committee to consider.

PEOPLE



People

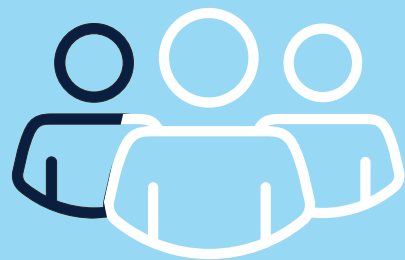
Be the best company our communities and suppliers have worked with, and our people have worked for.

At Wastequip, our definition of diversity begins in its purest form — **with diversity of thought**. That enriches our experiences as employees, and it makes us a stronger, better company.

The best way to ensure diversity of thought is to hire people of different backgrounds, keep them safe and engaged, and pay, develop, and promote them fairly and equally; to work with diverse suppliers, which tend to be more specialized, more agile, and more creative; and to give back to the communities where we operate.

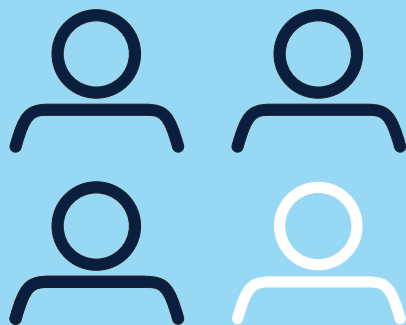
Creating a welcoming culture is a continuous evolution that begins with representation. In leadership, our Board is 75% diverse by ethnicity and/or gender. Our CEO staff is 30% diverse by the same standard.

DIVERSITY



30%

of **CEO staff** is diverse by ethnicity and/or gender



75%

of **our board** is diverse by ethnicity and/or gender

Keeping Our People Safe

In manufacturing, safety is the foundation for creating a culture that puts people first. Since 2013, Wastequip has improved safety performance year over year. While we celebrate our success, we always strive toward a goal of zero safety incidents and continue to improve our processes and routinely track performance.

We publish all incidents, in our Environmental Health and Safety (EHS) resource dashboard, which immediately alerts leadership, EHS personnel, and those who could be affected by a similar issue. Our response—from routine follow-up to launching safety alerts and revised best practices to immediately stopping work and standing down to remove the hazard—matches the issue’s severity. Our executive leaders review safety data at the beginning of every monthly financial review for every division, and our Board reviews the same data at each quarterly meeting.

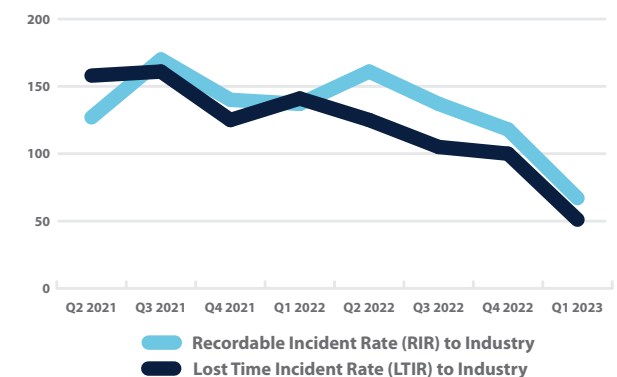
In manufacturing, safety is the foundation of a culture that puts people first. Creating this begins with culture-centric metrics: **50% of the annual goals for our Operational Leadership center on safety programs and initiatives**. We also continually look critically at our existing approach to safety and have recently **revitalized the program** by revamping our training program and Learning Management System (LMS), increasing our internal EHS staff, and increasing outside firm assistance. Wastequip is seeing this focus pay off with a **trend that leads to beating industry averages by 30% in recordables and almost half of industry average on Lost-Time Incidents**.

Training

To ensure we comply with local, state, and federal regulations for safety and environment, our facilities perform their own monthly audits, and our internal EHS team, augmented by external consultants, regularly visits our facilities. For 2023, we’ve partnered with a safety firm to ensure all facilities benefit from a safety professional visit.

Our training programs for all employees include onboarding, pre-shift refreshers, monthly safety topic review meetings for facilities, and OSHA policy, procedures, and standards training for facility and operational leadership. Our Learning Management System (LMS) ensures consistent and relevant in-person and online training for safety and environmental topics across our facilities and roles from welders to drivers to engineers, maintenance, administration, and managers.

