Risk Factors Comparison 2024-02-28 to 2023-02-21 Form: 10-K

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The following is a summary of the principal risks described below in **"** Part I, Item 1A ~~"~~ **:** Risk Factors " in this Annual Report on Form 10- K. We believe that the risks described in the " Risk Factors " section are material to investors, but other factors not presently known to us or that we currently believe are immaterial may also adversely affect us. The following summary should not be considered an exhaustive summary of the material risks facing us, and it should be read in conjunction with the " Risk Factors " section and the other information contained in this Annual Report on Form 10- K: **RB Global, Inc.** ~~Risks~~ **1Risks** Related to ~~the Proposed~~ **Our Recently Completed** Acquisition of IAA ~~• The pendency~~ **• Combining the businesses** of **Ritchie Bros. and IAA may be more difficult, costly** ~~our~~ **or time- consuming than expected, and we may fail to realize the anticipated benefits of the** acquisition **, which may adversely affect our business results and negatively affect the value of our common shares. • We may be unable to realize the anticipated cost synergies and other opportunities expected from the acquisition** of IAA **, which could adversely affect** ~~or~~ **our business, financial condition and results of operations. • Certain contractual counterparties may seek to modify contractual relationships with us, which could have an adverse effect on the Company' s business and operations. • We may be exposed to increased litigation, which could have an adverse effect on** our ~~failure~~ **business and operations. • We have incurred a substantial amount of debt** to complete ~~such~~ **the** acquisition **of IAA, which** could have a material adverse effect on our business, **cash flows and** ~~results of operations,~~ financial condition ~~and stock price~~ . **•** ~~• While the Merger Agreement is in effect, we are subject to restrictions on our business activities. • We may experience difficulties in integrating our operations with those of IAA and realizing the expected benefits of the acquisition. • We will incur a substantial amount of debt to complete the acquisition of IAA, which could have a material adverse effect on our business, cash flows and financial condition. •~~ Significant costs have been incurred and are expected to be incurred in connection with the consummation **and integration** of the acquisition of IAA. Risks Related to Our Business ~~•~~ **• Our business and operating results would be adversely affected due to the loss of one or more significant suppliers, a reduction in significant volume from suppliers, an adverse change in our supplier relationships, or a disruption to our supply of damaged, total loss and low- value vehicles. • Our business and operating results would be adversely affected if we are unable to meet or exceed our buyer customers' demand and expectations or due to a disruption in demand of damaged, total loss and low- value vehicles. • IAA' s market position and competitive advantage could be threatened by our competitors and / or disruptive new entrants. • If our facilities lack the capacity to accept additional vehicles, then our relationships with insurance companies or other vehicle suppliers could be adversely affected. • We may be unable to keep existing facilities or open new facilities in desirable locations and on favorable terms, which could materially and adversely affect our results of operations. • Macroeconomic factors, including high fuel prices, high labor costs, rising inflation and changes in prices of assets transacted on our marketplaces, may have an adverse effect on our revenues and operating results. • Reliance on our subhaulers and trucking fleet operations could materially and adversely affect our business and reputation. • Weather- related and other events beyond our control may adversely impact operations. • An increase in the number of damaged and total loss vehicles we purchase could adversely affect our profitability. • A significant change in salvage values could impact the proceeds and revenue from the sale of damaged and total loss vehicles. • IAA assumes the settlement risk for vehicles sold through its marketplaces. • Changes in laws affecting the import and export of damaged and total loss vehicles may have an adverse effect on our business and financial condition. • We are subject to potential liabilities with respect to IAA' s prior separation from KAR Auction Services, Inc. •** We may not realize the anticipated benefits of, and synergies from, acquisitions and may become responsible for certain liabilities and integration costs as a result. ~~•~~ **•** Damage to our reputation could harm our business. ~~•~~ **•** We may incur losses as a result of our guarantee and inventory contracts and advances to consignors. ~~•~~ **•** The availability and performance of our technology infrastructure, including our websites, is critical to our business and continued growth. ~~•~~ **•** Consumer behavior is rapidly changing, and if we are unable to successfully adapt to consumer preferences and develop and maintain a relevant and reliable inventory management and multichannel disposition experience for our customers, our financial performance and brand image could be adversely affected. ~~•~~ **•** We rely on data provided by third parties, the loss of which could limit the functionality of certain of our platforms and disrupt our business. ~~•~~ **•** Government regulation of the Internet and e- commerce is evolving, and unfavorable changes in this or other regulations could substantially harm our business and results of operations. ~~•~~ **•** If our ability, or the ability of our third party service partners, cloud computing platform providers or third party data center hosting facilities, to safeguard the reliability, integrity and confidentiality of our and their information technology systems is compromised, if unauthorized access is obtained to our systems or customers', suppliers', counterparties' and employees' confidential information, or if authorized access is blocked or disabled, we may incur significant reputational harm, legal exposure, or a negative financial impact. ~~•~~ **•** Our future expenses may increase significantly and our operations and ability to expand may be limited as a result of licenses, laws and regulations governing auction sites, environmental protection, international trade and other matters. ~~•~~ **•** Losing the services of one or more key personnel or the failure to attract, train and retain personnel could materially affect our business. ~~•~~ **•** Failure to maintain safe sites could materially affect our business and reputation. ~~•~~ **RB Global, Inc. 2 •** Income and commodity tax amounts, including tax expense, may be materially different than expected and there is a trend by global tax collection authorities towards the adoption of more aggressive laws, regulations, interpretations and audit practices. ~~•~~ **•** Our substantial international operations expose us to foreign exchange rate fluctuations that could harm our results of operations. **•** ~~Ritchie Bros. 2 •~~ Our business operations may be subject to a number of federal and local laws, rules and regulations including export control regulations. ~~●~~ **•** Failure to comply with anti- bribery, anti- corruption, and anti- money laundering laws, including the U. S. Foreign Corrupt Practices Act of 1977, as amended, or the FCPA, the Corruption of Foreign Public Officials Act, or the CFPOA, and similar laws associated with our activities outside of the U. S. could subject us to penalties and other adverse consequences. ~~●~~ **•** We are pursuing a long- term growth strategy that may include acquisitions and developing and enhancing an appropriate sales strategy, which requires upfront investment with no guarantee of long- term returns. ~~●~~ **•** We are regularly subject to general litigation and other claims, which could have an adverse effect on our business and results of operations. ~~●~~ **•** Privacy concerns and our compliance with current and evolving domestic or foreign laws and regulations regarding the processing of personal information and other data may increase our costs, impact our marketing efforts or decrease adoption and use of our products and services, and our failure to comply with those laws and regulations may expose us to liability and reputational harm. ~~●~~ **•** Our business continuity plan may not operate effectively in the event of a significant interruption of our business. ~~●~~ **•** Our insurance may be insufficient to cover losses that may occur as a result of our operations. **•** ~~● Our business operations, results of operations, cash flows and financial performance may continue to be affected by the COVID- 19 pandemic.~~ ~~●~~ Certain global conditions may affect our ability to conduct successful events. Financial Risks ~~●~~ **•** Ineffective internal control over financial reporting could result in errors in our financial statements, reduce investor confidence, and adversely impact our stock price. ~~●~~ **•** We have substantial indebtedness, and the degree to which we are leveraged may materially and adversely affect our business, financial condition and results of operations. ~~●~~ **•** Our debt instruments have restrictive covenants that could limit our financial flexibility. ~~● Our operating results are subject to quarterly variations.~~ Risks Related to Our Intellectual Property ~~●~~ **•** We may be unable to adequately protect or enforce our intellectual property rights, which could harm our reputation and adversely affect our growth prospects. ~~● Our use of open source software could subject us to risks, including with respect to the terms of open source licenses.~~ Risks Related to Our Industry ~~●~~ **•** Competition could result in reductions in our future revenues and profitability. ~~●~~ **•** Decreases in the supply of, demand for, or market values of used equipment, could harm our business. Risks Related to Our Organization and Governance ~~●~~ **•** Our articles, by- laws, shareholder rights plan and Canadian law contain provisions that may have the effect of delaying or preventing a change in control. ~~●~~ **•** U. S. civil liabilities may not be enforceable against us, our directors, or our officers. ~~●~~ **•** We are governed by the corporate laws of Canada **,** which in some cases have a different effect on shareholders than the corporate laws of Delaware. ~~Ritchie Bros~~ **RB Global, Inc** . **3** ~~3PART~~ - **PART I** ~~ITEM~~ - **ITEM** 1: BUSINESS Company Overview ~~Ritchie Bros~~ **RB Global, Inc** . ~~Auctioneers Incorporated~~ **and its subsidiaries** (**collectively referred to as the** “ **RB Global** ~~Ritchie Bros.~~ ”, the “ Company ”, “ we ”, or “ us ”) (NYSE & TSX: RBA) ~~was founded in 1958 in Kelowna, British Columbia, Canada and~~ is a ~~world leader in asset management~~ **leading global marketplace that connects sellers** and **buyers of** ~~disposition technologies for~~ commercial assets ~~, used equipment~~ and **vehicles** ~~other assets. Our expertise, unprecedented global reach, market insights, and trusted portfolio of brands provide us with a unique position within the used equipment market~~ . Through our **omnichannel platform** ~~unreserved auctions, online marketplaces, listings, and private brokerage services,~~ we ~~sell a broad range of~~ **facilitate transactions for customers in** primarily ~~used~~ **the automotive, construction, and** commercial **transportation sectors. We also serve customers in the agriculture, energy,** and ~~industrial assets~~ **natural resources sectors** , as well as government ~~surplus~~ **entities** . **Our** ~~Construction and commercial transportation assets comprise the majority of the equipment sold by GTV dollar value, though we sell a wide variety of assets. Customers~~ **customers primarily** ~~selling equipment through our sales channels~~ include **automotive insurance companies, as well as** end users ~~(such as construction companies)~~ , ~~equipment~~ dealers, **fleet owners, and** original equipment manufacturers (“ OEMs ”) ~~and other equipment owners (such as rental companies). Our customers participate in a variety~~ of ~~sectors, including construction,~~ commercial **assets** ~~transportation, agriculture, energy,~~ and **vehicles** ~~natural resources~~ . We also provide our customers ~~with a wide array of~~ value- added **marketplace** services ~~aligned with our growth strategy to create a global marketplace for used equipment services and solutions. Our other services include equipment financing~~ , ~~asset appraisals and inspections, online equipment listings, logistical services, and ancillary services such as equipment refurbishment. We offer our customers asset~~ technology solutions ~~to~~ **for vehicle merchandising, platforms for lifecycle** ~~manage~~ **management** ~~the end- to- end disposition process~~ of ~~their~~ assets **,** and ~~provide~~ **a** market data intelligence **platform** to **help customers** make more **informed** ~~accurate and reliable~~ business decisions. ~~Additionally~~ **We have a global presence** , **primarily** ~~we offer our customers an innovative technology platform that supports equipment lifecycle management and parts procurement integration~~ with **operations** ~~both original equipment manufacturers and dealers, as well as a software as a service platform for end- to- end parts procurement, and access to digital catalogs and diagrams. We operate globally with locations~~ in ~~13 countries, including~~ the **United States** ~~U. S.~~ , Canada ~~, Australia, the United Arab Emirates,~~ and ~~the Netherlands~~ **across Europe** , and ~~maintain a presence in 42 countries where customers can sell from their own yards. We~~ employ more than ~~2~~ **7** , ~~800~~ **900** full- time employees worldwide. ~~Proposed~~ **The Company changed its name from Ritchie Bros. Auctioneers Incorporated to RB Global, Inc. and moved its global headquarters to Westchester, Illinois, United States from Burnaby, British Columbia, Canada after the close of the** ~~Acquisition~~ **acquisition** of IAA **in the first quarter of 2023. Business Combinations** On **March 20** ~~November 7, 2022, the Company entered into an Agreement and Plan of Merger and Reorganization, which was subsequently amended on January 22~~ , 2023 ~~(the “ Merger Agreement ”)~~ , **we completed the acquisition of** ~~pursuant to which it agreed to acquire~~ IAA ~~, Inc.~~ , a leading global digital marketplace connecting vehicle buyers and sellers **with operations throughout the United States, Canada, and the United Kingdom** . **IAA facilitates the marketing and sale of total loss, damaged and low- value vehicles for a full spectrum of sellers, including insurance companies, dealerships, fleet lease and rental car companies and charitable organizations. Additionally, IAA serves a global buyer base with vehicles, vehicle rebuild requirements, replacement part inventory or scrap demand. As part of the acquisition, pursuant to the terms of an Agreement and Plan of Merger and Reorganization with IAA,** IAA stockholders ~~will receive~~ **received** $ 12. 80 **per share** in cash and 0. 5252 ~~common~~ shares of the Company for each share of IAA common stock they ~~own~~ **owned** ~~. Accordingly, the Company will~~ (~~i~~ **the “ Exchange Ratio ”**) ~~issue~~ **. As such, we paid** approximately **$ 1. 7 billion in cash consideration and issued** 70. 3 million shares of ~~its~~ **our** common stock to **complete** the **acquisition** ~~stockholders of IAA and (ii) pay to the stockholders of IAA approximately $ 1. 7 billion in cash consideration~~ . In addition, **we repaid** ~~the Company will repay~~ approximately $ 1. 2 billion of IAA’ s net debt ~~. The acquisition of IAA is expected to close in the first half of 2023, subject to the satisfaction of various conditions, including, among other things, (1) the approval of the issuance of our common shares by the affirmative vote of a majority of the votes cast by holders of our outstanding common shares, (2) the adoption of the Merger Agreement by holders of a majority of the outstanding shares of IAA’ s common stock, and (3) other customary closing conditions. The Company plans to fund the proposed acquisition of IAA through a combination of cash, borrowings under its credit facilities and proceeds from the sale of debt securities. In connection with the Merger Agreement, the Company entered into a debt commitment letter with certain financial institutions that committed to provide, subject to certain terms and conditions, the bridge loan facility in an~~ **and** aggregate ~~$~~ **$ 500. 0 million** principal amount of **its** ~~up to $ 2. 8 billion and a backstop~~ senior **notes,** ~~secured revolving credit facility in an~~ **and therefore acquired IAA debt free** ~~aggregate principal amount of up to $ 750~~ . **We expect that** ~~0 million. On December 9, 2022, the Company subsequently closed an amendment to its existing credit agreement with a syndicate of lenders pursuant to which, among other~~ -- **the** ~~things, the Company obtained (a) amendments to the facility to specifically permit the proposed~~ acquisition of IAA ~~(b) commitments for a term loan A facility in an aggregate principal amount of up to $ 1. 8 billion to be used to finance the proposed IAA acquisition and (c) the ability to borrow up to $ 200. 0 million of the revolving facility on a limited conditionality basis to finance the proposed IAA acquisition. The amendment allowed the Company to permanently terminate the backstop senior revolving credit commitments and reduce the senior secured bridge facility commitments by the amount of the term loan A facility and the amount of the existing term loans under the existing credit agreement. Ritchie Bros. 4On January 23, 2023, the Company announced that it expects to approve the payment of a one- time special dividend to the Company’ s shareholders in the amount of $ 1. 08 per share, contingent upon the completion of the merger and consent of the TSX. IAA stockholders~~ will ~~not be entitled to receive the special dividend with respect to any of the Company’ s common shares received as consideration. We will not pay the special dividend if the Merger Agreement is terminated or if the merger is not completed. Furthermore, if the Merger Agreement is terminated under specified circumstances, the Company or IAA may be required to pay the other a termination amount of $ 189 million or the Company may be required to reimburse IAA for its out- of- pocket expenses incurred in connection with the Merger Agreement up to an aggregate amount of $ 5 million. We believe that the proposed acquisition of IAA accelerates~~ - **accelerate** our journey to become the trusted global marketplace for ~~insights, services and~~ transaction solutions ~~. The transaction is expected to~~ **, insights, and services as well as** diversify our customer base by providing **us** ~~the Company~~ with a significant presence in the ~~vehicle remarketing vertical that has~~ **automotive sector, an industry with** strong ~~industry~~ fundamentals ~~with~~ **and** proven secular growth. ~~We believe that the combination will accelerate our growth and strategic vision to create a next- generation global marketplace for commercial assets and vehicles, supported by advanced technologies and data analytics.~~ Additionally, our management team has ~~extensive~~ experience in the automotive and insurance ecosystem, which we ~~believe~~ **expect** will ~~help~~ **improve and** shape **our** ~~the go- forward customer~~ **customers '** ~~experience~~ **experiences** . With enhanced scale and an expanded addressable market, **we expect to** ~~the Company believes it will~~ be able to drive additional GTV growth through ~~its~~ **our** platforms and auction sites, **and consistently over- deliver on the commitments we make to our customers. On January 3, 2023, we also acquired a 75 % controlling interest** in ~~turn generating more insights~~ **VeriTread LLC (" VeriTread")** for **a total purchase price of $ 32. 4 million. VeriTread** ~~its~~ - **is a transportation technology company in the United States that provides an online marketplace solution for open deck transport, connecting shippers and service providers. The acquisition of VeriTread is also aligned with our growth strategy and we expect to benefit from anticipated synergies from applying their transportation platform, network of carriers, equipment database and services to our customer base. Further information regarding the business combinations are described in" Part II, Item 8: Financial Statements and Supplementary Data- Note 4 Business Combinations." Macroeconomic Conditions Various macroeconomic factors can impact the behaviors of our** customers **, our business** and ~~expanding~~ **our operating results, including inflation, interest rate volatility and foreign currency fluctuations. • Inflation- We continue to experience inflationary pressures on our business through elevated operating costs. • Interest rates- Interest rate volatility may impact our customers' preferences around disposal services and** ~~the~~ **their** ~~adoption of~~ **ability to finance equipment** ~~our~~ - **or** other ~~high~~ **assets. We are also exposed to interest rate volatility on approximately $ 1. 7 billion of our long** - ~~margin tech~~ **term debt that has floating rates. RB Global, Inc. 4 • Foreign currency** - ~~enabled services.~~ **Foreign currency fluctuations may** ~~Impact~~ **impact** ~~of Russia- Ukraine Conflict~~ **our global customers ability to buy and sell assets** on ~~Our Business~~ **our marketplace impacting our ability to generate revenue. Additionally, foreign currency fluctuations could impact our financial results given that we earn revenue and operate globally across multiple countries and in different currencies.** On ~~February 24~~ **an annual basis** , ~~2022~~ **we expect the impact of fluctuations of currency on our revenues and operating expenses to largely offset and generally act as a natural hedge against exposure to fluctuations in the value of the U. S. dollar** , **our presentation currency. We also enter into forward contracts to protect against foreign exchange rate risks related to certain intercompany balances denominated in a currency** ~~the~~ **other than the entity'** ~~geopolitical situation in Eastern Europe intensified with Russia’~~ s **functional** ~~invasion of Ukraine, sharply affecting economic and global financial markets. Subsequent economic sanctions on Russia have exacerbated ongoing economic challenges, including issues such as rising inflation, disruption to global supply chains and increases in hydrocarbon prices. The rise in transportation costs, in part driven by higher fuel costs, has globally impacted both costs and timing of import and export of commercial assets between countries and has contributed to higher costs in operating our~~ - **or** ~~equipment~~ **local currency** . ~~Further~~ **Accordingly** , **foreign currency fluctuations generally** ~~increases in natural gas prices in Europe may also lead to a slowdown in its economy and as a result may negatively impact the import and export of equipment in Eastern Europe, which could affect our operations. We~~ do not have ~~any~~ **a significant impact on our** ~~operations~~ -

