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CARTON COUNCIL OF CANADA NEWS

CARTON COUNCIL OF CANADA COMMITTED AS EVER TO STRENGTHEN ITS PRESENCE AND RESULTS IN CANADA

Carton Council of Canada (CCC) is pleased to announce the appointment of Isabelle Faucher as Managing Director. Building on the progress CCC has made in helping accelerate carton recovery and recycling rates since its inception five years ago, the addition of a dedicated and experienced Managing Director demonstrates its commitment to further strengthen its presence and results in Canada.

Ms. Faucher, who previously was with Reclay StewardEdge, will draw on her extensive expertise and experience in sustainable development, waste management and extended producer responsibility.

"The choice of Isabelle Faucher as Managing Director was a natural one, as she has been an advocate and supporter of ours since 2009. Fluently bilingual, she understands the particularities of each province and has a well-

established network of contacts among stakeholders in the value chain," stated Élisabeth Comere, Vice-President, Governmental Affairs for CCC. "Ms. Faucher will become a highly visible ambassador for carton recycling, and her expertise will guide the mission of CCC," she concluded.

In addition to strengthening its managing team, CCC has recently developed a number of resources for the different stakeholders of the recycling value chain to help support carton recycling in Canada. These include a Carton Recycling Primer for sorting facilities, a carton recycling image and ad bank for municipalities, and a video explaining the carton recycling process aimed at the general recycling industry. More details on each of these are provided in the next few pages. We hope that you will find them useful and as always, we welcome your feedback and comments. Please send them to Isabelle at ifaucher@recyclecartons.ca.











Isabelle Faucher, Managing Director



CARTON RECYCLING PRIMER AVAILABLE FREE FOR DOWNLOAD

Over the course of its five years of existence, the Carton Council of Canada (CCC) has commissioned a number of technical studies and has assembled a knowledge base. The CCC has recently released a Carton Recycling Primer, which brings together the information gathered by the Council through the several technical studies it has commissioned and the visits to sorting facilities across the country. The primary audience for the Primer are MRF operations and municipalities, and its goal is to support their carton recycling efforts.

The content includes the preferred sorting approaches to cartons in the MRF, including suggested best practices, storage, marketing and transport considerations, and information supporting the development of a business case to sort carton. Please note that the Primer is not intended to replace qualified engineering and/or legal advice. We hope you will find it useful and we welcome your feedback on the document.

NORTH AMERICAN MILL LOCATIONS UNITED STATES

- Resolute, Fairmont, WV
- Fox River, De Pere, WI
- Great Lakes Tissue, Cheboygan, MI
- ReWall, Des Moines, IA

MEXICO

Mills consuming cartons:

- Biopappel, Tres Valles, Veracruz State
- Celupak, San Juan Del Rio, Queretaro State
- Fabrica de Papel San Jose, Texcoco, Estado de Mexico
- Grupo Empresarial Transforma, San Juan Del Rio. Oueretaro State
- Imerssa, Zumpango, Estado de Mexico
- Kimberly-Clark, Orizaba, Veracruz State
- Reciclados del Izta, San Rafael Tlamanalco, Estado de Mexico
- SCA, Ciudad Sahagun, Hidalgo State
- Verdek, San Martin de las Piramides, Estado de Mexio
- Ziklum, Acolman-Estado de Mexico Consumers of Poly/Al. and Poly residual:
- Ecolaminados, Morelia, Michoacan State
- Ecomadera, Jiquilpan, Michoacan State
- Grupo Empresarial Transforma, San Juan
- Grupo Tea, Zumpango, Estado de Mexico
- IMERSSA, Zumpango, Estado de Mexico
- PLACOVE, Toluca, Estado de Mexico
- Q.F. Mex, Mexico D.F
- Verdek, San Martin de las Piramides, Estado
- Ziklum. Acolman-Estado de Mexico

ASIAN MILL LOCATIONS

- Daewang Paper Co. Ltd., Gunpo-si, S. Korea
- Daewon Paper Co., Pochun, S. Korea
- Fiber Pattana, Bangkok, Thailand
- Samjung Pulp Ind. Co. Ltd., Godeokmyeon, S. Korea
- Shin Chang & Paper Industry Co. Ltd, Chungchongnam-Do, S. Korea



SPOTLIGHT ON A MRF: TRICENTRIS TRICE OTCLS



Tricentris, centre de tri was founded in February 1996, and its first MRF started operating in June 1998. The founding members (44 municipalities and one school board) had a shared vision in mind - to offer the best recyclables sorting services at the best price, while fostering regional economic development and adhering to the principles of sustainable development. They opted for a not-for-profit business model mainly for the administrative flexibility it offered.

Today, Tricentris services 1.8 million people (about 850,000 households) spread across five administrative regions (Outaouais, Laurentides, Lanaudière, Montérégie, Abitibi-Témiscamingue). The Carton Council recently spoke with Frederic Potvin, Managing Director, and Marlene Lenherr, Sales and Logistics Coordinator for Tricentris.

