

ENVIRONMENTAL STEWARDS,
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Voice of the Recycling Industry

Institute of
Scrap Recycling
Industries, Inc.

ISRI and the US-Based Scrap Recycling Industry

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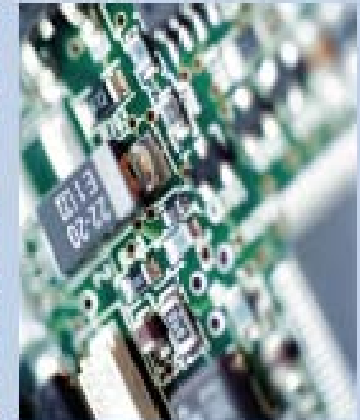
Overview

- Introduction to ISRI & US Scrap Industry
- Trends in Global Demand for Scrap Commodities
- Trends in Sustainable Recycling

Introduction to ISRI & US Scrap Industry

Institute of Scrap Recycling Industries (ISRI)

Over 1,550 member companies -
7,000+ facilities worldwide - that
process, broker & consume scrap
metals, paper, plastics, glass,
textiles, rubber, and electronics.



Over 100 years of recycling experience

Industry employs approximately 110,000 in U.S. and has been creating “green jobs” for decades.

Many ISRI members have been in business for 3 generations or more



Commodities processed

Industry processes more than 130 million tons annually of recyclables, destined for both domestic use and overseas markets, including --

	2010	2009
Total Processed (million metric tons)	130+	125
Value of Materials Processed (Billion US\$)	77	54
Iron and Steel (metric tons)	74,000,000	70,000,000
Aluminum (metric tons)	4,600,000	4,700,000
Copper (metric tons)	1,900,000	1,700,000
Paper (metric tons)	46,800,000	45,400,000
Lead (metric tons)	1,200,000	1,300,000
Electronics (metric tons)	3,500,000	1,800,000
Tires (# of tires)	90,000,000	80,000,000

Trends in Global Demand for Scrap Commodities

Worldwide Demand for Scrap Commodities

- Scrap Markets are Global
 - Scrap is the 1st link in the global manufacturing supply chain
 - More than 40% of industrial consumers' raw material needs annually worldwide
- Not a new Trend
 - LME started trading copper in 1876, reinforcing an already existing global market for the commodity

Worldwide Demand for Scrap Commodities

- China is certainly a key driver today
 - China's share of world imports by weight (2009) --
 - Ferrous scrap: 16%
 - Copper scrap: 67%
 - Aluminum scrap: 42%
 - Recovered paper: 49%
 - Plastic scrap: 55%
 - Other drivers exist as well:
 - Demand from other developing countries
 - Global economic growth
 - Manufacturing in the United States
 - Recovery of the construction industry
 - Pricing

The US-Based Export Trade

More than one-third of scrap processed in the U.S. annually destined for export

	2010	2009
Total Exported (million metric tons)	45	47
Value of Materials Exported (Billion US\$)	29.6	21.9
Number of countries exported to	158	155
Aluminum exports (metric tons)	1,900,000	1,700,000
Copper (metric tons)	1,000,000	842,573
Iron and Steel (metric tons)	19,600,000	21,300,000
Ni, Stainless & Alloys(metric tons)	1,900,000	2,400,000
Paper (metric tons)	18,900,000	19,100,000

The US-Based Export Trade (cont.)

Top International Trading Partners --

	2010	2009
China (\$US)	\$8.5 billion	\$7.1 billion
Canada	\$3.0 billion	\$2.7 billion
South Korea	\$1.7 billion	\$1.4 billion
Turkey	\$1.5 billion	\$0.9 billion
Taiwan	\$1.4 billion	\$0.9 billion
United Kingdom	\$1.1 billion	\$0.7 billion
Mexico	\$1.0 billion	\$0.6 billion
India	\$0.8 billion	\$0.6 billion
Germany	\$0.7 billion	\$0.4 billion
Italy	\$0.7 billion	\$0.3 billion

The US-Based Export-Trade (cont.)

