

SPRING 2023

POINT-OF-SALE UPDATE

Installation of Encorp's EnSys-Connex Point-of-Sale system in redemptions centres (RCs) is proceeding smoothly. We have now completed the installation in a total of 36 out of 69 RCs across the province. This is a step in the right direction for modernizing used beverage container (UBC) collection points. Our goal is to ensure this important technology tool is installed in all remaining RCs by March 31, 2024.



EnSys-Connex is part of our payment system and provides a tracking system with container sorting tables for RC operators at no cost. It is designed to process all deposit-bearing beverage containers received from consumers under the New Brunswick Beverage Containers Program, pay out deposit refunds, and manage commercial accounts and inventory. For customers, it provides increased transparency for UBC transactions since they are able to see live container counts on the customer interface screen and are provided with a receipt.

EnSys-Connex is also the foundation for our upcoming express (drop & go) recycling program, which will be rolled out in RCs across the province in the coming years. Once we are able to set up an express drop & go recycling service for NB residents, we can confidently expect UBC return/redemption rates to rise exponentially.

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ENCORP BECOMES NOT-FOR-PROFIT PRODUCER RESPONSIBILITY ORGANIZATION

Some very exciting, significant changes are on the horizon for New Brunswick's Beverage Containers Program (BCP). The Government of New Brunswick recently approved amendments to its *Designated Materials Regulation* under the *Clean Environment Act* in April 2023 to establish a new Extended Producer Responsibility (EPR) program for managing used beverage containers (UBCs).

These amendments enabled the recent transformation of *Encorp Atlantic Inc.* from a for-profit entity into a not-for-profit producer-responsibility organization called *Encorp Atlantic / Atlantique*. Our new stewardship obligations for recovering and recycling UBCs extend to all alcohol and non-alcohol beverage product distributors who package their products in non-refillable containers. (Local breweries using refillable beer bottles will remain responsible for their own stewardship plans for recovering and refilling their beverage containers.) This new era of distributor cooperation has already allowed for improved efficiencies in administration and reporting, as well as a more streamlined approach for redemption centre (RC) operators.

The period from April 1, 2023, to March 31, 2024, is a transition year. During this time, the BCP will continue to operate under its current *Beverage Containers Act* and *General Regulation*. However, on April 1, 2024, the program will switch to the newly amended *Designated Materials Regulation* of the *Clean Environment Act*. It will be fully converted to the EPR model.

We strongly believe the migration of the program to an EPR model represents the best opportunity to focus on environmental performance while providing improved access and convenience to recycling for all New Brunswickers. We are thus hard at work planning for April 1, 2024, and these proposed changes that will come with the EPR model:

- We will seek continuous improvement in UBC recovery rates: to 80% or higher, with regular updates displayed via our Performance Indicator.
- We will seek the implementation of an industry-managed Container Recycling Fee (CRF). Each material stream will become self-funding based on costs and revenues of that material.
- We will seek to increase the refund amount consumers get back on the deposit paid for beverage containers. The new deposit-refund structure will be a fully refundable deposit.
- We will take on responsibilities related to RC licensing and compliance standards.
- We will lead extensive public outreach and education campaigns to increase consumer participation in recycling. We have branding and marketing concepts ready to be rolled out alongside technology tools to modernize the network of UBC collection points and attract new customers to the UBC return/redemption experience.

We believe the beverage product industry taking such a leadership role in increasing recycling and minimizing waste is the right thing to do. We are confident these changes will improve the consumer experience of returning and redeeming all New Brunswick deposit-bearing beverage containers and dramatically increase the UBC recovery rate in our province. We will continue to keep all beverage product distributors informed of the upcoming transition to EPR for beverage container recycling in New Brunswick.



▶ NEW & UPCOMING SCHOOL RECYCLING PROGRAM

Encorp is currently developing a school recycling program that will be implemented and advertised in the fall. For this program, we will be offering recycling logistic supplies such as bulk bags and recycling bins to collect used beverage containers (UBCs), as well as promotional items for students, and other benefits, to any school in the province that wants to sign up and recycle/redeem UBCs as a way to raise funds.



Most importantly, we will be connecting schools in this new program to their nearest RC that has our EnSys-Connex Point-of-Sale system installed. Since we will be monitoring the amount of UBCs redeemed by each school and providing prizes to schools who outperform others, RCs connected to the schools in our program can expect a significant increase in their UBC redemption volumes.

▶ EVENT SPONSORSHIPS

As part of our "Be a Recycling Hero!" campaign, Encorp will be sponsoring various events and festivals being held in New Brunswick throughout the summer months. We already have multiple event sponsorships lined up!



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▶ OUR #RECYCLINGHERO CAMPAIGN IS UNDER WAY!

Encorp's "Be a Recycling Hero!" campaign is back for its 4th year. The campaign launched on Earth Day and will be running until the end of September.

Our "Be a Recycling Hero!" campaign aims to raise awareness on reducing litter in outdoor public spaces – especially when it comes to empty beverage containers, which are so easy to reuse and recycle. Since 2020, this spring/summer campaign has encouraged New Brunswickers to become "Recycling Heroes" by embracing a zero-tolerance policy towards littering, speaking up when they see someone littering, and making sure to always recycle their empty beverage containers.

There are three primary strategies in this campaign: advertising, community cleanup grants, and community event sponsorships.

Advertising for this campaign has already started and can be found all over the province. Our eye-catching ads are on busses, outdoor digital billboards, recycling bins in tourism destinations, and more. New this year, visitors to parks and beaches will be geotargeted to be shown ads when browsing on their mobile devices, thus keeping the campaign's anti-litter and pro-recycling messaging top of mind when enjoying these public spaces. We also have a strong web presence, and you will find our bi-weekly social media ads on Facebook and Instagram.

Applications for our \$500 Community Cleanup Grants were launched on Earth Day, for which we received an overwhelmingly positive reception. In May and June, schools and community organizations will hold litter cleanup events in parks, beaches, and other outdoor public spaces, and we will be able to post about their success and thank them for their efforts on our website and social media.

Finally, we will also be focusing our efforts throughout the summer on sponsoring a variety of events and festivals across the province. Expect to see Encorp as the official recycling partner for many of New Brunswick's lively events this summer.



One of the events we will be sponsoring is a popular sand sculpture competition at New River Beach provincial park in July. We will be partnering with MBS Radio for this event, which will provide us with plenty of on-air radio promotions for our Recycling Hero anti-litter message. As the official recycling sponsor, we will be loaning the event organizers our Re-Mobile fundraising trailer, which will provide the 10,000+ event attendees a convenient drop-off location on site for empty beverage containers and make it easy to haul all the collected containers to a local redemption centre (RC) post-event. Funds raised from the deposit-bearing containers collected at this event will be donated by MBS Radio to a local charity of their choice.

We will also be the official recycling sponsor for the Future Forest Festival near Fredericton in August. Last year, the festival collected approximately 34,000 empty beverage containers, which were returned and redeemed at a local RC. The funds were donated to the Minto Fire Department. This year, we will be providing the festival organizers with supplies to make collecting and recycling beverage containers much easier and more efficient for festival attendees, staff and volunteers. With our help, they should be able to raise even more funds this year.

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