

2021 ANNUAL REPORT

PUBLIC EDUCATION MATERIALS AND STRATEGIES

Insights from our current research on BC residents' recycling attitudes and behaviours.

Review of advertising and marketing activities conducted to increase recovery rates.

Overview of community-based programs and initiatives to encourage additional beverage container recycling.



3.1 RESEARCH AND SEGMENTATION ANALYSIS

Since 1999, Encorp Pacific has undertaken market research on an annual basis to evaluate program knowledge, assess consumer behaviour and measure levels of brand equity for Encorp and Return-It across the province.

Research results are used to track changes over time as well as to provide information that is required by the provincial government. One of the most critical pieces of understanding is to determine how to further reduce the level of throw-away behaviour (approximately 25% of beverage containers are known to not be recycled in BC).

An online survey was undertaken in September 2021 among adults 18+ in BC. We achieved a 99% awareness level for all container types that can be returned to a depot for deposit, and a 97% awareness level for all non-alcohol beverage container types that can be returned to a depot for deposit.

When respondents were asked if they were aware of Encorp Pacific (Canada)/Return-It, levels remained consistent with those of past years.

	2021 (n=1,221)	2020 (n=1,261)	2019 (n=1,186)	2018 (n=1,204)
Any Type (NET)	99%	99%	99%	98%
Non-Alcohol (NET)	97%	97%	97%	96%
Aluminum cans 	97%	97%	97%	96%
Plastic bottles 	88%	91%	91%	94%
Glass bottles 	86%	88%	87%	84%
Drink bottles 	64%	72%	73%	73%
Cartons 	54%	63%	68%	63%



	2021 (n=1,221)	2020 (n=1,261)	2019 (n=1,186)	2018 (n=1,204)
Brand Awareness (Encorp Pacific (Canada)/Return-It)	92%	89%	91%	89%

Source: Insights West's Brand Reputation Insights norm, excluding restaurant and entertainment brands.

3.1 RESEARCH AND SEGMENTATION ANALYSIS

In 2020, a fresh approach to the segmentation analysis was undertaken, including behavioural variables as well as attitudinal ones.

Based on the new approach, five segments were identified: Regular Returners, Depot Fans, Convenience Trashers, On-the-Go Discarders and Uninformed Urbans.

Each segment was analyzed through the following criteria:

Segment sizing: comparing percentage of people in the segment, containers produced and containers thrown away.

Key demographics: age, gender, lifestyle, occupation and income along with other demographics were considered.

Depot use: motivations/barriers for visiting a depot, and visit frequency.

Express: awareness of the service, current use and future use potential.

Why they discard: reasons why this portion of the public does not recycle their beverage containers.



	Regular Returners	Depot Fans	Convenience Trashers	On-the-Go Discarders	Uninformed Urbans
Segment sizing	44% people 16% containers produced 2% containers discarded	22% people 48% containers produced 4% containers discarded	7% people 16% containers produced 71% containers discarded	15% people 17% containers produced 12% containers discarded	12% people 3% containers produced 11% containers discarded
Key demographics	Average age 54 63% female	Average age 50 Equally male and female	18–34 age 54% male	25–44 age 57% female	Both young and old Equally male and female
Depot use	Just below average use Like the one-stop convenience of depots	Frequent users Love to use the depots	Good level of use, and frequent among those who do Like the convenience, especially depots with Express	Average use Average reasons for using the depots	Low use; they prefer retailer as method for return Lack of nearby locations and convenience are barriers to more use
Express	Below-average awareness, current use and future interest	Above-average use but only average current and future interest	Average awareness, high current and future use	Below-average awareness, average current use but above-average future interest	Below-average awareness, current use and future interest
Why they discard	Rarely discard Confusion on what is returnable	Rarely discard Confusion on what is returnable	Hassle and inconvenience are key reasons	Can't find a place to return it while they are "on the go"	Lack of interest in the return system