operating results. Industry Trends The volume of assets and average selling price sold in ~~Russia or~~ **our** ~~Ukraine~~ **auctions and marketplaces fluctuate on a quarterly basis. The volume of assets we sell and the demand** ~~or~~ **for our services can be influenced by the utilization rate** ~~any material operations in neighboring countries. We have a limited number~~ of ~~direct~~ **assets by our** customers in the ~~effected region~~ **commercial construction** and **transportation sector** ~~have sourced a limited number of assets in 2022 from neighboring countries to sell through our operations. However~~ , ~~we cannot estimate the extent of the ongoing conflict' s impacts or future developments, including the continued evolution of military activity~~ and **by** ~~sanctions imposed with Russia' s invasion of Ukraine, which could adversely affect~~ the **automotive loss ratio** ~~domestic economy generally and our business specifically. Impact of Inflation on Our Business Inflation impacted our global business operations~~ in ~~2022, with~~ the **automotive sector** ~~rise of costs in freight, fuel, supplies, labor, non- durable goods and consumables at our yards and in our operations. Our travel costs have also increased, partly due to higher travel activity post pandemic, increased travel to support our growth strategy and acquisitions, as well as due to inflation~~ . In addition, ~~we have seen~~ **seasonality, timing of significant events** ~~an~~ **and customer transactions, holiday calendars** ~~increase in labor costs with the labor market remaining fairly strong. We expect inflationary pressures to continue into 2023~~ and **severe or prolonged weather events** ~~we regularly evaluate operational productivity improvements that~~ may **also impact our volumes** ~~offset these pressures while continuing to drive growth and strong financial performance~~ . The **changes in global supply of new commercial assets** ~~United States Federal Reserve is also continuing to raise interest rates, contributing to a stronger U. S. dollar, which has had an~~ **and** ~~unfavorable~~ **vehicles** ~~impact~~ **impacts** ~~on~~ **our customers and** ~~the~~ **their preferences around disposition services** ~~translation of some of our operations to a U~~ . **During the** ~~S. dollar presentation currency, particularly in Canada, Europe and Australia. Impact of~~ COVID- 19 ~~and~~ **pandemic, the lack of** ~~Supply~~ **supply** ~~Chain Constraints~~ **of new commercial assets and vehicles combined with a robust demand led** to **higher average selling prices of assets sold through our auctions and marketplaces. In the automotive sector, fluctuations in supply and vehicle prices, combined with changes in vehicle repair costs, can impact the number of vehicles declared as a total loss by our insurance customers, and as such has an impact on the volume of vehicles disposed of through our transaction solutions. The demand for our services is further impacted by the number and age of the vehicles in service (" Car Parc"), the number of vehicle miles driven, the complexity of the design and technology content of vehicles, and the overall demand of recycled and automotive parts. We encounter different competitors by region, sector, and service across the entire suite of solutions we offer to our customers. Competition in the commercial construction and transportation sector for transaction solutions is highly fragmented geographically and by transaction format. We compete for sellers against online and physical auctioneers, brokers, OEMs and equipment dealers offering trade- in services. Some of our customers, including large fleet owners, may seek private sales instead of third- party transaction solutions. The market is constantly evolving and subject to change from new and existing competitors and technology- enabled selling solutions for sellers. In the automotive sector, our sellers are comprised of insurance and non- insurance customers seeking transaction solutions for their damaged or low- value vehicles. We primarily compete with Copart, Inc., Total Resource Auctions, Inc., a subsidiary of Cox Enterprises, and certain independent used vehicle auction companies that regularly remarket damaged and total loss vehicles. We have contractual service level agreements and various supply agreements with our sellers, primarily automotive insurance customers.** Our ~~BusinessIn March 2020,~~ **performance against service level agreements and gross returns to drive** the ~~World Health Organization declared the outbreak~~ **best net returns are critical areas** of ~~COVID~~ **competition, and we are taking decisive steps to improve the consistency of over** - ~~19 a~~ **delivering against these commitments. Competitive Advantages • Global platform- Our** global ~~pandemic (" COVID~~ **platform allows us to connect buyers and sellers, offer insights and value** - **added services for commercial assets** ~~19 "). In response, we transitioned all of our traditional live onsite auctions to online bidding utilizing our existing online bidding technology. In 2022, with the lifting of travel restrictions~~ and **vehicles through** ~~quarantine requirements we began to return to live in- person onsite bidding at some of~~ our ~~auction events~~ **omnichannel marketplace** , ~~offering~~ both ~~onsite~~ **digitally** and **through** ~~online bidding, and we significantly improved our ability to move equipment to and from~~ our auction sites **in 14 countries. This omnichannel approach offers unmatched choice and flexibility, tailoring transaction solutions to suit our customers' diverse and changing needs. We also offer our customers a full spectrum of value- added services, such as transportation and logistics, appraisal, inspection, refurbishing, and financial services. • Trusted customer relationships- Our seasoned sales teams boast long- standing customer relationships, acting as trusted advisors. We take a long- term view, offering unparalleled solutions to simplify their experience and cultivate partnerships that span generations. • Data, insights and services- Rich data and analytics are a cornerstone to the best customer experience. We invest in data science to deliver asset value predictions, generate user leads, prioritize marketing investments, interpret price trends, and more. Proprietary algorithmic asset pricing is used internally to set target values and optimize marketplace operations and externally to provide our customers with real- time asset values. In addition, our Rouse Services business and brand is the leading provider of construction equipment rental metrics, benchmarks, and construction equipment valuations to lenders, RB Global, Inc. 5 rental companies, contractors, and dealers. Our business model is built upon** ~~and~~ - **an extensive data ecosystem** ~~across borders. However~~ , **proprietary analytics, data science techniques, and trusted customer relationships rooted in service and confidentiality. • Global presence-** we ~~also saw heightened~~ **achieve exceptional agility with our extensive global network of 354 locations, enabling us to be closer in proximity to our customers. This proximity helps minimize** transportation costs ~~,~~ ~~extended lead times~~ and ~~supply~~ **provides our customers with the choice of care, custody, and control of equipment and vehicles. The acquisition of IAA in 2023 significantly strengthened our geographic presence and increased the number of locations we have to service our customers. • Flexibility of yard space and teammates- Teammates working in different sectors** ~~chain~~ -- **can** ~~delays and disruptions~~ **come together across multiple locations to meet our customers' needs when necessary. Specifically** , ~~negatively~~ **in a catastrophic event** impacting our **automotive sector** ~~business and the buying and~~

~~selling behaviours of our~~ customers ~~. Supply~~ **, we can increase the speed** of ~~equipment was~~ **our response and avoid incremental operating costs by leveraging all our teammates and unused capacity across all of our locations. • Global buyer base and demand engine- Our global presence and sophisticated approach to driving buyer demand allows us to generate deep pools of liquidity for transactions, enabling global market pricing for commercial assets and vehicle sellers and helping to deliver the best price realization. We serve customers in more than 170 countries across a variety of sectors. • Brand- Our well- established brands are well recognized and have a loyal customer base. The Company' s marketplace brands include** Ritchie Bros. ~~5tight~~ **, the world' s largest auctioneer of commercial assets and vehicles, and IAA, a leading global digital marketplace connecting vehicle buyers and sellers. RB Global' s portfolio of brands also includes Rouse Services, which provides complete end- to- end asset management, data- driven intelligence, and performance benchmarking system, SmartEquip, an innovative technology platform that supports customers' management of the equipment lifecycle and integrates parts procurement** with **both original** ~~increased constraints as our customers were delaying disposition of aged~~ equipment **manufacturers and dealers and VeriTread,** ~~and~~ - **an online marketplace for heavy haul transport** ~~turnover of equipment slowed down, primarily from lease and rental companies~~ . **Growth** ~~In our operations, we also incurred higher maintenance costs from the delay in turnover of our leased vehicle fleets. These impacts were partly due to the impact of COVID- 19, but also partly due to other more recent macroeconomic factors such as inflation and the Russian- Ukraine conflict. StrategyOur strategy~~ **Strategy We see significant opportunities to grow our business profitably by leveraging our existing platform and industry presence** to become the trusted global marketplace for ~~insights, services and~~ transaction solutions **, insights, and services** for commercial assets and vehicles ~~will help us address the large~~ **. We excel at partnering with customers who share our commitment to building trusted relationships. By understanding** and ~~fragmented used equipment~~ **responding to our customers changing needs and preferences, we cultivate lasting and robust relationships. This has fueled sustained growth across our diverse** marketplace ~~that~~ **, where a vast range of sectors offers opportunities for expansion and success. We intend to grow our market share and become the partner of choice across all the sectors** we **serve** ~~operate in today~~ . ~~We believe our~~ **The core elements of the** strategy ~~will help us unlock significant growth opportunities by building on Ritchie Bros.' core business and expanding into additional services. We~~ are ~~building on our position as a trusted advisor to our customers by evolving from transactional selling to meeting the needs of our customers through solution selling. We see significant growth opportunities ahead by becoming the trusted global marketplace for insights, services, and transaction solutions for commercial assets and vehicles. This represents not a shift, but an expansion of our transaction solutions for which we are already well known. We value our long- tenured relationships with our customers, and the trust they have in our brand and platform. We are leveraging our sales channels to create a global marketplace for services and solutions that help our customers gain the insights they need to make decisions and run their businesses. We also intend to offer complimentary third- party services on our platform where it will help our customers. This strategy is supported by five strategic pillars on which we will build our future success~~ : **• Best** Customer Experience- ~~At Ritchie Bros~~ **We measure our success through the success of our customers** . **We** ~~, we~~ have a long history, culture **,** and passion for ~~helping~~ **being trusted partners to** our customers. **To us, being a good partner is over- delivering against the commitments we make to them.** We **do this by focusing on operational excellence and fostering a culture of** ~~continue~~ **continuous** ~~to find ways to enrich~~ **innovation and improvement by empowering** our **teammates. Central to this is investing in technology to develop new products and services and to make it easier for** customers **to interact with us** ~~' experience by making our processes easier, our offerings more complete~~ and ~~our brands simpler~~ **make the best business decisions** . **• Best Teammate** ~~Ritchie Bros. 6Employee~~ Experience- We ~~cannot deliver a great customer experience without great employees. We continue to~~ strive to create the best workplace for all employees and ~~to~~ create a place where they want to build a career. We encourage open and honest dialogue and are committed to robust communications from management to employees and creating channels for **sharing** ~~them to give~~ feedback ~~, as well as fixing processes and~~ **. We also continue to invest in** technology to improve ~~the~~ **our team members'** work environment ~~for the benefit of both customers~~ and ~~employees~~ **experience** . **•** Modern Architecture- We are transitioning to ~~a~~ modern ~~architecture~~ **technology,** based in the cloud **,** ~~and comprised of microservices~~ that ~~allow~~ **allows** us to create a single presence for our customers across all of our solutions. ~~A modern architecture~~ **We expect that this** will allow flexibility and agility **for us** to **respond to our customer' s evolving needs and** enable **a foundation for** scalable growth ~~for us,~~ **. We are committed to growing our business by prioritizing and focusing on the needs of** our customers ~~,~~ and our partners ~~. Inventory Management System- We see our Inventory Management System, which integrates and tracks inventory data for selected customers, as a gateway for our customers to access our marketplaces and services. With the data, we can offer more timely and proactive advice and solutions to our customers with more ease of use. Accelerate Growth – We continually seek to identify areas to pilot improved business processes to positively impact the customer experience. We look to accelerate growth by scaling the learnings from these pilots into our global operations. We believe our strategy of becoming the global trusted marketplace for commercial assets will allow us to better serve our customers and will facilitate better penetration into non- auction markets and associated services. Building an integrated, easy to use marketplace, and becoming the trusted advisor to our customers opens significant potential for our business. We will start, as always, with our customers and our partners, and make sure we are building what they need~~ . Service Offerings We offer our ~~equipment buyer and seller~~ customers multiple distinct, complementary, multi- channel brand solutions that address the range of their **buying and selling** needs **for commercial assets, vehicles and other types of assets** . Our global customer base has a variety of transaction options, breadth of services, and the widest selection of used equipment **and vehicles** available to them. **The** ~~Auctions and MarketplaceThe~~ tables below illustrate the various channels and brand solutions available ~~under~~ **to** our ~~Auctions and Marketplaces~~ **customers. RB Global, Inc. 6 SolutionBrand** (**s** ~~" A & M "~~) **DescriptionTransaction** ~~segment. Channels Brand Solutions~~ **SolutionsRB** ~~Description of OfferingLive Onsite Auctions~~ **AuctionOnsite and** ~~Live unreserved onsite auctions, with live~~ online ~~simulcast, where we have care, custody and control of consignors' assetsOnline Auctions and Marketplaces Online~~ marketplace for selling and buying used **equipmentIronPlanetOnline** ~~equipment Online marketplace offering multiple price and timing options Online~~ marketplace for **selling and buying used equipmentMarketplace- EOnline make offer / buy now formatGovPlanetOnline marketplace for** the sale of government and military ~~assetsBrokerage Service~~ **assetsIAA AuctionNow ™ Online auction bidding and buying solution, that features inventory located at physical branches and offsite locations. Available to a global buyer audienceIAA Buy Now ™ Online buy now format available between scheduled auctions, leveraging ML based pricing recommendationsIAA Custom Bid ™ Bidding tool that provides buyers focused on recycling the ability to set pre- bids in an auction based on vehicle attributesIAA Timed Auctions ™ Timed auction format that allows for competitive bidding and sale prior to a scheduled auctionRitchie Bros. Private** ~~Confidential~~ **TreatyConfidential** , negotiated sale of large ~~equipmentRitchie~~ **equipmentFinancial ServicesRitchie** Bros. ~~7Gross Transaction~~ **Financial ServicesLoan origination service that uses a brokerage model to match loan applicants with appropriate financial lending institutionsIAA Loan Payoff ™ Service that mitigates the time- consuming process of managing a total loss claim requiring loan payoff and title releaseAppraisal ServicesRouse AppraisalsUnbiased, certified appraisal servicesInspection ServicesRitchie Bros. InspectionsTruck and heavy equipment inspectionsIAA Inspection Services ® Remote inspections and appraisals for salvage vehiclesListings ServicesRitchie ListMascusOnline equipment listing service and B2B dealer portalRefurbishing ServicesRitchie Bros. RefurbishingRepair, paint, and other make- ready servicesTransportation & Logistics ServicesRitchie Bros. LogisticsEnd- to- end transportation and customs clearance solution for sellers and buyers with shipping needsVeriTread TransportOnline transportation marketplace, connecting shippers and carriersIAA Transport ™ Integrated shipping solution allowing buyers to schedule shipment of vehicles during the checkout processIAA Tow App ™ Mobile dispatch solution that assists the tow networkData ServicesRouse ServicesThe leading provider of construction equipment market intelligenceCSAToday ® Online reporting and analysis tool that gives sellers the ability to manage their vehicle assets and monitor sales performanceIAA Market** Value **™ A solution for sellers looking to estimate the values of their vehicles based on user- provided information and historical auction dataParts ServicesSmartEquipOnline marketplace connecting equipment owners with parts manufacturersCatastrophe Response ServicesCatastrophe** (**CAT** ~~“ GTV ”~~) **Services ™ Industry- leading strategic catastrophe response service focused on real estate capacity, operational execution, transportation logistics and vehicle merchandising and sellingTitle ServicesIAA Title Services ® Full suite of title services that facilitate the title documentation, settlement and retrieval process Contract options** We ~~record GTV for our A & M business, which represents total proceeds from all items sold at our auctions and online marketplaces. GTV is not a measure of financial performance, liquidity, or revenue, and is not presented in our consolidated financial statements. Contract optionsWe~~ offer consignors several contract options to meet their individual needs and sale objectives ~~. Through~~ **for selling used equipment** ~~our~~ - **or vehicles** ~~A & M business~~ , ~~options~~ **which** include: ~~•~~ **•** Straight commission contracts, where the consignor receives the gross proceeds from the sale less a pre- negotiated commission rate; ~~•~~ **• Fixed commission contracts, where the consignor receives the gross proceeds from the sale less a pre- negotiated fixed commission fee; •** Guarantee **commission** contracts, where the consignor receives a guaranteed minimum amount plus an additional amount if proceeds exceed a specified level; and ~~•~~ **RB Global, Inc. 7 •** Inventory contracts, where we purchase, take custody, and hold used equipment and other assets before they are resold in the ordinary course of business. We collectively refer to guarantee and inventory contracts as underwritten or “ at- risk ” contracts. **Other** ~~In 2022, our underwritten business accounted for approximately 19 % of our GTV, compared to 18 % in 2021 and 20 % in 2020. Value- added servicesWe also provide a wide array of~~ value- added services **We also provide a wide array of value- added services** to make the process of selling and buying equipment **and vehicles** convenient for our customers. In addition to the ~~other~~ services listed in the table ~~below~~ **above** , we also provide the following value- added services to our customers: ~~•~~ **•** ~~conducting~~ **Conducting** title searches, where registries are commercially available, to **help** ensure equipment **sold through RB Global** is ~~sold~~ free and clear of all liens and encumbrances (if we are not able to deliver clear title, we provide a full refund up to the purchase price to the buyer); ~~•~~ **•** ~~making~~ **Making** equipment available for inspection, testing, and comparison by prospective buyers; ~~•~~ **•** ~~displaying~~ **Displaying** high- quality, zoomable photographs of equipment on our website; ~~•~~ **•** ~~providing~~ **Providing** 360- degree video inspection technology to increase buyer confidence in equipment being purchased; ~~•~~ **•** ~~providing~~ **Providing** industry- leading professional equipment inspections and reports; ~~•~~ **•** ~~providing~~ **Providing** free detailed equipment information on our website for most equipment; ~~•~~ **•** ~~providing~~ **Providing** ~~access to insurance and powertrain warranty products; • providing~~ access to commercial transportation companies and customs brokerages through our logistical services; ~~•~~ **•** ~~handling~~ **Handling** all pre- auction marketing, as well as collection and disbursement of proceeds; ~~•~~ **•** ~~providing~~ **Providing** equipment sales and rental data intelligence and performance benchmarking solutions; and ~~•~~ **•** ~~providing~~ **Providing** an innovative technology platform that supports customers' management of the equipment lifecycle and integrates parts procurement with both original equipment manufacturers and dealers. ~~Our IronClad Assurance equipment condition certification provides online marketplace buyers with information on the condition of the equipment that includes, but is not limited to, providing buyers with pictures and comprehensive inspection information of key systems and components. Ritchie Bros. 8Other ServicesThe tables below illustrate the various services and brand solutions available under our other services segment. Service Brand Solutions Description of OfferingFinancial ServiceLoan origination service that uses a brokerage model to match loan applicants with appropriate financial lending institutionsAppraisal ServiceUnbiased, certified appraisal servicesInspection ServiceTruck and lease return inspection servicesOnline Listing ServiceOnline equipment listing service and B2B dealer portalAncillary Services Repair, paint, and other make- ready servicesLogistical ServiceEnd- to- end transportation and customs clearance solution for sellers and buyers with shipping needsSoftware ServiceCloud- based platform to manage end- to- end dispositionData ServiceA leading provider of construction equipment market intelligenceParts ServiceDigital marketplace connecting equipment owners with parts manufacturersIntellectual Property~~ We believe our intellectual property has significant value and is an important factor in marketing our organization, services, and website, as well as differentiating us from our competitors. We own or hold the rights to use valuable intellectual property such as trademarks, service marks, domain names and tradenames. We protect our intellectual property in Canada, the U. S., and internationally through federal, provincial, state, and common law rights, including registration of certain trademark and service marks for many of our brands, including our core brands. We also have secured patents for inventions and have registered our domain names. We rely on contractual restrictions and rights to protect certain of our proprietary rights in products and services. Effective protection of our intellectual property can be expensive to maintain and may require litigation. We must protect our intellectual property rights and other proprietary rights in many jurisdictions throughout the world. In addition, we may, from time to time, be subject to intellectual property claims, including allegations of infringement, which can be costly to defend. For a discussion of the risks involved with intellectual property litigation and enforcement of our intellectual property rights, see the related information in " Part I, Item 1A: Risk Factors " of this Annual Report on Form 10- K. ~~Competition Competition OverviewThe~~ **Environmental, Social & Governance In 2023, RB** ~~global~~ **Global** ~~used equipment market~~ **continued to advance** ~~is~~ **its** ~~highly fragmented~~ **Environmental, Social and Governance (" ESG") framework, which was developed in 2022, and also began to align its strategy** with **IAA' s ESG program** ~~total annual global used equipment volumes estimated at more than $ 300. 0 billion. We estimate the used equipment auction segment is $ 30 billion. Ritchie Bros. is the largest auction company with approximately $ 6. 0 billion in GTV volume in 2022. We compete based on breadth~~ , ~~brand reputation, security, technology, and global reach of our services, as well as in the variety of contracts and methods and channels of selling equipment. In addition to the auction segment, other major segments include brokers, as well as the retail segment~~ which includes ~~OEMs~~ **the integration of ESG approaches** , **resources** ~~OEM dealers~~ , ~~rental companies~~ and ~~large~~ **capabilities. Building on the foundation established in 2022, our ESG framework remains instrumental in guiding our actions and driving our ESG progress. We use our framework to establish our goals, targets and performance metrics. As we continue to develop our ESG program and integrate IAA into our operations and business processes, we intend to continue to adjust and enhance our** ~~strategic~~ **strategy** ~~accounts also updated our~~ **,goals and aspirations as needed.Below is an overview of RB Global' s commitment to** ESG ~~governance structure and identified individuals to advance and integrate our ESG objectives~~ . ~~EnvironmentalThe~~ **Please see our website for our latest sustainability reports and further details on our initiatives and accomplishments.The** Company is regulated by federal,state and international environmental laws governing the protection of the environment,health and safety,the use,transport and disposal of hazardous substances and control of emissions including greenhouse gases into the environment.Compliance with these existing laws has not had a material impact on our capital expenditures,earnings or global competitive position.However,climate change initiatives and changing laws and regulations governing the environment may affect the supply of,the demand for,and the market values of equipment in the future. **RB Global,Inc.8** We support the transition to a low- carbon world through enabling a circular economy of vehicles and equipment and through our efforts to manage our greenhouse gas emissions.We engage our customers to optimize the use and efficiency of equipment,to re-use,refurbish and recycle before disposition,as extending the life of heavy equipment **and vehicles** is core to our business model.In turn,we believe this reduces waste and lessens the need to extract natural resources to produce equipment. **In** ~~Our largest sources of emissions are direct combustion of diesel fuel and natural gas,as well as our electricity consumption.During 2022~~ **2023** ,we ~~invested~~ **took the opportunity to comprehensively evaluate our environmental impact,considering the impacts from the acquisition of IAA.This year has been a transition year for us** in **respect to** ~~developing our baseline inventory of~~ our Scope 1 ~~and~~ **,** 2 ~~greenhouse gas emissions~~ and ~~have~~ **3 inventory.To support our reporting and further meaningful action,we developed** a ~~target~~ **baseline carbon inventory** of ~~completing~~ **Scopes 1 and 2 in 2022 and completed** our Scope 3 inventory in 2023 ~~to allow~~ **using recognized standards such as the Greenhouse Gas (" GHG") protocol.This enabled** us to ~~set~~ **gain a more complete understanding of our global carbon footprint and identify areas where we can make improvements.With this valuable data,we are well- equipped to establish achievable** reduction targets ~~in 2024 and in the future.In addition~~ , ~~we improved the efficiency~~ **track our progress,** and ~~effectiveness~~ **effectively manage and mitigate** ~~of our operations to lessen~~ our environmental **impact** ~~footprint in delivering our services.We provide virtual ramping which allows large machines to be sold by video screen and eliminates emissions from transportation of equipment across the ramp.We also improved yard lanes and optimized the equipment delivery and loadout schedules to minimize equipment movement and idling~~ .We continue our commitment to environmental management by ensuring availability of treatment systems to manage wastewater,a recycling system to promote waste management and air filtration systems when necessary ~~.We also promote environmentally conscious facilities including electrification at our sites and corporate offices.Ritchie Bros.14SocialPlease refer to the " Our People " section for a summary of our human capital programs~~ . We also ~~compete with private sales – often securing new business from equipment owners who had previously tried selling~~ **promote environmentally conscious facilities including vehicle electrification and electric vehicle charging stations at our sites and corporate offices. Human CapitalWith** ~~their~~ -- **the completion of** ~~equipment privately. Given the fragmentation in the auction market as well as upstream opportunities in private sales and retail, there~~ -- **the acquisition of IAA** ~~is significant opportunity for growth. Ritchie Bros. 9Competitive Advantages Our key strengths provide distinct competitive advantages and have enabled us to achieve significant and profitable growth over the long term. Global PlatformWe pride ourselves~~ on **March 20** ~~our ability to connect buyers and sellers through our digital channels~~ , **2023** ~~as well as a global network of over 40 auction sites in 13 countries, including the U. S., Canada, Australia, the United Arab Emirates, and the Netherlands. Our online bidding technology and Ritchie Bros. website are currently available in 10 and 22 languages, respectively. Our global presence allows us to generate deep pools of liquidity for transactions enabling global market pricing for our equipment sellers, helping to deliver strong and efficient price realization for assets. Customer RelationshipsRelationships are the core of Ritchie Bros. – delighting customers and treating them like friends while meeting their business needs. By offering an unprecedented choice of solutions that best suit our customers' needs, making their lives easier in the process~~ , we **now** ~~develop relationships that can last across generations. We take a long- term approach with our customers and as such we position our sales force to act as trusted advisors to our customers. Breadth of~~