RIR and LTIR to Industry Averages



People

Keeping Our People Engaged

Straight from Marty Bryant, our CEO, our goal is to be the best company our employees have ever worked for — for every single employee. We actually measure that.

For every employee to feel this is the best job they've ever had, we need to foster an inclusive culture that **equally values staff in our offices and plants**, who have very different responsibilities.

We conduct an **employee engagement survey biennially**, which gives us time to understand the results and implement solutions to our findings. In our most-recent survey (2021), 75% of our employees from our offices and plants in both the U.S. and Mexico responded. We evaluated the data on the company level, as well as in the divisions and individual facilities.

Our scores for “Wastequip is the best company I have ever worked for” and “I feel proud to tell people where I work” have been consistently high (over 70%), and we aim to improve our scores every survey year.

SURVEY

Is **Wastequip** the best job you've ever had?



73% YES
according to 2021 employee survey

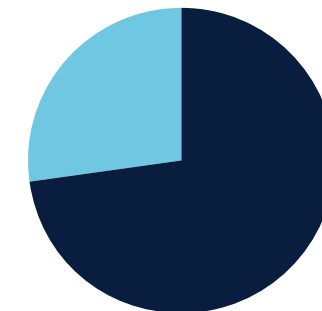
Throughout 2022, each plant leader and their HR partner identified 2-3 achievable goals—focusing on safety, communication, efficiency tools, and career progression—to **address the most important feedback** from their plant and discussed progress in monthly roundtables with local staff. Common actions have included (and are still in progress):

- ▼ Improving employee acknowledgment and recognition
- ▼ Clarifying our step-grid system that transparently outlines promotions, career paths, and wages of every level for hourly employees in recently acquired facilities and posting job openings in the breakroom to address career progression
- ▼ Implementing a plant-wide mentorship program for new employees to meet existing employees to improve on training
- ▼ Cross-training, adjusting staffing levels, and ensuring teams have the right tools to safely and efficiently perform their work at plants that commented on needing more resources.

Pay, Develop, and Promote Equally and Fairly

We have achieved gender pay equity at all levels of the company (which means that all males and females at the company are paid within 3% of their target market salary) and continue to evaluate salaries and market targets to maintain that as our employee base evolves. Wages at our plants are public for hourly employees, and our salaries are evaluated annually.

WHERE WE WORK
COMPANY-WIDE



PRODUCTION
STAFF/
DIRECT LABOR
73%

OFFICE/
CORPORATE
STAFF
27%

People

Wastequip Women

Women strengthen manufacturing, and waste industry companies but are notoriously underrepresented, hovering around 30% of manufacturing employees. In 2019, Wastequip Women was born from a development workshop for women across the company. **With 250 members from corporate and our plants**, the group has grown into a place of connection, mentoring, philanthropy, and laughter and adds a personal face to inclusion throughout Wastequip's plants and facilities. To welcome as many employees as possible, the group meets virtually every month around lunch and incorporates Spanish translation.



Wastequip Women's annual planning session.

Women welders in our Eagleville, TN facility.



Women in Welding

To bring female talent into manufacturing roles that have traditionally been male, we developed the Women in Welding Program in 2021. Welding is one of the most difficult positions to recruit and retain employees for, because it is one of the toughest jobs. Over 6 months, the program trains men and women without welding experience through in-class and on-the-job training. Two years in, we are seeing early signs of positive trends, with the program comprising **an average of 14% females across four plants**.

Intern Program

For 10-12 weeks every summer, we host an intern program, drawing students from all over the U.S., who work on real projects to move the company forward and experience all aspects necessary to a manufacturing company — Sales, Sustainability, Finance, HR, Marketing, and Engineering.



Since 2016, Wastequip has converted 24 interns (~20% of entire intern cohort) into full-time roles.

Leadership Development Program

To foster this talent further, in 2019 we created the Leadership Development Program (LDP). The program provides entry-level talent who aspire to leadership positions within Wastequip with **cross-functional training for two years of rotations and one-on-one coaching** in Finance, Sales, and Manufacturing. After the program, graduates transition into permanent roles within the company.