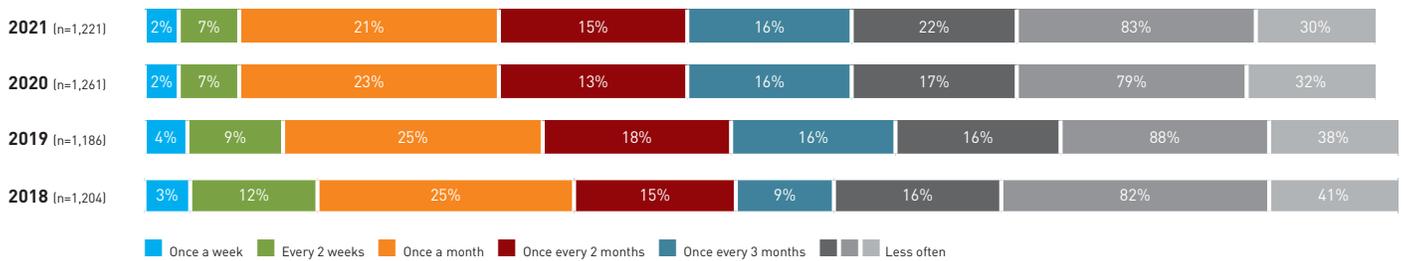
3.1 RESEARCH AND SEGMENTATION ANALYSIS

The annual benchmark and segmentation studies help us understand throw-away behaviour in as much depth as possible. While we have seen significant success in reducing the number of beverage containers that end up in the landfill, about 25% are still not recycled. We continue to work hard to target and modify throw-away behaviour.

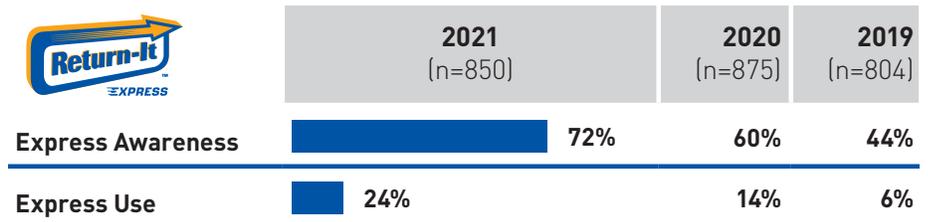
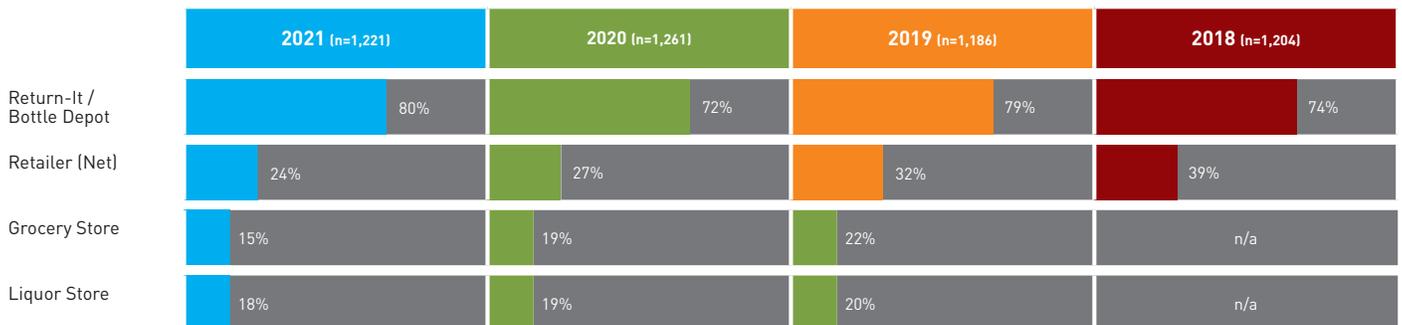
This year we also wanted to know the awareness level of Return-It Express, how Return-It Express has impacted consumers behaviour and whether consumers were satisfied with the service. When respondents were asked how satisfied they were with the Express service, 93% rated the service as excellent/good.

