DYNAMIC
LIFECYCLE INNOVATIONS

EBOOK

Choosing the Right Electronics Lifecycle Management Partner

Evaluation Guide for OEMs and Retailers

Table of Contents

03 Introduction

05 Four Questions to Help You Minimize Risk and Maximize Rewards

06 About Dynamic Lifecycle Innovations

08 Vendor Evaluation Checklist

DYNAMIC LIFECYCLE INNOVATIONS

Introduction

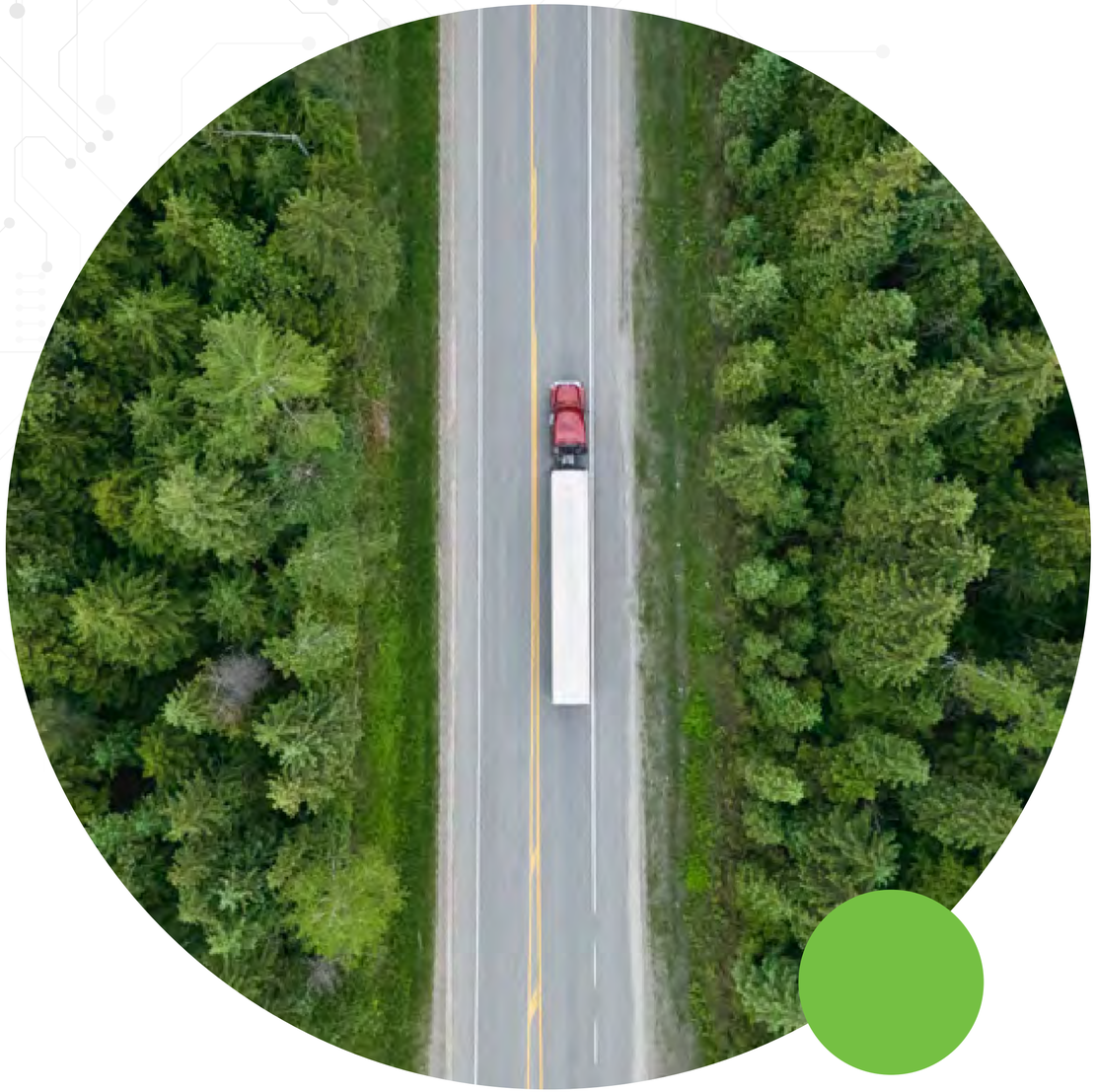
For electronics original equipment manufacturers (OEMs) and retailers, the landscape of reverse logistics is constantly shifting and increasingly fraught with risk.

