## UNITED WAY SOCIAL PURPOSE INSTITUTE

PURPOSE IN PRACTICE CASE STUDY RETURN-IT

# **Social Purpose at Return-It**

Encorp Pacific, also known by its brand Return-It, is the industry owned, product stewardship organization with beverage container management as their core business. Its mandate is to develop, manage and improve systems to recover used packaging and end-of-life products from consumers and ensure that they are properly recycled. Return-It has a network of over 170 facilities across British Columbia. This collection network includes 168 Return-It<sup>TM</sup> Depots, 1 Return-It Express Plus corporate location and 5 Express & GO stations. It was founded 26 years ago and is based in Burnaby, BC. They defined and adopted their Social Purpose in 2020.

RETURN-IT'S SOCIAL PURPOSE We exist to foster a world where nothing is waste.

Fupporting the environment and our local communities through innovation and change is a key priority for our business. Through our Social Purpose, we chose to have a proactive role in improving and bettering society as a whole. It has been integral in mapping out our next 25 years and creating value as we help accelerate the transition to a circular economy.

Allen Langdon – President and CEO of Return-It

# Why Return-It Adopted a Social Purpose

In 2019, Return-It was celebrating 25-years of leading product stewardship in BC. They decided to use that year as an opportunity to embark on a journey to define their Social Purpose and why they exist for the betterment of society, stakeholders, and the community – and set their course for the next 25 years.



## What its Social Purpose Means

Return-It's Social Purpose is about developing and implementing circular solutions where everything has value and nothing is wasted. Their narrative has three components.

**Foster** was chosen because the organization wanted to emphasize that collaboration and partnerships are critical to their success.

**World** refers to Return-Its' goal of sharing their leadership, expertise, best practices and ability to support systems in all parts of the world, especially as many look to extended producer responsibility systems.







**Nothing is waste** is about reimagining the role of materials, products and resources, and redefining how we all produce and view waste. They want to build a world where waste is seen as a misplaced resource and help transition society from a linear economy to a circular economy. For example, as long as consumers keep returning beverage containers for recycling, they are a part of a closed loop circular economy.

## **How Return-It Defined their Social Purpose**

In 2019, Return-It joined the Social Purpose Institute's (SPI) second cohort, along with seven other companies. Together, they worked through a toolkit with the support from SPI experts and participated in discussions with other business leaders to share successes and lessons learned along the way. Guided by the SPI, they identified their core competencies and assets, identified key societal issues they can have a positive impact on, and conducted a comprehensive internal and external stakeholder consultation process to help define their purpose.

### **Core Competencies & Assets**

One of the first steps to defining an organization's unique Social Purpose is to identify the assets and competencies the organization can harness for its purpose. Return-It identified a wide array of core competencies it could leverage. Some of these include competencies in planning, financial management, innovation development, consumer awareness, infrastructure development, information technology and public transparency.

They have a unique business model where they manage recycling programs and provide recycling services through their network and infrastructure for many product streams – including beverage containers, electronics, major appliances, and textiles. Its collection network includes 168 Return-It depots operated by local businesses who are part of the organization's business ecosystem. Mobilizing this ecosystem and network will help the organization achieve its Social Purpose. They have expertise in closing the loop on many materials and hope to leverage this for greater progress and impact on their purpose.

#### **Societal Issues**

The next step in the process of defining their Social Purpose was to understand the societal issues their company can have a unique impact upon, given their core competencies and assets. They looked to the United Nations Sustainable Development Goals and prioritized five to consider in the crafting of their purpose: Affordable Clean Energy, Responsible Consumption and Production, Climate Action, Life on Land, and Partnership for the Goals.

#### **Stakeholder Consultation**

The organization defined its Social Purpose through an extensive stakeholder consultation process with both internal and external stakeholders. They wanted their purpose to resonate with – and be authentic to their employees and key stakeholders. They consulted with all of their employees through in person focus groups, and conducted interviews with its Board of Directors, Advisory Committee, depot operators, government, industry affiliates, partners, brand owners, and other industry leaders. They also held a half-day ideation session with industry and NGO thought leaders for feedback and to further innovate possible Social Purpose options.

#### **Board of Directors**

An important step in finalizing their Social Purpose was engaging their Board of Directors for their ideas and support. The Board was briefed on Social Purpose and purpose governance to ensure they understood the significance of this trend in business, and the role Return-It could have in society. Ultimately, the Board approved the Social Purpose for the organization.





## **How the Social Purpose Creates Value**

Return-It anticipates that its Social Purpose will create value for employees, the environment, consumers, business partners and other stakeholders. A number of benefits have been realized to date.

- 1) Employee Engagement: Since adopting and executing on their purpose, the organization has seen an increase in employee commitment and engagement. Given the employee consultation process was conducted in person, management were able to identity immediate and long term initiatives to drive engagement. This included the implementation of new employee tools, cross functional committees, and a new Performance Development program. Once the Social Purpose was adopted, Return-It engaged employees to redefine its core values and culture. This all translated into greater employee morale and retention as employees support the organization's purpose and bring it to life.
- 2) Strengthened Partnerships: The organization has always valued their partnerships and their Social Purpose has strengthened existing partnerships and attracted new collaborators like the Canada Plastics Pact, Ocean Wise and the Pacific Salmon Foundation. This relates right back to the 'Foster' aspect of their Social Purpose, and something they will continue to invest in and enhance moving forward.
- 3) Accelerated Innovation: In 2020, Return-It was able to deliver innovative forward thinking environmental solutions that support their Social Purpose. This included the reduction of their carbon footprint through the launch of their first CNG hybrid-electric compaction truck, and expanding and evolving their recycling system to deliver a safe and contactless way to recycle and divert material from the landfill through their Express program.

66Over time our vision is to see our Social Purpose deeply embedded within our business and extended to our stakeholder relationships. We look forward to mobilizing our business ecosystem to powerfully realize our ambitious North Star: a world where nothing is waste. 33

Baljit Lalli – Vice President, Corporate Communications and Stakeholder Relations of Return-It

## **Purpose Goals & Targets**

Return-It has a number of internal and external ambitions. Internally, they have mobilized their employees to help bring their Social Purpose to life through their cross-functional team. This internal cross-functional project team has representation from every department to ensure the Social Purpose permeates across the business. Since adopting its Social Purpose, Return-It has pursued the following external goals to bring it to life:

**Increasing Recycling Rates.** The organization has a goal to increase the beverage container recycling rate in BC and implement pilot programs to capture materials that may otherwise go to the landfill. It set itself a target to recycle 80 percent of the plastic beverage containers sold in BC by 2025.

**Eliminate Single-use Film.** The organization has a goal to influence and ultimately eliminate 'waste' within its supply chain. Towards this end, it has adopted a commitment to eliminate single-use plastic film from its supply chain by 2025.





**Create New Partnerships.** The organization has a goal to engage in partnerships that help them achieve their Social Purpose. Since 2020, the organization has established three new partnerships. Oceans connect everyone everywhere, and through its partnership with the Canada Plastics Pact, Ocean Wise and the Pacific Salmon Foundation, Return-It plans to accelerate solutions to address plastic waste. They are also building upon their partnership with Ocean Ambassadors Canada to educate and empower youth to divert material from our natural environment and protect our oceans.

## **Social Purpose Activation**

Since adopting its Social Purpose, Return-It has invested in the following measures to bring it to life:

## **Expand Network Capacity**

To accelerate progress on its recycling goal, in 2020, Return-It expanded its Express recycling program to include 13 additional locations across British Columbia. Now customers have a more convenient, easy, and contactless way of recycling their beverage containers. This has paid off in that the number of customers using the Express system has tripled within the last year.

## **Circular Transportation Investment**

The organization invested in piloting Canada's first-of-its-kind compressed natural gas hybrid-electric compaction truck. This compaction pilot reduces the number of transport vehicles on the road and the number of trips required. One hybrid-electric compaction truck replaces two conventional diesel trucks and increases the amount of beverage containers transported by six times. This pilot puts the organization on a path to look at converting its entire fleet and ultimately reduce its greenhouse gas emissions by 25%. This helps Return-It decarbonize its logistics operations while it accelerates its circular economy impact.

## **Influencing Global Systems**

The organization's Social Purpose commits it to play a role to transform the world's approach to waste. To date it has engaged over 15 organizations across the world to educate, share best practices and provide advice on recycling practices and extended producer responsibility.

### **MORE INFORMATION**

For help defining your social purpose and bringing it to life, contact us at engage@socialpurpose.ca or 604.969.8849.

This Case Study is part of the Purpose in Practice Case Study Series. Visit the "Learn" tab on socialpurpose.ca for more examples on how companies are defining their purpose and bringing it to life in their organizations and beyond.

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