



June 15, 2014

David Ranson
Director of Waste
Environmental Quality Branch
Ministry of Environment
PO Box 9341 Stn Prov Govt
Victoria BC V8W 9M1

Dear David Ranson:

Enclosed is a hard copy of our annual report for 2013. Also, here is a link to the online version: www.returnit.ca/ar2013

Our 2013 Annual Report combined with the Independent Reasonable Assurance Report from our external auditors on selected non-financial information included in the Encorp 2013 Annual report provides your ministry with both an overview and significant detail on our performance over the last 12 months.

Here are some of the highlights from 2013:

Recovery Rate

- Recovery rate of 80.1% compared to 78.7% in 2012
- Recovery rate by weight of 89% compared to 88.6% in 2012

Public Education Materials and Strategies

- \$3.5 million, year-round, province-wide, multi-pronged consumer awareness campaign targeting the broad population and specific target segments
- Research reports a net 99% awareness level of container types and beverage types that can be recycled through the Return-It™ system
- The Encorp / Return-It™ brand has reached 83% recognition level province-wide, up 3% from last year

Collection System and Facilities

- 171 Encorp licensed Return It™ Depots. One new depot added, and one temporarily closed during 2013.
- 5 mobile collectors certified in Metro Vancouver. No additions during 2013.
- More than one half of the depots offer collection services to the IC&I sector
- Elementary & High School program collected over 3.4 million containers
- 254 specialty bins in 26 BC Parks, 160 streetscape bins within the City of Vancouver



Production Environmental Impact, Reduction, Reusability and Recyclability

- Beverage producers have continued to improve on light-weighting of containers and reducing the amount of packaging. They are also implementing zero landfill requirements at their production facilities
- Encorp stewarded containers are all “one way” containers and are not reused.
- All containers are recyclable with laminate type containers being stored pending market demand

Pollution Prevention Hierarchy and Product/Component Management

- All Encorp stewarded containers are recycled except as noted above
- All Encorp containers are sold into recycling markets with 97.5%, by weight, going to North American destinations

Product Sold and Collected and Recovery Rate *(the 12 months ended December 31, 2013)*

- Sales are 1,214,144,300 units
- Products collected are 972,397,241 units
- Recovery Rate is 80.1%

Summary of Deposits, Refunds, Revenues and Expense

(The 12 months ended December 31, 2013, figures do not total due to rounding)

- Deposits are \$83,869,000
- Refunds issued are \$69,890,000
- Total Revenues are \$92,500,000
- Total Expenses are \$89,170,000
- Excess of revenue over expenses is \$3,331,000

However, our stewardship plan also contained a number of other specific performance measures where we have committed to provide annual updates.

Comparison of Key Performance Targets

1. Consumer Accessibility & Awareness

2012 85% of consumers surveyed are aware of the nearest Return-It™ Depot location to return containers. 92% are aware of a Depot or Retail location to return containers.

2013 85% of consumer surveyed knows where the nearest Return-It™ Depot is located. 95% are aware of a depot or retail location to return containers.

2. Multi-family Collection

2012 Multi-family moved from a pilot program to regular day to day collection network with service contracts in place. Service provided primarily within the City of Vancouver.

2013 No change during 2013.



3. Elementary and High School Program

2012 288 schools registered
\$173,000 in deposit refunds
2,894,620 containers recycled

2013 284 schools registered
\$232,331 in deposit refunds
3,459,945 containers recycled

4. Event and Public Places

2012 Encorp participated in 45 events over 61 days.
Encorp participated with the City of Vancouver in a 60 bin pilot program

2013 Encorp participated in over 46 events over 61 activation days attended by more than 2.2 million people.

Expanded the City of Vancouver outdoor spaces bin program installing 100 more bins – total of 160 bins.

I would be pleased to answer any questions you or your staff may have on our report or any other aspect of our operations.

Yours truly,

ENCORP PACIFIC (CANADA)

A handwritten signature in blue ink, appearing to read "Scott Fraser".

Scott Fraser
President & CEO