Among the biggest drivers of change: environmentally conscious consumers who prefer brands that share their values — and this extends to how OEMs and retailers manage retired, returned, and recalled electronics.

Also sparking change is a growing awareness of the risks associated with the handling and disposition of unwanted electronics. Of particular concern, severe financial consequences can arise from the illegal export or improper disposal of electronics. In addition, the theft of sensitive information from improperly handled data-bearing devices can result in costly penalties and lawsuits.

Most significantly, any misstep in the reverse logistics process may cause lasting damage to a company's reputation, undermining customer trust and industry credibility.

It's important to understand that outsourcing reverse logistics responsibilities to an electronics lifecycle management vendor does not insulate the OEM or retailer from these risks — which is why it's so crucial to have a partner with a proven track record of adhering to the highest standards and best practices.



Rewards for your bottom line, brand, and reputation

Finding the right electronics lifecycle management partner isn't just about minimizing risk and protecting your brand. It can also deliver significant rewards.

For example, having a partner that shares your strong commitment to environmental stewardship and data security will enhance your image and appeal to both existing and potential customers. In addition, best practices in reverse logistics not only help mitigate your legal risks, but it can protect your bottom line and reputation in the marketplace. It may even position your company as a leader in sustainability and security.

You can realize additional rewards by seeking a partner that is vertically integrated – in other words, is able to provide a full spectrum of services under one roof. Benefits include improvements in operational efficiency, cost-effectiveness, and customer experience. Also, by offering more capabilities in one location, your partner reduces the risks associated with moving electronics through a complex downstream supply chain, ensuring improved security and end-of-life management.

This guide is intended to help you better understand the risks associated with reverse logistics and reliance on an electronics lifecycle management vendor. It also provides guidance through the process of choosing a partner to minimize your risks and maximize your rewards. Accompanying this guide is an at-a-glance checklist for evaluating prospective (or current) partners.

Four Questions to Help You Minimize Risk and Maximize Rewards

Evaluating electronics lifecycle management vendors starts with asking them the right questions. The following four questions are designed to reveal how your partner can help you protect and enhance your bottom line and brand.

QUESTION 1

“Do your environmental practices align with the values of our company and our customers?”

Environmental stewardship goes beyond compliance with laws and regulations. It also may provide a key competitive differentiator in the marketplace. Consider this statement from Harvard Business Review: “Our research suggests we’re on the brink of a major shift in consumption patterns, where truly sustainable brands — those that make good on their promises to people and the planet — will seize the advantage from brands that make flimsy claims or that have not invested sufficiently in sustainability.”

Consumers seek out brands that show a strong commitment to a circular economy.

For electronics OEMs and retailers, this includes focusing on product refurbishment and resale whenever possible; responsibly recycling products at the end of their lifecycle; recovering critical minerals and other raw materials for use in the manufacture of new products; and following a strict landfill aversion policy.

QUESTION 1

“Do your environmental practices align with the values of our company and our customers?”

Seek a partner that supports your efforts to achieve these goals.

One of the top indicators of an electronics lifecycle management vendor’s capabilities and practices is certification by nationally recognized governing bodies, including:

- **R2v3** (independent industry certification by Sustainable Electronics Recycling International)
- **e-Stewards** (independent industry certification by Basel Action Network
- **ISO 14001** (environmental management)
- **ISO 45001** (health and safety management)
- **ISO 9001** (quality management)
- **International Traffic in Arms Regulations** (ITAR)

Be wary of vendors claiming to “adhere to” these standards.