How many municipalities do you service? Tricentris services 207 municipalities, and has 152 members represented by 24 administrators who sit on the Board of Directors. We own and operate four plants: three MRFs (Lachute, Terrebonne, and Gatineau) and a glass micronization plant (Lachute). Combined, we process just over 200,000 tonnes of recyclable materials on a yearly basis, which represents a quarter of all the material processed in Quebec.

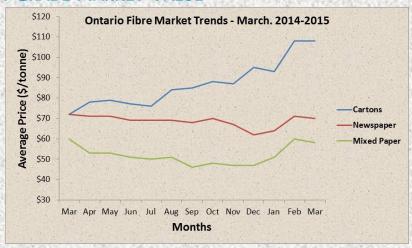
What type of material do your MRFs process? The vast majority of the material we process (95%) is from the residential sector, while 5% is from the IC&I sector. Cartons represent between 0.4% and 0.5% of the materials we market.

How are cartons processed in the MRF? Cartons are manually sorted on the container line in all three facilities. At the Gatineau plant, one sorter is exclusively dedicated to this task, while at the other two plants, 3 to 5 sorters are assigned to this, and they each spend from 10 to 15% of their time sorting cartons. In all cases, the sorters are positioned at the end of the container line, once HDPE, PET, other plastic and metal containers have been removed, which makes it easier for sorters to spot cartons at this point.

Once cartons are sorted, what happens? Cartons are stored in a dedicated bunker. Once full, the bunker is emptied and the material is compacted into bales. Our carton bale composition varies from 95% to 85% gable top containers and 5% to 15% aseptic containers. A certain portion of cartons also end up on the fibre line, depending on their compaction level. The more they are compacted, the more their flattened shape makes them likely to behave as a fibre and therefore to end up in the mixed paper bales, instead of the carton bales. Our three plants produce a combined total of 800 tonnes of cartons per year (about 32 loads), which are delivered to the end-market and recycled into new consumer products.

What made Tricentris decide to sort cartons into their own grade? The value of cartons, which is three times higher than mixed papers, as well as the stability of the markets and the fact that we produce large volumes and therefore ship carton loads on a regular basis, are all factors that supported our decision to sort cartons positively.

CARTON GRADE MARKET VALUE



Source: Reclay StewardEdge Inc. Price Sheet.

According to Jason Pelz, Vice President of Recycling Projects for the Carton Council, the demand for cartons from both overseas and domestic markets continues to be good. In the case of export markets for cartons, they have been consistently strong and consequently, so are the prices paid when shipping export. In the current recycling markets context characterized by stagnant fibre prices, cartons have performed well and the difference in price paid between cartons and mixed paper has been growing, further incentivizing MRFs to positively sort cartons.

CARTON RECYCLING PROMOTION & EDUCATION RESOURCES AND VIDEO NOW AVAILABLE

The CCC has developed eye-catching carton recycling ads that can be used by municipalities to support their promotion and education efforts. The ads can be used in print media, including the ONA/OCNA in-kind advertising program, as well as outdoor advertising media (buses, transit posters, arena placement) and electronic advertising. The ads are customizable so that municipality-specific information can be added (e.g. name, web site address, type of collection container). A dedicated ad for two-stream programs has also been created. A series of carton images representing all carton types (juice, milk, soup, broths, etc.) are also available for download. Visit the carton recycling image and add bank to view the images and ads and request access to them.



An informative video aimed at the recycling industry is now <u>available for viewing on the CCC's web site</u>. Entitled *Something in it for everyone*, the video explains the carton recycling process throughout the various stages of the value chain, from the consumer to the municipality and the MRF, to the mill.

CCC TO SPEAK AT UPCOMING RCBC CONFERENCE

The CCC will be giving a presentation at the upcoming Recycling Council of British Colombia's (RCBC) 41st Conference & Trade Show - "Creating a Circular Economy - Join the Conversation" to be held in Whistler, May 6-8. CCC's Managing Director will share the stage with the Paper and Paper-



board Packaging Environment Council (PPEC) and will speak to the Council's work in supporting recycling across the country, as well as highlighting cartons' other positive environmental attributes.

CARTON BROKERS

The following brokers are those known to the Carton Council of Canada as brokers of cartons (PSI-52 grade). The list is presented for your consideration only and does not contain all available options. Please conduct proper due diligence when selecting a broker to ensure pricing and services are competitive and suited to your needs.

Berga Recycling

St-Eustache, QC gates@bergarecycling.com

Recyclage Laroche

Candiac, QC Gerry@larocherecycling.com

Storelli Recycling Company

Fort Lauderdale, FL vstorelli@bellsouth.net

Potential Industries, Inc.

Wilmington, CA
Tony.fan@potentialindustries.com

Continental Paper Grading of Canada Inc.

Mississauga, ON pvaleriote@cpgcanada.com

Recyclable Materials Marketing Brantford, ON atul@remm.ca

The Paper Tigers Bannockburn, IL nhalper@papertigers.com

Newport CH International LLC Orange, CA chahne@newportch.com

Rock Tenn

mguinn@rocktenn.com