Within our benchmark and segmentation study we included questions based on discard location, beverage container type and visit frequency.

RETURN-IT DEPOT VISIT FREQUENCY



METHODS FOR RETURNING BEVERAGE CONTAINERS



3.2 CONSUMER AWARENESS

We continued to remind consumers in 2021 that recycling their beverage containers isn't just the right thing to do – in BC, it's just what we do. Our advertisements were promoted on various social media, traditional media such as radio and print ads, and many more. This helped maintain a 99% program awareness. We continued to expand on the Return-It Gang's personality while emphasizing the importance of recycling in British Columbia.

TV

We use television to reach a broad mass audience across the province and to maintain a strong level of awareness with consumers. Our 15-second TV spots let viewers know that in BC, recycling is “just what we do.” Our Express-specific TV spots are a great way to explain and promote the benefits of Return-It Express.



Radio/Spotify

As consumer media habits continue to change, we're always reviewing and evaluating the best way to reach our target consumers. The music streaming service Spotify was identified as a new way to reach one of our specific target audiences. Listen to our radio and Spotify spots at [youtube.com/user/EncorpPacific](https://www.youtube.com/user/EncorpPacific).

Consumer Brochures

Previously, we printed detailed consumer brochures in English, Hangul, Punjabi and Traditional Chinese. In 2021, we posted all our printed brochures on our website, reducing the amount of paper used to print brochures. British Columbians can find these brochures at Return-It depots by scanning a QR code. Brochures are also available for download on our website at return-it.ca/beverage/recycling/brochures.

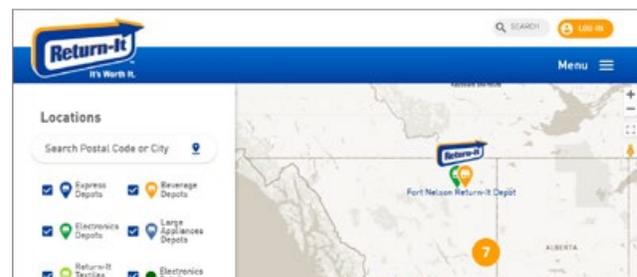
Special Coverage

Every time we have relevant community information worth sharing, it is distributed to the public through various platforms. The information is posted to the Encorp website, shared through our social media channels, and sent out to stewards and influencers to help spread the word.



Return-It.ca and Return-It Blog

Our website and blog give consumers a quick and convenient place to find important information such as depot locations and the latest recycling news. Visit return-it.ca/blog.



3.2 CONSUMER AWARENESS

Corporate Videos

Our corporate videos outline the recycling process for several beverage container types, and they are frequently promoted on our social media channels as well as being available for viewing on the Return-It YouTube channel. These videos are used to further educate consumers about what happens to their drink containers after they are collected for recycling.

Special Focus: Underperforming Containers

Plastic

With awareness of and concern for plastic pollution on the rise globally, an awareness and education plan was set in motion, including radio tags with a plastic beverage container focus, educational social media posts, geotargeted social media ads and digital ads reminding consumers to recycle their plastic beverage containers while they are out and about. We launched a new plastic-focused video, “The Secret Lives of a Plastic Beverage Container.” The video was shared on social media, pre-roll and TV during Global’s morning news. A myth-busting social media campaign was planned using GIFs and snippets from the new video.

Pouches

Drink pouches are the least recycled container type, as many consumers do not know that these container types are part of the deposit system. To raise consumer awareness, we leveraged the popularity of the Return-It Gang and introduced a new drink pouch character, Juicenda Pouch. Pouches were prominently featured during key times in our advertising plan to raise awareness. The immediacy of social media allowed for quick, targeted posts to be implemented for these underperforming containers.

