



2021 Impact Report

Driving the Circular Revolution



Explore our efforts to improve the environment, our community, and our workplace.

3 Introduction

A Message from Our Founders
The Evolution of Retail: a Circular Revolution
The Returns Problem

6 Optoro's Mission

7 Environmental Impact

Reducing Landfill Waste
Reducing Carbon Emissions
Reducing Packaging and Shipping
Spotlight: Partnering with IKEA on the Circular Economy

10 Community Impact

Community Giving
Supporting the Gig Economy

12 Our People

Employee Benefits
Enabling Diversity, Equity, and Inclusion (DEI)

14 About Optoro

Introduction

A Message from Our Founders

Over the last year, we've learned many lessons on resilience, humility, and how to navigate a continuously shifting world. The global pandemic and climate change threaten our very existence on the planet, and closer to home, we've seen related supply chain blockages limit access to everything from groceries to holiday gifts.

Yet, we're also reminded of how far we've come since last year. Vaccines have made it possible for many of us to live more safely, to hug our families. The resale industry has grown as more consumers turn to secondhand to make up for inventory shortages. And despite the twists and turns in our world today, Optoro continued to work with retailers to make a more [circular, nimble retail supply chain](#).

Looking back on 2021, we're humbled by the commitment of our team members and our clients to creating positive impacts on our communities and the environment. Together with Staples, we built out our contactless Express Returns network to help retailers [reduce the carbon emissions from returns](#). And by leveraging our technology, we are very proud to have helped retailers [divert 3.8 million lbs of waste](#) from landfills, [prevent 13.5 million lbs of carbon emissions](#), [donate \\$13.3 million worth of goods](#) to charities, and [route 22.6 million items to resale and reuse!](#)

Within our company, we built upon the lessons of 2020 to create our first [long-term diversity, equity, and inclusion strategy](#), with goals on diversifying our workforce and fostering a safe, inclusive workplace. We formalized our [Volunteering Time-Off](#) policy and [Optorians volunteered at over 90 organizations](#) across the U.S. We announced a strategic investment led by Zebra Technologies Corporation that will enable us to help retailers move inventory faster and more efficiently through the supply chain, which will help us continue to grow our impact on the environment and our communities.

Circularity isn't just a trend – it's the future of retail. We remain focused on making the retail industry more sustainable by eliminating waste from returns and unlocking the [impact of the circular economy](#).



TOBIN MOORE
CEO



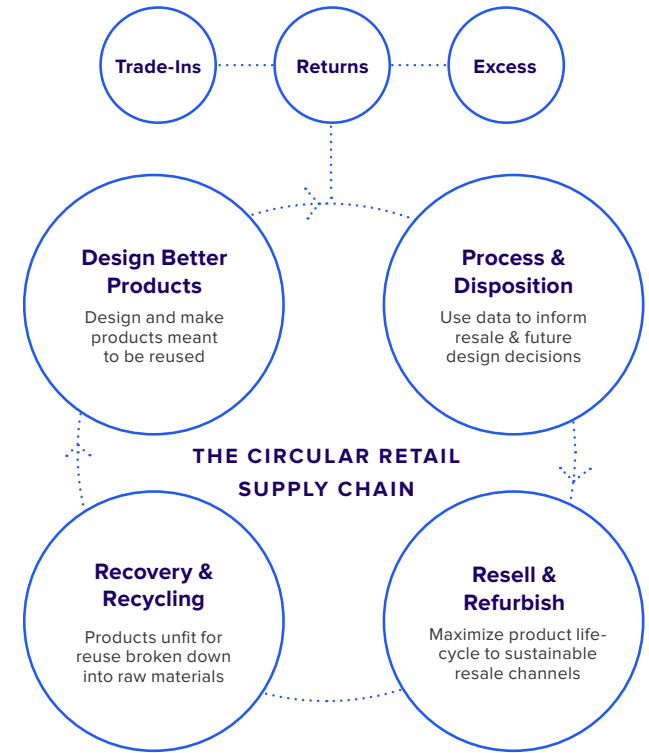
ADAM VITARELLO
President

The Evolution of Retail: a Circular Revolution

The rapid growth of ecommerce in 2020 ignited retail trends that continued to gain steady momentum in 2021. Now more than ever, consumers expect retailers to provide a digital-first experience that offers flexibility, choice, and convenience. However, the rapid digital and logistics transformations in retail have also created more waste from rising logistics emissions, packaging waste, and e-commerce returns.