The LDP Program provided the unique opportunity to experience many different aspects of a business; an opportunity that proved to be very useful in guiding the direction of my career because it helped me to discover my passion for data science/data engineering. Completing the program has equipped me with versatile and diverse experience, as well as helped to define my career path.

- Cyan Mercer, (LPL graduate)
Engineering, Charlotte, NC

People

Work with Diverse Suppliers

Wastequip and our suppliers have a common goal: to produce the best products, at the best value, at the right time to the market. **Diverse suppliers enhance our ability to bring more diversity of thought to our organization.** They tend to be more specialized and agile, generate new approaches and ideas, and come from different backgrounds.

Working with supplier.io, we define a diverse supplier as a for-profit business of **which more than 50% of their ownership or leadership meets a diverse quality**, like ethnicity, gender, military status, disability status or sexual orientation, or a small business that has maintained a certification.

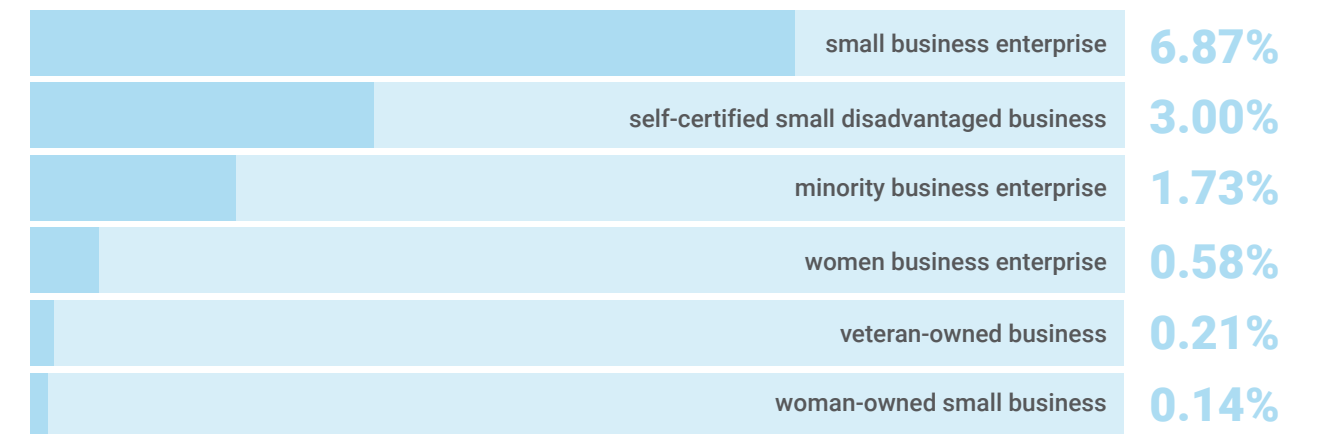
In 2022, we reviewed our Tier 1 suppliers* (those we work with directly) and found that 3.7% of our spend goes to businesses with a small business certification, and another 5% goes to suppliers with at least one diversity certification. Analyzing spend data from 60 manufacturers in 2021, supplier.io estimates the manufacturing average for the latter is 2.9%.

SUPPLIER SPEND



In 2022, **8.7%** of our Tier 1 spend was with **certified diverse** and **small businesses.**

% of Tier 1* Spend by Certification



*The Tier 1 suppliers we analyzed included ~85% of our spend.

Note: Suppliers may have multiple certifications. In the graphic above, supplier spend for a single supplier is categorized in every category in which they have maintained a certification. When each supplier's spend is counted only once, our total spend with diverse and small suppliers is 8.7%. We did not include our spend for certifications for which our spend was less than 0.1%.



People

Giving Back to the Communities that Give to Us

Giving back to the communities in which we operate has long been part of our company ethos. Through philanthropy and volunteering that supports education, community development, health, and sustainability, our goal is to improve the lives of the people in the **communities surrounding our plants**.

In 2022, Wastequip's corporate office and facilities donated to philanthropic organizations across the United States. Recipients range from the Environmental Research and Education Foundation (EREF), which funds objective, scientific research in the waste industry and circular economy, to other **causes that our staff personally connects to**. Those include veterans, the arts, conservation, people with disabilities, domestic violence, the humane society, those experiencing homelessness, and local sports teams and community events.