~~Solutions Our platform provides us with the ability to meet all the buyers' and sellers' unique needs in a one- stop- shop manner. By delivering choice through our disposition channels, we can work with customers as a trusted advisor to provide them each with a tailored suite of equipment disposition solutions and asset management capabilities to best meet their needs. In addition to transaction solutions, Ritchie Bros. offers a variety of value- added services to our customers including financial services, market data, valuation insights, inspections, appraisals, commercial transportations, refurbishment and digital parts procurement. Delivering Insights and Services Through Data & AnalyticsA core part of the Ritchie Bros.' strategy is delivering insights and services through rich data and analytics. Based on the world' s largest used equipment transaction dataset, we provide data products that allow customers to analyze market dynamics and value assets. Additionally, Rouse Services is the leading provider of rental metrics benchmarks and equipment valuations to lenders, rental companies, contractors and dealers. Rouse' s business model is built upon an extensive data ecosystem, proprietary analytics and Data Science techniques, and trusted customer relationships rooted in service and confidentiality. We continue to invest in data science to deliver asset value predictions, generate user leads, prioritize marketing investments, interpret price trends and more. Proprietary algorithmic asset pricing is used internally to set target values and optimize marketplace operations and externally to provide users of Ritchie Bros. Asset Solutions with instant asset values on inventory. The monthly Ritchie Bros. Used Equipment Market Trends Summary report features our proprietary use of Machine Learning to provide Mix- Adjusted Price Indexes for core asset groups around the globe. Correlated with other leading economic indicators, these price indexes have been quickly adopted by customers, analysts, and manufacturers as a key insight into pricing trends. Machine Learning also supports important strategic and operational decisions such as site expansion, testing marketplace performance, and experimentation with improved formats. Ritchie Bros. 10Our People Human CapitalAt December 31, 2022, we employed~~ -- **employ** approximately ~~2~~ **7** , ~~800~~ **900** full- time employees (up **182** ~~3. 7~~ % from **approximately 2, 800 in** ~~2021~~ **2022**) and 1, ~~400~~ **700** part- time employees (**up 21** ~~down 12. 5~~ % **from 1, 400 in 2022**) worldwide, representing approximately ~~67~~ **82** % and ~~33~~ **18** %, respectively, of our global workforce **at December 31, 2023** . We also periodically hire contractors as needed to support our auctions, various businesses, and other projects. Of our total full- time employees, ~~966~~ **4, 484** people work ~~locally in the field~~ **onsite at our auction sites** to support our global ~~auction~~ operations **and solution services** (~~2021~~ **2022** : ~~950~~ **966**) and ~~421 people~~ **504 employees** are focused on sales and solutions for our customers (~~2021~~ **2022** : ~~394~~ **421**). Development and ~~EngagementWe~~ -- **Engagement We** believe that our people are our greatest asset and that engaged employees are paramount to the health and success of our business. We invest in a variety of training, development and engagement practices to deliver on our growth agenda and create more leaders. In ~~2022~~ **2023** , ~~we~~ **RB Global** invested $ 1. ~~4~~ **7** million in employee development (~~2021~~ **2022** : $ ~~1~~ **2** . ~~7 million) and $~~ 0 ~~. 6 million in development for sales employees (2021: $ 1. 3~~ million). All full- time employees are encouraged to have development plans that focus on functional and career growth. We **have curated tools and resources and developed training programs to provide our leaders and employees with the skills to grow successfully. We** provide all **of** our employees access to **virtual** instructor- led courses ~~,~~ as well as **access to** a library of over 3, 000 online courses ~~, videos, books,~~ and resources ~~for ongoing personal, functional, and professional growth. In addition, our Tuition Reimbursement program provides tuition assistance to eligible employees for professional development courses outside of the organization. We have curated tools and resources and developed training programs to provide our leaders and employees with the skills to successfully work remotely and manage the challenges in these uncertain times. We check in with our employees through pulse surveys and communicate through distribution of a weekly newsletter named # RitchieStrong~~ . Our newsletter, which ~~comes~~ **goes** directly ~~from our CEO~~ to all of our employees, promotes our successes, **shares our news stories,** highlights our people and encourages **internal career opportunities** ~~social distancing and safety practices~~ . Each newsletter ends with a reminder that employees can raise comments and ask questions directly to our ~~CEO~~ **leaders** via email. **RB Global, Inc. 9** During ~~2022~~ **2023** , we achieved the following objectives to strengthen the development and engagement of our people: **•** ~~1. Continued roll out of PRINT ®, a human motivation model, to our people- leaders and their teams to gain insights on what drives them so that they can operate at their highest level; 2. Rolled out the Diversity, Equity & Inclusion training, delivered by Eagle' s Flight Creative Training Excellence Inc., to our leaders to understand personal biases and create an inclusive environment. To date, 62 % of our senior- leaders and 41 % of our people- leaders have completed the training. Our facilitators became certified to deliver the training to our employees in the third quarter of 2022 and accordingly, 11 % of our employees have completed the training.~~ We ~~will~~ continue to **hold** ~~deliver the training throughout 2023; 3. Continued~~ quarterly performance conversations to drive performance and **ongoing** engagement **,** with a simplified year- end review process without performance ratings to allow for more meaningful conversations about accomplishments, values and opportunities **. • We began to offer a six week Transition to Leadership Program to newly promoted and first- time managers, so they can gain the practical know- how and confidence needed to inspire, delegate, and communicate effectively in their new role. • We piloted a new Mentorship Program to help provide mentorship support to employees and encourage employees to learn from connections and meaningful relationships with experienced leaders. • We integrated certain training programs as a result of our acquisition of IAA: ◦ a multi- course Customer Experience Program, culminated this year in a 3- tiered accreditation with each tier building on the last in skill level proficiency, and training application positively impacting Net Promoter Scores (NPS), and** ; **◦ a researched- based Future of Work training program to build a customer centric focus across the organization focused on building role specific skills, tailored to key frontline positions,** ~~and4~~ - **and developing skills that stand up to our evolving business needs** . ~~Launched a new~~ **• We continued to execute our strategy of the** sales coverage model **, where the sales teams are focused on existing, new, and long- tail customers. Cohort- based multi- week boot camps were held, designed to accelerate the onboarding and development of new regional sales representatives. In addition, we continued to offer our Diversity, Equity, Inclusion & Belonging virtual training program** for ~~North America~~ **our employees to help understand personal biases and help create** ~~and~~ - **an inclusive environment** ~~a long tail sales team~~ . **We** ~~As a result, we conducted six new hire bootcamp workshops. Ritchie Bros. 11We~~ continue to look for ways to create on the- job learning opportunities so that our employees feel invested and engaged. Employees are involved in strategic initiatives and finding ways to better serve our customers and each other. Health & Safety **Safety is a top priority at RB Global and core to who we are.** Our objective is to keep our people healthy and safe – to send everyone home, every day, the way they came to work **. Our global Environmental, Health, Safety and Security (" EHSS") team is focused on creating a unified approach to policies, procedures and best practices with the goal of keeping our teammates and customers safe. The EHSS team is responsible for introducing operational updates to support our commitment to maintaining the highest level of environmental, health and safety standards** . All new employees are required to complete a safety onboarding training that captures our health and safety programs, our policy statement and provides an overview of our global Employee Health and Safety (" EHS ") policies and expectations. Our ~~2022~~ **2023** completion rate for the safety onboarding program was 93. ~~4~~ **2** % (~~2021~~ **2022** : ~~98~~ **93. 4** %). We also have a risk management process to support our safety orientation programs and our health and safety commitment **,** which ensures that our employees are exposed to the lowest possible level of risk. Our risk management process begins with an annual review of all incidents from the prior year to identify trends ~~to see if~~ **and assess whether** we need to address findings through changes in our policies and procedures. ~~Daily~~ **In 2023** , **the** ~~our employees conduct either a field level hazard assessment or complete a~~ risk identification **process at our Ritchie Bros. auction sites involved conducting weekly field hazard assessments or completing risk identification** ~~card~~ **cards** to identify risks relating to the performance of their roles. These **assessments** ~~risk identification cards~~ are monitored by our yard managers and / or our regional operations managers and corrective ~~actions~~ - **action** ~~are~~ **is** taken to **help** ensure that the risk is reduced or eliminated. During ~~2022~~ **2023** we had over ~~17~~ **19** , 000 (~~2021~~ **2022** : ~~14~~ **17** , 000) risk identification cards completed by our ~~staff~~ **employees** . ~~We~~ **This process has helped us lower incident rates and reinforce incident prevention practices. Beginning in 2024, all RB Global auction sites, including IAA' s sites, will be required to complete monthly field hazard assessments, to identify risks and take the necessary corrective actions. In addition, we** also ~~conduct~~ **require all of our global employees in operations to complete a mandatory** annual ~~online~~ safety training **curriculum** ~~with employees who perform certain operational tasks. In 2022, our completion rate for this training was 91 % (2021: 98. 5 %). In 2022 we switched platforms on which the training was provided, and as a result the online safety training was only available from January to June contributing to the lower completion rate. Additionally, in 2022, managers at our sites were also required to complete a series of online courses as part of their professional development. In 2022, we had a completion rate of over 94 % (2021: 94. 5 %)~~ . We ~~also~~ measure our Total Recordable Injury Rate (" TRIR ") **,** which ~~measures~~ **is** the number of reportable incidences per 100 full- time workers during the year. Our annual TRIR goal is to meet or do better by being below the industrial average. TRIR for ~~2022~~ **2023 , inclusive of IAA' s TRIR post acquisition and excluding the impact of COVID- 19 reportable incidences,** was 1. ~~14~~ **05** (~~2021~~ **2022** : 1. ~~38~~ **14**), which was below the industrial average. Every region within our organization also has a Safety Steering team that provides feedback on our safety journey and assists in identifying issues or concerns that may arise. Our success in health and safety relies on everyone taking an active role in the development and implementation of our programs, participating in training and providing feedback on our progress in our safety journey. ~~Diversity & Inclusion~~ **Our success is not based on any one individual. It is rooted in the hard work and dedication of our 7, 900 team members around the world. RB Global, Inc. 10 At RB Global: •** We aspire to have a culture that fosters respect, inclusion **,** and opportunity for growth for all ~~, where everyone feels like they belong~~ . **• We value** ~~Specifically, we want~~ our ~~teams~~ - **team members** ~~to understand the strength of diversity, the power that comes from an~~ **and honor diverse perspectives based** ~~inclusive environment and the effect it can have~~ on **individual experiences** ~~our teams, customers and stakeholders~~ . ~~Outlined below are~~ **• We foster a sense of belonging through our Employee Resource Network by building awareness, creating community, and supporting each** ~~the~~ **other** ~~initiatives that demonstrate our dedication to diversity, equity and inclusion (" DE & I ")~~ . Gender Diversity and Equality ~~We continue to be committed to gender diversity.~~ Representation of women at our most senior executive leadership level is at **10 % (2022:** 33 % **), with 1 out of 10 members of our Executive Leadership Team being women. Representation of women at the Board of Directors level is at 18 %** (~~2021~~ **2022** : ~~40~~ **44** %) **,** ~~. We also continue to maintain strong representation of women at the Board of Directors level~~ with **2** ~~four (~~ out of **11** ~~nine)~~ Board members being women ~~, representing~~ **. Approximately** 44 ~~% (2021: 50 %) of the Board. Approximately 36~~ % of our full- time employees are women and ~~64~~ **56** % are men **(** ~~, consistent with 2021. Ritchie Bros. 12In~~ 2022 **: 36 % women** and ~~beyond, we~~ **64 % men). Gender Representation We** will continue to measure and analyze **our** recruitment efforts and strive to increase the number of candidates and hires from underrepresented groups. We plan to improve our partnership with diversity- focused organizations and increase the number of outreach campaigns to candidates from underrepresented groups. **In 2023, to further foster a sense of belonging at the organization and expand our efforts related to inclusion, we joined our previously discrete** Employee Resource Groups (~~"~~ **"** ERG ~~"~~ **"**) **together into the Employee Resource Network (" ERN"). All our employees are welcome to join any group in our ERN. We currently have over 350 members across all groups. While each group is unique, they share common objectives to support each other and our broader communities, to provide opportunities for networking and personal and professional development and to build awareness around key issues related to inclusion and belonging. In 2023, we added a number of groups to our network, including: • # rbCares is a group that aims to remove the stigma around mental health through education, awareness, and resources and provide a network of support. • The Cancer Peer Support Group supports those who are battling or have battled cancer, are supporting or have supported others through it, lost loved ones to it, or have been impacted by cancer in any other way. In 2023, the group made a donation to Project Kennedy, a non- profit organization that raises awareness and provides services to cancer patients, their families, and communities. RB Global, Inc. 11 Each of our groups and their key accomplishments in 2023 are outlined below.** Women' s LINK, our first ~~ERG~~ **group** established in 2018, ~~which~~ focuses on gender diversity and equality ~~, had 34 new members join in 2022~~ and ~~maintains a membership of around 200 colleagues~~ **striving to provide empowerment and support for all through community and global sponsorships and creating connections and professional development opportunities** . ~~Our second ERG,~~ **Elevating Black Voices (previously** the Black Lives Matter

Committee ~~(" BLM ")~~) ~~Committee, which was established in 2020 and has approximately 80 members, encourages courageous conversations and~~ brings awareness to ~~issues affecting~~ **the accomplishments and ongoing challenges of** the Black community. In ~~late 2021~~ **2023** , ~~a book club was formed to further foster connections and dialogue among its members. In 2022,~~ the **group** ~~BLM Committee~~ made ~~a~~ **several** ~~donation~~ **donations** ~~to Title I schools in Atlanta~~ to help students **across** ~~, including students from low- income families, expanded~~ the ~~number of profiles on~~ **United States, launched a scholarship program, sponsored a** Black History Month **event in Georgia** ~~and promoted several roundtable discussions. In 2021~~ , ~~we further delivered on our commitment~~ **United States celebrating the culture and contributions of the Black community, and brought awareness** to **Black History Month** ~~create a framework to support our employees' diverse needs~~ by **spotlighting** ~~establishing two new ERGs – Pride and SERVE. In 2022, the core teams for each group worked to support and bring awareness about issues facing the communities of focus for their~~ -- **the** ~~groups as outlined below~~ **achievements of notable Black figures throughout the month of February** . **PRIDE fosters** ~~The Pride ERG, which focuses on creating~~ a welcoming and inclusive workplace for ~~Two Spirit,~~ lesbian, gay, bisexual, transgender, queer or questioning ~~, and nonbinary~~ (~~2SLGBTQ~~ -- **LGBTQ**) employees **. In** ~~, had a positive impact in 2022~~ **2023** ~~by donating funds to GATE~~ , **PRIDE donated to numerous causes in support of the LGBTQ** ~~an international advocacy organization working towards justice and equality for transgender, gender diverse and intersex communities~~ **community** , **including** ~~in honor of International Transgender Day of Visibility. The Company also made a donation to the~~ Human Rights Watch ~~LGBT program~~ , **Global Action for Trans Equality (GATE)** ~~which documents and exposes abuses based on sexual orientation and gender identity worldwide~~ , **and the Trevor Project** ~~in honor of International Day Against Homophobia, Transphobia & Biphobia~~ . The ~~ERG also participated in~~ **group continued to build awareness** and ~~celebrated~~ - **celebrate** Pride ~~month~~ **Month , and created RB Global digital PRIDE badges for employees to include in their email signatures and t- shirts to over 350 team members to show their support** . ~~The~~ SERVE ~~ERG~~ embraces our proud community of military service members and ~~Veteran~~ **veterans** ~~colleagues~~ **, including those who have family or others close to them who have served or are serving,** by building awareness and providing ~~resources~~ **support** to past or present military service members and their families. ~~We became the main sponsor for the Lincoln Marathon in 2022 a celebration of the Lincoln, Nebraska community, which included sponsorship of a veteran and three members of the National Guard running the marathon. SERVE ERG also honored Memorial Day, Remembrance Day and Veteran Day by sharing service stories of Ritchie Bros. colleagues and family members who have served or are serving in the military throughout the month of November. We are committed to investing the time and resources needed to ensure we continue to live up to our diversity, equality and inclusion vision of having a culture that fosters respect, inclusion and opportunity of growth for all, where everyone feels like they belong. Ritchie Bros. 13Community~~ -- **Community** ~~GivingThe~~ --- **Giving** ~~Company~~ **RB Global** has been rooted in community since our founding over 60 years ago and we are committed to use our global scale and success to give back to our local communities. Our objective is to continue to engage in efforts to maintain community giving as our employees are passionate about having a meaningful impact in their communities. ~~In~~ **During** ~~2021~~ **2023** , we ~~developed a community giving framework centered around~~ **were focused on addressing homelessness through continued sponsorship and fundraising,** supporting **inclusive** ~~local economies and people in the~~ communities **through financial support** ~~in which we operate. In 2022~~ , ~~we delivered~~ **and providing our employees with training by partnering with SkillsUSA, a student- led collaboration between education and industry to help shape a skilled workforce of graduate. We also focused** on ~~this framework~~ **disaster relief** by **providing unmatched level of response service** ~~launching the # RitchieGives Community Impact platform in Canada and the United States~~ to ~~allow employees~~ **our customers in the automotive sector after a natural catastrophe. Flexible Workplace RB Global continues with flexible work arrangements based on the needs of our customers and business; on- site, remote and hybrid. We also continue** to **provide** ~~sign up for volunteer~~ opportunities ~~and complete charitable donations with the Company matching donations. In Canada, in 2021, we established the Ritchie Bros. Community Impact fund~~ to **build engagement** ~~support causes across Canada~~ and **foster** ~~in 2022, in the United States, we granted funds to Local Initiatives Support Corporation' s (LISC) Bridges Careers Opportunities program, which connects~~ **connections on** ~~unemployed and underemployed people to career and training pathways in heavy machinery related fields in the Los Angeles area, a region of expected growth. Flexible WorkplaceCOVID~~ - **site** ~~19 has changed the way we work~~ and **within** ~~, to maintain~~ the ~~health and well- being of all employees, employees who are able to work remotely continued to do so throughout 2022. Flexibility has become the future of work at Ritchie Bros. as we work to support employees' safety, health and well- being while continuing to meet business needs in a~~ hybrid world **through numerous gatherings and social events across all offices following the acquisition of IAA** . Ethical ~~ConductOur~~ --- **Conduct** ~~success~~ **RB Global is committed to a culture of excellence. We accomplish this through building a community with strong values of responsibility and integrity, continued investment in training and development, and by creating** ~~and~~ - **an** ~~reputation~~ **open environment where honest communications** are ~~founded upon~~ **the expectation – not the exception. Our Code of Conduct contains guidelines for conducting business with the highest standards of ethical behavior. We want employees to feel comfortable in approaching their