

Compliance Downstream

How we take responsibility for the complete value chain.

Our program for responsible stewardship

Reusing is better than recycling. This principle is fundamental to our operations and aligns with the UN STEP (Solving the E-waste Problem) initiative. Since 1995, we have pioneered a novel industry focused on optimizing the utilization of IT resources by extending the lifespan of millions of IT products. Presently, we maintain enduring partnerships with numerous leading global organizations, viewing adherence to regulations as a prerequisite for our operations. In collaboration with our associates, we are fostering a sustainable technological future by establishing a fresh market for pre-owned IT equipment.

In order to guarantee sustainable IT management across the value chain, we operate according to a conscientious management initiative. This initiative encompasses the key components of Environmental, Social, and Governance (ESG), with the objective of maximizing the utilization of all IT assets and avoiding the disposal of electronic waste.



The program entails:

- ✓ Inrego primarily sells equipment to authorized dealers who ensure proper handling of the equipment.
- ✓ Inrego ensures traceability through serial numbers for all purchased units, verifies deliveries to the correct destination, and expects customers to uphold Inrego's contractual terms as resellers.
- ✓ Inrego exclusively collaborates with certified partners for environmentally responsible equipment recycling.
- ✓ Inrego is founded on a risk assessment to guarantee the responsible management of IT products processed within the company for sale within Sweden or export outside the country.
- ✓ Inrego refrains from exporting IT scrap or low-value IT equipment with a limited remaining lifespan.
- ✓ Inrego adheres to European and Swedish laws and regulations concerning the management and export of electronic waste and the handling of personal data, including the WEEE directive, waste regulation, and the general data protection regulation (GDPR).

This is our approach to ensuring sustainable IT management with downstream clients

Region	Overall risk Risk 0-60 (max 2 below 60)	Voice and accountability	Political Stability & Absence of Violence	Government Effectiveness	Regulatory Quality	Rule of Law
ope	48.6	52.22	52.86	50.48	63.94	38.9
i	48	47.78	27.62	50.00	63.46	49.0
ilc	93.4	93.10	88.57	92.79	98.56	93.2
ope	36.7	12.33	56.67	44.23	32.21	23.4
ope	84.3	95.57	61.90	80.77	87.50	88.4
ope	37.0	38.92	30.48	28.85	47.12	46.4
ope	61.4	60.59	66.19	65.38	71.15	54.3
ca	7.9	4.93	7.54	10.10	14.90	9.7
th America	78.0	81.28	54.76	81.73	84.13	82.4
ope	75.5	82.27	63.33	78.85	80.77	76.4
ope	94.9	98.33	81.81	95.04	92.31	98.5
ca	23.7	8.37	12.86	36.54	18.75	37.9
ope	85.4	88.67	68.10	85.58	92.75	87.0
ope	95.5	98.01	79.05	98.50	97.60	100.0
ope	84.2	87.68	58.57	88.62	90.87	88.4
ope	64.8	77.34	57.14	66.83	70.67	60.5
ope	78.4	54.19	36.67	36.15	36.12	9.7

Enhancing transparency via our land risk analysis

Ensuring sustainable IT management across the entire value chain is crucial for us. Our compliance and due diligence program encompasses a thorough review process of all downstream B2B customers.

During the analysis, all countries where we currently operate and may operate in the future are assessed using external indexes and reports. This process helps identify risks and conditions necessary for collaboration. If a country does not meet the analysis criteria, we will not engage in any business activities with companies operating in that country.

We consistently monitor the countries and regions we engage with, irrespective of their assessed risk level. Additionally, we reassess our current partnerships and discontinue relationships with clients associated with risks. Each year, we update the country risk analysis to enhance our procedures and risk evaluation continuously.

Each market undergoes an external review.

- ✓ Social and Governance Perspectives (Amfori Research and Reports)
- ✓ Corruption Analysis (Transparency Index)
- ✓ Human Rights Watch's human rights risk analysis.
- ✓ The quantity of recycled electronic waste (E-waste monitor)
- ✓ Existing national e-waste legislation (STEP initiative)



An environmentally, socially, and economically sustainable process

We consistently engage with our clients by sharing our perspective on the significance of effective e-waste management, promoting awareness of social responsibility, and advocating for economic equity.

Environmental responsibility

Most countries beyond the EU lack equivalent recycling opportunities and stringent environmental regulations compared to those within the EU. Despite operating in regions with environmental laws, such as the EU, there is no assurance of proper e-waste recycling post-reuse. Hence, we consistently monitor customers in all regions we engage with, irrespective of their risk assessment from our country risk analysis. Furthermore, we assess our existing partnerships and disassociate from customers associated with potential risks.

Customers in nations with inadequate disposal risk are informed about nearby recycling facilities or partners in the area or country.

All our international B2B operations adhere to the WEEE directive and producer responsibility outlined in our Letter of Compliance.

Corporate social responsibility

Inrego has conducted risk assessments on various countries known for suspected or reported substandard working conditions. This issue primarily impacts Inrego's customers who may opt for refurbishment services linked to units purchased from Inrego, although this is uncommon.

Inrego demonstrates accountability by enforcing social responsibility via the Letter of Compliance and monitoring engaged clients.

Countries facing poverty and social challenges are not restricted from purchasing Inrego's cost-effective electronics. Developing nations, especially schools within them, exhibit a significant demand for IT equipment but have limited access, posing a growing global issue.

Financial accountability

Inrego customizes product sales based on the asset's condition, tailoring them to the most suitable country and customer in relation to demand, pricing, and other factors.

