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

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Introduction

A Message from Our Founders

2020 has simply been a year like no other. Faced with unprecedented hardship and uncertainty, our team adapted incredibly to the changing landscape and through it all, continued to find innovative ways to deliver for our retail partners, our communities, and our planet... all the more important in this time of need.

In a year of mass turmoil, ours started on a very tough note: Our Nashville operations center was directly hit and completely destroyed by an F5 tornado. Very fortunately, no one was in the building, and through our cutting-edge technology and incredibly resilient team, we were able to stand up a new building within days.

Soon after, COVID was upon us, and like everyone else, our year was dominated by this horrible pandemic and its impact on the retail industry, our business, and our people. And as a Washington, D.C.-based company, we have also been center stage to the national battle against systemic racial injustice, both voicing our strong support for our Black friends and colleagues, as well as recognizing the part we must play to build a more equitable future.

Yet amidst this chaotic year, our mission remained firm: to make retail more sustainable by eliminating all waste from returns. Despite all the unpredictability, we have made incredible progress. We completed some of our largest implementations ever, even managing some of them virtually. We are now processing more than $100M of goods a month through our platform and growing quickly. We partnered with Staples to offer contactless Express Returns, and with eBay to streamline the resale of BULQ cases, both of which encouraged more re-use & helped us divert 3.2M lbs from landfills. We also expanded our donation network and sent over $3M of goods to charities in need, and teamed up with IKEA to pilot donating returned products.

We were inspired by the work Optorians did in our communities in 2020. We made masks, lent a helping hand in food kitchens, and provided programming for kids. And within our company, we took the time to reflect on diversity and inclusion and how we can make more measurable progress on key focus areas: recruiting and hiring, training and development, and engagement and belonging. We are now working to build our first long term diversity, equity, and inclusion strategy.

We are incredibly proud of what we accomplished in 2020. And as we enter a new year, we remain laser focused on helping the retail industry recover by making returns easy for consumers, profitable for retailers, and good for the planet. The world is in desperate need of innovative win-win solutions right now, and we are excited as ever to help drive more circular commerce and build a sustainable world.

TOBIN MOORE
CEO

ADAM VITARELLO
President

Optoro 2020 Impact Report
Retail’s Challenges in 2020

The COVID-19 pandemic turned the world upside down, affecting how we live, how we work, how we shop, and how we interact. As more consumers turned to online shopping amidst lockdowns that closed storefronts, the average share of customer interactions that were digital accelerated by 3 years.¹ Retailers grappled with supporting forward fulfillment, but also with an increase in returns. On average, ecommerce has return rates at 3x those of brick and mortar returns, so the surge in ecommerce meant an increase in returns.²

As returns continue to grow due to the trends in ecommerce, the retail industry is dealing with an even more urgent need to address the waste from returns. Ecommerce produces significantly more waste, with higher return rates and often wasteful packaging. We found ecommerce returns can produce 14% more landfill waste than brick-and-mortar returns, thanks to inefficiencies in traditional reverse logistics.³

As ecommerce surged, retail’s negative environmental impact grew.

- **$428B** worth of inventory returned in 2020⁴
- **5.8B lbs** of returns ending up in landfills⁵
- **16M metric tons** of CO₂ emitted from the transportation of returns⁵
Our Mission

To make retail more sustainable by eliminating all waste from returns.

Optoro’s returns technology connects a seamless online returns experience with efficient supply chain processing and best-in-class reCommerce, enabling retailers to extend the useful life of products and donate or recycle any materials that have reached the end of their useful lives. By helping our clients to implement circular business models, Optoro’s technology is part of the circular retail transformation.

“Optoro sits at the software layer to power the decision making relating to product returns... This is a massive intervention point for large retailers, especially during COVID-19 when more and more people are buying online, which boosts the volume of returns.”

LILA PRESTON
Co-Head, Growth Equity Strategy, Generation Investment Management
Environmental Impact

2020 By the Numbers

We are pleased to report that on average, our technology helped our retail clients keep 96% of returned and excess inventory out of landfill in 2020.

4.68M lbs
carbon emissions prevented by reducing transportation and increasing efficiency in the reverse supply chain

$3.23M
inventory donated through charity partners to those in need

3.21M lbs
of waste diverted from landfill by giving retailers solutions to manage and resell inventory in the most effective way
Enabling Circularity for Retailers

A circular economy would eliminate waste by keeping all resources in use through repair, reuse, and refurbishment. Our goal is to power circular retail by keeping products in use, instead of in landfills. Optoro’s technology helps mitigate the retail industry’s negative environmental impact by seamlessly directing returned and excess inventory to channels for reuse and resale.

The circular economy presents opportunities for retailers to diversify their offerings and create resilience in their business models. This past year, Optoro expanded our efforts to enable the circular economy by offering new technology solutions that help to combat ecommerce waste and by joining the Ellen MacArthur Foundation’s Network.

At the end of 2020, we joined the Eon Partner Network, a group of organizations with a shared vision to scale the circular economy.