supervisor** ~~our~~ - **or** ~~commitment to honesty, integrity, and doing~~ **manager in instances where they believe in good faith** ~~what~~ **that violations of policies or standards have occurred. We also offer the RB Global Ethics Hotline, which** is **operated** ~~right — each element highlighted under our value of Integrity. Our objective is to monitor and facilitate reporting of unethical conduct. We do this~~ by ~~maintaining a confidential and~~ - **an** ~~anonymous~~ independent third ~~–~~party ~~telephone line~~ and ~~web access hotline for anyone to submit~~ **is always available from any location around the world, as a resource through, which anonymous** concerns **can be raised** ~~regarding potential code violations or other ethics- related matters without fear of repercussions. All reported matters are investigated fully and reported to the Audit Committee of our Board of Directors. Environmental, Social & GovernanceWe have advanced our commitment to Environmental, Social and Governance (" ESG ") matters in 2022 and developed a ESG framework to help guide and communicate our high- level goals, targets and performance metrics~~ . We also updated our ESG governance structure and...... our commitment to community giving. GovernanceWe believe in doing the right thing for everyone involved in our business and seek to do business with third parties who follow the same core values. This is reflected in our Code of Business Conduct and Ethics **,** which is delivered through annual training to our employees ~~,~~ and supported by our third- party Ethics Hotline. With the exception of our CEO, our Board of Directors consists of elected independent **members** ~~individuals and are selected in accordance with our Director Selection Guidelines to promote diversity~~ . Oversight of our ESG enterprise strategy is provided by the Nominating and Corporate Governance Committee, while our ESG Steering Committee provides strategic direction and oversight of ESG across key business functions. We ~~have also established an ESG Working Group for the implementation of ESG initiatives across the organization. We~~ will continue to integrate ESG across our teams and are working to dedicate additional roles to ESG to provide support and momentum behind our ESG programs. **RB Global, Inc. 12** The Role of Technology ~~Implementing~~ **Building** a modern architecture on which we can scale and grow profitably is a core **element of our growth** ~~strategic~~ **strategy** ~~pillar for Ritchie Bros~~ . The role of technology in our business continues to evolve and ~~become~~ **becomes increasingly** more ~~dependent~~ **important** as **our sellers and** buyers adopt mobile and online channels to **complete their** ~~transact~~ **transactions and fulfill** their business **needs** ~~with us while sellers further utilize our inventory management system~~ . We continue to invest in technology to ~~further~~ transition to a modern cloud- based architecture driven by microservices that allows for agility, flexibility and scalability of our solutions. We remain focused on technology enablement to transform the way we compete, the way we work and the way we leverage technology to drive future **profitable** growth **. We are in the development phase of providing our customers a modern unified payment system to process transaction solutions, as well as unite our various auction platforms to provide greater stability and simplify our processes. Our new platform is designed to provide an updated modern design, improved search functions and navigation capabilities to make it easier for our customers to bid at our auctions and process their transactions** . Our technology capabilities ~~are~~ **also** ~~delivering~~ --- **deliver** choices for our customers in the form of multiple channels for buyers and sellers, meeting customer' s asset management needs through information- rich software solutions and leveraging our rich data repository to drive strong sales and improved pricing decisions. We ~~are also providing~~ **provide** our customers with leading tools and capabilities to deliver full life- cycle asset management for used equipment ~~. Data Privacy~~ and ~~Security As the role~~ **vehicles. Revenue Mix Fluctuations Our revenue is comprised** of ~~technology~~ **service revenue** and **inventory sales revenue. Service revenue includes: (1) commissions where a pre- negotiated commission or fixed fee is earned from our consignors or sellers, (2) buyer fees earned at our auctions, online marketplaces, and private brokerage services, and (3) marketplace services fees earned from various services provided to buyers and sellers, which include ancillary, parts procurement,** data ~~in our business expands~~ , **towing** ~~so too does the importance of cybersecurity. We take protecting our customers~~ , ~~employees~~ **logistics** , **inspection, appraisal, online listing, financing** ~~brand~~ -- **and title** ~~, systems~~ and **liens processing services** ~~data very seriously. We actively monitor and manage security risks and look to mitigate them through enterprise- wide programs, employee training and vulnerability assessments. We have made – and continue to make – investments in dedicated information security resources, leadership and technology. We continue to strengthen and enhance our programs and controls around people, processes and technology and apply risk- based strategies to enhance detection, protection and response efforts. Our commitment to data security and privacy is demonstrated in our overall approach to governance. We are incorporating security and privacy by design and increasing awareness around the Company with support from management and our Board by taking certain actions, including the following: ● We have formed a Data Privacy Committee. The oversight of the committee is to develop and approve our general strategy and policies on data privacy and data protection, assess the data privacy risks associated with our business activities, and provide direction to, and support the initiatives of, our Data Privacy Office. ● Our Information Security and Policy committee meets on a monthly basis and advises on technology and legal and internal audit issues relating to security and risk reduction. This committee is responsible for reviewing and setting security policies, assessing risk and impacts of security incidents, and providing guidance and direction for security programs and strategy. The committee will be advised regarding information security assessment activities and will provide advice regarding education and communication that may be needed to support the information security policies and other compliance policy. ● All eligible employees complete mandatory privacy and information- security training courses, which are refreshed annually. Through continual awareness- building, such as our Cybersecurity Awareness Month every October, we work to promote a culture that understands the critical importance of data security and privacy, areas of vulnerability and how to remain vigilant when handling data. Ritchie Bros. 15 ● We invested in enterprise leading cybersecurity tools and solutions to improve our detection, protection and response capabilities~~ , as well as ~~grew our internal dedicated cybersecurity team. Seasonality Our GTV and associated A & M segment revenues are affected by the seasonal nature of our business. GTV and A & M segment revenues tend to increase during the second and fourth calendar quarters, during which time we generally conduct more business than in the first and third calendar quarters. Given the operating leverage inherent in our business model, the second and fourth quarter also tend to produce higher operating margins, given the higher volume and revenue generated in those quarters. Revenue Mix FluctuationsOur revenue is comprised of service revenue and inventory sales revenue. Service revenue from A & M segment activities includes commissions earned at our auctions, online marketplaces, and private brokerage services, and various~~ auction- related ~~fees, including listing and buyer transaction fees. We also recognize fees from our Other Services~~ **services** ~~activities~~ **such** as **documentation and title search** ~~service~~ **services** ~~revenue~~ . Inventory sales revenue **relates to revenue earned through our inventory contracts and** is recognized ~~as part~~ **at the GTV** of ~~our A & M activities and~~ **the assets sold, with the** ~~relates~~ **related** ~~to revenues earned through our~~ **cost recognized in cost of** inventory ~~contracts~~ **sold** . **Our** ~~Inventory sales~~ revenue **each period** can fluctuate significantly ~~, as it changes~~ based on ~~whether our~~ **the mix of sales arrangements, which is driven by** ~~customers~~ **customer** ~~sell using a~~ **preferences. Completed** straight ~~or guarantee~~ commission ~~contract~~ , **fixed commission** ~~or an inventory contract. Straight~~ or guarantee commission contracts ~~will~~ result in the commission being recognized as service revenue **based on a percentage of** ~~, while inventory contracts will result in the~~ gross transaction value ~~of~~ **or based on a fixed value, while completed inventory contracts result in** the ~~equipment~~ **full GTV of the assets** sold being recorded as inventory sales revenue

~~with the related cost recognized in cost of inventory sold~~. As a result, a change in the revenue mix between service ~~revenues~~ - **revenue** and revenue from inventory sales can have a significant impact on **our** revenue growth percentages. Governmental Regulations and Environmental Laws Our operations are subject to a variety of federal, provincial, state and local laws, rules, and regulations throughout the world. **Compliance with these regulations and laws requires human level awareness, performance and expertise, and investments in our enterprise management systems to facilitate efficient workflow, data tracking and auditing capabilities to measure compliance.** We believe that we are compliant in all material respects with those laws, rules, and regulations that affect our business, and that such compliance does not impose a material impediment on our ability to conduct our business. We believe that, among other things, laws, rules, and regulations related to the following list of items affect our business: ~~●~~ **•** Imports and exports of ~~equipment~~ **commercial assets** . Particularly, there are restrictions in the U. S. and Europe that may affect the ability of equipment owners to transport certain equipment between specified jurisdictions. Also, engine emission standards in some jurisdictions limit the operation of certain trucks and equipment in those regions. ~~●~~ **•** Development or expansion of auction sites. Such activities depend upon the receipt of required licenses, permits, and other governmental authorizations. We are also subject to various local zoning requirements pertaining to the location of our auction sites, which vary among jurisdictions. ~~●~~ **•** The use, storage, discharge, and disposal of environmentally sensitive materials. Under such laws, an owner or lessee of, or other person involved in, real estate may be liable for the costs of removal or remediation of certain hazardous or toxic substances located on or in, or emanating from, such property, as well as related costs of investigation and property damage. These laws often impose liability without regard to whether the owner or lessee or other person knew of, or was responsible for, the presence of such hazardous or toxic substances. ~~●~~ **•** Worker health and safety, privacy of customer information, and the use, storage, discharge, and disposal of environmentally sensitive materials. **• The acquisition and sale of totaled and recovered theft vehicles are regulated by state or other local motor vehicle departments in each of the locations in which we operate. RB Global, Inc. 13 • Some of the transport vehicles used at our marketplaces are regulated by the U. S. Department of Transportation or similar regulatory agencies in the other countries in which we operate. • In many states and provinces, regulations require that a damaged and total loss vehicle be forever " branded " with a salvage notice in order to notify prospective purchasers of the vehicle' s previous salvage status. • Some state, provincial and local regulations limit who can purchase damaged and total loss vehicles, as well as determine whether a damaged and total loss vehicle can be sold as rebuildable or must be sold for parts or scrap only. • We are subject to various local zoning requirements with regard to the location of our auction and storage facilities, which requirements vary from location to location. • We are indirectly subject to the regulations of the Consumer Financial Protection Act of 2010 due to our vendor relationships with financial institutions. • We deal with significant amounts of cash in our operations at certain locations and are subject to various reporting and anti- money laundering regulations.** Available ~~InformationWe~~ -- **Information We** file with the SEC reports on Form 10- K, Form 10- Q, Form 8- K, proxy materials and other filings required under the Exchange Act. Investors may access any materials we file with the SEC through the EDGAR database on the SEC' s website at www. sec. gov. **In** ~~Ritchie Bros. 16In~~ addition, investors and others should note that we announce material financial information using our company website (~~www. ritchiebros~~ **https: / / rbglobal** . com) and investor relations website (https: / / investor. ~~ritchiebros~~ **rbglobal** . com), which host our SEC filings, press releases, public conference calls, and webcasts. Information about ~~Ritchie Bros~~ **RB Global, Inc** ., its business, and its results of operations may also be announced by posts on **LinkedIn (** ~~the following social media channels: ● Facebook:~~ https: / / www. ~~facebook. com / RitchieBros ● LinkedIn: https: / / www.~~ linkedin. com / company / ~~ritchie~~ **rb** - **global- inc)** ~~bros / ● Twitter: https: / / twitter~~ . ~~com / RitchieBros ● YouTube: https: / / www. youtube. com / ritchiebros~~ The information that we post on **our LinkedIn page** ~~these social media channels~~ could be deemed to be material information. As a result, we encourage investors, the media, and others interested in ~~Ritchie Bros~~ **RB Global, Inc** . to review the information that we post on **our LinkedIn page** ~~these social media channels. These channels may be updated from time to time on Ritchie Bros.' s investor relations website~~ . We are providing these website addresses solely for the information of investors, and the information on or accessible through our websites and social media ~~channels~~ - **channel** is not incorporated by reference in this Annual Report on Form 10- K. Also available for investors in the Governance section of our investor relations website are the Code of Business Conduct and Ethics for our directors, officers and employees (" Code of Conduct "), Board Mandate, Audit Committee Charter, Nominating and Corporate Governance Committee Charter, Compensation Committee Charter, Corporate Governance Guidelines, Diversity Policy, Shareholder Engagement Policy, Articles and Bylaws, ~~Majority Voting Policy~~ and Board Chair Role and Description. Additional information related to ~~Ritchie Bros~~ **RB Global, Inc** . is also available on SEDAR at www. sedar. com. As a Canada Business Corporations Act (" CBCA ") company with our principal place of business in Canada, U. S. civil liabilities may not be enforceable against us. Please see " **Part I,** Item 1A. Risk Factors — U. S. civil liabilities may not be enforceable against us, our directors, or our officers ~~, " which is incorporated into this Item 1 by this reference~~ . ~~Ritchie Bros. 17ITEM~~ -- **ITEM** 1A: RISK FACTORS An investment in our common stock involves a high degree of risk. In addition to the other information included in this Annual Report on Form 10- K, you should carefully consider each of the risks described below before purchasing our common shares. The risk factors set forth below are not the only risks that may affect our business. Our business could also be affected by additional risks not currently known to us or that we currently deem to be immaterial. If any of the following risks actually occur, our business, financial condition and results of operations could materially suffer. As a result, the trading price of our common shares could decline, and you may lose all or part of your investment. Information in this section may be considered " forward- looking statements. " See " Cautionary Note Regarding Forward- Looking Statements " for a discussion of certain qualifications regarding such statements. **The success** ~~Risks Related to the Proposed Acquisition of IAAThe pendency~~ of our acquisition of IAA **will depend** ~~or our failure to complete such acquisition could have a material adverse effect~~ on ~~our business, results of operations, financial condition and stock price. On November 7, 2022, we entered into an Agreement and Plan of Merger and Reorganization with IAA (the " Merger Agreement "), amended on January 22, 2023,~~

~~providing for our acquisition of IAA. Consummation of the acquisition is subject to the satisfaction of various conditions, including~~ , among other things, ~~(1) the approval of the issuance of~~ our ~~common shares by~~ **ability to realize** the ~~affirmative vote of a majority of~~ **anticipated benefits and operational scale efficiencies from combining** the **business** ~~votes cast by holders of our outstanding common shares, (2) the adoption of the Merger Agreement by holders of a majority of the outstanding shares~~ of IAA **with** ~~’ s common stock, and (3) other~~ -- **the Ritchie Bros** ~~customary closing conditions~~ . ~~The acquisition may be delayed, and may ultimately~~ **business. This success will depend largely on our ability to successfully integrate the business of IAA. If we are** not **able** ~~be completed, due~~ to **successfully integrate** ~~a number of factors, including the failure to satisfy these conditions to the completion of the acquisition, or the possibility that a material adverse effect on our business or~~ IAA’ s business ~~would permit IAA or us, respectively, not to close the acquisition. There is no assurance that all of the various conditions will be satisfied or waived, or that the acquisition will be completed on the proposed terms,~~ within the ~~expected timeframe~~ **anticipated time frame** , or at all ~~. Also~~ , ~~potential litigation filed against us~~ **the anticipated operational scale efficiencies and other benefits of the acquisition may not be realized fully,** or **at all, or may take longer to realize than expected. An inability to realize the full extent of the anticipated benefits of the RB Global, Inc. 14 acquisition of** IAA **, as well as any delays encountered in the integration process,** could ~~prevent or delay the completion of the acquisition or result in the payment of damages following completion of the acquisition. In the event that the proposed acquisition is not consummated or is materially delayed for any reason, we will~~ have ~~spent considerable time and~~ - **an** ~~resources~~ **adverse effect upon our revenue** , **level** ~~and incurred substantial costs related to the acquisition, many~~ of **expenses and operating results,** which **may adversely affect** ~~must be paid even if~~ the **value** ~~acquisition is not completed. If the acquisition is not completed, our business and shareholders would be exposed to additional risks, including, but not limited to the following: (a) to the extent that the market price~~ of our common shares ~~reflects~~ **. Until the completion of the acquisition, Ritchie Bros. and IAA operated independently, and there can be no assurances that the two businesses can be integrated successfully. It is possible that the integration process could result in the loss of key employees. If key employees terminate their employment, or if** an **insufficient number** ~~assumption that the acquisition will be completed, the price~~ of **employees are retained to maintain effective operations** ~~our common shares could decrease if the acquisition is not completed; (b) investor confidence could decline~~ , **our** ~~litigation could be brought against us, relationships with existing and prospective sellers, customers, service providers, investors and other~~ business ~~partners~~ **activities** may be adversely ~~impacted, we~~ **affected and management’ s attention** may be ~~unable~~ **diverted from integrating the companies** to ~~retain~~ **hiring suitable replacements. Moreover, the integration process could result in the loss of customers or other** key **business relationships, the disruption of our ongoing business, inconsistencies in standards, controls, procedures and policies, unexpected integration issues, higher than expected integration costs and an overall post- completion integration process that takes longer than originally anticipated, any of which may cause our business to suffer. The challenges involved in this integration, which will be complex and time- consuming, include the following: ● Combining the companies’ businesses, operations and corporate functions; ● Meeting our capital requirements in a manner that permits us to achieve any revenue opportunities or operational scale efficiencies anticipated to result from the acquisition, the failure of which would result in the anticipated benefits of the acquisition not being realized in the time frame currently anticipated or at all; ● Integrating and retaining** personnel ~~,~~ **; ● Integrating the companies’ technologies; ● Integrating** and ~~profitability~~ **unifying the companies’ intellectual property; ● Integrating operating licenses across our network of physical properties; ● Identifying and eliminating redundant and underperforming functions and assets; ● Harmonizing our operating practices, employee development and compensation programs, internal controls and other policies, procedures and processes; ● Maintaining existing agreements with customers, business partners, suppliers, landlords and vendors, avoiding delays in entering into new agreements with prospective customers, business partners, suppliers, landlords and vendors, and leveraging relationships with such third parties for our benefit; ● Addressing possible differences in business backgrounds, corporate cultures and management philosophies; ● Consolidating our administrative and information technology infrastructure; ● Coordinating sales strategies and go- to- market efforts; and ● Coordinating geographically dispersed organizations. In addition, at times, the attention of certain members of management and other key employees** may be ~~adversely impacted due~~ **focused on the integration of the businesses of the** ~~to~~ **two companies** ~~costs incurred in connection with the pending acquisition;~~ and **diverted from day-** ~~(c) the requirement that we pay a termination fee of $ 189 million if the Merger Agreement is terminated under certain circumstances. Also, during the period prior~~ to **- day** ~~the closing of the acquisition, our~~ business ~~will be exposed to certain inherent risks due to the potential impact of the announcement or pendency of the acquisition on our business, financial condition and operating results, including, but not limited to the following: (a) the possibility of disruption to our business and~~ operations ~~, including diversion of management attention and resources; (b) the inability to attract and retain key personnel, and the possibility that our~~ - **or** ~~current employees could be distracted and their~~ - **other** ~~productivity decline, due to uncertainty regarding the pending acquisition; (c) the inability to pursue alternative business~~ opportunities ~~or make material changes to our business pending the completion of the acquisition; (d) the amount of the costs, fees, expenses and charges related to the acquisition; and (e) other developments beyond our control, including, but not limited to, changes in domestic or global economic conditions, capital markets and interest rates~~ that may ~~affect the timing~~ **have been beneficial to us, which may disrupt** ~~or~~ **our ongoing** ~~success of the proposed acquisition. While the Merger Agreement is in effect, we are subject to restrictions on our~~ business ~~activities. While the Merger Agreement is in effect, we are generally required to use reasonable efforts to conduct our business in the ordinary course in all material respects, and are restricted from taking certain actions set forth in the Merger Agreement without IAA’ s prior consent. These limitations include, among other things, certain restrictions on our ability to amend our organizational documents, acquire other businesses and assets that would reasonably be expected to delay or impair the consummation of the acquisition, dispose of certain assets, reclassify or issue certain securities, and pay dividends (other than our regular quarterly dividend). These restrictions Ritchie~~