Inrego also considers not selling products with a short remaining useful life, even if a device is not classified as actual waste, to fully prevent the export of e-waste.

A pre-owned computer can be up to 80% cheaper than a new one, enabling individuals in less affluent nations, particularly within the education domain, to access information that could otherwise be difficult to obtain.

By selling IT equipment globally to assessed nations and verified clients, we prevent further e-waste generation and promote sustainability across all dimensions.

Enhancing traceability and transparency across the value chain

It is essential for many of Inrego's clients to track the products we sell at least one step down the value chain.

Our process reduces the likelihood of devices being sent to countries impacted by sanctions or comparable restrictions. The majority of surveyed customers confirm that they distribute devices in the same countries where they conduct business.

In certain instances, customers may transfer assets to foreign nations while remaining within the confines of our Letter of Compliance.

By understanding our clientele and engaging in ongoing conversations, we guarantee the ability to track the destinations of our products, thereby supporting our commitment to a more sustainable world and our mission: Maximum Impact - Minimum Resources.



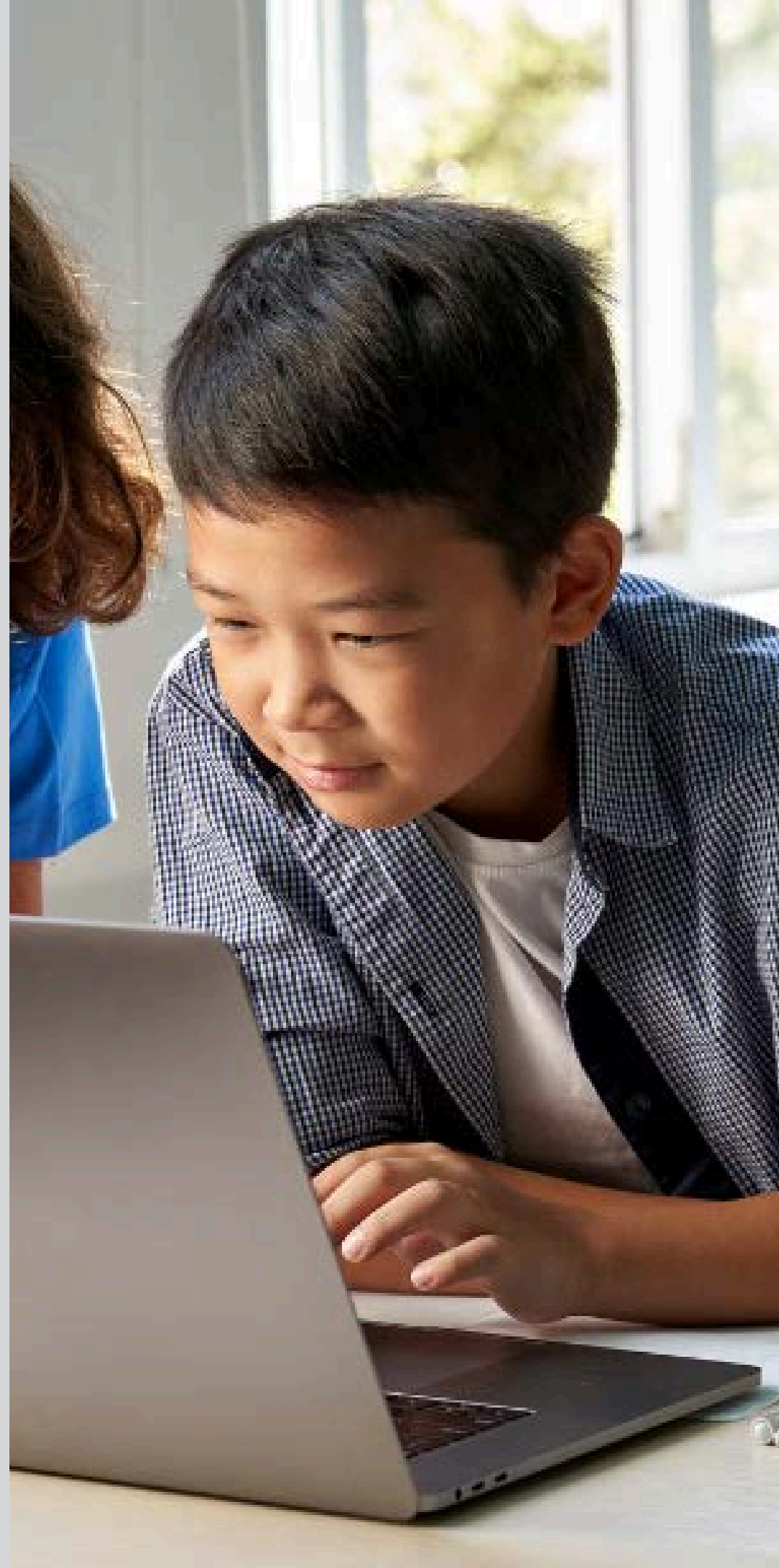
- 1 RISK ASSIGNMENT**
We assign a risk level (high, medium, low) to each country and region, and identify countries we are currently unable to conduct business with, known as "no-go countries".



- 2 PRIOR TO THE CUSTOMER FINALIZING A CONTRACT**
We seek potential sanctions against a client and perform country risk analysis to determine the risk level.



- 3 DURING THE CONTRACT**
The customer is required to sign our Letter of Compliance to ensure device tracking, local recycling arrangements, and social responsibility.



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