Bag-In-A-Box

The public awareness level for bag-in-a-box is below our target, as many consumers do not know that this container type is part of the deposit system, and they do not know how to recycle this container

type. A new Return-It Gang character named Sarah Cask was created. In addition, a new video was produced with two key messaging: bag-in-a-box is part of the Return-It system, and remember to return both your bag and the box for recycling.



Annual Report

Our comprehensive and interactive Annual Report can be found on our website (return-it.ca/ar2021). Visitors can choose to view the Annual Report on our website or by downloading a PDF file of the report.

Social Media

We continue to use social media as support for our outreach programs and to raise awareness about the recycling of specific containers. The Return-It Gang puppets provide a voice and personality that are well suited to social media, allowing us to engage our audience in a lighthearted, slightly “cheeky” tone. We included posts utilizing pop culture references, current events and special holidays in our social media plan to engage with consumers in the social space.

Google Ads

Google provides a grant to non-profit organizations for their text-based search advertising. We have utilized this offer to show our audience search ads while they are inquiring online. If someone is searching how to recycle their beverage containers, we’ll reach them!

3.2 CONSUMER AWARENESS

Customer Relations

Providing a positive customer experience is a top priority at Return-It. Customers are the foundation of all businesses, and offering an exceptional customer experience is key for the sustained growth of any business – and, in our case, essential for driving recovery rates.

Given the importance of the customer experience, we have a dedicated Customer Relations Team in place to manage all customer questions, concerns and feedback. This team is key to maintaining a continuous focus on the customer experience and to identifying solutions and opportunities for improvement. The team has a set of robust processes to educate and manage all customer and public-facing inquiries. In 2021 we supported more than 17,700 customers. As part of our efforts to reduce inquiry volume, we review customer intel on an ongoing basis and suggest enhancements to our system. Actions achieved in 2021 include the following:

- Created 12 monthly customer trend dashboards, four quarterly reports and 52 weekly reports
- Held 12 cross-departmental customer-focused team meetings
- Improved customers' ability to find information themselves by updating our website content and layout, distributing quarterly customer newsletters, and launching a knowledge centre (an online portal that includes answers to frequently asked questions, how-to guides and troubleshooting instructions) and a live chat widget
- Provided the operations team with real-time data on every location
- Enhanced the Express site through quarterly IT updates to improve usability and reduce pain points
- Provided customer service training to the depot operators at the April 2021 depot conference and a training workshop for the Customer Relations Team



3.3 RECYCLING PROGRAMS AND INITIATIVES

Over 1 billion containers were kept out of landfills in the past year. The majority of beverage containers sold in BC were recovered and recycled through the Return-It depot network, Return-It Express and Return-It Express & GO locations across the province. Many initiatives and annual specialty programs were part of an ongoing effort to increase the recovery and recycling of beverage containers.

Return-It Express

Ease and convenience continue to be two of the biggest barriers to getting consumers to recycle their beverage containers; the Return-It Express program addresses both. Last year, we increased the number of Return-It Express depot locations to 78 across BC. Customers simply set up an online account at express.return-it.ca, place their empty beverage containers into transparent bags and take them to a Return-It Express depot. Once there, using the touch-screen terminal provided, a customer enters their phone number to log in, prints off labels to attach to their bags, and drops them in the designated area. The empty containers are then sorted and counted for the customer. The refund on deposit is credited to their online account and can be redeemed for a cheque or Interac e-transfer. Return-It Express continues to grow, with more locations available and consistent marketing efforts to promote the ease and convenience of the system. In 2021 there were 190,494 Express users registered.

Express Campaign

Our 2021 Express campaign focused on increasing awareness of the ease and convenience of using Return-It Express: no sorting, no lineups and no handling cash. In addition to mass media tactics, more targeted tactics were utilized throughout the campaign. With the proven success of direct mail in previous years, households around Express locations in the Lower Mainland received an informative Express direct mail brochure. Social media was

also used to target specific communities and neighbourhoods. For each of our new Express locations, a 3-kilometre radius was used to target new Express customers through social media posts. Influencers such as Daily Hive and radio hosts from Z95.3, CFOX and Rock 101 played a key role in our campaign.