~~Bros. 18could prevent us from pursuing strategic business opportunities and taking actions with respect to our business that we may consider advantageous and may, as a result, materially and adversely affect our business, results of operations and financial condition. We may experience difficulties in integrating our operations with those of IAA and realizing the expected benefits of the acquisition~~ . The success of **our** ~~the proposed~~ acquisition of IAA ~~, if completed,~~ will depend **,** in part **,** on our ability to realize the anticipated ~~business opportunities and~~ cost synergies from combining **the respective businesses of the two companies. Our ability to achieve such anticipated cost synergies in the time frame expected, or at all, is subject to various assumptions, which may or may not prove to be accurate. In addition, we will incur restructuring and integration costs in connection** with **the acquisition, and the amount of such costs may exceed our expectations. Consequently, we may not be able to realize the net benefits of these cost synergies within the time frame expected or at all. In addition, we may incur additional or unexpected costs in order to realize these benefits. Failure to achieve cost synergies could significantly reduce the expected benefits associated with the acquisition of** IAA ~~in~~ **. The acquisition of IAA also is expected to create revenue, growth, operational enhancement, expansion** ~~an~~ **and** ~~efficient~~ **other opportunities for us, including, among others, through cross- selling opportunities, accelerated marketplace innovation, cross- utilization of yards, strengthening IAA' s catastrophic event response** and ~~effective~~ **insurance carrier relationships, growing services attachment rates, and / or acceleration of IAA' s international expansion. The identification and scope of these opportunities is based on various assumptions, which may or may not prove to be accurate. These opportunities may not arise as expected, or we may not be able to realize the anticipated benefits from these opportunities, from the sources or in the amount,** manner **or time frame expected, or at all. In addition, we may incur additional or unexpected costs in order to pursue and / or realize these opportunities. Failure to realize these opportunities could significantly reduce the expected benefits associated with the acquisition of IAA. RB Global, Inc. 15 As a result of the acquisition of IAA, we may experience impacts on relationships with contractual counterparties (such as business partners, customers, vendors or other third party service providers) that may harm our business and results of operations. Certain counterparties may seek to terminate or modify contractual obligations following the acquisition whether or not contractual rights are triggered as a result of the acquisition. There can be no guarantee that our contractual counterparties will remain with or continue to have a relationship with Ritchie Bros. or IAA or do so on the same or similar contractual terms following the acquisition. If any contractual counterparties (such as business partners, vendors or other third party service providers) seek to terminate or modify contractual obligations or discontinue the relationship with us, our business and results of operations may be harmed** . We may **be exposed** ~~not realize these business opportunities and cost synergies~~ to **increased** ~~the extent expected or at all. Further, our management might have its attention diverted while trying to integrate operations and corporate and administrative infrastructures. The post- closing integration~~ - - **litigation from shareholders** ~~process could take longer than anticipated and could result in the loss of key employees~~ , ~~the disruption of each company' s ongoing businesses, tax costs or inefficiencies, or inconsistencies in standards, controls, information technology systems, procedures and policies, any of which could adversely affect our ability to maintain relationships with~~ customers, ~~employees or~~ **partners, suppliers, consumers and** other third parties **as a result** ~~, or our ability to achieve the anticipated benefits~~ of the ~~transaction,~~ **acquisition of IAA. Such litigation may have** ~~and~~ - **an adverse impact on** ~~could harm our financial performance. If we are unable to successfully or~~ **our** ~~timely integrate the~~ **business and results of** operations **and may cause disruptions to our operations. We incurred significant debt to complete the acquisition** of IAA **, including $ 1. 8 billion of borrowings under the Company** ' s **Term Loan A Facility** ~~business with our business, we may incur unanticipated liabilities~~ and ~~be unable to realize the revenue growth, synergies and other~~ -- **the issuance** ~~anticipated benefits resulting from the proposed transaction, and our business, results~~ of **$ 550** ~~operations and financial condition could be adversely affected~~ . **0 million aggregate principal** ~~We will incur a substantial~~ amount of ~~debt to complete~~ **6. 750 % Senior Secured Notes due 2028 (** the ~~acquisition~~ **" 2023 Secured Notes") and $ 800. 0 million aggregate principal amount** of **7. 750 % Senior Notes due 2031 (" the 2023 Unsecured Notes"). As of December 31, 2023, our Company and its subsidiaries, including** IAA, **had** ~~which could have a material adverse effect on our business, cash flows and financial condition. We will incur significant debt to complete the acquisition of IAA, including borrowing up to $ 2. 8 billion under a bridge loan facility, inclusive of $ 1. 8 billion of bridge commitments with term A loan commitments, or pursuant to other permanent financing that replaces such facility, which may include the issuance of debt securities and / or one or more senior term loan facilities. On an expected combined company basis, we expect that together with IAA, we would have~~ approximately $ 3. ~~4~~ **1** billion of indebtedness, excluding $ ~~709~~ **724** . ~~8~~ **7** million ~~of~~ undrawn commitments under our revolving credit facility. Our ability to make payments on our debt, fund our other liquidity needs and make planned capital expenditures will depend on our ability to generate cash in the future. Our historical financial results have been, and we anticipate that our future financial results will be, subject to fluctuations. Our ability to generate cash is subject in part to general economic, financial, competitive, legislative, regulatory and other factors that are beyond our control. We cannot guarantee that our business will generate sufficient cash flow from our operations or that future borrowings will be available to us in an amount sufficient to enable us to make payments of our debt, **de- lever in the time frame expected or at all,** fund other liquidity needs and make planned capital expenditures. If our cash flows and capital resources are insufficient to fund debt service obligations, we could face substantial liquidity problems and could be forced to reduce or delay investments and capital expenditures or to dispose of material assets or operations, seek additional debt or equity capital or restructure or refinance our indebtedness. The degree to which we are currently leveraged ~~and will be leveraged following the completion of the acquisition of IAA~~ could have important consequences for shareholders. For example, it could: **●** ~~(a) limit~~ **Limit** our ability to obtain additional financing to fund future working capital, capital expenditures, acquisitions or other general corporate requirements; **●** ~~(b) require~~ **Require** us to dedicate a substantial portion of our cash flow from operations to the payment of debt service, reducing the availability of our cash flow to fund working capital, capital expenditures, acquisitions, dividends and other corporate purposes; **●** ~~(c) increase~~ **Increase** our vulnerability to general adverse economic or industry conditions; ● ~~(d) expose~~ **Expose** us to the risk of increased interest rates for any borrowings at variable rates of interest; ● ~~(e) limit~~ **Limit** our flexibility in planning for and reacting to changes in our industry; and ● ~~(f) place~~ **Place** us at a competitive disadvantage compared to businesses in our industry that have less debt. Additionally, our debt agreements ~~, including any agreements that we may enter into in connection with the proposed acquisition of IAA, may~~ contain a number of covenants that impose operating and financial restrictions on us and may limit our ability to engage in acts that may be in our long- term best interests. Any failure to comply with covenants in the instruments governing our debt could result in an event of default which, if not cured or waived, would have a material adverse effect on us. **We** ~~Significant costs~~ have ~~been~~ incurred **,** and ~~are expected to be incurred in connection with the consummation and integration of the acquisition of IAA. We~~ expect to **continue to** incur **,** ~~one- time~~ costs in connection with integrating ~~our~~ **the** operations, products and personnel **of Ritchie Bros.** with those of IAA, in addition to costs related directly to completing the acquisition. Additional unanticipated costs may be incurred as we **continue to** integrate ~~our~~ **the two** ~~business~~ **businesses** ~~with IAA following the closing~~ . Although we expect **that** the elimination of duplicative costs, as well as the realization of other efficiencies ~~Ritchie Bros. 19related~~ -- **related** to the integration of **the two businesses** ~~our operations with IAA,~~ may offset incremental transaction and transaction- related costs over time, this net benefit may not be achieved in the near term ~~or~~ **,** to the extent anticipated **or at all. While we have RB Global, Inc. 16 assumed that certain expenses would be incurred in connection with the acquisition, there are many factors beyond our control that could affect the total amount or the timing of the integration and implementation expenses** . Risk Related to Our ~~BusinessWe~~ -- **Business With the acquisition of IAA, our business depends on suppliers of damaged, total loss and low- value vehicles. Approximately one- third of IAA' s revenue is associated with vehicles supplied by suppliers or sellers. IAA' s vehicle suppliers include insurance companies, used- vehicle dealers, rental car and fleet lease companies, auto lenders and charitable organizations, among others. IAA has established long- term relationships with virtually all of the major automobile insurance companies. During fiscal 2023, with the acquisition of IAA, approximately 19 % of our consolidated revenues was associated with vehicles supplied by the Company' s three largest provider customers. IAA' s agreements with insurance company suppliers are generally subject to cancellation by either party upon 30 to 90 days' notice. There can be no assurance that IAA' s existing agreements will not be canceled or that we will be able to enter into future agreements on favorable terms with these suppliers. We work to develop strong relationships with our suppliers to better understand their needs. From time to time, however, we may experience the loss of suppliers or a reduction in volume from suppliers, including top vehicle suppliers. If we lose one or more of our significant suppliers, or if one or more of our large suppliers were to significantly reduce volume for any reason or favor competitors or new entrants, we** may not ~~realize~~ **be successful in replacing such business and our profitability and operating results could be materially adversely affected. Generally, institutional and dealer suppliers make non- binding long- term commitments to IAA regarding consignment volumes. Changes in the consignment patterns of our key suppliers could have a material adverse effect on our business and operations. There are many factors that can adversely affect volume from suppliers, many of which are beyond our control. These factors include, but are not limited to, the following: ● A decrease in the number of vehicles in operation or miles driven; ● Mild weather conditions that cause fewer traffic accidents; ● Reduction of policy writing by insurance providers that would affect the number of claims over a period of time; ● Increases in fuel prices that could lead to a reduction in the miles driven per vehicle, which may reduce the accident rate; ● Changes in vehicle technology, an increase in autonomous vehicles and vehicles equipped with advanced driver- assistance systems (ADAS); ● A decrease in the percentage of claims resulting in a total loss or elimination of automotive collision coverage by consumers; ● Delays or changes in state title processing; ● Government regulations on the standards for producing vehicles; and ● Changes in direct repair procedures that would reduce the number of newer, less damaged total loss vehicles, which tend to have higher salvage values. Furthermore, in periods when the supply of vehicles from the insurance sector declines, salvage operators have acquired and in the future may acquire vehicles on their own. Also, when used vehicle prices are high, used- vehicle dealers may retail more of their trade- in vehicles on their own rather than selling** ~~the~~ **them at auction. If the supply or value of damaged, total loss and low- value vehicles coming to auction declines significantly, our revenues and profitability may be adversely affected. We believe our future success depends in part on our ability to respond to changes in buyer requirements, our ability to meet service level expectations of both buyers and sellers and our ability to meet regulatory requirements for such customers. IAA' s buyer customers include automotive body shops, rebuilders, used car dealers, automotive wholesalers, exporters, dismantlers, recyclers, brokers, and the general public, among others. We work to develop strong relationships and interactive dialogue with our customers to better understand current trends and customer needs. If we are not successful in meeting our customers' expectations, our customer relationships could be negatively affected and result in a loss of future business, which would adversely affect our operating results and financial condition. IAA faces significant competition for the supply of damaged and total loss vehicles and the buyers of those vehicles. IAA' s principal sources of competition historically have come from (1) direct competitors, (2) new entrants, including new vehicle remarketing venues, and (3) existing alternative vehicle remarketing venues, including used- vehicle auctions and certain salvage buyer groups. Due RB Global, Inc. 17 to the increasing use of the Internet and other technology as marketing and distribution channels, we may face increasing competition from online wholesale and retail marketplaces (generally without any meaningful physical presence) and from our own customers, including insurance companies, when they sell directly to end users through such platforms rather than remarket vehicles through our marketplaces. Increased competition could result in price reductions, reduced margins or loss of market share. Our future success also depends on our ability to respond to evolving industry trends, changes in customer requirements and new technologies. Some of IAA' s competitors may have greater financial and marketing resources than we do, may be able to respond more quickly to evolving industry dynamics and changes in** customer requirements, or may be able to devote greater resources to the development, promotion and sale of new or emerging services and technologies. Our ability to successfully grow through investments in the area of emerging opportunities depends on many factors, including advancements in technology, regulatory changes and other factors that are difficult to predict, or that may significantly affect the future of electrification, autonomy, and mobility. If we are unable to compete successfully or to successfully adapt to industry changes, our business, revenues and profitability could be materially adversely affected. Capacity at our facilities varies from period to period and by region as a result of various factors, including natural disasters. We may not be able to reach agreements to purchase or lease storage facilities in markets where we have limited available capacity, and zoning restrictions or difficulties obtaining use permits may limit our ability to expand our capacity through acquisitions of new land. If we fail to have sufficient capacity at one or more of our facilities, our relationships with insurance companies or other vehicle suppliers could be adversely affected, which could adversely affect our operating results and financial condition. Local land use and zoning regulations, environmental regulations and other regulatory requirements may impact our ability to find suitable locations and influence the cost of our operations. Most of IAA' s salvage auction vehicle facilities are leased. The termination or expiration of leases at existing facilities may adversely affect us if the renewal terms of those leases are unacceptable to us and we are forced to close the facilities. If we determine to close a location, we may remain obligated under the applicable lease for the remaining lease term and may have to expense the unamortized portion of the right- of- use assets, in part or in full, as an impairment which may have a material impact on our consolidated results of operations and financial position. Also, if we are unable to maintain our existing facilities or open new facilities in desirable locations and on favorable terms, our results of operations could be materially and adversely affected. Further, in an increasing number of markets where we experience significant capacity constraints together with pressing customer demand and a lack of viable alternatives for expansion due to zoning and land use restrictions, we may be required to purchase, lease or occupy industrial sites, which may contain significant environmental impacts. In addition, some of the facilities on which we operate are impacted by significant recognized environmental concerns and pollution conditions. IAA has incurred, and we may in the future incur, expenditures relating to compliance and risk mitigation efforts, releases of hazardous materials, investigative, remedial or corrective actions, claims by third parties and other environmental issues, and such expenditures, individually or in the aggregate, could be significant. Federal and state environmental authorities are currently investigating IAA' s role in contributing to contamination at the Lower Duwamish Waterway Superfund Site in Seattle, Washington and the role of one of IAA' s subsidiaries in contributing to the Pyrite Canyon Plume in Jurupa Valley, California. Our potential liability at these sites cannot be estimated at this time. Macroeconomic factors, including high fuel prices, high labor costs, rising inflation and changes in used car prices, may have an adverse effect on our revenues and operating results. Macroeconomic factors that affect oil prices and the vehicle and commodity markets can have adverse effects on our revenue and operating results. Significant increases in the cost of fuel, whether due to inflationary pressures, the current war between Ukraine and Russia or Israel and Hamas or otherwise, could lead to a reduction in miles driven per car and a reduction in accident rates. A material reduction in accident rates, whether due to a reduction in miles driven or other factors, could reduce our vehicle assignment volumes, which in turn, could have a material adverse impact on our revenues. In addition, significant increases in the cost of fuel have resulted and could continue to result in an increase in the prices charged to us by our independent subhaulers and trucking fleet operators. Further, we have recently experienced labor shortages, which have resulted in an increase in associated costs, such as increased overtime to meet demand and increased wages to attract and retain employees. If these conditions or other inflationary pressures continue, our costs for towing and branch labor may continue to rise. To the extent we are unable to pass these costs on to our RB Global, Inc. 18 customers, the increase in prices charged by our independent subhaulers and trucking fleet operators and the increase in labor costs could negatively impact our profitability. Volatility in salvage car prices could have a material adverse effect on our revenues in future periods. Adverse economic conditions, including increases in interest rates and lease rates, real estate values and real estate development and construction costs, may increase the costs required to invest in capacity expansion or delay our ability to open new facilities, both of which could have a material impact on our consolidated results of operations and financial position. We rely on independent subhaulers and trucking fleet operations to pick up and deliver vehicles to and from our auction facilities. Consistent with the economy generally, we have recently experienced a shortage of towers and haulers, which has resulted in an increase in costs charged to us by towers and subhaulers for these services, and we cannot provide assurances that towers and subhaulers will be available in a timely manner to pick up and deliver vehicles. Failure to pick up and deliver vehicles in a timely manner could harm our brand and reputation, and adversely impact our overall business and results of operations. Further, an increase in fuel cost may lead to increased prices charged by our independent subhaulers and trucking fleet operators, which may significantly increase our cost. We may not be able to pass these costs on to our suppliers or buyers. We are also exposed to risks associated with inclement weather, disruptions in the transportation infrastructure and increase in the price of fuel, any of which could increase our operating costs. If we experience problems or are unable to negotiate or obtain favorable terms with our subhaulers, our results of operations could be materially and adversely affected. Extreme weather or other events, such as hurricanes, tornadoes, earthquakes, forest fires, floods, global pandemics or other health crises, terrorist attacks or war, may adversely affect the overall economic environment, the markets in which we compete, and our operations and profitability. These events, which may increase in frequency and magnitude as a result of climate change, may impact our physical auction facilities, causing a material increase in costs, or delays or cancellation of auction sales, which could have a material adverse impact on our revenues and profitability. In some instances, for example with the severe storms in August 2021 and September 2022 known as " Hurricane Ida " and " Hurricane Ian ", these events may result in a

