



Ewaste & Polystyrene Recycling

www.ecyclesolutions.net.au

2019/20 Annual Report

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**Build a long term diversified,
commercially viable and sustainable
recycling business by leveraging off
the key strengths of the QLS Group.**

Ecycle Solutions' Mission

General Manager Report

The last quarter of 2019/2020 was dominated by management of the business under the dark cloud of the Coronavirus pandemic. As an essential service we were able to continue business operations and implemented a strong Coronavirus action plan. We are pleased to report that our collection sites, recyclers and service providers did an amazing job of maintaining COVID-free work environments. As a result, we were able to achieve the main outcomes of the National Television and Computer Recycling Scheme (NTCRS) and continue our ongoing record of 100% compliance to its regulations.

Ecycle Solutions provides the general public with a recycling solution for their end-of-life televisions and computers (ewaste) as part of the NTCRS. Through reverse logistics plus low overhead and operating costs, Ecycle Solutions has a competitive advantage which is passed onto our loyal customers. Our aim is to be the lowest cost operator, without compromising our values.

Through a free drop-off service at participating retailers, including Harvey Norman, The Good Guys, Radio Rentals, RT Edwards, Betta Home Living and Bi-Rite, customers are able to have the peace of mind that their end-of-life televisions and computers are being effectively recycled.

In addition, we have long term partnerships with 11 small to medium specialist ewaste recyclers, some of whom embrace social enterprise. Ecycle Solutions' mandate is expand its network of partners, and to nurture and grow these businesses, from ewaste collections through to downstream reusable material recovery.

At the heart of Ecycle Solutions is the QLS Group, a specialist national transport company servicing metropolitan, regional, and country retail stores throughout Australia, in check with regular services to remote locations. In the 2019/20 ewaste bins (manufactured by inmates of Prisons Victoria) full of old televisions and computers which are then recycled.

Chris Tangey,
General Manager
Ecycle Solutions



Affordable Recycling Solutions

Ecycle Solutions leads the way in innovative recycling solutions for expanded polystyrene (EPS) waste and ewaste in Australia. We provide the general public and small businesses with a recycling solution for their end-of-life televisions and computers (ewaste) as part of the National Television and Computer Recycling Scheme (NTCRS), whilst recycling non-contaminated EPS. Through reverse logistics plus low overhead costs, Ecycle Solutions has a competitive advantage which is passed onto our loyal customers. Our aim is to be the lowest cost operator without compromising our values.

Through a free drop-off service at participating retailers, including Harvey Norman, The Good Guys, Betta Home Living and Bi-Rite, customers are able to have the peace of mind that their end-of-life televisions and computers are being effectively recycled.

In addition to these stores, we have long term partnerships with eight small to medium recyclers who specialise in ewaste, some of whom embrace social enterprise. Ecycle Solutions' mandate is to nurture and grow these businesses, from ewaste collections through to downstream reusable material recovery.

Ecycle Solutions is a wholly owned subsidiary of the QLS Group – a national warehousing, logistics and distribution business specialising in providing secure and reliable warehousing solutions for bulky white and brown goods. We are committed to building a long term diversified commercially viable and sustainable recycling business by leveraging off the QLS Group.

QLS Group

QLS Group was reborn in 2001 after a merge between Queensland Logistics Services and DGR Warehousing and Distribution.

As specialists in oversized, white and brown goods, the QLS Group has over 100 trucks on the road each day. To achieve national coverage the QLS Group have warehousing and logistics distribution centres in Brisbane, Melbourne, Sydney and Perth, with cross docking arrangements in Sydney, Adelaide, Darwin, Townsville and Hobart.

The QLS Group works closely with Ecycle Solutions to not only recycle the ewaste and polystyrene at their distribution centres, but to ensure reasonable access to all Australians as part of the National Television and Computer Recycling Scheme.