Express Plush Promotion

Since the introduction of the Return-It Gang back in 2011, there have been many requests for plush toys to be made for each of the lovable characters. In 2019, the Return-It Gang plush promotion was launched. For every beverage container returned, Express customers received one plush promotion credit. Credits would then be used towards redeeming one plush Return-It Gang character. The original promotion ended in October 2020. However, by popular demand it was reintroduced in July 2021. Last year more than 5,200 Return-It Gang were characters sent to Express users.



3.3 RECYCLING PROGRAMS AND INITIATIVES

Express Bag Label

In 2020, as an additional safety measure during the COVID-19 pandemic, we began sending Express bag labels through the mail at no charge when requested through their online Express account. The Express bag label request feature ended in September 2021 with over 86,000 bag label packs sent to Express users.



Express Direct Mail

As part of a continued effort to spread awareness of the Return-It Express program as it expands across the province, brochures were sent to all residences within 3 kilometres of an Express location. Direct mail campaigns are always a success, consistently resulting in a spike in new Express users. In 2021, over 500,000 unique BC residences received an informative brochure about the Express system, letting them know that the convenient service is available in their community.

Return-It School

Since 2000, elementary and high schools across BC have had the opportunity to promote recycling and environmental stewardship via our school program, Return-It School. As part of the program, schools get to share their recycling stories in a contest format, in hopes of winning the grand prize of \$5,000 or the secondary prize of \$2,500.

The winners of the 2021 Return-It School contest were Forest Grove Elementary School, located in a small community in the South Cariboo region, and Lake City Secondary School in Williams Lake.



Ambassador Team

Our Recycling 101 Ambassadors are a team of super-smart “recycling scientists” who use their expert knowledge to teach kids and parents the basic “101” of recycling. In 2021, some events remained cancelled as a result of COVID-19-related restrictions. However, the Recycling 101 Ambassadors were still able to attend seven high-profile events in Vancouver, reminding BC residents to recycle their drink containers and promoting our Return-It Express system. We also launched our brand new Return-It set-up and our new contactless Return-It Express game. The new game challenges visitors to sort containers by holding their hands on top of the sensors of each container type column as fast as they can. At the end, we compare their time against the fastest time of the day.