sharp influx in the available supply of damaged and total loss vehicles and there can be no assurance that our business will have sufficient resources to handle such extreme increases in supply. Our failure to meet our customers' demands in such situations could negatively affect our relationships with such customers and result in a loss of future business, which would adversely affect our operating results and financial condition. In addition, revenues generated as a result of the total loss of vehicles associated with such a catastrophe are typically recognized subsequent to the incurrence of incremental costs and such revenues may not be sufficient to offset the costs incurred. Mild weather conditions tend to result in a decrease in the available supply of damaged and total loss vehicles because traffic accidents decrease and fewer vehicles are damaged. Accordingly, mild weather can have an adverse effect on our damaged and total loss vehicle inventories, which would be expected to have an adverse effect on our revenue and operating results and related growth rates. In certain countries, the salvage market typically operates on a principal basis, in which a vehicle is purchased and then resold, rather than on an agent basis, in which the auction acts as a sales agent for the owner of the vehicle. Operating on a principal basis exposes us to inventory risks, including losses from theft, damage and obsolescence. If we purchase vehicles, the increased costs associated with acquiring the vehicles could have a material adverse effect on our gross profit margin and operating results. Vehicles sold under purchase agreements were approximately 5. 4 % of IAA' s vehicles sold both domestically and internationally for fiscal year 2023. In addition, when vehicles are purchased, we are subject to changes in vehicle values, such as those caused by changes in commodity prices or changes in used car prices. Decreases in commodity prices, such as steel and platinum, may negatively affect vehicle values and demand at auctions. In addition, declines in used car prices, especially if they occur faster than anticipated ~~benefits of~~ , **can lead to a significant gap between pre- accident value** and ~~synergies~~ **sales price, which IAA recently experienced with respect to its UK business. A significant change in used- vehicle prices could impact the proceeds and revenue** from ~~, acquisitions~~ **the sale of damaged** and **total loss vehicles. The volume of new vehicle production, accuracy of lease residual estimates, interest rate fluctuations, customer demand and changes in regulations, among other things, all potentially affect the pricing of used vehicles. A sustained reduction in used- vehicle pricing could result in lower proceeds from the sale of damaged and total loss vehicles and a related reduction in revenue per vehicle, a RB Global, Inc. 19 potential loss of consignors and decreased profitability. Conversely, when used vehicle prices are high, used- vehicle dealers** may ~~become responsible~~ **retail more of their trade- in vehicles on their own rather than selling them at auction, which could adversely affect our revenues and profitability. Typically, following the sale of a vehicle, IAA does not release the vehicle to a buyer until such time as it has received full payment** for **the vehicle. We may be obligated, however, to remit payment to a seller before receiving payment from a buyer and in those circumstances, we may not have recourse against sellers for any buyer' s failure to satisfy its payment obligations. Because we retain possession of the vehicle, we can resell the vehicle to mitigate any potential losses. Since revenue for most vehicles does not include the gross sales proceeds, failure to collect the receivables in full may result in a net loss up to the amount of gross sales proceeds on a per vehicle basis in addition to any expenses incurred to collect the receivables and to provide the services associated with the vehicle. If we are unable to collect payments on a large number of vehicles and we are unable to resell them and recover our costs, the resulting payment obligations to the seller and decreased fee revenues may have a material adverse effect on our results of operations and financial condition. Changes in laws, regulations and treaties that restrict the importation of damaged and total loss vehicles into foreign countries may reduce the demand for damaged and total loss vehicles and impact our ability to maintain or increase IAA' s international buyer base. The adoption of such laws or regulations in other jurisdictions that have the effect of reducing or curtailing our activities abroad could have a material adverse effect on our results of operations and financial condition by reducing the demand for our products and services. On February 27, 2018, KAR Auction Services, Inc. (" KAR ") announced a plan to pursue the separation and spin- off (the " Separation ") of IAA (its salvage auction services business) into a separate public company. On June 28, 2019, KAR completed the distribution of 100 % of the issued and outstanding shares of common stock of IAA to the holders of record of KAR' s common stock on June 18, 2019, on a pro rata basis (the " Distribution "). Under the terms of the Separation and Distribution, each of IAA and KAR is required to indemnify the other party from and with respect to** certain liabilities **. IAA' s** and ~~integration costs as a~~ **KAR' s ability to satisfy these indemnities, if called upon to do so, will depend respectively upon our and KAR' s future financial strength. If we are required to indemnify KAR, or if we are not able to collect on indemnification rights from KAR, our financial condition, liquidity or** ~~result~~ **results of operations could be materially and adversely affected** . We have acquired, and may continue to acquire, businesses that have previously operated independently from us. The integration of our operations with those of acquired businesses, including IAA, is intended to result in financial and operational benefits, including certain tax and run- rate synergies. There can be no assurance, however, regarding when or the extent to which we will be able to realize these and other benefits. Integration may also be difficult, unpredictable and subject to delay because of possible company culture conflicts and different opinions on future business development. We may be required to integrate or, in some cases, replace, numerous systems, including those involving management information, purchasing, accounting and finance, sales, billing, employee benefits, payroll and regulatory compliance, many of which may be dissimilar. Difficulties associated with the integration of acquired businesses could have a material adverse effect on our business. In addition, in connection with acquisitions, we have assumed, and may assume in connection with future acquisitions, certain potential liabilities. To the extent such liabilities are not identified by us or to the extent indemnifications obtained from third parties are insufficient to cover such liabilities, these liabilities could have a material adverse effect on our business. ~~For a description of risks related to our pending acquisition of IAA, see " Risks Related to the Proposed Acquisition of IAA " below. Damage to our reputation could harm our business.~~ One of our founding principles is that we operate a fair and transparent business, and consistently act with integrity. Maintaining a positive reputation is key to our ability to attract and maintain customers, investors and employees. Damage to our reputation could cause significant harm to our business. Harm to our reputation could arise in a number of ways, including, but not limited to, employee conduct which is not aligned with our Code of Business Conduct and Ethics (and associated Company policies around **RB Global, Inc. 20** ~~behavioural~~ - **behavioral** expectations) or our Company' s core values, safety incidents, failure to maintain customer service standards, loss of trust in the fairness of our sales processes, and other technology or compliance failures ~~. We may incur losses as a result of our guarantee and inventory contracts and advances to consignors~~ . Our most common type of auction contract is a straight commission contract, under which we earn a pre- negotiated, fixed commission rate on the gross sales price of the consigned equipment at auction. We use straight commission contracts when we act as agent for consignors. In recent years, a majority of our annual business has been conducted on a straight commission basis. In certain other situations, we will enter into underwritten transactions and either offer to (a) guarantee a minimum level of sale proceeds to the consignor, regardless of the ultimate selling price of the consignment; or (b) purchase the equipment outright from the seller for sale through one of our sales channels. We determine the level of guaranteed proceeds or inventory purchase price based on appraisals performed on equipment by our internal personnel. Inaccurate appraisals could result in guarantees or inventory values that exceed the realizable auction proceeds. In addition, a change in market values could also result in guarantee or inventory values exceeding the realizable auction proceeds. If auction proceeds are less than the guaranteed amount, our commission will be reduced, and we could potentially incur a loss, and, if auction proceeds are less than the purchase price we paid for equipment that we take into inventory temporarily, we will incur a loss. Because a majority of our auctions are unreserved, there is no way for us to protect against these types of losses by bidding on or acquiring any of the items at such auctions. In addition, we do not hold inventory indefinitely waiting for market conditions to improve. If our exposure to underwritten contracts increases, this risk would be compounded. Occasionally, we advance to consignors a portion of the estimated auction proceeds prior to the auction. We generally make these advances only after taking possession of the assets to be auctioned and upon receipt of a security interest in the assets to secure the obligation. If we were unable to auction the assets or if auction proceeds were less than amounts advanced, we could incur a loss. Additionally, we have two vendor contracts with the U. S. Government' s Defense Logistics Agency (" DLA ") pursuant to which we acquire, manage and resell certain assets of the DLA. Each of the DLA contracts obliges the Company to purchase rolling and non- ~~Ritchie Bros. 20rolling~~ -- **rolling** stock assets in an amount and of a type over which we have limited ability to control. In many cases, the type of assets purchased are not what we typically sell through any of our other channels. Although the prices we pay for the non- rolling stock inventory are a fraction of the original acquisition value, we may not have the ability to attract buyers for those assets and we may be unable to sell those assets on a timely basis or at all. This would have an adverse effect on our financial results. The availability and performance of our **information** technology **(" IT") systems and** infrastructure ~~, including our websites,~~ is critical to our business and continued growth. The satisfactory performance, reliability and availability of our websites, online bidding service, auction management systems, enterprise resource planning ~~system~~ **systems** , transaction processing systems, network infrastructure and customer relationship management ~~system~~ **systems** are important to our reputation, our business and our continued growth. We currently rely on ~~both~~ our own proprietary ~~technology and~~ **systems,** licensed on- premise systems, **and** ~~as well as~~ third- party cloud computing ~~platform providers~~ **applications and infrastructure** located in the United States and other countries. The ~~technology and~~ systems **and infrastructure** we rely on may experience service interruptions or degradation because of hardware or software defects or malfunctions, denial of service or ransomware attacks and other cybersecurity events, human error and natural events beyond our control **. Additionally, as part of our management of these IT resources, we integrate, make updates to or initiate other types of changes to our systems and infrastructure to address ongoing availability and performance concerns or to improve the same, and the risk of disruption is increased when such changes are undertaken** . Some of our systems are not fully redundant, and our recovery planning may not be sufficient for all possible disruptions. Further, ~~licensed~~ **the access to and use of needed** hardware ~~,~~ **and** software ~~and~~ **, including** cloud computing ~~platforms~~ **resources,** may not continue to be available at reasonable prices, on commercially reasonable terms or at all. Any loss of the right to **access or** use any of these ~~hardware~~ **components and resources** , ~~software or cloud computing platforms or~~ the **degraded performance, or** loss of the functionality **,** of our ~~internet~~ systems **, or a failure to timely or successfully integrate and update our systems or infrastructure,** could **mean a failure to realize cost savings or operational benefits anticipated to be derived from an IT initiative,** significantly increase our expenses, damage our reputation and otherwise result in delays in ~~provisioning~~ **providing** ~~of~~ our services. Our business and results of operations would be particularly harmed if **,** ~~we were to lose access to or the functionality of our internet systems~~ for any reason, **access to our online bidding service was lost or its functionality degraded,** especially if such ~~loss of~~ **impact to the** service prevented internet bidders from effectively participating in one of our auctions. Consumer behavior is rapidly changing, and if we are unable to successfully adapt to consumer preferences and develop and maintain a relevant and reliable inventory management and multichannel disposition experience for our customers, our financial performance and brand image could be adversely affected. Our business continues to evolve into a one- stop inventory management and multichannel disposition company where customers can buy, sell, or list equipment, when, how, and where they choose- both onsite and online, and manage their existing fleets and / or inventory using our online inventory management tools. As a result of this evolution, increasingly we interact with our customers **RB Global, Inc. 21** across a variety of different channels, including live auction, online, through mobile technologies, including the Ritchie Bros. mobile app, social media, and inventory management systems. Our customers are increasingly using tablets and mobile phones to make purchases online and to get detailed equipment information for assets that they own or are interested in purchasing. Our customers also engage with us online, including through social media, by providing feedback and public commentary about all aspects of our business. Consumer shopping patterns are rapidly changing and our success depends on our ability to anticipate and implement innovations in customer experience and logistics in order to appeal to customers who increasingly rely on multiple channels to meet their equipment management and disposition needs. Our ability to provide a high quality and efficient customer experience is also dependent on external factors over which we may have little or no control, including, without limitation, the reliability and performance of the equipment sold in our marketplaces and the performance of third- party carriers who transport purchased equipment on behalf of buyers. If for any reason we are unable to implement our inventory management, data solutions, bidding tools and other multichannel initiatives, provide a convenient and consistent experience for our customers across all channels, or provide our customers the services they want, when and where they want them at a compelling value proposition, then our financial performance and brand image could be adversely affected. We rely on data provided by third parties, the loss of which could limit the functionality of certain of our platforms and disrupt our business. Our analytics teams rely on asset, pricing and other data **,** including personal data **,** provided to us by our customers and other third parties. Some of this data is provided to us pursuant to third- party data sharing policies and terms of use, under data sharing agreements by third- party providers or by customers with consent. **Any** ~~If in the future any~~ of these parties could change their data sharing policies and terms of use, including by making them more restrictive, terminating or not renewing agreements, or, ~~if~~ customers **could** revoke their consent, any of which could result in the loss of, or significant impairment to, our ability to collect and provide useful data or related services to our customers. These third parties could also interpret our data collection and use policies or practices as being inconsistent with their policies or business objectives, or lose confidence in our data protection and privacy practices, which could result in the loss of our ability to ~~Ritchie Bros. 21collect~~ -- **collect** this data. Any such changes could impair our ability to deliver our analytics service to our customers in the manner currently anticipated or at all, impairing the return on investment that our customers derive from using our analytics platform and related products, as well as adversely affecting our business and our ability to generate revenue. Government regulation of the **digital landscape** ~~Internet and e- commerce~~ is evolving, and unfavorable ~~changes in this or other~~ regulations could substantially harm our business and results of operations. We are subject to federal, provincial, state and local laws, rules and regulations governing **digital** ~~the internet and e-~~ commerce **and online services** . Existing and future laws and regulations may impede the growth of **digital** ~~the internet, e-~~ commerce or other **services, in particular online marketplace** services, and increase the cost of doing business, including providing online ~~auction~~ **disposition** services. These regulations and laws may cover taxation, tariffs, user privacy, data protection, **machine learning and automated decision making,** pricing, content, **intellectual property** ~~copyrights~~ ---- **rights** ~~, distribution~~ , electronic contracts, ~~and other~~ **digital marketing** communications, consumer protection, ~~broadband residential internet access~~ and the characteristics and quality of **our disposition** services. It is not always clear how existing laws governing issues such as property ~~ownership~~ **transfers** , digital, sales and similar taxes, ~~libel~~ **intellectual property rights** , and ~~personal~~ **user** privacy **and data protection** apply to **digital** ~~the Internet and e-~~ commerce **and online services** . Changes to laws, rules and regulations and unfavorable resolution of these issues may harm our business and results of operations. If our ability, or the ability of our third party service partners, cloud computing ~~platform~~ providers or third party data center hosting facilities, to safeguard the reliability, integrity and confidentiality of our and their information technology systems is compromised, if unauthorized access is obtained to our systems or customers', suppliers', counterparties' and employees' confidential information, or if authorized access is blocked or disabled, we may incur ~~significant~~ **material** reputational harm, legal exposure, or a negative financial impact. We rely on ~~information technology ("~~ IT ~~")~~ resources to manage and operate our business, including maintaining proprietary databases containing sensitive and confidential information about our customers, suppliers, counterparties and employees (which may include personal information and credit information) and utilizing approved third- party technology providers to support the management and operation of IT systems and infrastructure. **The** ~~As the~~ malicious tools and techniques used to ~~breach,~~ obtain unauthorized access to or impair IT systems and devices and the data processed thereby **evolve** ~~become more sophisticated and change~~ frequently **in terms** ~~, the risk~~ of **attack vectors and sophistication and** ~~a cybersecurity event increases, given that~~ we may not be able to anticipate these **vectors** ~~malicious tools and techniques~~ or to **timely** implement adequate preventative and protective measures. Unauthorized parties have ~~in the past,~~ and may ~~also~~ in the future ~~,~~ attempt to gain access to our and our providers' primary and backup systems or facilities through various means, including hacking into IT systems or facilities, fraud, trickery or other means of deceiving our and their employees or contractors ~~. Although we have policies restricting the access to the personal and confidential information we store, there is a risk that these policies may not be effective in all cases~~ . Ransomware attacks are becoming increasingly prevalent and severe, and can lead to significant interruptions in our operations, loss of data and income, reputational loss, and diversion of funds. Further, breaches experienced by other companies may also be leveraged against us and **RB Global, Inc. 22** sophisticated actors can mask their attacks, making them increasingly difficult to identify and prevent. There can be no assurance that impacts from these incidents will not be material or significant in the future. In addition, our limited control over our customers may affect the security and integrity of our IT systems and create financial or legal exposure. For example, our customers may accidentally disclose their passwords, use insecure passwords, or store them on a device that is lost or stolen, providing bad actors with access to a customer' s account **with us** and the possible means to redirect customer payments. Further, users ~~on~~ **of** our ~~platforms~~ **services** could have vulnerabilities on their own devices that are entirely unrelated to our systems and platforms but could mistakenly attribute their own vulnerabilities to us. Under credit card payment rules and our contracts with credit card processors, if there is a breach of payment card information used to process transactions, we could be liable to the payment card issuing banks for certain fraudulent credit card transactions and other payment disputes with customers, including the cost of issuing new cards and related expenses. If we were liable for a significant number of fraudulent transactions or unable to accept payment cards, our results of operations would be materially and adversely affected. **The** ~~Although we implement, maintain and adjust~~ information security measures **we implement, maintain and follow that are designed** to mitigate our risks with respect to IT- related cybersecurity incidents ~~, there can~~ **do not guarantee that our operations will not** be ~~no assurance that these measures will ensure that our operations are not~~ disrupted, that we will prevent an attack from occurring in the future, or that our internal controls, for instance relating to user access management, will perform as intended to prevent unauthorized access to our systems and data. Any breach of our IT systems may have a material adverse impact on our business, the assessment of the performance of our internal control environment, results of operations, reputation, stock price and our ability to access capital markets, and may also be deemed to contribute to a material weakness in internal controls over financial reporting. ~~Ritchie Bros. 22Security~~ -- **Security** events, hacking or other malicious or surreptitious activity (or the perception that such activities have occurred), could damage our reputation, cause a loss of confidence in the security of our services and thereby a loss of customers, and expose us to a risk of loss, governmental investigations and enforcement actions or litigation and possible liability for damages. We may be required to make significant expenditures and divert management attention to monitor, detect and prevent security events, to remediate known or potential security vulnerabilities, or to alleviate problems caused by any security events. In addition, circumvention of our security measures may result in the loss or misappropriation of valuable business data, intellectual property or trade secret information, misappropriation of our customers' or employees' personal information, damage to our computing infrastructure, networks and stored data, service delays, key personnel being unable to perform duties or communicate throughout the organization, loss of sales, significant costs for data restoration and other adverse impacts on our business. Further, such a breach may require us to incur significant expenses to notify governmental agencies, individuals or other third parties pursuant to various privacy and security laws. The costs of mitigating cybersecurity risks are significant and are likely to increase in the future. Our third- party service providers may be vulnerable to interruption or loss of valuable business data and information of our customers and employees (among others). Data stored by our third party providers might be improperly accessed or unavailable due to a variety of events beyond our control, including, but not limited to, employee error or negligence, natural disasters, terrorist attacks, telecommunications failures, computer viruses, hackers and other security issues. Additionally, if any of our third- party technology providers violate applicable laws or our contracts or policies, such violations may also put our customers' information at risk and could in turn have a material and adverse effect on our business. These issues are likely to become costlier as we grow. Our insurance policies may not be adequate to reimburse us for losses caused by security breaches, and we may not be able to fully collect, if at all, under these insurance policies. Our future expenses may increase significantly and our operations and ability to expand may be limited as a result of licenses, laws and regulations governing auction sites, environmental protection, international trade and other matters. A variety of federal, provincial, state and local laws, rules and regulations throughout the world apply to our business, relating to, among other things, tax and accounting rules, the auction business, imports and exports of equipment, property ownership laws, licensing, worker safety, privacy and security of customer information, land use and the use, storage, discharge and disposal of environmentally sensitive materials. Complying with revisions to laws, rules and regulations could result in an increase in expenses and a deterioration of our financial performance. Failure to comply with applicable laws, rules and regulations could result in substantial liability to us, suspension or cessation of some or all of our operations, restrictions on our ability to expand at present locations or into new locations, requirements for the acquisition of additional equipment or other significant expenses or restrictions. The development or expansion of auction sites depends upon receipt of required licenses, permits and other governmental authorizations. Our inability to obtain these required items could harm our business. Additionally, changes or concessions required by regulatory authorities could result in significant delays in, or prevent completion of, such development or expansion. International bidders and consignors could be deterred from participating in our auctions if governmental bodies impose additional export or import regulations or additional duties, taxes or other charges on exports or imports. Reduced participation by international bidders and consignors could reduce GTV and harm our business, financial condition and results of operations. **RB Global, Inc. 23** Under some environmental laws, an owner, operator or lessee of, or other person involved in, real estate may be liable for the costs of removal or remediation of hazardous or toxic substances located on or in, or emanating from, the real estate, and related costs of investigation and property damage. These laws often impose liability without regard to whether the owner, operator, lessee or other person knew of, or was responsible for, the presence of the hazardous or toxic substances. Environmental contamination may exist at our owned or leased auction sites, or at other sites on which we may conduct auctions, or properties that we may be selling by auction, from prior activities at these locations or from neighboring properties. In addition, auction sites that we acquire or lease in the future may be contaminated, and future use of or conditions on any of our properties or sites could result in contamination. The costs related to claims arising from environmental contamination of any of these properties could harm our financial condition and results of operations. There are restrictions in the United States, Canada, Europe and other jurisdictions in which we do business that may affect the ability of equipment owners to transport certain equipment between specified jurisdictions or the salability of older equipment. One