Ecycle Solutions' 2019/20 Success

97% Recovery Rate

Over
16 million
kilograms of ewaste collected

Over
16.1 million
kilograms of ewaste recycled

Over
15.6 million
kilograms reusable materials collected

100%

reasonable access
nationally to an
Ecycle Solutions'
collection location

35%

increase in
kilograms of ewaste
recycled compared
to last financial year

252

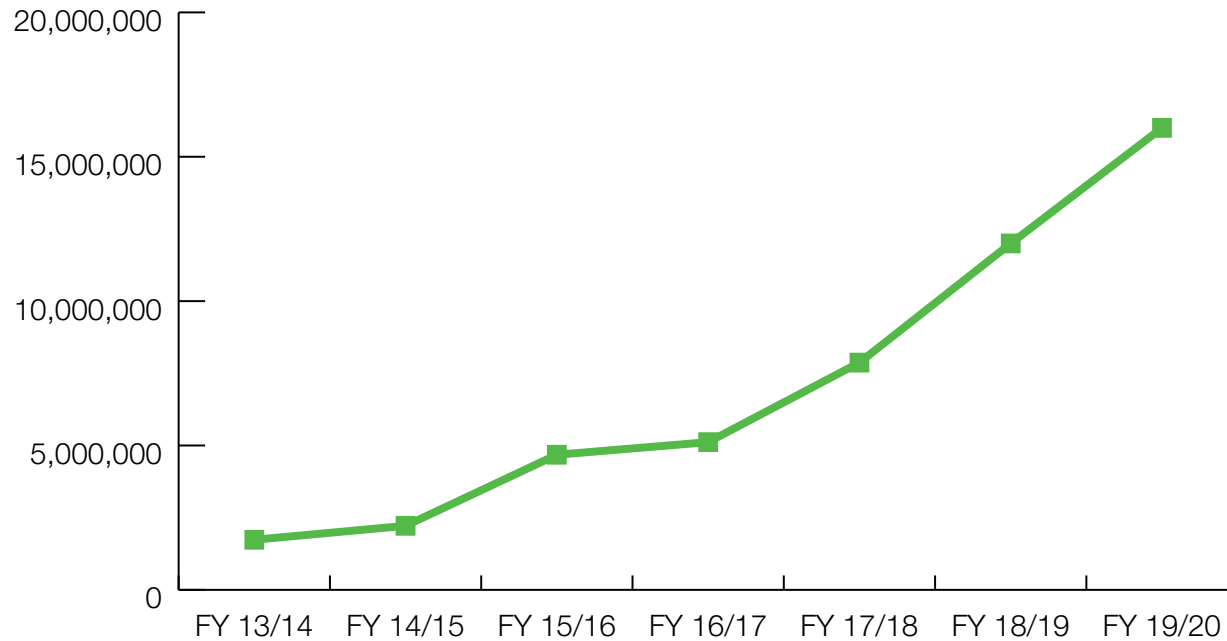
national ewaste
collection locations

55%

of collection
locations were
outside metro areas



Ewaste Recycling Journey



Ecycle Solutions has a **seven year** record of increasing in kilograms recycled as compared to the previous financial year. This is due to the constant drive of the Ecycle Solutions team, recycling network and our members to reduce the environmental footprint of business, industries and communities.

Recycler network

We are proud to be working with 11 small to medium recyclers who specialise in the recycling of ewaste.

Ace Recycling Group
 Beverich Holdings
 CDS Recycling
 Community Axis Enterprises
 Electronic Recycling Australia
 Ewastec
 Ewaste Recycling Australia
 Green Technology Recycling
 Quantum Recycling Solutions
 Total Green Recycling
 United Star Resource



