



YEAR IN REVIEW 2022 Highlights

FOREWORD

Dear Friends,

As our first full year as Delterra draws to a close, I am proud to share that we are **delivering on the high impact trajectory** we set for ourselves. Our Rethinking Recycling program has grown exponentially, and we are now working in cities that total over a million and half residents. We **added a new program to our portfolio** – Plastic IQ – that helps companies assess the environmental and economic impact of their plastics packaging portfolio and make strategic decisions that will move them towards a circular economy. And we are **launching Delterra in a new country** – Brazil.

Looking forward to 2023, we have **big plans for the coming year**. In Indonesia, we are redesigning our program to incorporate **orchestration of the full waste management system** as we start to work with the 600K residents of Badung Regency in Bali. In Argentina, we plan to continue to grow the number of cities we work with, **expanding to 10 cities across the country**. And we are **piloting digital technologies and new approaches** to trace recycled plastics and stimulate new markets.

All of this is **enabled by our teams and our partners**. Our people are the most important success factor in the impact we deliver. Over the past year we have expanded and strengthened our Delterra family with new talent, expertise and diversity. We are now almost 90 people strong. I'm excited by **the impact this team will enable in 2023.**

We have also added new partners and strengthened existing collaborations. The challenges we tackle cannot be solved by any one entity. As a result, <u>our partnerships</u> are critical, and we are grateful to all those who have collaborated with us in 2022 and continue the journey with us in 2023.

And this is just the beginning! Wishing you happy holidays and **looking forward to collaborating with you in 2023!**



Shannon Bouton President and CEO Delterra

502

2022 IN NUMBERS

2nd

initiative added to our portfolio, taking Plastic IQ to the Global South

3rd

country we are expanding our impact to, opening an office in Brazil

90+

people the Delterra team has grown to in 2022

30+

organizations we are partnering with to support our work

250

tons of low-value postconsumer plastic waste we have traced from point of collection to return to productive use 8

new reports and case studies we have released that highlight our work

+350

workers with improved and formalized income and benefits

700+

individuals trained and upskilled

70%

of waste workers are women

50%

average participation in our recycling programs

1.5M

people we are on track to reach with our rapid scaling of Rethinking Recycling 50%

of waste diverted from the environment

2022 ACHIEVEMENTS

Launching our second major program: Plastic IQ

We have added a second program to our portfolio this year to focus on upstream solutions for tackling waste: Plastic IQ.

Plastic IQ is designed to help companies assess the environmental and economic impact of their plastics packaging portfolio and make strategic decisions that will move them towards a circular economy. The tool was launched in 2021 in the U.S. by Systemiq and The Recycling Partnership with support from the Walmart Foundation.



This year, Delterra has increased the reach of the tool, working with Systemiq, to expand this digital platform into Brazil and Indonesia. In addition to the strategy setting tool, we have created a gamified knowledge and awareness tool to support companies who are just beginning their sustainable packaging journey. The Plastic IQ platform will be made available to select companies in Indonesia and Brazil in early 2023 and available more broadly later in the year.

Adding this program compliments Delterra's downstream Rethinking Recycling work and enables action to tackle the root causes of plastic pollution.

Reaching millions of people in Argentina

Our approach to scaling Rethinking Recycling in Argentina is taking off. Based on learnings from our city transformation program in Olavarría, delivered with support from Amcor and The Alliance to End Plastic Waste, we are now applying the replicable components in a lighter touch approach with four Argentine cities with a total population of 1.5 million. A further five cities are in the pipeline for next year, which would bring our total potential reach to over five million people.

Preliminary results from pilots in these scaling cities indicate that we are able to:

- increase recycling participation rates of citizens and business to 50%,
- increase recyclable materials collected by over 200%, and
- attain high satisfaction rates from participants and municipalities.

Meanwhile, our first Rethinking Recycling project in Argentina – in a large informal settlement in Buenos Aires called Barrio Mugica – is now fully standalone and has been handed over to the city as it continues to grow in reach and impact. We are extremely proud of this program which acts as a demonstration of Rethinking Recycling in action for other interested stakeholders. The City of Buenos Aires agrees and highlighted the success of the program at the C40 Cities World Mayors Summit that they hosted in October.



Taking our work in Indonesia to a new level

Through pilot programs in six villages in Denpasar, Bali, Delterra has proven it is possible to train and build the capacity of communities to run financially viable waste management operations that increase recycling, reduce plastic pollution, and improve livelihoods.

Thanks to our learnings from this pilot program, we developed a robust capacity building program – the Rethinking Recycling Academy – that can be scaled to other communities in Bali and beyond.

As we look to scale what we have learned, we are excited to share that we will be working with the 600k residents of the Regency of Badung in Bali over the coming three years. This program will be delivered in partnership with the Minderoo Foundation and WWF Indonesia — with new partners joining in the new year — and will build on the core, replicable elements of our pilot projects in combination with more top-down coordination of the overall waste management system. You can see the formal announcement of this new program here.



Piloting innovative approaches and technologies

This year, working in partnership with the City of Buenos Aires, we launched an ambitious effort to build a new recycling market for low-value plastics, such as plastic bags and food packaging, that currently go to landfill. This effort has already seen a 50% increase in the amount of low value plastics sold by the largest sorting center in Argentina. With support from The Alliance to End Plastic Waste, we are piloting an initiative to stimulate a new market for these materials, as part of our efforts to divert as many materials as possible from landfill and into a circular economy.

Alongside this initiative, we are also piloting a material traceability tool to capture and trace the flow of recycled plastics from the point of collection through to new products. We have traced 200 tons of post-consumer recycled plastics to date. Using blockchain technology from Empower that creates a digital fingerprint and information standards from GS1, this solution will provide transparency, accountability and optimization of recycled plastics. This is critical as a growing number of companies are committed to using more recycled material in their products and are facing increasing scrutiny to validate these claims.



Expanding into a new country

We are excited to scale our impact into Brazil this year. We are now developing our entry strategy in the country, based on transforming waste management in cities in the State of São Paulo and in partnership with some established recycling organizations.

Growing Delterra's brand and partners

Delterra's brand is barely one year old, but we are already beginning to grow our recognition with new partners and peers in the space. And we've been excited to share our learnings through a variety of publications and speaking engagements.

Speaking at Prominent Events

Delterra was a knowledge partner to the Government of Indonesia's Road to G20 event: Beating Plastic Pollution from Source to Sea.

We <u>formally announced</u> our scaling plans in collaboration with our partners, WWF Indonesia and Minderoo Foundation at the event. We also co-hosted a panel on blended finance alongside the Asia Development Bank and organized site visits to our projects. You can find some of the coverage of the event here: Bali Tribune, Bali IDN Times, Nusa Bali, VOA.

At New York Climate Week, Delterra spoke at the Fast Company Innovation Festival, the GS1 US Innovation Summit and a webinar on tackling methane emissions through better waste management that we co-hosted with the UNEP Climate and Clean Air Coalition (CCAC) and the Global Methane Hub.

At C40 Global Mayors Summit, Delterra moderated a panel on how cities and businesses can collaborate to tackle food waste and divert organics from landfill to reduce emissions and ensure both wellbeing for citizens, but also prosperity.

Check Out Our New Thought-Leadership



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