What is the next evolution of retail? Retailers are moving toward circularity, not only because of consumers’ desire to engage with retailers who align with their values, but also from retailers’ desire to reduce costs with less wasteful supply chains, be in compliance with increasing government sustainability regulations and capture value from products already in the market. The importance of this has been underscored by the shortage of new inventory throughout the supply chain crisis of the last year.

As social and environmental issues rise to the forefront of our collective consciousness, consumers are increasingly putting importance on shopping with retailers who pledge to employ more responsible, socially-conscious business practices. **71% of consumers are expressing a greater interest in circular business models, such as rental, resale, and refurbishment after the pandemic.**¹



1990s

Ecommerce takes off



2000s

Online shopping & online search grows exponentially



2010s

Retailers invest in omnichannel



2020+

The digital world is accelerating faster than ever



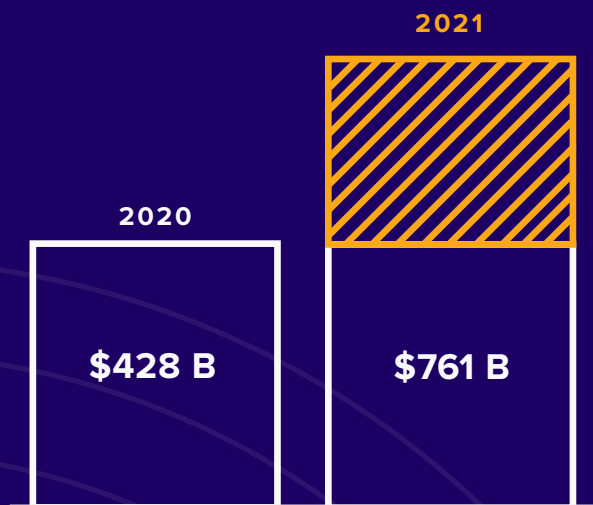
Future

Circular is the next evolution of retail

To build a more circular retail industry, retailers are taking a closer look at how their supply chains operate. A major area of opportunity for retailers—but also a significant threat to our planet—comes from returns.

The Returns Problem

As ecommerce continued to surge in 2021, returns continued to grow.