Without full certification, you cannot be certain that the vendor is truly living up to the organization’s requirements. Also, inquire about the certifications of any downstream vendors and whether they’re audited on a regular basis.

Ask about the vendor’s environmental (pollution) liability insurance.

Is it sufficient to cover a catastrophic event (as unlikely as it might be) and to ensure the vendor’s continued operation? Does the insurance cover downstream vendors and non-owned disposal sites? Keep in mind that high coverage amounts from reputable insurers are not easy to obtain and may signify a vendor’s positive environmental track record.

QUESTION 2

“How will you protect our customers (and us) from data breaches?”

The theft of data from electronic devices has reached epidemic proportions – and this extends to electronics involved in reverse logistics. For OEMs and retailers, data breaches come with major consequences, including severe penalties, lawsuits, and serious damage to the company’s brand and good standing with consumers.

Given what’s at stake, protecting data on your customers’ devices must be a top priority.

Diligent electronics lifecycle management vendors aggressively address data security from a number of angles, including:

- **Adhering to industry best practices** for preventing data breaches, required for National Association of Information Destruction (NAID) AAA Certification®
- **Sanitizing or destroying data on devices** in strict compliance with Department of Defense, National Institute of Standards and Technology (NIST) 800-88, and NAID standards; and providing customers with proof of data destruction
- **Implementing a broad range of security measures**, such as rigorous staff training, criminal background checks of employees and job applicants, and the use of surveillance cameras in storage and processing facilities

QUESTION 2

“How will you protect our customers (and us) from data breaches?”

Look beyond industry best practices and certifications.

Other contributors to strong data security include the structure of the partner’s business. Specifically, a vertically integrated business means that the partner provides a comprehensive set of services in-house, requiring less movement of devices and therefore less risk of exposure to cyber criminals.

Lastly, make sure your partner carries adequate cyber liability and professional liability insurance.

DYNAMIC LIFECYCLE INNOVATIONS

QUESTION 3

“Is your business vertically integrated?”

Although it may not be a core part of your OEM or retail business, reverse logistics has a big impact on customer satisfaction, and it should be managed accordingly. With a vertically integrated business structure, your electronics lifecycle management partner can alleviate your reverse logistics burden while ensuring optimal value and brand protection.

What is vertical integration?

Quite simply, vertical integration means that your partner provides a comprehensive menu of services – or “closed loop processing” – under one roof and relies minimally, if at all, on downstream vendors. Following are key capabilities of a vertically integrated partner:

- **Secure in-house logistics** – end-to-end management of returned electronics, including secure pickup and transportation
- **Comprehensive IT asset disposition (ITAD)** – maximizing value through reuse, refurbishment, and resale
- **Advanced electronics recycling** – handling complex devices and materials with industry-leading processing capabilities

DYNAMIC LIFECYCLE INNOVATIONS

QUESTION 3

“Is your business vertically integrated?”

- **Certified data and device destruction** – secure, verified destruction with full tracking and documentation for compliance assurances
- **Efficient scrap processing and material recovery** – Extracting valuable materials, including precious metals, for reintegration into the manufacturing process
- **Stronger ESG compliance and sustainability** – supporting corporate environmental, social, and governance (ESG) goals with responsible recycling, ethical sourcing, and waste reduction

What are the benefits of vertical integration?

In a nutshell, vertical integration streamlines the entire reverse logistics supply chain from initial returns to the next best life for the device or materials. Compelling advantages for your OEM or retail business include:

- **Simplification and time savings** by having a single point of contact for all phases of your reverse logistics program, versus the time and effort required to manage multiple vendors
- **Maximum cost savings** on transportation, overhead, and other facets of your program, stemming from the partner’s operational efficiency

- **The potential to further offset costs** through revenue sharing from electronics resale and materials recovery
- **Reduced risk to your organization** by entrusting control of your reverse logistics supply chain with an entity that aligns with your standards for environmental stewardship, protection of sensitive data, and superior service to your customers

4

QUESTION 4

“Will you support our ESG goals and initiatives?”

Done right, electronics lifecycle management can help you achieve your environmental, social, and governance (ESG) objectives.