Our Charlotte office participated in cleanups for Earth Day, collected food for those in need throughout the year and made care packages for deployed soldiers and their families through Operation Gratitude.



CEO Marty Bryant speaks to veterans at Purple Heart Homes, a nonprofit organization that provides housing and employment opportunities to qualified Veterans.

With four facilities in Kentucky, our Parts & Service team has close ties to the Kentucky community, which was devastated by tornadoes at the end of 2021 and flooding in the summer of 2022. For the former, our team delivered and helped install \$200,000 of tarps to cover holes in roofs. For the latter, our team collected seven semi-trailers of food and supplies from us and other organizations in the Middlesboro community. Our Parts & Service employees, who are experts with industrial equipment, also give their time every year to the Repair Affair in Bell County to help with community projects.

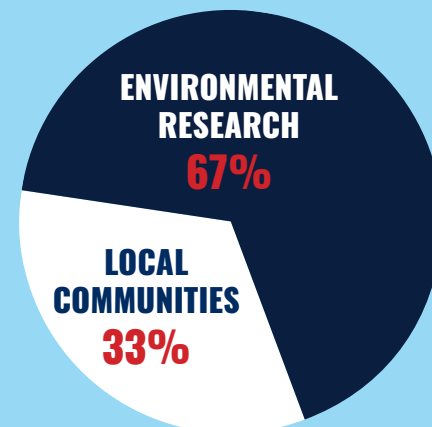
During the second annual Thanksgiving food drive, our Wastequip Women's group collected over 3,000 pounds of food across 13 of our facilities. Corporate matched every pound of food with a dollar donation to a local charity.



Supporting local cancer charities.

WHAT WE SUPPORT

Local community support includes: youth, women, those with disabilities, natural disasters, animals, health, and performing arts.



WASTEQUIP CARES
EST. 1989

Leave Our Planet Better Than We Found It

Over the last few years, we've arguably had the most to learn about our impact on the planet. **Carbon emissions** are not the only impact that businesses have on the planet, but as a manufacturer they are our top Planet priority, because climate change (caused by greenhouse gases, which are measured by carbon emissions) poses the greatest risk to the most people.

To understand our carbon emissions from multiple angles and remain true to **improving what matters most with data**, we hired a full-time sustainability programs and reporting manager to be the expert on our plants—calculating their emissions as well as implementing strategies to reduce them. We also hired a consultant to help us understand the complete carbon footprint of our most popular products. As is material to most manufacturers, we continue to find that the **energy and raw materials** we consume to make products are our biggest opportunities to lower our impact on the planet.

COMPANY-WIDE EMISSIONS

For most of a year, we researched sustainability reporting frameworks and processes to understand how we can make meaningful change. We monitor the Climate Disclosure Project's (CDP) requirements, Sustainability Accounting Standards Board (SASB), companies setting Science-Based Targets, and the national reporting conversations. We base our Planet data on the Greenhouse Gas (GHG) Protocol Corporate Standard, because it is global, quantitatively rigorous, and consistent with how other companies calculate their emissions.

As part of the EPA's guidelines and GHG Protocol Corporate Standard, we drafted an Inventory Management Plan, which helped us evaluate where our emissions come from and determine how we will manage our data ongoing. Under the GHG protocol, our organizational boundary includes all three of our divisions — Parts & Service, Containers, and Trucks. To begin, we focused on our Trucks and Containers manufacturing, because they are our largest source of emissions.



Our Emissions Inventory and Calculations

Our company-wide calculations focus on Scope 1 and 2 emissions. Concurrently, life-cycle assessments help us understand the carbon impacts of the most important parts of our Scope 3 emissions, like the raw materials we source and the use of our products (see p. 25).