RETURNED INVENTORY IN THE U.S.²



27 Million

METRIC TONS OF
CO₂ EMITTED



5.9 Million

CARS DRIVEN
FOR ONE YEAR



9.6 Billion

POUNDS OF RETURNS
IN LANDFILLS



10,500

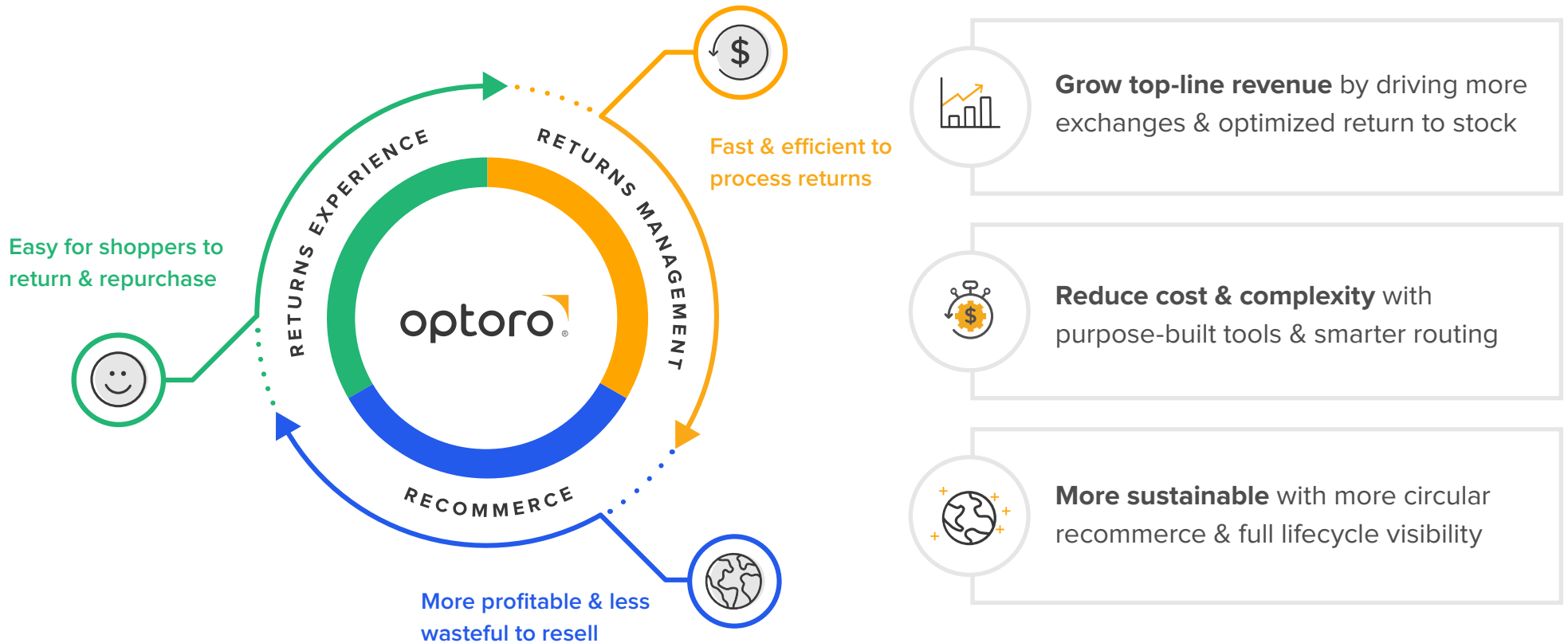
FULLY LOADED
BOEING 747S



Waste isn't just in our returns; it's also sitting in our closets in the form of unused products. In the U.S., consumers are sitting on \$580 billion worth of products they're not using.³ Now is the time for retailers to help their customers make better choices for the planet than sending those products to landfills.

Optoro's Mission

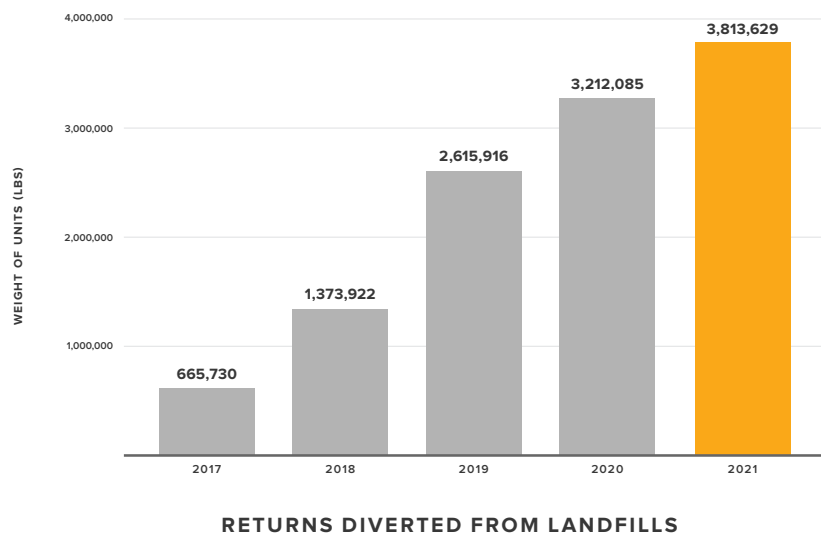
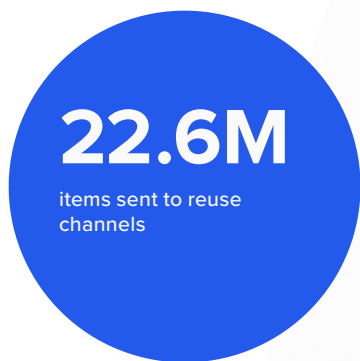
Our mission is to **make retail more sustainable by eliminating waste from returns.**



Environmental Impact

Reducing Landfill Waste

Our technology helped our retail clients keep products out of landfills.