- Scrap processed in the US (metric tons) & Share Exported (%) for 2009 and 2010

	2009	2010
Iron & Steel	70 million (30%)	74 million (26%)
Aluminum	4.7 million (36%)	4.6 million (41%)
Copper	1.7 million (50%)	1.9 million (53%)
Lead	1.3 million (11%)	1.2 million (4%)
Zinc	150,000 (31%)	160,000 (49%)



- US scrap industry works hard to maintain a high level of supply for both our domestic & international customers
 - **1.1 billion** tons reservoir of obsolete scrap according to independent research

Trends in Sustainable Recycling

Dedication to Quality, EH&S

- US scrap industry committed to not just delivering plentiful volumes of scrap, but delivering high quality scrap for both our domestic & international customers in an environmentally responsible manner
 - Technological advances – as well as greater attention to preprocessing - have resulted in significant gains in scrap quality over the last several years
 - Also accomplished through increased commitment to EH&S systems

Trend to Quality, EH&S Mgmt Systems

ISRI dedicated to promoting the worldwide quality of scrap, processed in an environmentally responsible manner, protective of worker safety

- 3rd Party Certification plays a critical role towards ensuring sustainable recycling
- ISRI developed RIOS[®]
 - Voluntary, comprehensive environmental, health & safety, and quality management system that integrates the best aspects of ISO 14001, ISO 9001, and OHSAS 18001
 - Accredited certification program supported by the ANSI-ASQ National Accreditation Board (ANAB)



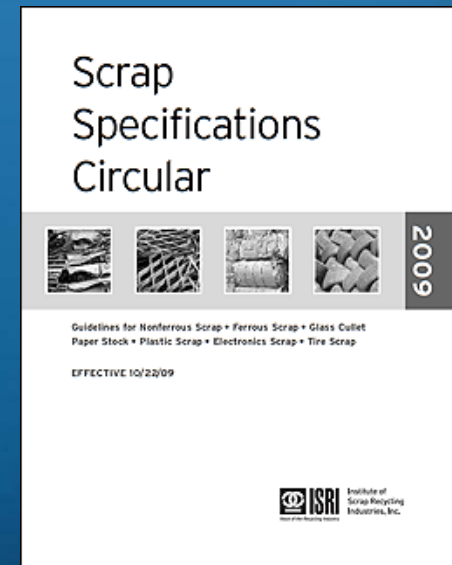
Trend to Quality, EH&S Mgmt Systems (Cont.)

- R2/RIOS[®] Program developed for the electronics recycling segment of the industry
 - Assures compliance with domestic & international laws, including laws enacted by countries that have signed/ratified Basel Convention
 - R2 prohibits exports except where legal and only under specified conditions designed to protect the environment and workers
 - Provides for strict management of focus materials through final disposition
 - Requires downstream due diligence
 - Integrates, quality, environment & health and safety
 - www.CertifiedElectronicsRecycler.com
- More than 30 facilities certified to R2/RIOS[®] or R2 (including 1 international)
 - More than 100 facilities working towards certification



Trends in Quality, EH&S

- Design for Recycling®
 - Developed in early 1980s
 - Designed to encourage manufacturers to consider end-of-life issues of their products at the design stage
- ISRI Scrap Specifications Circular
 - Industry-wide, globally accepted set of descriptions and guidelines for industry grade scrap commodities
 - Facilitates the consistent & uniform trade of scrap recycling
 - Available at www.isri.org



Dedication to Quality, EH&S

- Elevated concern/focus on worker safety over the last several years
 - ISRISafety launched Jan. 1, 2005 ,providing comprehensive, consultation and training resources to ISRI members
 - Fundamental shift in focus –
 - From passive assistance to hands-on, pro-active training
 - From worker focus to management focus with goal of providing safety an equal seat at the table with profit and quality
 - Over last 5 years, ISRI provided approximately 300 Safety Blueprints, OSHA 10-hour training programs, and Driver “Ride-a-longs” at member facilities
 - All free of charge to ISRI members



www.ISRISafety.org

Thank You

For more information:

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