3.3 RECYCLING PROGRAMS AND INITIATIVES

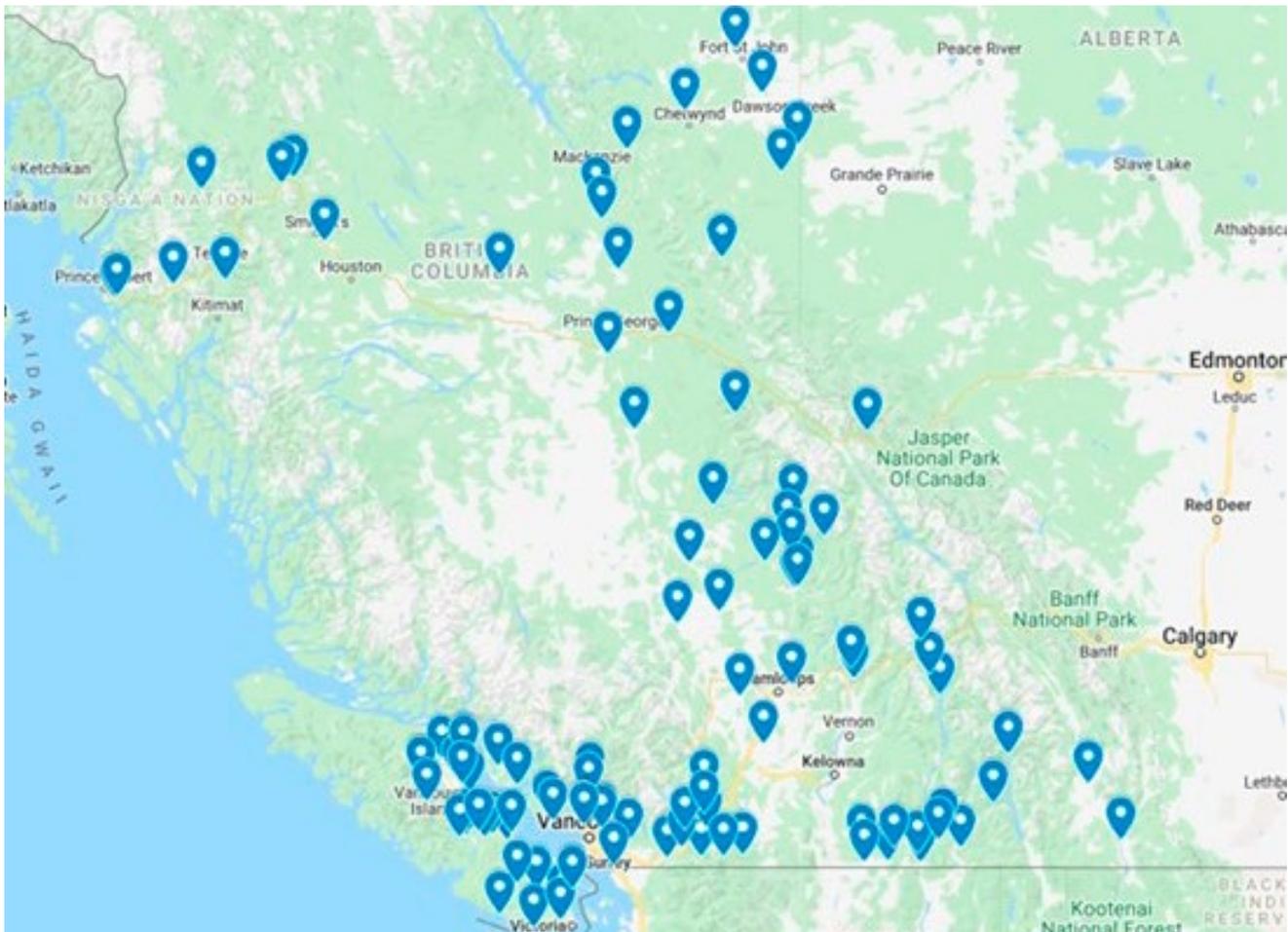
BC Parks and Municipal Outdoor Spaces

Provincial parks, protected areas and recreation areas attracting large amounts of pedestrian traffic continued to be our focus during 2021. We have worked closely with BC Parks to ensure that the investment we put into new outdoor bins pairs with the high-traffic locations where beverage containers have been traditionally trashed.

Throughout 2021, we delivered even more bins to the parks located in British Columbia, including the first hands-free, pedal-operated, bear-proof bins and dual bins to help keep public spaces clean and eliminate excess litter. As a result, pedestrians were able to use new recycling bins in more provincial parks and rural areas where recycling is not accessible.

Return-It has also partnered with BC Parks to create a map showing all bins' locations. The map includes all the bins ordered and placed since the start of the partnership and gives an interactive overview of where they can be found.

We are proud to be working with BC Park, and we are looking forward to helping our partner supply pedestrians with more convenient recycling in the years to come.



3.3 RECYCLING PROGRAMS AND INITIATIVES

Sports Team Partnerships

2021 marked the return of in-person events for both Vancouver Canucks and Vancouver Whitecaps FC. These partnerships have been beneficial on a variety of fronts: ensuring the proper beverage recycling bins at each venue, expanding our outreach program to new audiences and deepening the connection with our customers and community. Vancouver Whitecaps fans attending in-person games were able to enjoy the pre-game activation at Terry Fox Plaza and play our soccer-themed Express game. Additionally, esports have become an essential part of our sports partnerships, allowing us to connect with a different demographic to deliver our message. Return-It has partnered with Vancouver Titans, a professional Overwatch esports team based in Vancouver, BC, and The Gaming Stadium, the first esports stadium in Canada.