Reducing Carbon Emissions

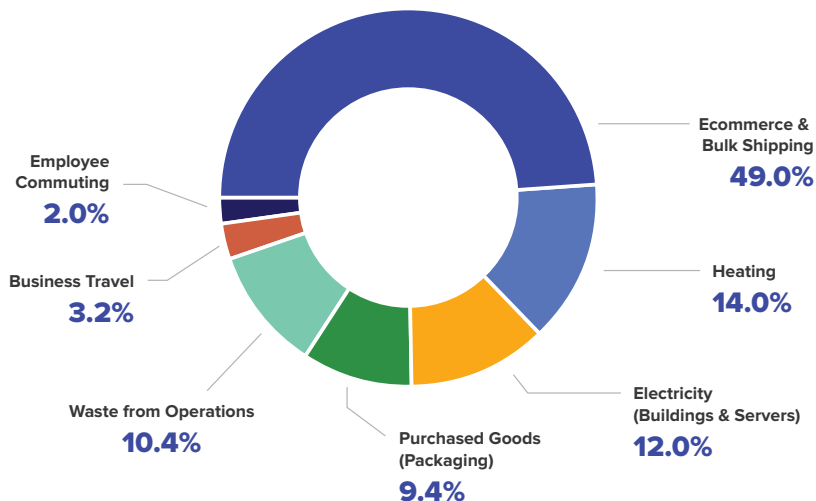
Optoro's technology **prevented 13.5 million lbs** of carbon emissions by diverting products from landfills and reducing unnecessary transportation.⁴ All products and materials that go to landfills are associated with a certain amount of greenhouse gas (GHG) emissions. Every time we reuse something that would have otherwise gone to the landfill, we reduce the amount of GHGs emitted.

We also calculated Optoro's greenhouse gas inventory for 2021. Our total emissions were **2,704 metric tons** of CO₂e.

13.5 Million Pounds

of carbon emissions prevented by Optoro's technology

OPTORO'S GREENHOUSE GAS INVENTORY



Reducing Packaging & Shipping

In 2021, we launched Express Returns™, our packageless returns drop-off network in partnership with Staples. This partnership gives retailers access to a nationwide network of packageless returns drop-off points, including more than 1,000 Staples® Stores, enabling convenient in-store returns for online consumers across the U.S.

Enabling consolidated returns shipping with a network of drop-off locations could reduce emissions by **0.65 lbs per return**. That may not sound like a lot, but say we consolidated all returns during peak returns season in 2021—then we could be reducing the emissions from returns by nearly **39 million lbs**, which is equivalent to taking **3,847 cars off the road for one year**.⁵

Packageless returns also help retail customers reduce their impact on the environment by accepting returns without a box or label. Using QR codes to facilitate returns and consolidating multiple returns in one box, we can work together to reduce the number of new boxes used for returns by up to **75%**.





SPOTLIGHT

Partnering with IKEA on the Circular Economy

In 2021, IKEA Retail U.S. continued to use Optoro's platform in stores to automate product donations. Together with Good360, we expanded upon IKEA's current donation program by routing products to local charity organizations. Optoro's technology facilitates the routing of eligible products to donation and resale. Our partnership enabled IKEA to prolong the life of more than **21,000 lbs** of products in 2021.





In the past year, Oporians spent

1,890 Hours Volunteering

at over 90 organizations across the U.S.



Optoro's Top Volunteers

These are the three Optorians who volunteered the most hours this year, even with the challenges presented by in-person activities during a pandemic.

Omar Philmore
Operations Manager

248 HOURS VOLUNTEERED



Dan van dan Berg
Director, Infrastructure Engineering

70 HOURS VOLUNTEERED



Rebecca Stonebraker
Lead UX Designer

63 HOURS VOLUNTEERED



Community Impact

Community Giving

In 2021, Optoro's technology facilitated the donation of **\$13.3M worth of goods** to charity organizations.

Optoro's technology facilitated product donations to a variety of charity organizations. Here is a spotlight on one of them.



SPOTLIGHT

Harvest Time International is a non-profit 501(c)3 humanitarian organization dedicated to providing a hand up to children and families in need. Since 1992, they have responded to disasters by sending supplies, food, and water to help rebuild communities. Harvest Time International has distributed over 34,000 truckloads of supplies worth \$538M so far.

Supporting the Gig Economy

Optoro's online marketplace BULQ.com enabled gig economy workers to maintain or start new careers in reselling during the pandemic.