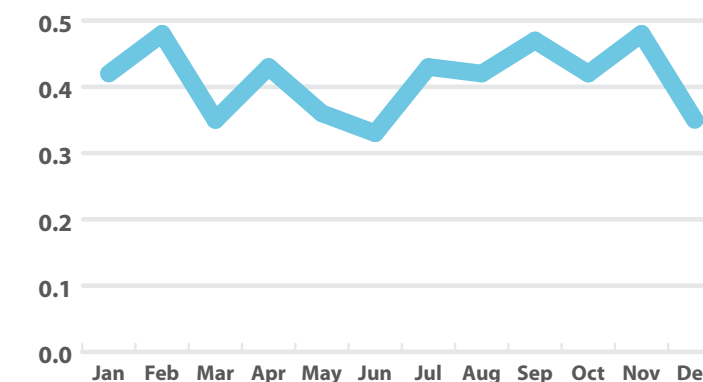
We follow the GHG Protocol Corporate Standard and use the U.S. EPA GHG Emissions Calculator to calculate our Scope 1 and 2 emissions in carbon dioxide equivalents (CO₂e) based on the greenhouse gases that our operations produce: carbon dioxide, methane, nitrous oxide, and hydrofluorocarbons (very minimal).

Absolute and Intensity Emissions

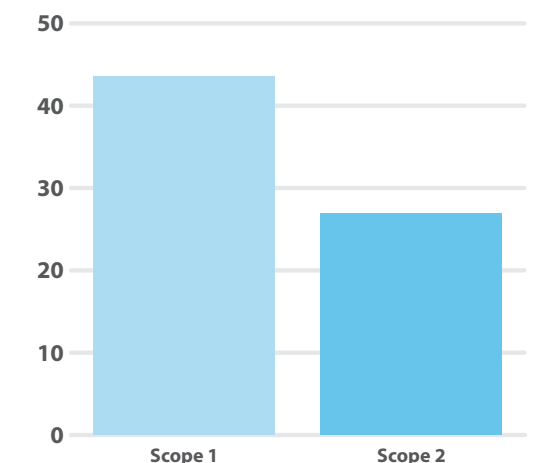
For our manufacturing divisions — Containers (Toter carts, Confab and Wastequip Steel) and Trucks (Amrep and Galbreath) — we calculate our emissions monthly to discuss in our financial reviews. We track our absolute emissions, the total emissions produced from our facilities, as well as our intensity emissions, which we calculate by dividing the absolute emissions in a month by the weight of products we made that month. This enables us to compare across facilities and gauge our efficiency from a standardized perspective. We report lbs. of CO₂e per lb. of product, but we also track metric tons of CO₂e per kg of product.

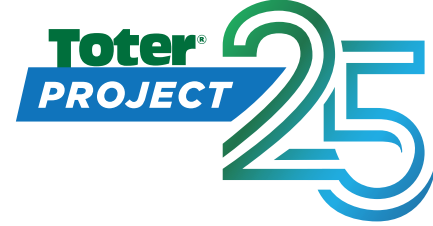
TRUCKS & CONTAINERS (MT CO₂e) EMISSIONS 2022

Intensity Emissions
(Lbs of CO₂e/Lb of product)



Absolute Emissions
(MT CO₂e)





PRODUCT-LEVEL EMISSIONS

We work with an independent consultant on **life-cycle assessments (LCAs)**, which scientifically measure the carbon footprint of a product. Our first LCA focused on Toter and included all of the raw materials we source, inbound transportation to our facilities, manufacturing our carts, distributing our carts, customers using our carts, and the end of life (cradle-to-grave) as well as a user insight survey from more than 100 municipalities and waste haulers to better understand our equipment in the field. We complied with ISO 14044 standards with a critical review of our process. We gained deeper insight into how municipalities and haulers use carts and how that impacts their carbon footprint:

From LCA to Action - Project25

Perhaps most important, we learned that **60% of our cart's carbon footprint comes from virgin resin** (resin that's brand new), so we set a goal to **reduce the amount of virgin resin we use in our manufacturing by 25% overall**, while maintaining our industry-leading 12-year warranty. Achieving this will reduce the carbon footprint per cart produced by ~9% (if all other factors, like cart lifespan, energy sources for manufacturing, and recycling at the end-of-life, remain the same).

We are calculating the reduction in virgin resin across our entire operation by dividing the total resin we used by the lbs. of product we produced and comparing that to the amount of virgin resin used on average per cart in 2019.

We call this Project25.

To learn more about the study and what affects a cart's carbon footprint most, check out our study website and carbon footprint calculator at www.toter.com.

Project25

Framing our goal based on decreasing virgin resin not only ensures that we focus on what will actually reduce our cart's carbon footprint, but it also enables more creativity from our procurement, engineering, and operational teams.