For starters, consider the environmental advantages of reuse and recovery.

As discussed previously, OEMs and retailers are increasingly focused on environmental stewardship, and electronics recycling best practices intrinsically align with basic ESG values. However, other important elements must be considered, and this includes reducing greenhouse gas emissions – a potent contributor to climate change. It’s well-documented that services such as the refurbishment and resale of devices and the use of recovered materials to produce electronics generate lower emissions than manufacturing that relies on virgin raw materials.

Consider, also, the environmental advantages of closed-loop processing.

The more services a vertically integrated partner can deliver in-house, the less it has to outsource specialized tasks to other vendors, thus reducing the need for carbon-emitting transportation.

QUESTION 4

“Will you support our ESG goals and initiatives?”

But can you accurately estimate your potential carbon emissions avoidance?

After all, ESG reporting demands numbers, not generalities. Accounting for the scope 3 emissions (also known as “value chain emissions”) generated by your partner can be particularly challenging. However, scope 3 emissions cannot be overlooked, especially since they often represent the majority of an organization’s total greenhouse gas emissions. Ask prospective partners whether and how they can help you estimate potential scope 3 emissions avoided. If they offer a measurement tool, make sure it uses established standards and is validated by a third party.

Lastly, evaluate the vendor’s commitment to ESG in its own operations.

A solid indicator of this commitment is the partner’s own ESG reporting, assuming it exists. The scope and detail of the report should address every aspect of ESG (environmental, social, and governance). Besides describing specific ESG initiatives, the report also should include metrics showing progress in achieving ESG goals, and it should adhere to widely accepted ESG reporting standards and frameworks.

About Dynamic Lifecycle Innovations

About Dynamic Lifecycle Innovations

Dynamic Lifecycle Innovations is a vertically integrated electronics and materials lifecycle management company specializing in end-to-end services to meet the reverse logistics needs of OEMs and retailers. Our overriding goal is to help you protect your brand by minimizing risk, while boosting ROI by maximizing the value of your e-waste stream.

A leader in environmental stewardship

Minimizing your risks starts with Dynamic's deep commitment to environmental stewardship and alignment with the values of your company and your customers. Day in and day out, we demonstrate this commitment in a multitude of ways, from our emphasis on product reuse and material recovery to our far-reaching ESG initiatives and strict no-landfill policy.

Dynamic's industry-leading environmental policies and practices are reflected in several prominent certifications, including R2v3, e-Stewards, ISO 14001, ISO 45001, ISO 9001, and ITAR. To further mitigate your risks, we carry $15 million in environmental (pollution) liability insurance, which includes blanket coverage for downstream vendors and non-owned disposal sites. This high-dollar coverage helps ensure that we will continue operating even in the unlikely event of an environmental disaster.

Relentless devotion to data security

At Dynamic we're just as unwavering in our commitment to protecting the data contained on devices in your reverse logistics stream. Our on-site data destruction adheres to the highest industry standards, including compliance with Department of Defense, National Institute of Standards and Technology (NIST), 800-88 and National Association of Information Destruction (NAID) standards. Moreover, we provide our customers with proof of data destruction. As a result of our comprehensive data security measures, we've earned the coveted NAID AAA Certification®.

Our data security doesn't stop with the actual processing of electronics. It extends to our staffing (e.g., criminal background checks and training) and our facilities (e.g., use of surveillance cameras in our storage and processing facilities). We back our relentless devotion to data security with $10 million in cyber liability insurance and $10M in professional liability insurance.

More rewards through vertical integration

Dynamic's vertically integrated structure means that we maintain strict control over your returned electronics, which minimizes your environmental and data security risks.

Our end-to-end approach to reverse logistics also delivers substantial rewards. Compared to less capable industry players, our robust menu of services is inherently more convenient – you're spared from the time and hassle of managing multiple vendors. In addition, it's more operationally efficient and cost-effective, saving you money on transportation, overhead, and other elements of reverse logistics. Plus, we may be able to help strengthen your bottom line through our electronics refurbishment/resale and material recovery services.