Optoro’s new Express Returns solution allows retailers to give customers contactless, convenient, and low-cost returns drop-off options for ecommerce returns. This box-less, label-less return option allows customers to help reduce the packaging and waste created for the shipment of ecommerce returns.
We have to innovate to become a fully circular business by 2030, and partnering with Optoro enables us to pilot creative new solutions to prolong the lives of our products.

JENNIFER KEESSON
Sustainability Manager, IKEA Retail U.S.
Community Impact

Supporting Our Communities

In 2020, Optoro’s technology facilitated the donation of $3.2 million worth of goods to charity organizations.

OPTORO’S TOP VOLUNTEERS

Every year, we pledge 1% of our time to volunteer in our communities. These are the three Optorians who volunteered the most hours this year.

Seojung Park
65 HOURS VOLUNTEERED

Heather Keen
49 HOURS VOLUNTEERED

Zoe Sharp
61 HOURS VOLUNTEERED

Supporting Economic Resilience Through Job Creation

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

13.4K resellers bought and resold inventory from BULQ.com and from eBay, thanks to a new partnership with eBay we launched this year.

How a BULQ Buyer Leaned Into a New Career During the COVID-19 Pandemic

Jovani Cardenales had been reselling as a side-hustle for two years before he left his career in hospitality in January 2020 to pursue reselling full-time. The COVID-19 pandemic and associated lockdown quickly impacted his business. With traditional inventory marketplaces like flea markets and yard sales closed, he had to change his sourcing strategy. His mom told him about BULQ.com, where he could source inventory online safely during the pandemic. Jovani has been a BULQ buyer ever since.

READ MORE »
Optoro's Charity Partners

Optoro's technology facilitated product donations to a variety of charity organizations. Here are spotlights on three of them.

**HAND TO HAND**

The Hand 2 Hand Foundation is a non-profit 501(c)3 Arkansas Corporation dedicated to administering resources to those in need. They provide food pantries, churches, shelters, rehabilitation centers, substance abuse programs, soup kitchens, and more with items their communities need, ranging from food to home supplies and everything in between. Hand 2 Hand currently serves more than 135 organizations and contributes to over 40,000 meals a year.

**HARVEST TIME INTERNATIONAL**

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 26,000 truckloads of supplies worth $520M so far.

**SOLES4SOULS**

Soles4Souls collects new and gently-used shoes and redistributes them through direct donations to people in need, disaster relief, and micro-enterprise partners. These partnerships give individuals living in poverty the opportunity to start small businesses and provide for their families. Since 2006, Soles4Souls has distributed over 35 million pairs of shoes in 127 countries.
Our People

Middle Tennessee Tornado

People across the world dealt with devastating wildfires, hurricanes, and tornadoes. In March 2020, Optoro’s flagship operations center in Tennessee was destroyed by a tornado.

Optorians came together to quickly launch a new, world class operations center in Tennessee so that we could continue to serve many of our clients in need during COVID lockdowns, and to provide jobs for those who work in our operations.

In less than one week, we found a new site for our facility, rebuilt our operations there, and redesigned our processes to be safe during COVID-19.

While we’re proud of our team members’ hard work, we also know that we were fortunate to be able to rebuild. Others in our community were not so lucky, so at the same time as rebuilding our operations, we also went out into the community to volunteer.

SEE THE VIDEO HERE »
Diversity, Equity & Inclusion

Racial injustices in our world sparked a movement for change, both in the U.S. and abroad. Like many others, we at Optoro took the time to learn more about racial inequities and evaluate our own practices.

This year, Optoro’s Diversity & Inclusion Committee:

- Held trainings on microaggressions and LGBTQ+ allyship
- Hosted 11 company-wide conversations relating to diversity, equity, and inclusion
- Implemented an inclusive hiring policy to combat unconscious bias
- Organized a Mental Health Month during lockdown
- Developed an antiracist tech vocabulary list

As we enter 2021, Optoro plans to work with our clients, our colleagues, and our communities to grow in the most equitable, inclusive, and impactful ways possible. To start, we plan to publish our three-year Diversity, Equity, and Inclusion strategy in 2021.

AMONG OPTORIANS

- 24.5% identify as BIPOC*
- 39.4% identify as women
- 27.3% of executive leadership identify as women
- 18.2% of executive leadership identify as BIPOC*

*BIPOC = Black, Indigenous, and People of Color. We recognize this term is not sensitive to the differing experiences of distinct racial and ethnic groups. We are working to disaggregate our data and update our reporting strategy accordingly.

Incredible focus and work has been done in the diversity, equity and inclusion space within Optoro and we will be building on this in 2021 and beyond. As leaders and colleagues we must challenge ourselves to be better and support equity of opportunity at all levels and through all channels. We will work together to create a sustainable plan that ensures our commitment and action in diversity, equity, and inclusion becomes a thread running through our entire business strategy.

CAROL NUTTER
Senior Vice President of Talent & Culture at Optoro
We're a group of changemakers working together to make retail more sustainable.
Join Us In Making 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 »
Find more information at www.optoro.com »
References


7. Optoro will remain a member of the Network until February 2021.