



PROGRAM OUTLINE

2.1 Message from the Chair

2.2 Message from the CEO

2.1 Message from the Chair

After more than 30 years of successfully operating British Columbia's beverage container collection program, it is important not to become complacent. The world of product stewardship, where Encorp Pacific was once a pioneer, continues to evolve. Extended Producer Responsibility (EPR) is now embedded in public policy and in the public consciousness. As programs converge across sectors and jurisdictions, there are increased opportunities to share innovative technologies and best practices. At the same time, our business, like others, is increasingly affected by economic and political forces beyond our control.

Throughout, increasing accessibility and expanding our network of collection locations remains a primary strategic objective. This past year marked the largest increase in net new locations added to Encorp's Return-It network in over a decade. In October, following nearly two years of planning and development, we opened our first corporately owned and operated location on Grandview Highway, serving a much-needed area in East Vancouver. Originally established to fill a service gap when a local depot closed in 2021, this location also gives us the capacity to test new counting equipment, pilot collaboration projects with other EPR programs, and deliver a service model that helps redefine what the depot experience can be.

Likewise, the continued expansion and enhancement of the Express program remains a key factor in improving the customer experience and, ultimately, increasing recovery rates. In addition to two independent depots adopting the Express program, Encorp introduced six Express locations in key areas across Metro Vancouver.

At the same time, Artificial Intelligence (AI) offers the potential to enhance the efficiency and overall performance of the Return-It program. In 2025, we continued to explore and test AI applications for beverage container counting, with plans to pilot an AI-driven counting solution in the field in 2026.

Still, 2025 was not without challenges. The fire that destroyed the Nechako Bottle Depot in Prince George was devastating. However, the speed and determination with which the depot owners mobilized and secured a new location was truly remarkable and inspiring.

If 2025 has taught us anything, it is the importance of building resilience within our system and having the courage to reconsider long-standing processes where it makes sense to do so. In an unpredictable global environment, the Board and management have shifted attention towards strengthening domestic capacity and mitigating risks in the face of external forces we can't control. Less than two years ago, few would have expected a beverage container recycling program to be affected by geopolitical conflicts and trade disruptions. Yet within these challenges lie opportunities for Encorp to reassess, innovate, and strengthen its systems to ensure long-term sustainability and success.

As always, I would like to thank our Board members, management team, staff, depot partners and service providers for their dedication, collaboration and the many achievements in 2025. A special thank you to outgoing Board member John Irving for his contributions over many years, and a welcome to Jennifer Chan as our newest Board member. Together, we look forward to the continued success of the Return-It program.



Dan Wong
Board Chair

A handwritten signature in black ink, appearing to read 'Dan Wong', written in a cursive style.

2.2 Message from the CEO

After three decades of operating British Columbia’s premier beverage container recycling and deposit return system, it would be reasonable to assume the program has reached maturity. In 2025, however, our experience underscored the need for sustained and creative continuous improvement. Accordingly, we strengthened our strategic focus on the customer experience, enhancing operations, efficiencies and environmental outcomes. Although external conditions remained beyond our control—including the impact of US tariffs on the recycling sector—our primary focus in 2025 was to deliver convenience and affordability for BC consumers while advancing used beverage container recycling.

To improve convenience and strengthen the customer experience, we launched the Return-It App in July, providing consumers with a single platform to manage their beverage container recycling. The app enables users to locate nearby Return-It locations and manage key aspects of their Return-It Express account from a mobile device. Customers can review prior Express drop-offs, track bag counts and monitor deposit refunds. When ready, they may request an e-transfer or donate funds to a preferred charity or fundraising group. While the app represents an important advancement, it is an initial step. We will continue to introduce enhancements that further improve traceability, accountability, and the overall customer experience.

Consistent with our focus on convenience, 2025 also represented an important milestone for Encorp with the opening of our first full-service corporately owned and operated depot in East Vancouver. As British Columbia’s collection network faces increasing pressure due to retirements and rising land costs—particularly in high-demand urban markets—we must either accept a gradual decline in accessibility or take action to maintain a best-in-class network. In response, we expanded our footprint by opening the East Vancouver depot, established our third small-format Return-It Express drop-off location in a growing area of Langley, and added four Express & GO stations across Metro Vancouver.

Encorp Pacific now owns and operates 14% of the BC Return-It collection network through our province-wide Express & GO stations and depot network. This expanded presence allows us to improve customer experience, implement new technologies and increase operational efficiency—work intended to reduce overall cost while increasing the convenience of beverage container recycling and circularity for consumers across British Columbia.

We also enhanced communication and collaboration with depot operators. In the summer of 2025, we hosted a province-wide depot webinar to provide updates on initiatives intended to improve collection and recovery rates. The

session also provided an opportunity to receive operators’ questions and feedback. During the webinar, we announced the establishment of the Return-It Depot Roundtable (RDR), a dedicated forum to support ongoing collaboration between depot operators and Encorp to advance network-wide improvements.

Collaboration remains a core priority at Encorp. Engagement with other Producer Responsibility Organizations (PROs) in BC, as well as with deposit return systems across Canada and internationally, supports our learning and informs our continuous improvement efforts.

I would also like to highlight the progress made in supporting remote First Nation communities. Access to beverage container recycling is often assessed with reference to the general population; however, it is equally important to support residents of remote areas, including First Nation communities, many of which are accessible only by forest service roads or water. In 2025, we helped remove 473,915 beverage containers from these communities and returned full deposit refunds, which are being used to support local projects, school programs and reinvestment in waste diversion initiatives.

Our mission is to foster a world without waste and contribute to a better future for people, communities and the environment. We extend our sincere appreciation to all those who help advance this mission every day, including brand owners, staff, depot operators, transporters, consolidators, recyclers, First Nation communities, and the many consumers who choose to return and recycle their beverage containers.



Cindy Coutts
President and CEO

A handwritten signature in black ink, appearing to read "C. Coutts".