As a Dynamic customer, you'll enjoy the flexibility of choosing any or all of our services to meet your specific needs, including:

- **Secure pickup and transportation** – ensuring the safe and compliant collection of returned electronics
- **Flexible recovery options** – including customizable mail-back and take-back programs, as well as collection events, to meet the needs of your business and your customers
- **IT asset disposition (ITAD)** – managing corporate electronics through secure reuse, refurbishment, and resale strategies
- **Product refurbishment, remarketing, and resale** – extending the lifecycle of electronics while maximizing value recovery
- **Certified destruction** – securely eliminating data-bearing devices and electronics with full tracking and verification
- **Electronics recycling** – processing complex devices and materials responsibly to ensure sustainability

- **Scrap processing and materials recovery** – extracting valuable materials, including precious metals, for reuse in manufacturing
- **Legislative compliance** – adhering to all regulatory requirements and industry standards

Strong support for ESG goals and initiatives

Dynamic can help your OEM or retail business move forward confidently in a low-carbon, circular economy by augmenting our industry-leading reverse logistics services with an innovative approach to ESG.

Our priorities – device refurbishment and resale, whenever possible, followed by recycling and material recovery – align with fundamental ESG values. Besides keeping electronics out of landfills, these practices reduce the need for the energy-intensive manufacturing of new devices from raw materials.

A major focal point of Dynamic's commitment to ESG values and practices is our proprietary carbon calculator. This easy-to-use tool simplifies and adds certainty to the task of estimating scope 3 emissions potentially avoided through the processing of your electronics and materials. Using software tailored to Dynamic operations and our customers, the carbon calculator holds a number of advantages over tools offered by other entities, including:

- Encompasses more categories of e-waste
- Uses a widely accepted e-waste recycling methodology
- Is validated by a global leader in ESG research and data
- Provides 24/7 access to your data, in real-time, via the Dynamic customer portal

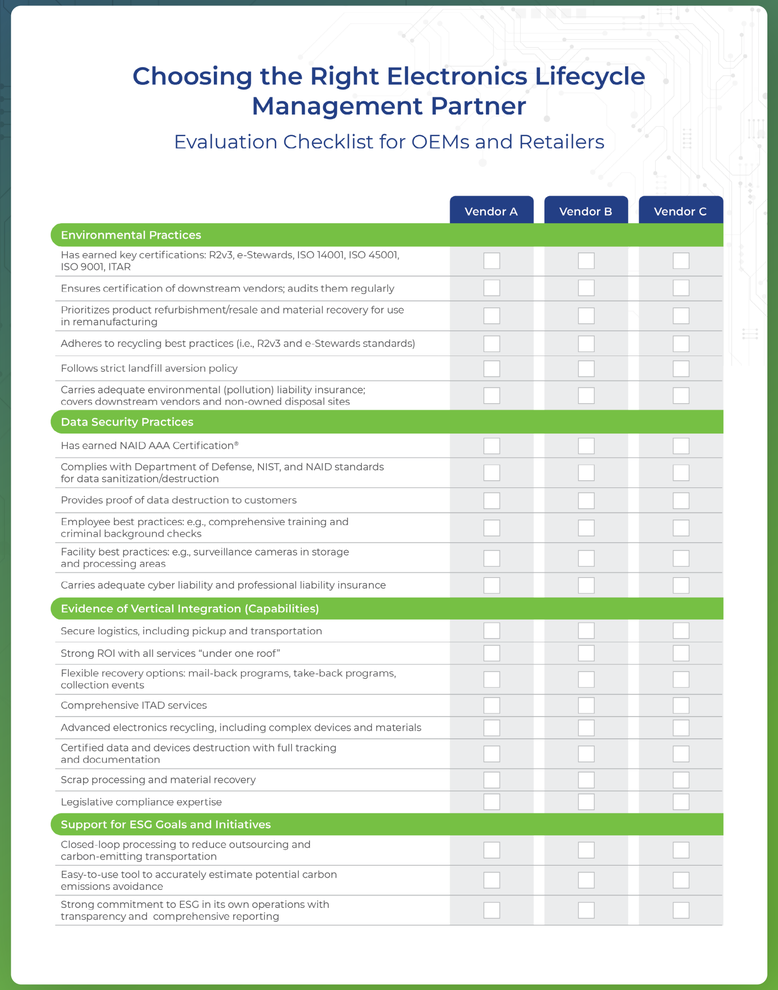
Dynamic's internal commitment to ESG is well documented in an annual ESG report. This document provides a detailed look at every aspect of our ESG priorities, practices, and performance metrics. The report uses widely accepted ESG reporting standards and frameworks: Sustainability Accounting Standards Board (SASB) Sustainability Accounting Standards and Task Force on Climate-related Financial Disclosures (TCFD) recommendations.