example of these restrictions is environmental certification requirements in the United States, which prevent non- certified equipment from entering into commerce in the United States. In addition, engine emission standards in some jurisdictions limit the operation of certain trucks and equipment in those markets. ~~Ritchie Bros. 23These~~ -- **These** restrictions, or the adoption of more stringent environmental laws, including laws enacted in response to climate change, could inhibit materially the ability of customers to ship equipment to or from our auction sites, reducing our GTV and harming our business, financial condition and results of operations. Losing the services of one or more key personnel or the failure to attract, train and retain personnel could materially affect our business. Our future success largely depends on our ability to attract, develop and retain skilled employees in all areas of our business, as well as to design an appropriate organization structure and plan effectively for succession. Although we actively manage our human resource risks, there can be no assurance that we will be successful in our efforts. If we fail to attract, develop and retain skilled employees in all areas of our business, our financial condition and results of operations may be adversely affected, and we may not achieve our growth or performance objectives. The growth and performance of our business depends to a significant extent on the efforts and abilities of our employees. Many of our key employees have extensive experience with our business. These employees have knowledge and an understanding of our company and industry that cannot be readily duplicated. The loss of any key personnel, or the inability to replace any lost personnel with equally trained personnel, could impair our ability to execute our business plan and growth strategy, cause us to lose customers and reduce our revenues. In addition, the success of our strategic initiatives to expand our business to complimentary service offerings will require new competencies in many positions, and our management and employees will have to adapt and learn new skills and capabilities. To the extent they are unable or unwilling to make these transformational changes or we are unable to attract new employees who are able to do so, we may be unable to realize the full benefits of our strategic initiatives. We do not maintain key person insurance on the lives of any of our executive officers or other key personnel. As a result, we would have no way to cover the financial loss if we were to lose the services of such employees. This uncertainty may adversely affect our ability to attract and retain key employees. If any of our key personnel were to join a competitor or form a competing company, existing and potential customers could choose to form business relationships with that competitor instead of us. There can be no assurance that confidentiality, non- solicitation, non- competition or similar agreements signed by our former directors, officers, or employees will be effective in preventing a loss of business. Failure to maintain safe sites could materially affect our business and reputation. Our employees and customers are often in close proximity with mechanized equipment, moving vehicles and chemical and other industrial substances. Our auction sites and warehouses are, therefore, potentially dangerous places and involve the risk of accidents, environmental incidents and other incidents **,** which may expose us to investigations and litigation or could negatively affect the perception of customer and employee safety, health and security. Even in the absence of any incidents, unsafe site conditions could lead to employee turnover or harm our reputation generally, each of which would affect our financial performance. While safety is a primary focus of our business and is critical to our reputation and performance, our failure to implement safety procedures or implement ineffective safety procedures would increase this risk and our operations and results from operations may be adversely impacted. Income and commodity tax amounts, including tax expense, may be materially different than expected, and there is a trend by global tax collection authorities towards the adoption of more aggressive laws, regulations, interpretations and audit practices. **RB Global, Inc. 24** Our global operations are subject to tax interpretations, regulations, and legislation in the numerous jurisdictions in which we operate, all of which are subject to continual change. We accrue and pay income taxes and have significant income tax assets, liabilities, and expense that are estimates based primarily on the application of those interpretations, regulations and legislation, and the amount and timing of future taxable income **,** as well as our use of applicable accounting principles. Accordingly, we cannot be certain that our estimates and reserves are sufficient. The timing concerning the monetization of deferred income tax amounts is uncertain, as they are dependent on our future earnings and other events. Our deferred income tax amounts are valued based upon enacted income tax rates in effect at the time, which can be changed by governments in the future. ~~Ritchie Bros. 24The~~ -- **The** audit and review activities of tax authorities affect the ultimate determination of the actual amounts of commodity taxes payable or receivable, income taxes payable or receivable, deferred income tax assets and liabilities, and income tax expense. There is no assurance that taxes will be payable as anticipated or that the amount or timing of receipt or use of the tax- related assets will be as currently expected. Our experience indicates that taxation authorities are increasing the frequency and depth of audits and reviews. The Canada Revenue Agency (" CRA ") has been conducting audits for our 2014, 2015, ~~2017,~~ 2018 ~~and~~ **,** 2019 **and 2020** taxation years. On February 13, 2023, the CRA issued a proposal letter to Ritchie Bros. Auctioneers (International) Ltd., asserting that one of its Luxembourg subsidiaries was resident in Canada from 2010 to 2015 and that its worldwide income should be subject to Canadian income taxation. In the event that the CRA issues a notice of assessment or reassessment and a court of competent jurisdiction makes a final determination that the income of the Luxembourg subsidiary for 2010 through 2015 was subject to Canadian income tax laws, the Company may ultimately be liable for additional total Canadian federal and provincial income tax, interest and penalties for such period **,** which could have a material negative effect on our operations. The CRA may also challenge the manner in which the Company has filed its tax returns and reported its income with respect to 2016 to 2020 taxation years and may assert that the income of the Luxembourg subsidiary was subject to Canadian income tax because the Luxembourg subsidiary was also resident in Canada during these years. The Company could then incur additional income taxes, penalties and interest **,** which could have a material negative effect on our operations. In addition, future tax authority determinations, including changes to tax interpretations, regulations, legislation or jurisprudence, could have a material impact to our financial position. The fact that we operate internationally increases our exposure in this regard given the multiple forms of taxation imposed upon us. Further and more generally, there has been increased political, media and tax authority focus on taxation in recent years; the intent of which appears to be to enhance transparency and address perceived tax avoidance. As such, in addition to tax risk from a financial perspective, our activities may expose us to reputational risk. Our substantial international operations expose us to additional risks that could harm our business, including foreign exchange rate fluctuations that could harm our results of operations. We conduct business in many countries around the world and intend to continue to expand our presence in international markets, including emerging markets. Although we report our financial results in U. S. dollars, a significant portion of our revenues and expenses are generated outside the U. S., primarily in currencies other than the U. S. dollar. In particular, a significant portion of our revenues are earned, and expenses incurred, in the Canadian dollar and the Euro. The results of operations of our foreign subsidiaries are translated from local currency into U. S. dollars for financial reporting purposes. If the U. S. dollar weakens against foreign currencies, the translation of these foreign currency denominated revenues or expenses will result in increased U. S. dollar denominated revenues and expenses. Similarly, if the U. S. dollar strengthens against foreign currencies, particularly the Canadian dollar and the Euro, our translation of foreign currency denominated revenues or expenses will result in lower U. S. dollar denominated revenues and expenses. We do not currently engage in foreign currency hedging arrangements on any of our revenues or expenses. Fluctuating currency exchange rates may negatively affect our business in international markets and our related results of operations. In addition, currency exchange rate fluctuations between the different countries in which we conduct our operations impact the purchasing power of buyers, the motivation of consignors, asset values and asset flows between various countries, including those in which we do not have operations. These factors and other global economic conditions may harm our business and our results of operations. Other risks inherent in doing business internationally include, but are not limited to the following: (a) trade barriers, trade regulations, currency controls, import or export regulations, and other restrictions on doing business freely; (b) local labor, environmental, tax, and other laws and regulations, and the potential for adverse changes in such laws and regulations or the interpretations thereof; (c) difficulties in staffing and managing foreign operations; (d) economic, political, social or labor instability or unrest; (e) terrorism, war, hostage- taking, or military repression; (f) corruption; (g) expropriation and nationalization, or difficulties in enforcing or protecting **RB Global, Inc. 25** our property rights, including with respect to intellectual property; (h) increased exposure to high rates of inflation; and (i) unpredictability as to litigation in foreign jurisdictions and enforcement of local laws. If we violate the complex foreign and U. S. laws and regulations that apply to our international operations, we may face fines, criminal actions or sanctions, prohibitions on the conduct of our business and damage to our reputation. These risks inherent in our international operations increase our costs of doing business internationally and may result in a material adverse effect on our operations or profitability. ~~Ritchie Bros. 25Our~~ -- **Our** business operations may be subject to a number of federal and local laws, rules and regulations governing international trade, including export control regulations. Our business operations may be subject to a number of federal and local laws, rules and regulations, including the Export Administration Regulations, or EAR, maintained by the U. S. Department of Commerce, economic and trade sanctions maintained by the U. S. Department of the Treasury' s Office of Foreign Assets Control, or OFAC, and similar laws and regulations in Canada, the UK and the EU. These laws and regulations restrict us from providing services to, or otherwise engaging in direct or indirect transactions or dealings with, certain countries, territories, governments, and persons. We have implemented procedures designed to maintain compliance with these laws, including monitoring, on an automatic and manual basis, the identity and location of potential sellers and buyers. We can offer no assurances that these procedures will always be effective. If we were to violate applicable export control or sanctions, we could be subject to administrative or criminal penalties **,** which ~~,~~ in certain circumstances, could be material. We could be subject to damages, financial penalties, denial of export privileges, incarceration of our employees, other restrictions on our operations, and reputational harm. Further, any action on the part of the U. S. Department of Commerce, OFAC or other applicable regulator against the company or any of our employees for potential violations of these laws could have a negative impact on our reputation, business, operating results and prospects. Failure to comply with anti- bribery, anti- corruption, and anti- money laundering laws, including the U. S. Foreign Corrupt Practices Act of 1977, as amended, or the FCPA, the Corruption of Foreign Public Officials Act, or the CFPOA, and similar laws associated with our activities outside of the U. S. could subject us to penalties and other adverse consequences. We are subject to the FCPA, the CFPOA, the U. S. domestic bribery statute contained in 18 U. S. C. § 201, the U. S. Travel Act, the USA PATRIOT Act, the United Kingdom Bribery Act of 2010, or the U. K. Bribery Act, and similar other anti- corruption, anti- bribery and anti- money laundering laws in countries in which we conduct activities or facilitate the buying and selling of equipment, including the EU. We face significant risks if we fail to comply with the FCPA, the CFPOA and other anti- corruption and anti- bribery laws that prohibit companies and their employees and third- party intermediaries from authorizing, offering or providing, directly or indirectly, improper payments or benefits to foreign government officials, political parties or candidates, employees of public international organizations, and private- sector recipients for the corrupt purpose of obtaining or retaining business, directing business to any person, or securing any advantage. In many foreign countries, particularly in countries with developing economies, it may be a local custom that businesses engage in practices that are prohibited by the FCPA, the CFPOA or other applicable laws and regulations. In addition, we leverage various third parties to sell our solutions and conduct our business abroad. We and our other third- party intermediaries may have direct or indirect interactions with officials and employees of government agencies or state- owned or affiliated entities. We may be held liable for the corrupt or other illegal activities of these third- party intermediaries, our employees, representatives, contractors, partners, and agents, even if we do not explicitly authorize such activities. Our Code of Business Conduct and Ethics and other corporate policies mandate compliance with these anti- bribery laws, which often carry substantial penalties. Any violation of the FCPA, other applicable anti- bribery, anti- corruption laws, and anti- money laundering laws could result in whistleblower complaints, adverse media coverage, investigations, loss of export privileges, severe criminal or civil sanctions and, in the case of the FCPA, suspension or debarment from U. S. government contracts, which could have a material and adverse effect on our reputation, business, operating results and prospects. In addition, responding to any enforcement action may result in a materially significant diversion of management' s attention and resources and significant defense costs and other professional fees. We are pursuing a long- term growth strategy that may include acquisitions and developing and enhancing an appropriate sales strategy, which requires upfront investment with no guarantee of long- term returns. We continue to pursue a long- term growth strategy, including developing and enhancing an appropriate sales strategy, that contemplates upfront investments, including (i) investments in emerging markets that may not generate profitable growth in the near term, (ii) adding new business and information solutions, and (iii) developing our people. Planning for future growth requires investments to be made now in anticipation of growth that may not materialize, and if our strategies do not successfully address the needs of current and potential customers, we may not be successful in maintaining or growing our GTV and our financial condition and results of operations may be adversely impacted. We may also not be able to improve our systems and controls as a result of **RB Global, Inc. 26** increased costs, technological challenges, or lack of qualified employees. A large component of our selling, general and administrative expenses is considered fixed costs that we will incur regardless of any GTV growth. There can be no assurances that our GTV and revenues will be maintained or grow at a more rapid rate than our fixed costs. ~~Ritchie Bros. 26Part~~ -- **Part** of our long- term growth strategy includes growth through acquisitions, which poses a number of risks. We may not be successful in identifying appropriate acquisition candidates, consummating acquisitions on satisfactory terms or integrating any newly acquired or expanded business with our current operations. Additionally, significant costs may be incurred in connection with any acquisition and our integration of such businesses with our business, including legal, accounting, financial advisory and other costs. We may also not realize the anticipated benefits of, and synergies from, such acquisition. We cannot guarantee that any future business acquisitions will be pursued, that any acquisitions that are pursued will be consummated, or that we will achieve the anticipated benefits of completed acquisitions. We are regularly subject to general litigation and other claims, which could have an adverse effect on our business and results of operations. We are subject to general litigation and other claims that arise in the ordinary course of our business. The outcome and impact of such litigation cannot be predicted with certainty, but regardless of the outcome, these proceedings can have an adverse impact on us because of legal costs, diversion of management resources and other factors. While the results of these claims have not historically had a material effect on us, we may not be able to defend ourselves adequately against these claims in the future, and these proceedings may have a material adverse impact on our financial condition or results of operations. **Additionally, the outcome of a proceeding may differ materially from the Company' s best estimate. For example, we currently have an ongoing dispute with Ms. Ann Fandozzi, former Chief Executive Officer, and current Director, regarding her departure from the Company. During the year ended December 31, 2023, the Company recorded an expense of $ 6. 2 million reflecting the current best estimate of a settlement amount, net of a recapture of previously recognized compensation expense based on the terms of Ms. Fandozzi' s employment agreement following her resignation. Any changes to the estimated payment amount as a result of the settlement of the matter could be material and any such payment or our inability to resolve the dispute in a timely manner may adversely affect our business. See Part II, Item 8: Financial Statements and Supplementary Data- Note 27 Contingencies for further information.** We may also be subject to intellectual property claims, which are extremely costly to defend, could require us to pay significant damages, and could limit our ability to use certain technologies in the future. Companies in the internet and technology industries are frequently subject to litigation based on allegations of infringement or other violations of intellectual property rights. Third- party intellectual property rights may cover significant aspects of our technologies or business methods or block us from expanding our offerings. Any intellectual property claim against us, with or without merit, could be time consuming and expensive to settle or litigate and could divert the attention of our management. Litigation regarding intellectual property rights is inherently uncertain due to the complex issues involved, and we may not be successful in defending ourselves in such matters. Many potential litigants, including some patent- holding companies, have the ability to dedicate substantial resources to enforcing their intellectual property rights. Any claims successfully brought against us could subject us to significant liability for damages, and we may be required to stop using technology or other intellectual property alleged to be in violation of a third party' s rights. We also might be required to seek a license for third- party intellectual property. Such a license may be unavailable or may require us to pay significant royalties or submit to unreasonable terms, which would increase our operating expenses. We may also be required to develop alternative non- infringing technology, which could require significant time and expense. If we cannot license or develop technology for any allegedly infringing aspect of our business, we would be forced to limit our service and may be unable to compete effectively. Any of these results could harm our business. Privacy concerns and our compliance with current and evolving domestic or foreign laws and regulations regarding the processing of personal information and other data may increase our costs, impact our marketing efforts, or decrease adoption and use of our products and services, and our failure to comply with those laws and regulations may expose us to liability and reputational harm. Governments around the world continue to propose and adopt new, or modify existing, laws and regulations addressing data privacy, data protection, data sovereignty and the processing of data, generally. Although we monitor the regulatory environment and have invested in addressing these developments, such as through our cybersecurity and privacy readiness programs, these laws may require us to incur further compliance costs to make changes to our practices, products and services to enable us or our customers to meet the new legal requirements. In addition, if we are found to have breached any such laws or regulations, we may be subject to enforcement actions that require us to change our practices, products and services, which may negatively impact our revenue, as well as expose us to liability through new or higher potential penalties and fines for non- compliance, civil and criminal penalties, and litigation for **RB Global, Inc. 27** alleged violations, as well as adverse publicity that could cause our customers to lose trust in us and negatively impact our reputation and business in a manner that harms our financial position. These new or proposed laws and regulations are subject to differing interpretations that may change over time resulting in further compliance costs, as well as diversion of resources to monitor and address developments. New and proposed laws and regulations may also be inconsistent among jurisdictions or conflict with other laws and regulations. As a result, these requirements and other potential self- regulatory standards and industry codes of conduct could require us to take on more onerous obligations in our contracts, restrict our ability to store, transfer and otherwise process data or, in some cases, impact our ability to offer certain services in certain locations, to deploy ~~our~~ software or data solutions, to market to current and prospective customers, or to derive insights from customers' online activity and data globally. **We** ~~Ritchie Bros. 27We~~ believe that laws and regulations in the United States, Canada, the United Kingdom, Australia the European Union and in other jurisdictions will be increasingly restrictive in the field of data privacy and protection and will in turn result in an increase in regulatory burdens for us to address to continue meeting our customers' expectations, in particular in relation to the sharing of personal information with third parties, the use of machine learning and big data, and the tracking of online activities for advertising. As our capacity to process large volumes of data increases, customer sentiment towards increased transparency and control and further interpretive guidance from regulatory agencies may require us to change our operations and practices in a manner adverse to our business. In this uncertain and shifting regulatory and trust climate, even the perception that the privacy and security of personal information are not satisfactorily addressed or do not meet regulatory requirements could result in adverse publicity and reputation loss. Our business continuity plan may not operate effectively in the event of a significant interruption of our business. We have implemented a formal business continuity plan covering most significant aspects of our business that would take effect in the event of a significant interruption to our business, or the loss of key systems as a result of a natural or other disaster. Although we have tested our business continuity plan as part of the implementation, there can be no assurance that it will operate effectively or that our business, results of operations and financial condition will not be materially affected in the event of a significant interruption of our business. If we were subject to a disaster or serious security breach, it could materially damage our business, financial condition and results of operations. Our insurance may be insufficient to cover losses that may occur as a result of our operations. We maintain property and general liability insurance. This insurance may not remain available to us at commercially reasonable rates, and the amount of our coverage may not be adequate to cover all liabilities that we may incur. Our auctions generally involve the operation of large equipment close to a large number of people, and despite our focus on safe work practices, an accident could damage our facilities, injure auction attendees and harm our reputation and our business. In addition, if we were held liable for amounts exceeding the limits of our insurance coverage or for claims outside the scope of our coverage, the resulting costs could harm our financial condition and results of operations. ~~Our business operations, results of operations, cash flows and financial performance may continue to be affected by the COVID- 19 pandemic. Since 2020, a novel strain of coronavirus (COVID- 19) has spread throughout the world, including in all of the countries in which we operate. National, state, provincial and local governments have responded to COVID- 19 in a variety of ways, including, without limitation, by declaring states of emergency, restricting people from gathering in groups or interacting within a certain physical distance (i. e., social distancing), and in certain cases, ordering businesses to close or limit operations or people to stay at home. Although we have recently begun to offer in- person onsite bidding alongside online- only bidding at some of our auction events, transportation costs and supply chain delays remain elevated, and further restrictions or the rollback of reopening measures due to higher infection rates may further disrupt our operations and the operations of our partners and customers. In addition, COVID- 19 has also adversely impacted, and may continue to adversely impact, the businesses and needs of our customers including their ability to secure financing. The ultimate impact of the COVID- 19 pandemic on our business remains uncertain at this time and will depend on future developments, including the severity of evolving variants, availability, efficacy and distribution of various vaccines and treatments for COVID- 19, as well as any longer- term effects of the pandemic on the global economy, including in the industries our customers serve.