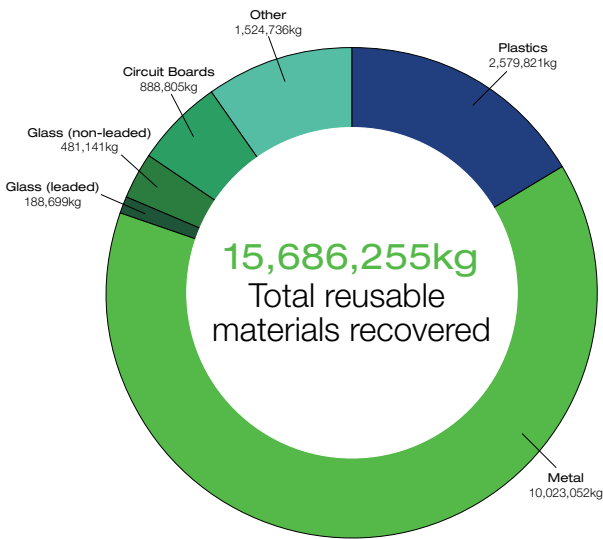
Ewaste Achievements

In the 2019/20 financial year we were dedicated to continuing our success of marginally increasing our recycling volumes. We collected a total of 16,078,895 kilograms of ewaste, which resulted in a recycling outcome of 16,182,992 kilograms. Ecycle Solutions exceeded the recycling target of 15,210,694 kilograms for FY2019/20 by a total of 972,298 kilograms. However, the sale of 2,000,000 kilograms during the year to ANZRP reduced the excess of 2,698,547 kilograms carried forward from FY18/19 to a total carried forward into FY2020/21 to 1,670,845 kilograms.

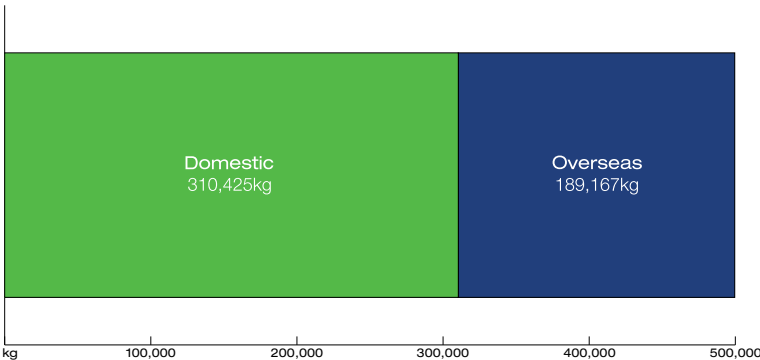
Ecycle Solutions achieved a conversion of 96.91% recycled material into reusable materials, meaning landfill equated to 3.09% (total landfill 499,591 kilograms), inclusive of downstream reporting. The primary domestic recycling activity generated landfill waste of 204,612 kilograms, whilst downstream recycling resulted in a further 294,979 kilograms, comprising of domestic landfill (105,812 kilograms) and overseas landfill (189,167 kilograms).

Volume collected	16,078,895kg
Add: Whole units [at recyclers] carried over from FY18/19	263,676kg
Add: Work in progress [at recyclers] carried over from FY18/19	6,533kg
Less: Whole unites [at recyclers] carried forward to FY2021	(161,592)kg
Less: Work in progress [at recyclers] carried forward to FY2021	(4,520)kg
Less: Diverted whole units for reuse	0kg
Total Volume Recycled	16,182,922kg
Less: Sold to other NTCRS Co-Regulators	(2,000,000)kg
Net Total Volume Recycled	14,182,992kg

What happens to collected Ewaste?



Out of the 3% of non-reusable materials sent to landfill, 62.1% went to domestic landfill with the remainder being exported to landfill overseas.



Recycling Accountability

Once ewaste has been recycled, it is important for the recovered reusable materials to be distributed to locations where it can be given a second life.

Our recyclers exported 6,338,578 kilograms of reusable materials overseas to be used in the manufacturing of finished products. The materials exported included Circuit Boards, Plastic, HDD, FDD/CD Rom, Adapters, Fans and Keyboards.

Through an accountability project run during the financial year, Ecycle Solutions saw 100% of ewaste collected by Ecycle Solutions or partnered recyclers be completely recycled. Randomly selected ewaste was tracked from the moment it was put into an Ecycle Solutions cage through to the moment it was recycled. All ewaste was recycled within 15 days of collection.

This accountability project also showed that no whole units were exported internationally or sold/gifted domestically.