13.2k resellers purchased inventory from BULQ.com and from BULQ's eBay store, which is part of Optoro's exclusive eBay partnership.

Our People

As a community, we work to ensure all our colleagues have the resources they need to balance their work lives with their personal lives and goals. Among the comprehensive health and retirement benefits we offer our employees, we are proud of the following initiatives that reflect our commitments to community, family, and the planet.

Volunteer Time Off

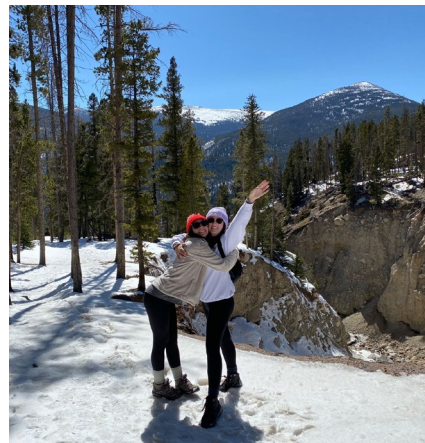
We created a volunteer time-off policy to officially give Optorians time during the workday to volunteer in our communities.

Sabbaticals

Optoro wouldn't be where we are today without our team members who have demonstrated commitment to our mission. For employees celebrating five-year anniversaries, we offer up to five weeks of paid leave to allow our colleagues time for reflection, innovation, and a mental reset.

Perks for Parks

Optorians made 26 visits to national parks across the U.S. this year. Optoro donates \$25 for each park visit to the National Parks Conservation Association.



Enabling Diversity, Equity, & Inclusion (DEI)

In 2021, we built upon the conversations we had in 2020 about racial injustice to incorporate DEI into our goals as a company. Our volunteer-led DEI committee worked hand-in-hand with our Talent & Culture team and with leaders across Optoro to further embed DEI considerations and conversations into our workplace culture.

We are proud to share that we created our first 3-year DEI strategy, with focus areas in:

- ▶ **Recruitment:** improving Black, Indigenous, People of Color (BIPOC), and women's representation across the company and in leadership.
- ▶ **Engagement & Dialogue:** increasing engagement and belonging among all employee groups by fostering discussion and awareness across the company.
- ▶ **Retention & Growth:** creating more growth opportunities for our BIPOC and women team members.

As part of our recruiting efforts, we formed a partnership with University of Maryland to expand access to careers in tech and business to underrepresented students. We have initiated an outreach campaign to recruit and learn from the DEI-related clubs and organizations on campus.



DEI AMBASSADOR PROGRAM
LAUNCHING EARLY 2022



OPTORIANS SPEAKING WITH STUDENTS
AT UNIVERSITY OF MARYLAND

In 2021, the DEI committee worked with others at Optoro to:

- ▶ Host **10** company-wide conversations on issues relating to diversity, equity, & inclusion.
- ▶ Develop a **DEI ambassadors program**, with representatives from each department.
- ▶ Reinvigorate **affinity groups**, starting with the Optoro Women's Group in summer 2021.
- ▶ Share information and resources about **18** religious and cultural holidays and awareness celebrations.



Join Us In Making Retail More Sustainable

We're a group of changemakers working together to make retail more sustainable.

Optoro is a technology company that is transforming the way retailers and brands manage, process, disposition, and sell returned and excess inventory. Using machine learning and data science, Optoro's returns optimization platform determines the best path for returned and excess goods, reducing financial, operational, and environmental waste.

[Contact us at inquiries@optoro.com](mailto:inquiries@optoro.com) »

[Find more information at www.optoro.com](http://www.optoro.com) »

To learn more or schedule a demo

[CONTACT US](#)

To start your career with Optoro

[VIEW OPEN ROLES](#)

References

1. Global Fashion Agenda and McKinsey & Co. [CEO Agenda 2020: COVID-19 Edition](#). 2020.
2. National Retail Federation, "[Customer Returns in the Retail Industry 2021](#)." January 2022.
3. Mercari and GlobalData, "[The Reuse Report](#)." October 2021.
4. Environmental impact models developed for Optoro by Environmental Capital Group. Updated 2021.
5. Supply Chain Dive, "[UPS to handle record 60M returns during peak shipping season](#)." January 7, 2022.