Our approach to customer service

At Dynamic, customer service means gaining a deep understanding of our customers and then tailoring our service to their specific priorities and needs. We've built our standards for service excellence around the principles of urgency, accuracy, and transparency. Just as importantly, we strive to foster authentic, meaningful relationships with our customers and to deliver our services with passion, integrity, and environmental responsibility.

Learn more about how Dynamic can satisfy your reverse logistics needs, while supporting your sustainability goals and strengthening your brand. **Click here** to schedule a consultation with us or call 877-781-4030.

Vendor Evaluation Checklist



Choosing the Right Electronics Lifecycle Management Partner

Evaluation Checklist for OEMs and Retailers

	Vendor A	Vendor B	Vendor C
Environmental Practices			
Has earned key certifications: R2v3, e-Stewards, ISO 14001, ISO 45001, ISO 9001, ITAR	☐	☐	☐
Ensures certification of downstream vendors; audits them regularly	☐	☐	☐
Prioritizes product refurbishment/resale and material recovery for use in remanufacturing	☐	☐	☐
Adheres to recycling best practices (i.e., R2v3 and e-Stewards standards)	☐	☐	☐
Follows strict landfill aversion policy	☐	☐	☐
Carries adequate environmental (pollution) liability insurance; covers downstream vendors and non-owned disposal sites	☐	☐	☐
Data Security Practices			
Has earned NAID AAA Certification®	☐	☐	☐
Complies with Department of Defense, NIST, and NAID standards for data sanitization/destruction	☐	☐	☐
Provides proof of data destruction to customers	☐	☐	☐
Employee best practices: e.g., comprehensive training and criminal background checks	☐	☐	☐
Facility best practices: e.g., surveillance cameras in storage and processing areas	☐	☐	☐
Carries adequate cyber liability and professional liability insurance	☐	☐	☐
Evidence of Vertical Integration (Capabilities)			
Secure logistics, including pickup and transportation	☐	☐	☐
Strong ROI with all services "under one roof"	☐	☐	☐
Flexible recovery options: mail-back programs, take-back programs, collection events	☐	☐	☐
Comprehensive ITAD services	☐	☐	☐
Advanced electronics recycling, including complex devices and materials	☐	☐	☐
Certified data and devices destruction with full tracking and documentation	☐	☐	☐
Scrap processing and material recovery	☐	☐	☐
Legislative compliance expertise	☐	☐	☐
Support for ESG Goals and Initiatives			
Closed-loop processing to reduce outsourcing and carbon-emitting transportation	☐	☐	☐
Easy-to-use tool to accurately estimate potential carbon emissions avoidance	☐	☐	☐
Strong commitment to ESG in its own operations with transparency and comprehensive reporting	☐	☐	☐

Vendor Evaluation Checklist

This guide is designed to help you make informed, confident decisions when managing reverse logistics and partnering with an electronics lifecycle management provider. You'll gain insights into how the right partner can enhance your outcomes, streamline operations, and unlock greater value.

To support your evaluation process, we've also included a quick-reference checklist — perfect for making side-by-side comparisons and identifying the best-fit partner for your needs.

Access Checklist Here →

DYNAMIC LIFECYCLE INNOVATIONS

DYNAMIC

LIFECYCLE INNOVATIONS

© Dynamic Lifecycle Innovations. All Rights Reserved.