We worked with about a dozen suppliers for post-consumer recycled content (PCR), which comes from products that have been used at least once, as well as post-industrial recycled content (PIR), which often comes from manufacturers' production (scrap) extras, including our own. Both types of recycled content displace virgin resin and lower our cart's carbon footprint: Buying PCR supports recycling programs from homes, businesses, and institutions, but the material can contain more contamination, making it harder to use in manufacturing; using PIR means we're finding a home for material that is easier to manufacture with and otherwise might end up in a landfill.

CLIMATE IMPACT

96-Gallon Cart



~5.6 lbs.
of CO₂e are produced per lb. of a cart, over its entire life-span*

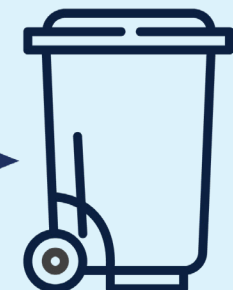
<80%
of a cart's carbon footprint is in the resin and energy used to produce it

*Assuming a life-span of ~11 years, no recycled content, and no recycling at end of life.

We formulated more than 50 unique recipes for our cart bodies with PIR, PCR, and virgin resin bodies. We then made 5,000 carts with these recipes and tested their lifespan (performance), ensuring we can **continue to meet our current 12-year warranty and ANSI standards as well as eight additional tests we require for quality.**

50
RECIPES

5,000 CARTS TESTED



Bringing Project25 to Life

Improved Efficiency with Our Material

We first ensured that we can be the most efficient with our own scrap material and that we can offer traceability, so that customers know the **exact amounts of PCR, PIR, and virgin resin in the cart they purchased**. This involved updating our processes to better capture more resin and organizing our plant to better segregate our own scrap resin.

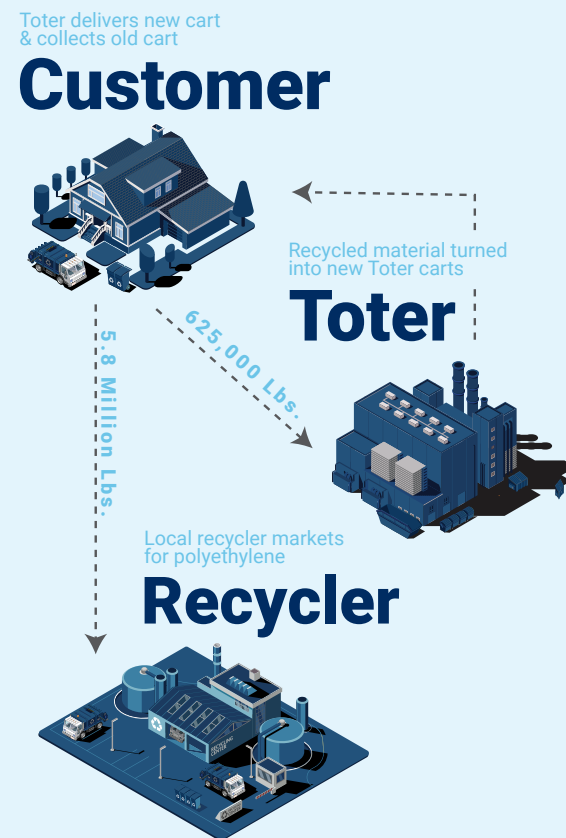
Standardized Recipes in Popular Colors and Traceability

With the recipes we tested and the ability to tie a specific recipe to a specific customer's order, we were able to officially incorporate standard amounts of PIR and PCR in our most popular cart colors.

