

October 7, 2020

Attention: Legal Department & Sales Manager

Dear Valued Partner,

Re: Ontario Electronics, Lighting and Rechargeable Battery Recycling Program

The recent additions to the Ontario *Resource Recovery and Circular Economy Act, 2016*, being the Ontario Electrical and Electronic Equipment (EEE) Regulation (O. Reg. 522/20) and the Batteries Regulation (O. Reg. 30/20), have redefined Ontario's recycling program obligations. The subject of Environment Handling Fees (EHF) however, is silent within the regulations.

We have posted a link to the updated regulations under the "Product Compliance Overview: Important Updates" section of our Vendor Partner Portal for your convenience. Please note regulations take effect January 1, 2021.

The EHF collected from customers fund the recycling program costs of consumer recycling and provide a direct opportunity to increase consumer awareness of the importance of recycling. The EHF are based on the number of units sold into the market in each province. Leveraging retailer's point of sale data is an effective way of tracking the net total of all units sold under each program.

Best Buy Canada Ltd.'s existing system configuration allows us to report each unit sold, accounting for the total number of units sold to customers in a single package or bundle. This setup, and our processes, provide a high level of accuracy for managing EHF and the data required by the regulatory authorities. Furthermore, these processes reduce complexity and confusion for our mutual customers.

We are looking to continue working with our existing partners, Electronic Products Recycling Association (EPRA), Call2Recycle and Product Care to manage and collect EHF at point of sale. Maintaining consistency mitigates significant system, contract, and process changes that would be required to accommodate the unique product cost, and distribution structure for this one program. We trust you recognize the benefits of continuing to leverage our processes, which, as outlined in our Environmental Handling and Product Recycling policies, will allow us to continue our current role as the remitter of EHF on your behalf under this new and very important program.

For your information, we have attached a summary of our corporate sustainability initiatives, and customer facing programs..

Please reach out to Best Buy's Product Compliance team at prodtgdgcompliance@bestbuycanada.ca with any questions or concerns.

Regards,

Jason Abrams
SVP Merchandising





Best Buy Canada's commitment to the environment

Our Mission:

We all have a role to play in preserving our planet. At Best Buy, we are committed to being an environmentally responsible organization.

Best Buy Canada's Sustainability Objectives:

- Adapt and evolve our business to reduce carbon emissions.
- Adopt practices to reduce waste.



We are proud to work with our US partners to achieve our enterprise sustainability goals:

75%

Reduce carbon emissions in our operations 75% by 2030 (over 2009 baseline) to be carbon neutral by 2050.

20%

Reduce carbon emissions for our customers 20% by 2030 (over 2017 baseline) saving \$5 billion in energy costs.

Our Initiatives:

Product:

Best Buy Canada is helping to make a positive impact on the planet by offering eco-friendly products that conserve resources such as ENERGY STAR™ certified products.

Circular Economy:

At Best Buy Canada, we aspire to drive forward the circular economy — a system in which nothing is wasted. We keep products in use for as long as possible, extract the maximum value from the products while in use, then recover and regenerate products and materials at the end of life.

Our Green Team

Our Green Team is a cross-functional council that meets regularly to audit what we're doing, assess if we're doing enough, action things that we want to introduce and raise awareness of our environmental efforts with our team members, customers and vendors.



Repair

We want to help customers extend the life of their products, and we do this using the skills of our Geek Squad Agents and repair partners.



Trade-In

We offer a trade-in program where customers can trade in their current working device at a participating Best Buy store and get a gift card to use towards their next purchase.



E-Waste and Battery Recycling

We partner with EPRA and Call2Recycle to help Canadians recycle and sustainably dispose their electronics and batteries across the country. Customers can recycle their tech items at participating Best Buy locations even if they weren't purchased from Best Buy.

In 2019, Best Buy Canada recycled more than seven million pounds of electronics.

Efficiencies:

- We are converting all of our store lighting to LED.
- We are introducing hybrid vehicles and have adopted routing logic to reduce fuel consumption across our Geek Squad fleet.
- Our Canadian headquarters operates an energy management system.

Affiliations and Recognition:

