



Circular

How Reusable Packaging Can
Scale in the Grocery Space

Charles Binks-Collier, CEO
Charles@circular.ca





Leverage
Existing
Habits



Keystone
Form of
Reuse



**Please return your empty bottles
for Coca-Cola to your retailer**

You receive 2d. for each bottle—a good way to pick up extra change around the house. Better yet, put it towards a new supply of delicious Coca-Cola.

If you return your empty bottles and cases each time you get a fresh supply, you pay no deposit on your further purchases of sparkling, refreshing Coca-Cola.

ONLY
5^{d.}
per bottle
CONTENTS ONLY

Coca-Cola

TRADE MARK REGISTERED

No further deposit when you





Townley's
DAIRY

MILK • ICE CREAM

ALL THAT MILK CAN BE—PURE, RICH, SWEET

CHOCOLATE

NOT
COLD



DISPOSABLE ITEMS CUT DOWN HOUSEHOLD CHORES

At the bottom of the picture, to the left of a New York City Department of Sanitation trash can, are some throwaway vases and flowers, popcorn that pops in its own pan. Moving clockwise around the photograph come assorted frozen food containers,

a checked paper napkin, a disposable diaper (seriously suggested as one reason for a rise in the U.S. birth rate) and, behind it, a baby's bib. At top are throwaway water wings, foil pans, paper tablecloth, guest towels and a sectional plate. At right is an all-purpose bucket and, scattered throughout the picture, paper cups for beer and highballs. In the basket are throwaway draperies, ash trays, garbage bags, hot pads, mats and a feeding dish for dogs. At the base of the basket are two items for hunters to throw away: disposable goose and duck decoys.

CONTINUED

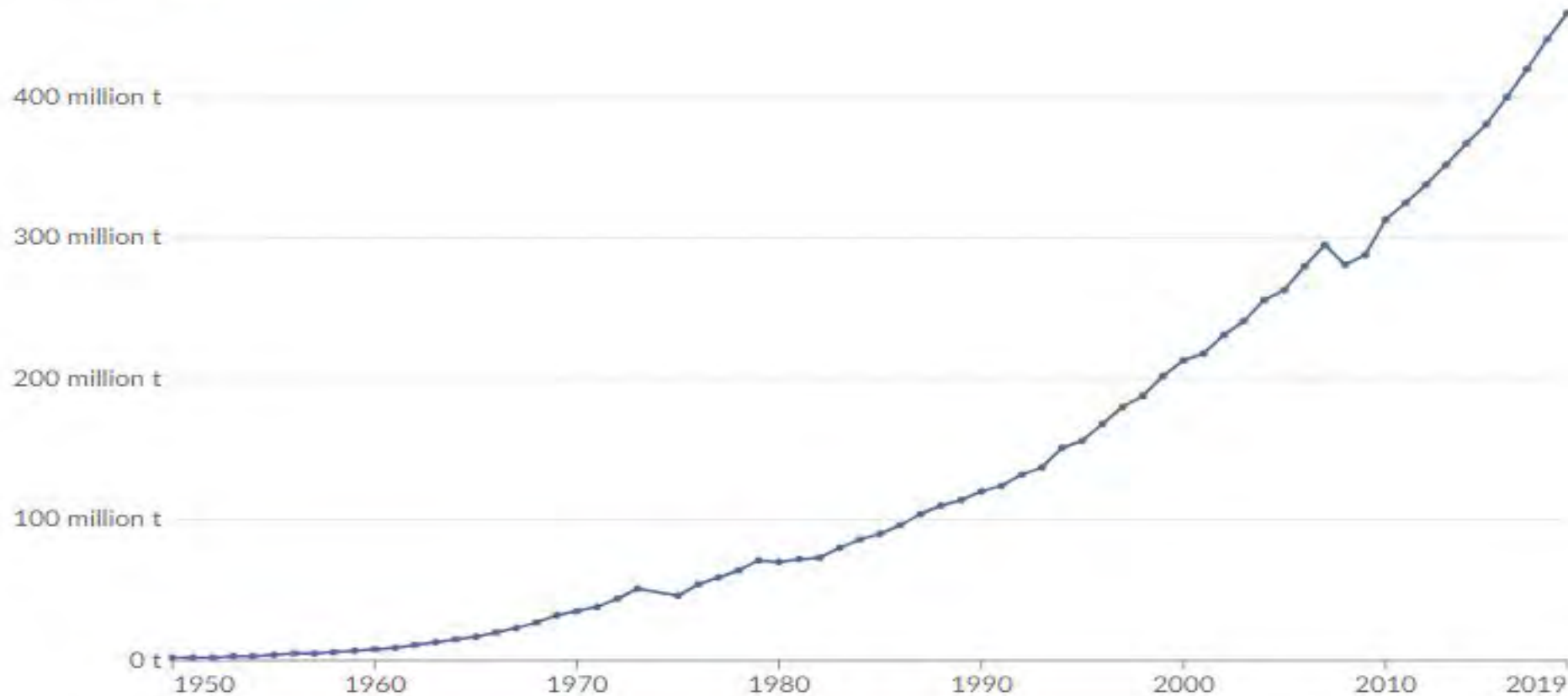


Global plastics production

Annual production of polymer resin and fibers.

Our World
in Data

Table Chart





Circular

Who: Reusable packaging system enabler and builder

Why: To make packaging reuse the norm in Canada

How: Bring together coalitions of organizations, combining them with Circulr's technology, management, & system to make reuse happen



What is Reuse

And why is it important?

Reuse involves keeping materials in their existing form and treats them so that they can be used for their original purpose again

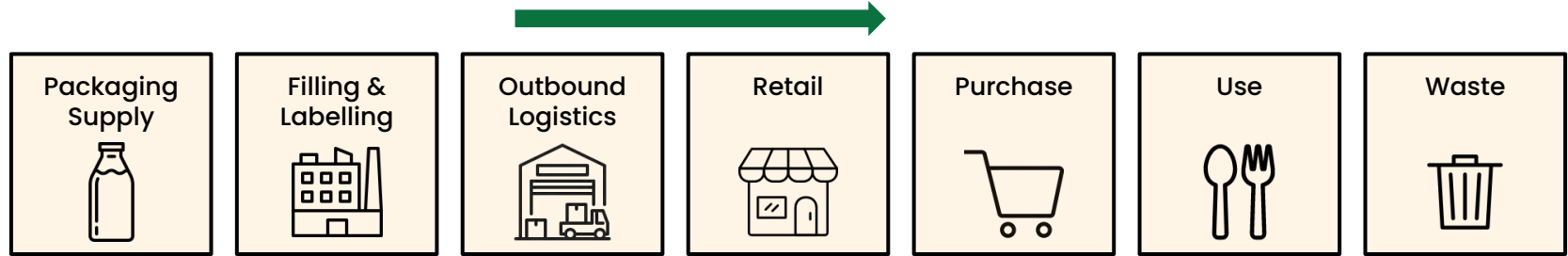
Environmental benefits

- Reduced Waste
- Reduced Emissions

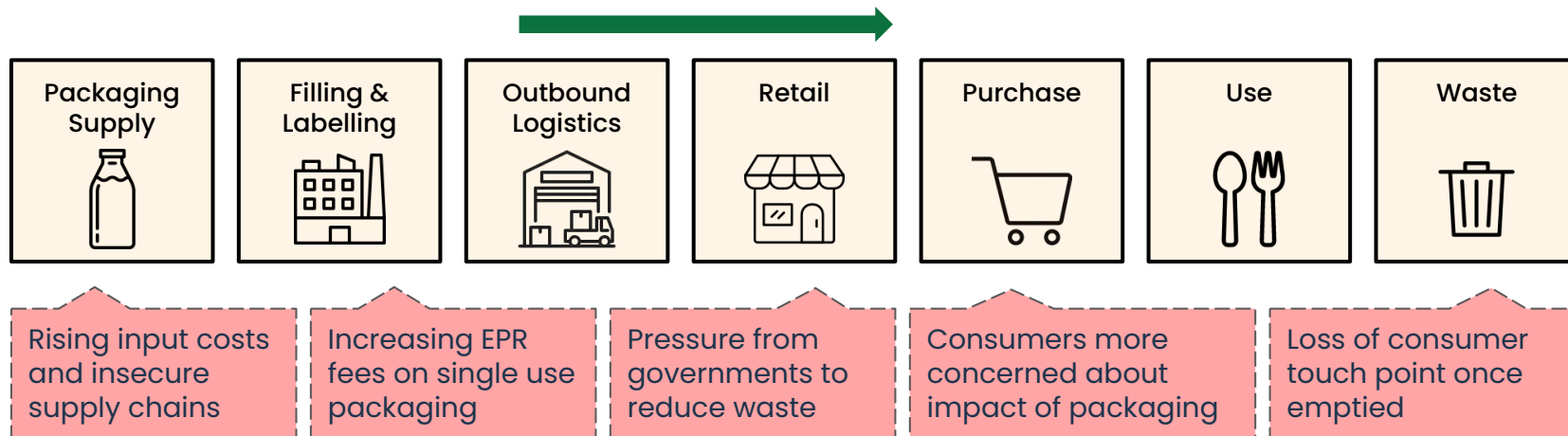
Economic Benefits

- Reduce COGS
- Increase in repeat purchases
- Increase brand image
- Avoid EPR fees

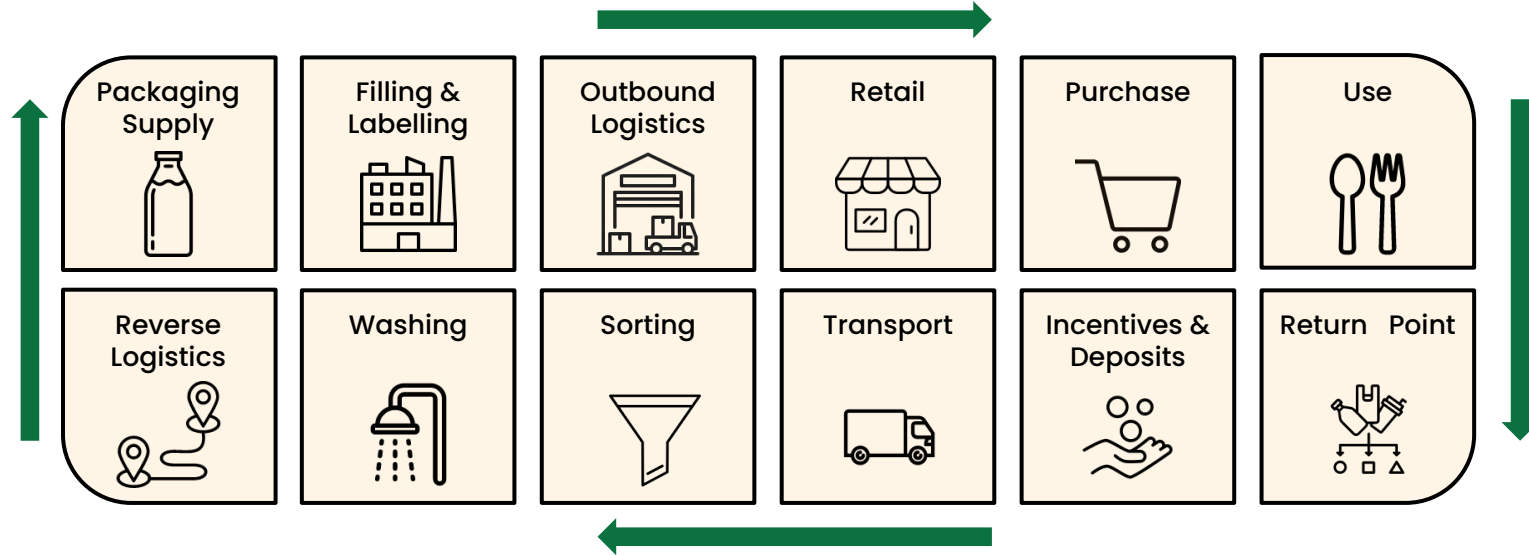
The Linear Economy



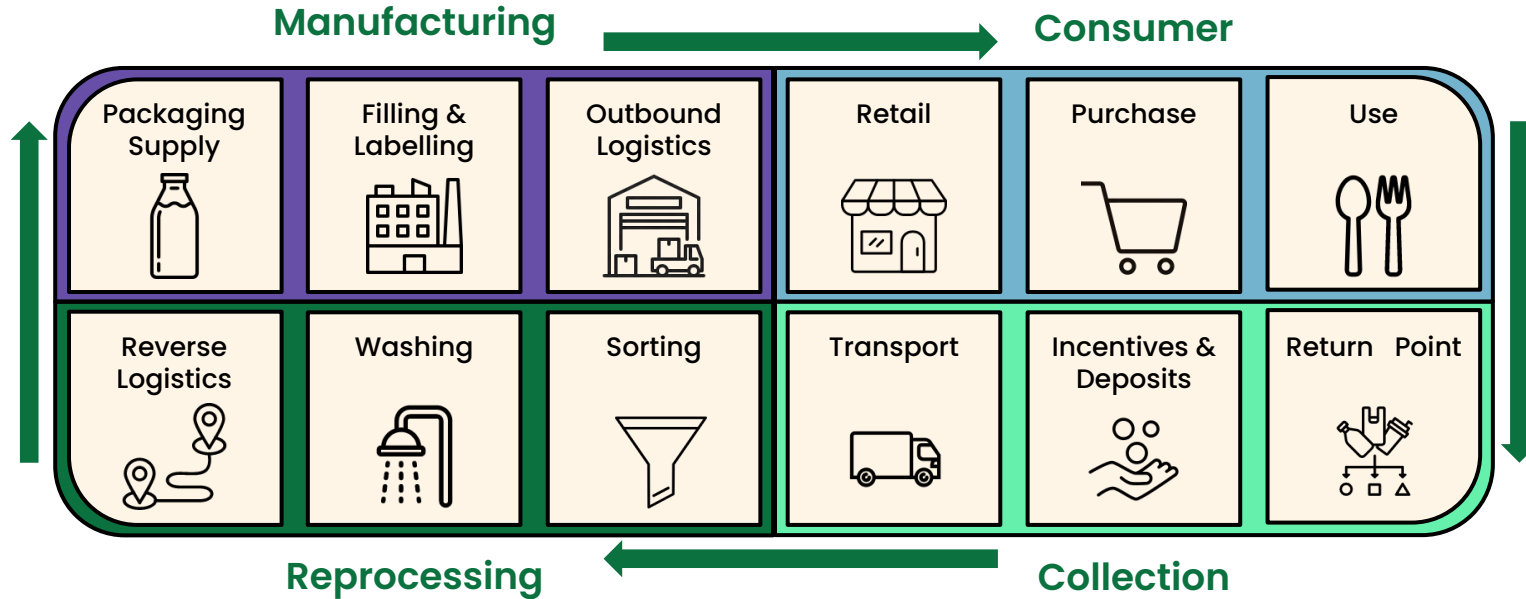
The Linear Economy



The Circular Economy



The Circular Economy



Circular Areas of Focus



Manufacturing

- Standardized packaging guidelines setting
- Purchasing and management of shared standard packaging pool
- Labelling and closure guideline setting
- Secondary packaging guideline setting and reuse management



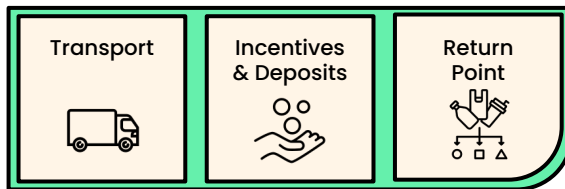
Reprocessing

- Fully manage or develop contracting for:
 - Sorting
 - Washing
 - Redistribution
- Regular health and safety reporting
- End of life packaging recycling



Consumer

- Connect with POS data analytics
- Manage instore and in community marketing campaign
- Develop on pack and on shelf comms
- Train store staff



Collection

- Deploy collection points (high tech or low tech)
- Structure and manage deposit or reward program for packaging return
- Develop dedicated or contracted collection transportation options

System Wide

- Managing coalition governance
- Data management and analytics for both marketing and system improvement purposes
- PR and earned media campaigns
- Identifying and applying to grant based funding, sponsorship opportunities and other funding mechanisms
- Managing overall program finances including deposit and reward flows



Environment Circulr Aims to Operate

Packaging

Variety	Value	Collection
Packaging in category is functionally standardized	Packaging has high inherent value, rising input costs and high EPR fees	Existing collection network captures target packaging

Place

Government	Washing	Consumers
Government mandates reuse on federal or provincial level	Washing facility fit for the target packaging exists nearby	Consumers are actively asking for and supporting reuse initiatives

Circulr has experience operating in a wide range of environments and will work with you to find the best way to reuse packaging.

Optimal Reuse

1

Extension of Pre-Existing Collection

2

DRS, EPR and Reuse Goals Clearly Articulated

3

Incentives are Key to High Return Rates

4

Cohesive Packaging Segment Targeted

5

Shared Pool Systems Make Reuse Efficient

Why Businesses Choose Reuse

Packaging can create more value than you would have thought.

1

Repeat Purchases

Customers are more likely to purchase again when they return packaging

2

Cheaper Packaging Prices

Due to recent legislation, and optimized reuse, prices can be cheaper than buying new

3

Brand Awareness

Reuse systems create positive press and can attract new customers

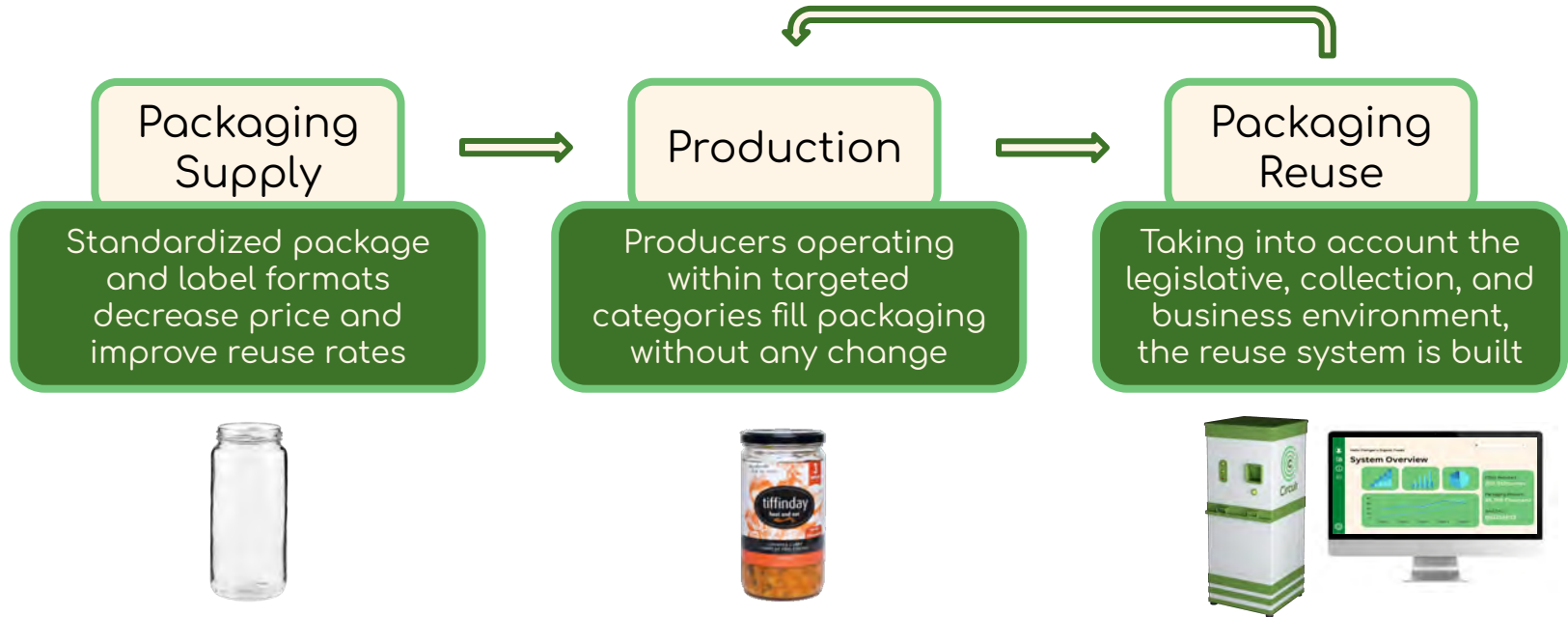
4

Customer Touch Points

Businesses stay more connected to their customers throughout product lifecycle

The Circulr Reuse Solution

Circulr has built a cohesive system that allows you to run an optimized reuse program which can plug-and-play right into your existing processes.





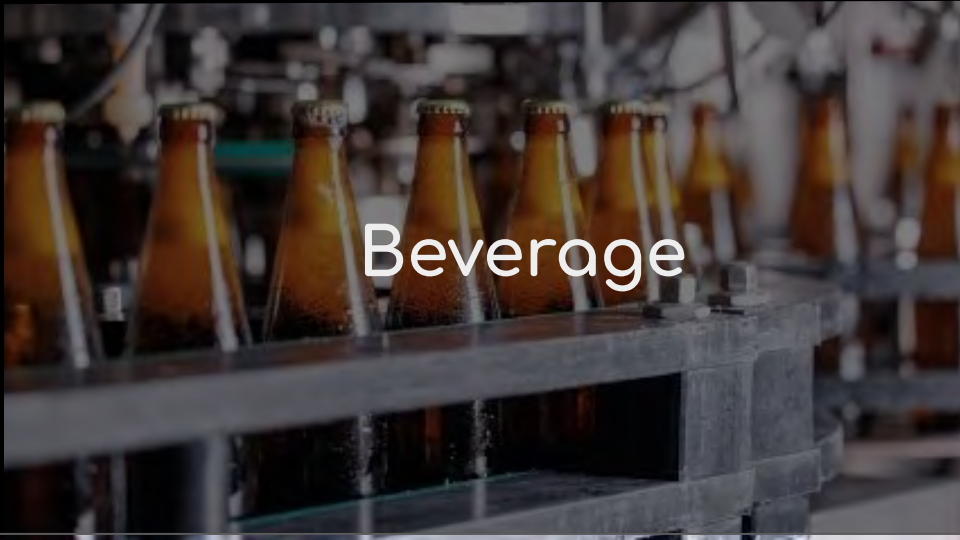
Personal Care



Home Care



Packaged Food



Beverage

In-Aisle Grocery Packaging Reuse

Rigid Packaging

Category Agnostic



Circular Experience

Successful grocery packaging reuse system in Toronto, Waterloo and Wellington Region

- Independently developed system
- Managed full reuse process
- Wide variety of product categories and packaging types reused
- 50+ retailers and brands supported
- 50,000+ pieces of packaging reused
- Interest from large brands and retailers for expansion

Case Study - The Stone Store Guelph

20+
Sku's Included

5,000+
Jars reused

73%
Return rate

"We've wanted to offer reuse for a while, but the logistics were too much for us to take on alone. Circulr has taken the hassle out of the process, allowing us to offer reuse to our customers who are adopting it more and more."

- Stone Store Manager, Erin Copland



Program Success

1

Consumer Awareness

2

Economic Incentives

3

Product Depth

Stone Store Example

1

Consumer Awareness



2

Economic Incentives



3

Product Depth



Canada Reuse City Project



- City wide, cross category returnable packaging platform, with an aspiration to scale nationally
- The project was initiated by the Consumer Goods Forum, operated by Reposit & funded by key players including Walmart, Loblaw Companies Limited, Unilever, L'Oréal, and Procter & Gamble
- Although final timing is still to be confirmed, the trial is currently anticipated to launch in 2026 in Ottawa, Canada
- Current focus is on home care & personal care products with Circulr looking at potentially adding food products
- Feasibility study for food projected to begin next few months



Optional Hardware and Software

Circular is building the next generation collection machine with a SaaS backend.

A seamless customer experience similar to a self-checkout kiosk, that provides reward for participation

Reverse vending machine designed for efficient collection of packaging

Integrated into retail POS and Circulr software to provide real time data insights



Supply chain management software and third-party reverse logistics management to ensure timely ops.

ESG and health & safety reporting
allows producers to meet their
compliance objectives

Data collected from Circulr hardware enables producers to synthesize marketing insights



The Link Between Recycling and Reuse

1

Reduced Material
Flows

Reuse reduces
the burden on
overwhelmed
recycling
infrastructures

2

Shared
Infrastructure

Reuse and
recycling can
benefit by
sharing systems

3

Optimal Material
Source

Higher quality
recycling
feedstocks
through reuse
collection

The Beer Store Container Sales and Recovery by Container Type

January 1st, 2022 – December 31st, 2022

Container Type	Beer Store Sales (units)	LCBO Sales (units)	Returns (units)	System Recovery Rate (2022)	System Recovery Rate (2021)
All Glass Bottles (Refillable and Non-Refillable)	359,178,979	76,279,202	385,438,726	89%	90%
Refillable Bottles (ISB and Non-Standard)	269,188,841	25,952,216	284,172,521	96%	98%
Non-Refillable Bottles	89,990,138	50,326,986	101,266,205	72%	72%
Metal Cans	751,705,415	423,804,738	882,483,512	75%	75%
Kegs ³	917,089	—	922,773	101%	102%
Total (by Units)	1,111,801,483 	500,083,940 	1,268,845,011 	79% 	79%

The Beer Store Container Sales and Recovery by Container Type

January 1st, 2022 – December 31st, 2022

Container Type	Beer Store Sales (units)	LCBO Sales (units)	Returns (units)	System Recovery Rate (2022)	System Recovery Rate (2021)
All Glass Bottles (Refillable and Non-Refillable)	359,178,979	76,279,202	385,438,726	89%	90%
Refillable Bottles (ISB and Non-Standard)	269,188,841	25,952,216	284,172,521	96%	98%
Non-Refillable Bottles	89,990,138	50,326,986	101,266,205	72%	72%
Metal Cans	751,705,415	423,804,738	882,483,512	75%	75%
Kegs ³	917,089	—	922,773	101%	102%
Total (by Units)	1,111,801,483 	500,083,940 	1,268,845,011 	79% 	79%

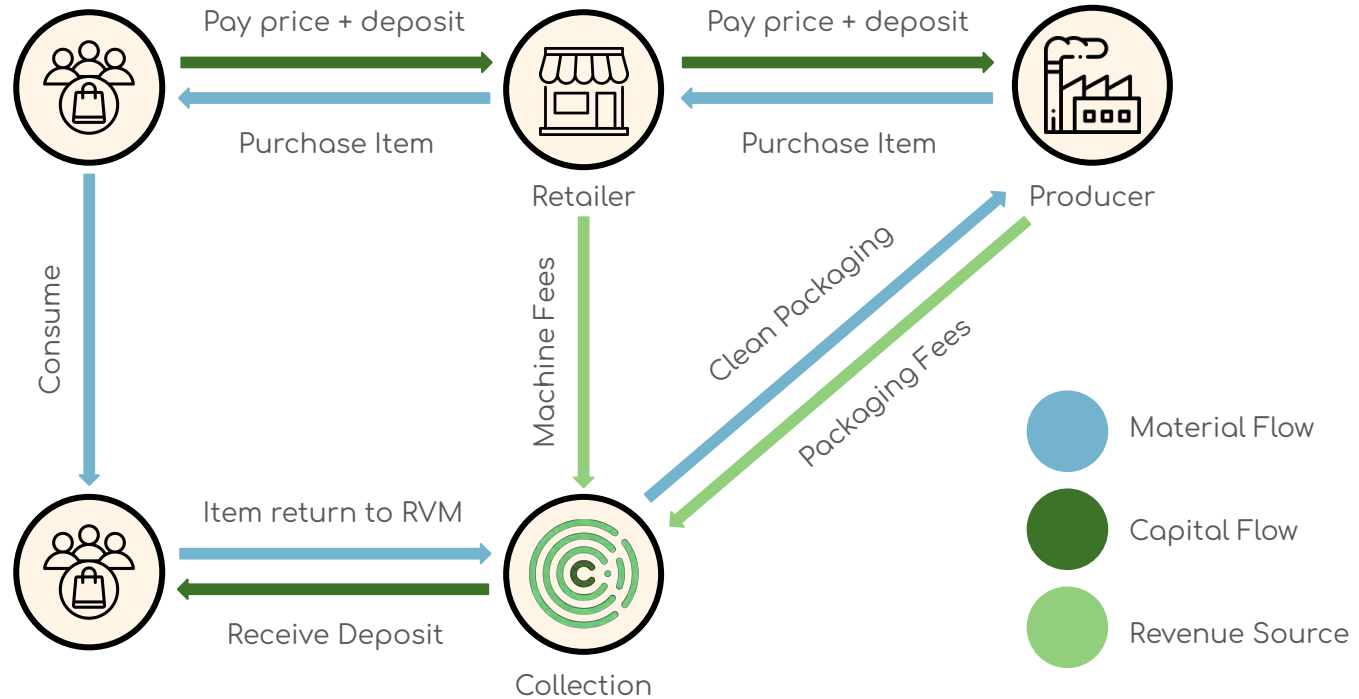


Thanks for
Listening



Charles Binks-Collier
CEO - Circulr
Charles@ciculr.ca

Capital Flows



Systemic Barriers of Reuse

1

Cost

2

Convenience

3

Incentives

Our Solutions

1

Cost



Standardization of
packaging

2

Convenience



Reverse vending
machine

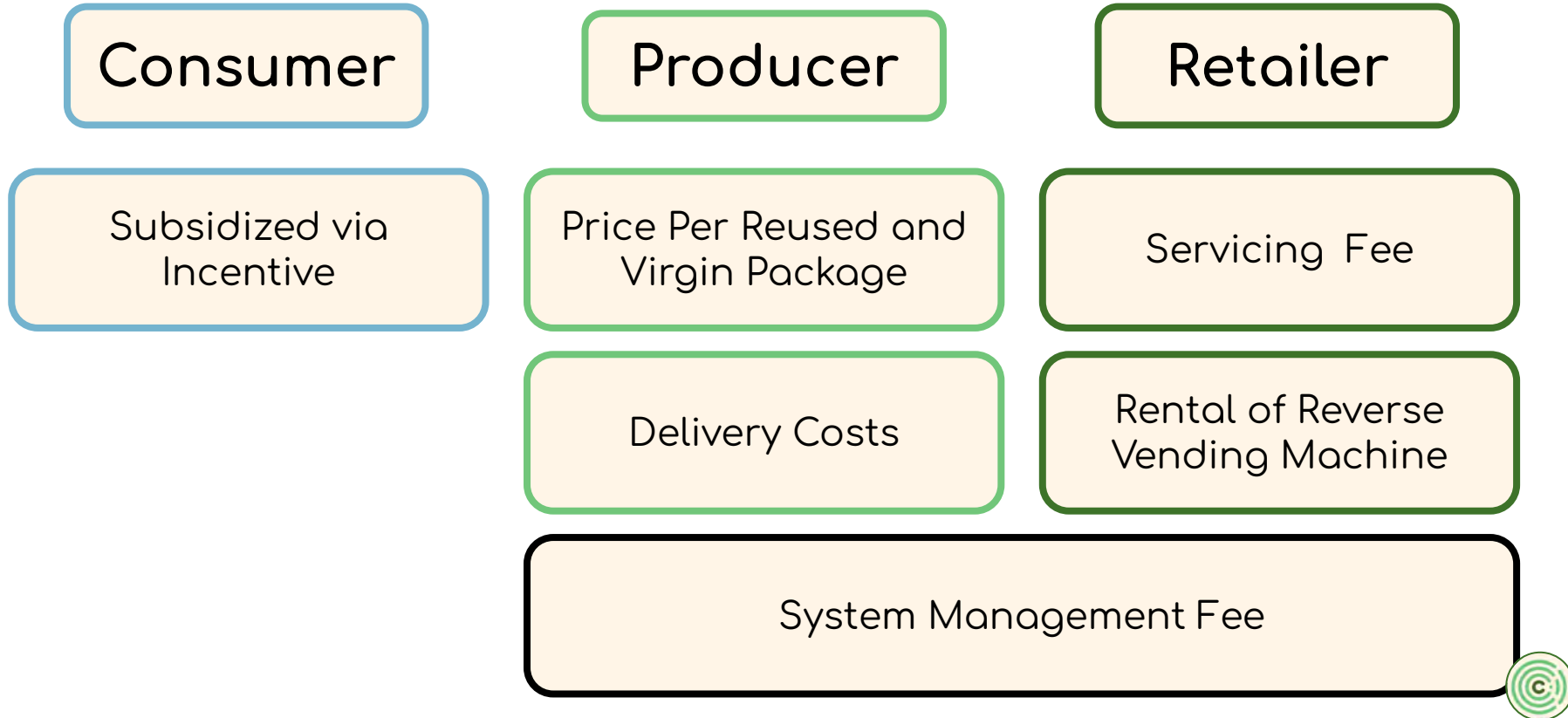
3

Incentives



Immediate, easily
spendable rewards

Revenue Model



What's The Difference*

245g CO2 Eqv

\$1.10 per jar

\$0.10 per jar margin

PRO fee starting at
\$0.05 per jar



Virgin

VS.



Reuse

145g CO2 Eqv

\$0.70 per jar

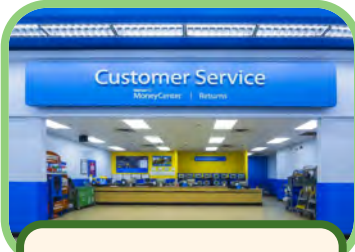
\$0.20 per jar margin

No Extra Fees

*figures based off of 1L 100 jar quantity for both



What's The Difference



Staff

\$10,000+ yearly staff cost

Costs to hire and train staff

Constant management

VS.



Machine

\$6,000+ yearly rental cost

\$7,500 cost to manufacture

Paid off in 15 months