Launched Our Own Cart Buyback Program

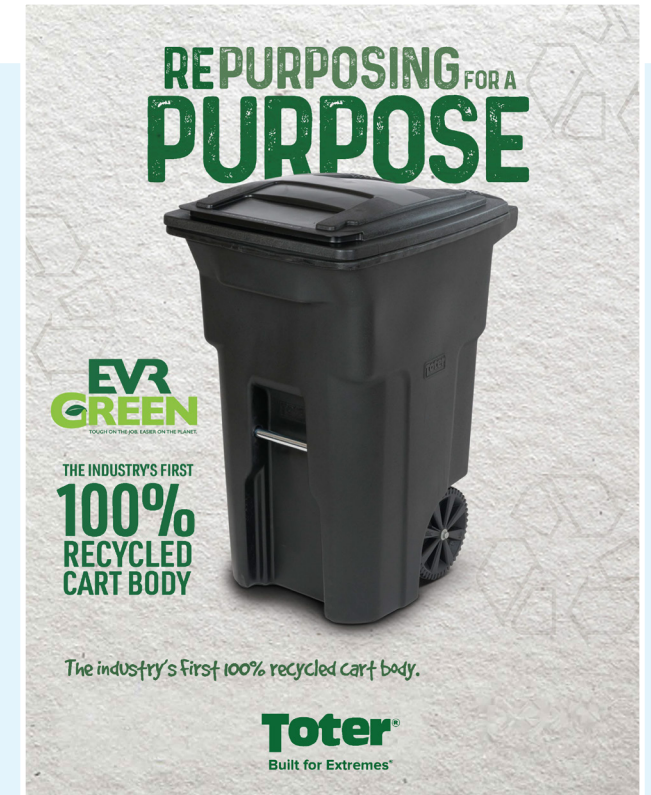
To bring more post-consumer recycled content back into our manufacturing and to chip away at the **30% of municipalities and haulers that we surveyed who said that they landfill carts** at the end-of-life, we launched our cart buy-back program in 2022.

For any customer to whom we are delivering new carts, we will collect and recycle their used carts, providing a credit to the customer. If those carts are injection-molded material (from another manufacturer), we coordinate recycling with a local recycler. **In 2022, we coordinated recycling 5.8 million lbs. for customers.**



Created the Industry's First 100% Recycled Cart Body, the EVR-Green Cart

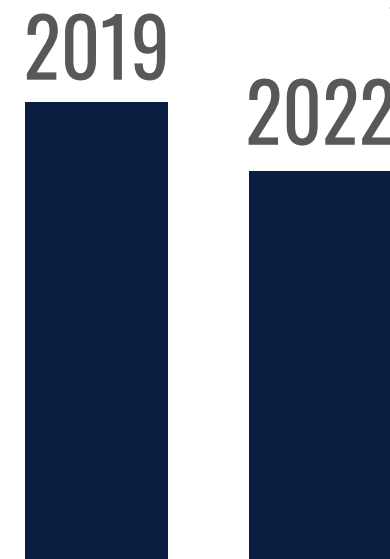
In all of our experimenting, we were able to **completely design virgin resin out of our cart body**. The EVR-Green (pronounced Evergreen), which is available in black only, is the first cart body on the market to use all PIR and/or PCR in the cart body. The **carbon footprint for the EVR-Green is 37% lower** than a standard Toter cart with all-virgin resin (assuming all other factors, like lifespan, energy used in manufacturing, and recyclability at the end-of-life are the same).*



*We are calculating the reduction in virgin resin across our entire operation by dividing the total resin we used by the lbs. of product we produced and comparing that to the amount of virgin resin used on average per cart in 2019.

PROJECT 25 PROGRESS

12.9% decrease in virgin resin usage per cart



Circularity

We **can bring back all rotomolded Toter carts to our own manufacturing** and are able to use at least 80% of the material in each cart body to make new carts. In 2022, we collected 625,000 lbs. to use in our own manufacturing. Although a humble start, we believe that operating a circular model will bring big benefits in the future to customers, the planet, and our operations.

Where We're Headed

Carbon Labeling

Our life-cycle assessment gave us the tools to not only know our emissions today but to also be able to calculate the emissions of individual products as we get closer to achieving Project25.

Our ultimate vision is to turn our LCA data into a carbon label, which lists the amount of carbon emitted in the full lifespan of the product (from raw materials to end-of-life) on the product (or website), so our customers can see it.

The transparency that comes with product labeling is one of the most powerful ways that buyers and industries can accelerate positive change. When individual companies label products, buyers learn a bit more about their carbon footprint, but to truly enable buyers to vote with their dollar, **methodologies for carbon labels must be standardized across industries.**

Leading a panel at WasteExpo featuring experts on labeling programs from Just Salad and the EPA's WaterSense and Fuel Economy labels, we planted an early seed to begin that conversation among equipment manufacturers in the waste industry and plan to continue to pioneer collaboration for carbon labeling in the waste industry.