Independent Return-It Depots Marketing and Promotion Commitments

Return-It depots submit their intended Marketing & Promotional Plans to Encorp. In 2021 the combined investments from participating depots, if fulfilled, would add approximately \$1.4 million in additional advertising spending.

Industrial, Commercial and Institutional Sector

The Industrial, Commercial and Institutional (IC&I) sector is another area of interest for Encorp, as large-scale venues can account for a significant number of unredeemed beverage containers. We've partnered with organizations like the Sea to Sky Gondola, Nat Bailey Stadium, the Pacific National Exhibition, Cypress Mountain Resort and Mt. Seymour Ski Resort to either provide or improve upon their existing recycling programs. Partnerships within the institutional sector include the provision of collection bins and services at two major hospitals: Vancouver General and Lions Gate Hospital.



Stewardship Agencies of BC (SABC)

Encorp Pacific (Canada) is a founding member of SABC. We have led the way in the development of a group website, video profile and handbook aimed at consumers. Those who are looking to recycle additional materials outside of beverage containers are encouraged to visit bcrecycles.ca.

3.3 RECYCLING PROGRAMS AND INITIATIVES

Major Media Partnerships

To help raise awareness of the important work Encorp is doing, we partnered with Corus Entertainment and Bell Media to leverage their broadcast media. Corus and Bell have some of the strongest news properties in BC and offer full provincial reach. By partnering with Corus and Bell, we're able to leverage the credibility of a third party to help us deliver our message. Krissy Vann, a well-known television broadcaster, was featured throughout our messaging. President and CEO Allen Langdon provided expertise on the importance of recycling beverage containers and diverting them from our natural environment. The segment opened an avenue where we were able to talk to the public about the ease and convenience of our Express & GO stations, our new Express Plus flagship location and how it contributes to British Columbia's beverage container recycling system – ensuring future generations can enjoy a greener, healthier province.

Believe BC – Corus

Return-It continues to lead the way with new ideas and innovation, making it more convenient for BC residents to recycle. In 2020, Return-It rolled out a series of initiatives to modernize the beverage container recycling system. Believe BC gave our president and CEO, Allen Langdon, the opportunity to let BC residents know about all the initiatives and what we imagine the future of beverage container recycling will look like.

CTV Morning Live Community Host Segments

Krissy Vann, Community Connection host for CTV Morning Live, set out to talk to Express & GO users to find out what they thought about the system. These conversations reinforced the importance of ease and convenience for BC residents when recycling their beverage containers and how Express & GO had impacted their recycling habits.

Radio Show and Podcast Interviews

To expand the partnership with Corus and reach different audiences on CKNW, Allen Langdon talked to Martin Strong on the Vancouver Consumer show during World Ocean Day about what happens to plastic beverage containers in BC and why it's so important to recycle all beverage containers. The interview was teased through social media and later shared once it aired. To further amplify our message and reach different audiences, Vanessa Newman from Z95.3 visited one of our Express & GO stations and talked about her experience. The visit was shared through the station's social media channels and then hosted on the Z95.3 website.



Waste Reduction Week

Waste Reduction Week continues to build in awareness and understanding year after year. To help support this year's Waste Reduction Week, we aligned our media partnership with Corus and Bell. The Believe BC segment ran on different Corus news programming, and our new Express Plus location was highlighted on CTV Morning Live, where Krissy Vann talked with our president and CEO, Allen Langdon, about how this new location adds to the series of initiatives to modernize the beverage container recycling system. Social media was once again leveraged during the week to engage directly with our customers and promote behaviour that will divert beverage containers from landfills.



3.3 RECYCLING PROGRAMS AND INITIATIVES

Ocean Ambassadors

Ocean Ambassadors Canada offers educational programs and community initiatives, bringing people to the ocean, educating them about the threat of marine pollution, and empowering them to make real change. Return-It has partnered with Ocean Ambassadors Canada to give access to educational programs to vulnerable children and youth in Metro Vancouver and on Vancouver Island.