~~ Certain global conditions may affect our ability to conduct successful events. Like most businesses with global operations, we are subject to the risk of certain global or regional adverse conditions, such as pandemics or other disease outbreaks, including COVID- 19, or natural disasters including extreme weather or other events, such as hurricanes, tornadoes, earthquakes, forest fires or floods that could hinder our ability to conduct our scheduled auctions, restrict our customers' travel patterns or their desire to attend auctions or impact our online operations, including disrupting the internet or mobile networks or one or more of our service providers. If any of these conditions were to occur, we may not be able to generate sufficient equipment consignments to sustain our business or to attract enough bidders to our auctions to achieve world fair market values for the items we sell. This could harm our financial condition and results of operations. To the extent that climate change causes rising sea levels, increased intensity of weather, and increased frequency of extreme precipitation and flooding, the risks noted above may increase. ~~Ritchie Bros. 28Financial~~ -- **Financial** Risk **Factors** ~~FactorsIneffective~~ ------- **Ineffective** internal control over financial reporting could result in errors in our financial statements, reduce investor confidence, and adversely impact our stock price. As a public company, we are required to furnish a report by management on the effectiveness of our internal control over financial reporting. This assessment is required to include disclosure of any material weaknesses identified by our management in our internal **RB Global, Inc. 28** control over financial reporting identified by our management. We are also required to have our independent registered public accounting firm issue an opinion on the effectiveness of our internal control over financial reporting on an annual basis. ~~As previously reported, during the fiscal year ended December 31, 2020, we identified two material weaknesses in our internal control over financial reporting. These material weaknesses were remediated as of December 31, 2021, and we did not identify any additional material weaknesses during the fiscal year ended December 31, 2022. However, we may identify additional material weaknesses in our internal control over financial reporting in the future, and, if we do, we will be unable to assert that our internal control over financial reporting is effective. We cannot assure you that there will not be material weaknesses in our internal control over financial reporting in the future.~~ Any failure to maintain internal control over financial reporting could severely inhibit our ability to accurately report our financial condition or results of operations. If we are unable to conclude in the future that our internal control over financial reporting is effective, or if our independent registered public accounting firm determines we have a material weakness in our internal control over financial reporting, we could lose investor confidence in the accuracy and completeness of our financial reports, our stock price could decline, and we could be subject to sanctions or investigations by the New York Stock Exchange, the SEC or other regulatory authorities. Failure to remedy any material weakness in our internal control over financial reporting, or to implement or maintain other effective control systems required of public companies, could also restrict our future access to the capital markets. We have substantial indebtedness, and the degree to which we are leveraged may materially and adversely affect our business, financial condition and results of operations. At December 31, ~~2022~~ **2023** , we have $ ~~0~~ **3** . ~~6~~ **1** billion of total debt outstanding, consisting of: ~~•~~ **•** $ ~~114~~ **1** . ~~6~~ **7** ~~million~~ **billion** under an amended ~~and extended~~ credit agreement **(the" Credit Agreement")** entered into in December 2022 ~~(the " Credit Agreement ")~~ with a syndicate of lenders; ~~•~~ **and •** $ ~~500~~ **550** . 0 million aggregate principal amount of ~~5~~ **6** . ~~375~~ **750 % senior secured notes due March 15, 2028, and $ 800. 0 million aggregate principal amount of 7. 750** % senior unsecured notes ~~issued December 21~~ **due March 15** , ~~2016~~ - **2031** (**together** the ~~" 2016~~ **" 2023** Notes ~~"~~ **"**) ~~; and • net of $ 4. 0 million of unamortized debt issue costs.~~ There are no current drawings under our foreign credit ~~facilities~~ **facility** , and we can borrow an additional $ ~~709~~ **724** . ~~8~~ **7** million under the Credit Agreement. Our ability to make payments on and to refinance our indebtedness, as well as any future debt that we may incur, will depend on our ability to generate cash in the future from operations, financings or asset sales. Our ability to generate cash is subject to general economic, financial, competitive, legislative, regulatory and other factors that are beyond our control. We may not generate sufficient funds to service our debt and meet our business needs, such as funding working capital or the expansion of our operations. If we are not able to repay or refinance our debt as it becomes due, we may be forced to take certain actions, including reducing spending on marketing, advertising and new product innovation, reducing future financing for working capital, capital expenditures and general corporate purposes, selling assets or dedicating an unsustainable level of our cash flow from operations to the payment of principal and interest on our indebtedness. In addition, our ability to withstand competitive pressures and to react to changes in our industry, including both the live and online auction industry, could be impaired. The lenders who hold our debt could also accelerate amounts due in the event that we default, which could potentially trigger a default or acceleration of the maturity of our other debt. In addition, our leverage could put us at a competitive disadvantage compared to our competitors that are less leveraged. These competitors could have greater financial flexibility to pursue strategic acquisitions and secure additional financing for their operations. Our leverage could also impede our ability to withstand downturns in our industry or the economy in general. We may incur substantial additional indebtedness in the future. The terms of the Credit Agreement and the indentures governing the Notes will limit, but not prohibit, us from incurring additional indebtedness. If we incur any additional ~~Ritchie Bros. 29indebtedness~~ -- **indebtedness** that has the same priority as the Notes and the guarantees thereof, the holders of that indebtedness will be entitled to share ratably with the holders of the Notes and the guarantees thereof in any proceeds distributed in connection with any insolvency, liquidation, reorganization, dissolution or other winding- up of the Company. Subject to restrictions in the Credit Agreement and the indenture governing the Notes, we also will have the ability to incur additional secured indebtedness that would be effectively senior to the Notes offered hereby, to the extent of the value of the assets securing such obligations. If new indebtedness is added to our current debt levels, the related risks that we now face could intensify. Our debt instruments have restrictive covenants that could limit our financial flexibility. The terms of the Credit Agreement and the ~~2016~~ **2023** Notes ~~indenture~~ **indentures** contain financial and other restrictive covenants that limit our ability to engage in activities that may be in our long- term best interests. Our ability to borrow under our Credit Agreement is subject to compliance with a consolidated leverage ratio covenant and a consolidated interest coverage ratio covenant. The Credit Agreement includes other restrictions that limit our ability in certain circumstances to: incur indebtedness; grant liens; engage in mergers, consolidations and liquidations; make asset dispositions, restricted payments and investments; enter into transactions with affiliates; and amend, modify or prepay certain indebtedness. The indentures governing the ~~2016~~ **2023** Notes contain covenants that limit our ability in certain circumstances to: incur additional indebtedness (including guarantees thereof); incur or create liens on their assets securing indebtedness; make certain restricted payments; make certain investments; dispose of certain assets; allow certain restrictions on the ability of our restricted subsidiaries to pay dividends or make other payments to us; engage in certain transactions with affiliates; and consolidate, amalgamate or merge with or into other companies. **RB Global, Inc. 29** Our failure to comply with these covenants could result in an event of default that, if not cured or waived, could result in the acceleration of substantially all of our funded debt. We do not have sufficient working capital to satisfy our debt obligations in the event of an acceleration of all or a significant portion of our outstanding indebtedness. ~~Our operating results are subject to quarterly variations. Historically, our revenues and operating results have fluctuated from quarter to quarter.~~ We ~~expect to continue to experience these fluctuations as a result of the following factors, among others, (a) the size, timing, nature and frequency of our auctions; (b) the seasonal nature of the auction business in general, with peak activity typically occurring in the second and fourth calendar quarters, mainly as a result of the seasonal nature of the construction and natural resources industries; (c) the extent and performance of our underwritten (guarantee and outright purchase) contracts; (d) general economic conditions in the geographical regions in which we operate; and (e) the timing of acquisitions and development of auction facilities and related costs. In addition, we may incur substantial costs when entering new geographies, and variability in the number and size of auctions at new sites can cause volatility in our operations. These and other factors may cause our future results to fall short of investor expectations or not to compare favorably to our past results. Further, as our results generally fluctuate from quarter to quarter, period- to- period comparisons of our results of operations may not be meaningful indicators of future performance. Risks Related to Our Intellectual PropertyWe~~ may be unable to adequately protect or enforce our intellectual property rights, which could harm our reputation and adversely affect our growth prospects. We regard our proprietary technologies and intellectual property as integral to our success. We protect our proprietary technology through a combination of trade secrets, third- party confidentiality and nondisclosure agreements, additional contractual restrictions on disclosure and use, and patent, copyright, and trademark laws. We are the registered owners of many Internet domain names internationally. As we seek to protect our domain names in an increasing number of jurisdictions, we may not be successful in doing so in certain jurisdictions. Our competitors may adopt trade names or domain names similar to ours, thereby impeding our ability to promote our marketplace and possibly leading to customer confusion. In addition, we could face trade name or trademark or service mark infringement claims brought by owners of other registered or unregistered trademarks or service marks, including trademarks or service marks that may incorporate variations of our brand names. The legal means we use to protect our proprietary technology and intellectual property do not afford complete protection and may not adequately protect our rights or permit us to gain or keep any competitive advantage. We cannot guarantee that: any of our present or future intellectual property rights will not lapse or be invalidated, circumvented, challenged or abandoned; our ~~Ritchie Bros. 30intellectual~~ -- **intellectual** property rights will provide competitive advantages to us; our ability to assert our intellectual property rights against potential competitors or to settle current or future disputes will not be limited by our agreements with third parties; any of our pending or future patent applications will be issued or have the coverage originally sought; or our intellectual property rights will be enforced in jurisdictions where competition may be intense or where legal protection may be weak. We also may allow certain of our registered intellectual property rights, or our pending applications or registrations for intellectual property rights, to lapse or to become abandoned if we determine that obtaining or maintaining the applicable registered intellectual property rights is not worthwhile. Further, although it is our practice to enter into confidentiality agreements and intellectual property assignment agreements with our employees and contractors, these agreements may not be enforceable or may not provide meaningful protection for our trade secrets or other proprietary information in the event of unauthorized use or disclosure or other breaches of the agreements. Despite our efforts to protect our proprietary rights, unauthorized parties may attempt to copy, reverse engineer, or otherwise obtain and use our products or technology. We cannot be certain that we will be able to prevent unauthorized use of our technology or infringement or misappropriation of our intellectual property, particularly in foreign countries where the laws may not protect our proprietary rights. Effective patent, copyright, trademark, service mark, trade secret, and domain name protection is time- consuming and expensive to maintain. Litigation may be necessary to enforce our intellectual property rights, to protect our trade secrets, or to determine the validity and scope of the proprietary rights of others, which could result in substantial costs and diversion of our resources. In addition, our efforts may be met with defenses and counterclaims challenging the validity and enforceability of our intellectual property rights or may result in a court determining that our intellectual property rights are unenforceable. If we are unable to cost- effectively protect our intellectual property rights, then our business could be harmed. If competitors are able to use our technology or develop proprietary technology similar to ours or competing technologies, our ability to compete effectively and our growth prospects could be adversely affected. ~~Our use of open source software could subject us to risks, including with respect to the terms of open source licenses. Some of the software powering our marketplace incorporates software covered by open source licenses. The terms of many open source licenses have not been interpreted by U. S. courts and there is a risk that the licenses could be construed in a manner that imposes unanticipated conditions or restrictions on our ability to operate our marketplace. Under certain open source licenses, we could be required to publicly release the source code of our software or to make our software available under open source licenses. To avoid the public release of the affected portions of our source code, we could be required to expend substantial time and resources to re- engineer some or all of our software which could significantly interrupt our operations. In addition, use of open source software can lead to greater risks than use of third- party commercial software because open source licensors generally do not provide maintenance, warranties or controls on the origin of the software. Open source software may also present risks of unforeseen or unmanaged security vulnerabilities that could potentially unintentionally be introduced into our software. Use of open source software may also present additional security risks because the public availability of this software may make it easier for hackers and other third parties to determine how to compromise our technology platform. Any of these risks could be difficult to eliminate or manage and, if not addressed, could adversely affect our business, financial condition and results of operations.~~ Risk Related to Our ~~IndustryCompetition~~ **Industry Competition** could result in reductions in our future revenues and profitability. The global used equipment market, including the auction segment of that market, is highly fragmented. We compete for potential purchasers and sellers of equipment with other auction companies and with non- auction competitors such as equipment manufacturers, distributors and dealers, equipment rental companies, and other online marketplaces. When sourcing equipment to sell at our auctions or other marketplaces, we compete with other onsite and online auction companies, OEM and independent dealers, equipment brokers, other third parties, and equipment owners that have traditionally disposed of equipment in private sales. Some of our competitors have significantly greater financial and marketing resources and name recognition than we do. New competitors with greater financial and other resources and / or different business models / strategies may enter the equipment auction market in the future. Additionally, existing or future competitors may succeed in entering and establishing successful operations in ~~Ritchie Bros. 31new~~ -- **new** geographic markets prior to our entry into those markets. They may also compete against us through internet- based services and other combined service offerings. **RB Global, Inc. 30** If commission rates decline, or if our strategy to compete against our many competitors is not effective, our revenues, market share, financial condition and results of operations may be adversely impacted. We may be susceptible to loss of business if competing selling models become more appealing to customers. If our selling model becomes undesirable or we are not successful in adding services complementary to our existing selling model and business, we may not be successful increasing market penetration over the long- term, which could prevent us from achieving our long- term earnings growth targets. Decreases in the supply of, demand for, or market values of used equipment, could harm our business. Our revenues could decrease if there is significant erosion in the supply of, demand for, or market values of used equipment, which could adversely affect our financial condition and results of operations. We have no control over any of the factors that affect the supply of or demand for used equipment and the circumstances that cause market values for equipment to fluctuate including, among other things, economic uncertainty, the global geopolitical climate, disruptions to credit and financial markets, lower commodity prices, and our customers' restricted access to capital. Recent economic conditions have caused fluctuations in the supply, mix and market values of used equipment available for sale, which has a direct impact on our revenues. In addition, price competition and the availability of equipment directly affect the supply of, demand for, and market value of used equipment. Climate change initiatives, including significant changes to engine emission standards applicable to equipment, may also adversely affect the supply of, demand for our market values of equipment. Risk Related to Our Organization and Governance Our articles, by- laws, shareholder rights plan and Canadian law contain provisions that may have the effect of delaying or preventing a change in control. Certain provisions of our articles of amalgamation and by- laws, as well as certain provisions of the Canada Business Corporations Act (the " CBCA ") and applicable Canadian securities law, could discourage potential acquisition proposals, delay or prevent a change in control or materially adversely impact the price that certain investors might be willing to pay for our common shares. For instance, our articles of amalgamation authorize our board of directors to determine the designations, rights and restrictions to be attached to, and to issue an unlimited number of, junior preferred shares and senior preferred shares. In addition, our by- laws contain provisions establishing that shareholders must give advance notice to us in circumstances where nominations of persons for election to our board of directors are made by our shareholders other than pursuant to either a requisition of a meeting made in accordance with the provisions of the CBCA or a shareholder proposal made in accordance with the provisions of the CBCA. Among other things, these advance notice provisions set a deadline by which shareholders must notify us in writing of an intention to nominate directors for election to the board of directors prior to any shareholder meeting at which directors are to be elected and set forth the information required in this notice for it to be valid. Our board of directors has adopted a shareholder rights plan (the " Rights Plan "), pursuant to which we issued one right in respect of each common share outstanding. Under the Rights Plan, following a transaction in which any person becomes an " acquiring person " as defined in the Rights Plan, each right will entitle the holder to receive a number of common shares provided in the Rights Plan. The purposes of the Rights Plan are (i) to provide our board of directors time to consider value- enhancing alternatives to a take- over bid and to allow competing bids to emerge; (ii) to ensure that shareholders are provided equal treatment under a take- over bid; and (iii) to give adequate time for shareholders to properly assess a take- over bid without undue pressure. The Rights Plan can potentially impose a significant penalty on any person commencing a takeover bid that would result in the offeror becoming the beneficial owner of 20 % or more of our outstanding common shares. Any of these provisions, as well as certain provisions of the CBCA and applicable Canadian securities law, may discourage a potential acquirer from proposing or completing a transaction that may have otherwise presented a premium to our shareholders. U. S. civil liabilities may not be enforceable against us, our directors, or our officers. We are governed by the CBCA and our principal place of business is in Canada. Many of our directors and officers reside outside of the United States, and all or a substantial portion of their assets, as well as a substantial portion of our assets, are located outside the ~~Ritchie Bros~~ **United States** . ~~32~~ **As a result, it may be difficult for investors to effect service of process within the United States upon us and such directors and officers or to enforce judgments obtained against us or such persons, in U. S. courts, in any action, including actions predicated upon the civil liability provisions of U. S. federal securities laws or any other laws of the United States. Additionally, rights predicated solely upon civil liability provisions of U. S. federal securities laws or any other laws of the United States may not be enforceable in original actions, or actions to enforce judgments obtained in U. S. courts, brought in Canadian courts, including courts in the Province of British Columbia. RB Global, Inc. 31 We are governed by the corporate laws of Canada which in some cases have a different effect on shareholders than the corporate laws of Delaware. We are governed by the CBCA and other relevant laws, which may affect the rights of shareholders differently than those of a company governed by the laws of a U. S. jurisdiction, and may, together with our charter documents, have the effect of delaying, deferring or discouraging another party from acquiring control of our company by means of a tender offer, a proxy contest or otherwise, or may affect the price an acquiring party would be willing to offer in such an instance.**