All-in-One Together

As one of only 91 Climate Smart certified bronze communities in New York, Canandaigua is committed to sustainability. In standardizing its waste and recycling carts for safer, automated trucks, the city chose the Toter EVR-Green carts for their usual durability, unmatched recycled content, and lower carbon footprint. Our ContainerPros assembled and delivered the 7,200 new carts using our wasteware™ software and collected Canandaigua's old carts for recycling, incorporating much of the material into new Toter carts.

"Our residents should be proud that we're providing a safer environment for our employees [collecting waste], and we're doing that in the most sustainable way that we can."

- John D. Goodwin,
City Manager,
City of Canandaigua



Plant Stories

While our CORE program focuses on making steady progress on our carbon emissions, the **ingenuity, resourcefulness, and interest from the field teams at our plants and our product designers continues**. Here are a few highlights of how they have brought their creativity to better our planet and our business over the last few years.

Lightweighting Steel

From the preliminary results of our Steel life-cycle assessment, we know that raw materials are responsible for at least half of a roll-off container's manufacturing carbon footprint. We are in the final stages of testing a newer higher-tensile steel for our roll-off containers that allows us to **maintain our standard for strength and construction while removing 15-20% of the product's weight**. This will cut the carbon footprint for manufacturing the container and will allow our customers additional hauling capacity or reduced weight for transportation, improving vehicle wear and the container's carbon footprint during its use phase.

Replacing Machines

In our Steel and Galbreath facilities, we've currently replaced ~15-20% of our **welding units with new units that use a quarter to a third less electricity**. Over time, our investment in energy efficient equipment will pay for itself through reduced energy costs.



Automation of FEL line in Eagleville, TN facility.

Paint Emissions & Storm Water Mitigation

We manage air emissions (including from our paint booths), spills, solid and hazardous waste, and storm water and take our auditing process seriously. In 2022 we identified deficiencies in storm water drainage and aging infrastructure, so we **started 2023 with paint emissions and storm water mitigation projects** budgeted in our annual operating plan:

- ▼ In 2023, we will continue to increase our purchasing of low volatile organic compound (VOC) paints (<1 lb. emitted per gallon).
- ▼ Starting with our plant in Albany, OR, one of the wettest climates we operate in, we'll be prioritizing natural remedies, like planting native plants to absorb stormwater.
- ▼ Reorganizing at our plants will also help us mitigate effects from stormwater runoff, including storing more of our supplies inside and above ground, and removing under-utilized equipment from our plants.



Solar signage at our Tyler, TX facility.



PROFIT



Prove that taking care of our people, communities, and planet makes financial sense.

CapEx

Starting in 2022, all CapEx requests are now **required to qualitatively assess how the investment affects people, planet, and our CORE goals**. Our CORE Steering Committee defined people and planet considerations by asset category to guide those requesting CapEx investments on the biggest potential from their investment. We will plan to include a quantitative component in the future.

New Product Development

To further tie our new product development to our company vision and values, in 2022, we integrated sustainability into our stage gate approval processes. Prior to signing off on design and again at product launch, our **product developers must follow a sustainability matrix**, which guides them through potential impacts related to each phase in a product's lifecycle (materials, production, transportation, use, and end-of-life) and provides an objective score to gauge accountability to our CORE goals.

Customer councils, participation in industry organizations and cross-functional team integration across brands helped us identify product solutions that work across our portfolio while contributing to our sustainability goals and those of our customers.

Executive Compensation

To align our teams for swift progress, we have included our top 4-5 CORE initiatives, defined by our CORE Steering Committee and approved by the Board, in **our executive bonus compensation since 2021**.



Until next year . . .

CORE has provided a new lens through which to view our business. While some of our CORE initiatives have enabled us to get more value today from happy employees or innovative products for customers, many will bring their greatest benefits tomorrow.

Long term, **doing the right thing is good business** — many studies have proven that. Paying our employees fairly and equally is good business. Leveraging a diverse supply chain is good business. Investing in understanding our impact on the environment is good business. Reducing the raw materials we source is good business. **We look forward to charting just how much these benefit our business as the years unfold.**