First Nations

Recognizing that it is not always economically viable to have traditional depot-style coverage in all of the hard-to-service, remote and rural areas of the province, and to further improve accessibility, Encorp continues to work collaboratively with other stewardship programs to improve coverage and consumer convenience. For example, Encorp is one of the major financial contributors of the BC First Nations Recycling Initiative, working with nine other stewardship agencies that have come together to create a project specifically relevant to Indigenous communities that are interested in starting recycling programs. In support of this initiative, Encorp provides financial contributions and helps develop collaborative solutions. When a First Nations area has been identified and requires additional assistance with the recycling and payment of deposit refunds for beverage containers within our system, Encorp will work with the community to develop a solution.



Closing the Loop Podcast

In 2019, Return-It launched its new podcast series, *Closing the Loop: A Conversation About Recycling, Sustainability and the Circular Economy*. Podcasts provide consumers with on-demand, high-quality content that they can listen to whenever and wherever it's convenient. The new podcast series provides an ideal outlet for thought leadership as president and CEO, Allen Langdon, speaks with industry leaders around the globe to bring awareness to environmental challenges and innovations. In 2021, we recorded 10 episodes on topics ranging from sustainability in the fashion industry to how technology can help solve our waste challenges to the circularity of chopsticks. Listeners can find the podcast on all major streaming platforms. Listen to the latest episodes here: return-it.ca/about/podcast.

Closing the Loop

How can technology help achieve sustainability and solve our waste challenge?

NOVEMBER 06, 2021 | RETURN-IT | SEASON 1 | EPISODE 21



LISTEN ON



SHARE EPISODE



Closing the Loop

Season 1

Welcome to Closing the Loop! A conversation about recycling, sustainability and the circular economy, brought to you by Return-It, an industry leader in the beverage product recycling space with innovative solutions implemented in BC.

Show More



More

EPISODES

- ▶ Once a Chopstick now a statement: The Circularity of Chopsticks
- ▶ Diversity in Sustainability and how the pandemic has enabled a purpose-driven economy
- ▶ Electronics Recycling in BC and what you need to know
- ▶ Plastics Recycling: APR weighs in on a potential solution
- ▶ Major Appliance Recycling Roundtable: Recycling large appliances in BC

3.3 RECYCLING PROGRAMS AND INITIATIVES

Diving In: The Art of Cleaning Lakes and Oceans

In 2021, Return-It sponsored *Diving In: The Art of Cleaning Lakes and Oceans*. This environmental art campaign, a collaboration by the Sea to Sky Arts Council Alliance and the arts councils of West and North Vancouver, aimed to raise awareness about the waste found within local waterways. Through organized cleanups, waste material would be collected and transformed by local artists into meaningful artwork. On World Cleanup Day, September 18, 2021, Return-It participated in its first waterway cleanup with Diving In in North Vancouver's Shipyard District. Return-It was involved in eight waterway cleanup in 2021, where approximately 960 beverage containers were collected. The artwork is scheduled to debut and tour later this year, and the movement of this mission will continue into 2022.



Cork Recycling Pilot

In 2021, Return-It began a new project to ensure that every part of wine bottles are recycled by recycling used natural wine corks, collected at the Return-It Boucherie Self Storage and Bottle Depot in Kelowna, and turning them into eco-friendly footwear. The new initiative is a strategic partnership between Return-It; ReCORK, North America's largest natural wine cork recycling program; and SOLE, a manufacturer of sustainable footwear that turns used wine corks into an ecologically friendly replacement for fossil fuel-derived foams. Sustainably harvested from trees, cork is a carbon-negative material that can be repurposed into new consumer items like footwear cushioning to help replace petroleum-based foams and plastics. As an important climate benefit, cork oak trees continue absorbing CO₂ after their bark is removed.