Exported Reusable Materials



China
864,971kg



South Korea
149,338kg



Hong Kong
728kg



Malaysia
621,479kg



India
876,799kg



Taiwan
1,494,980kg



Japan
1,900,765kg

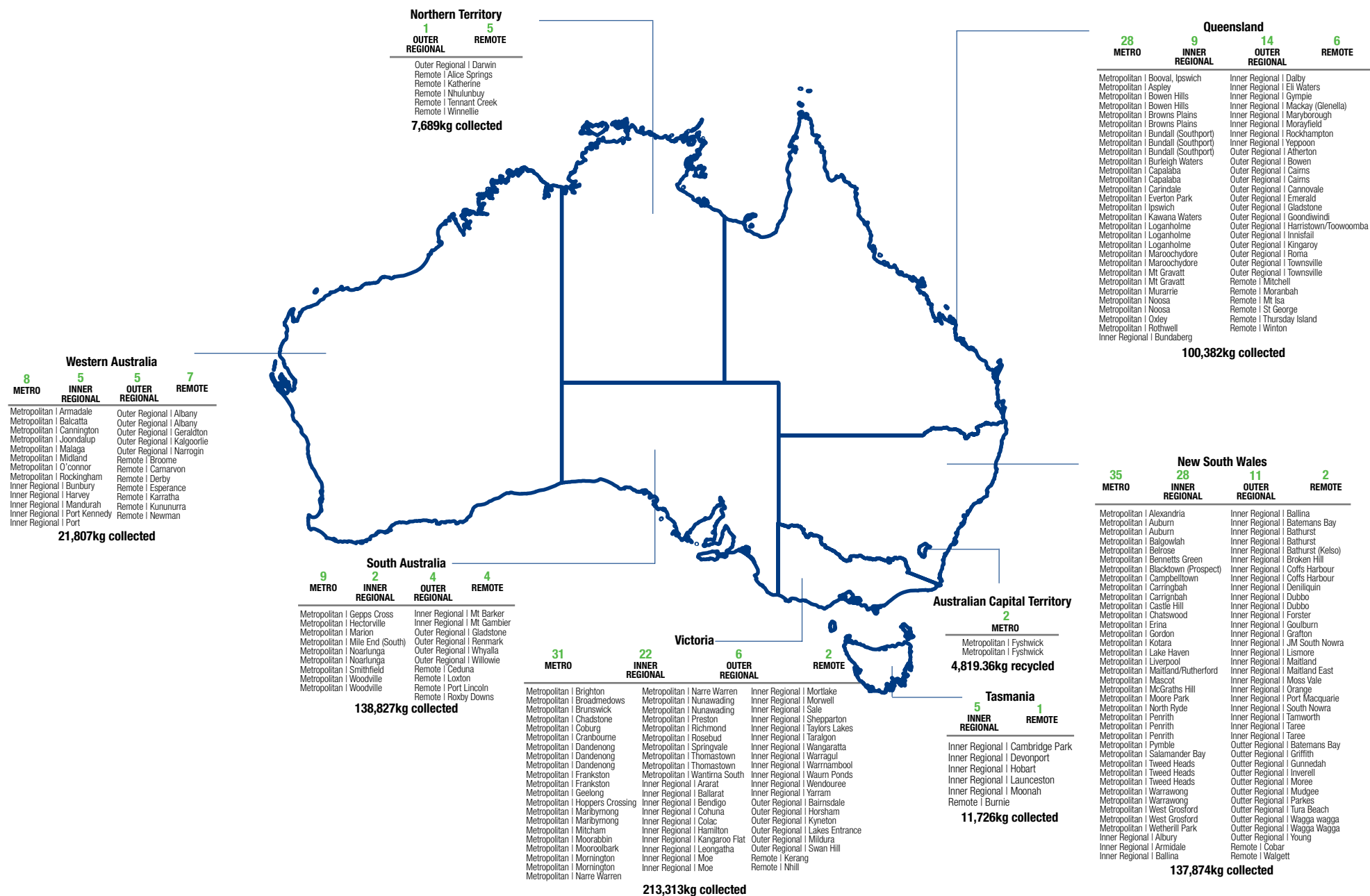


Thailand
429,518kg



“ Reusable materials exported overseas by our recyclers will be used in manufacturing finished products. ”

Volume Achievements Across Australia

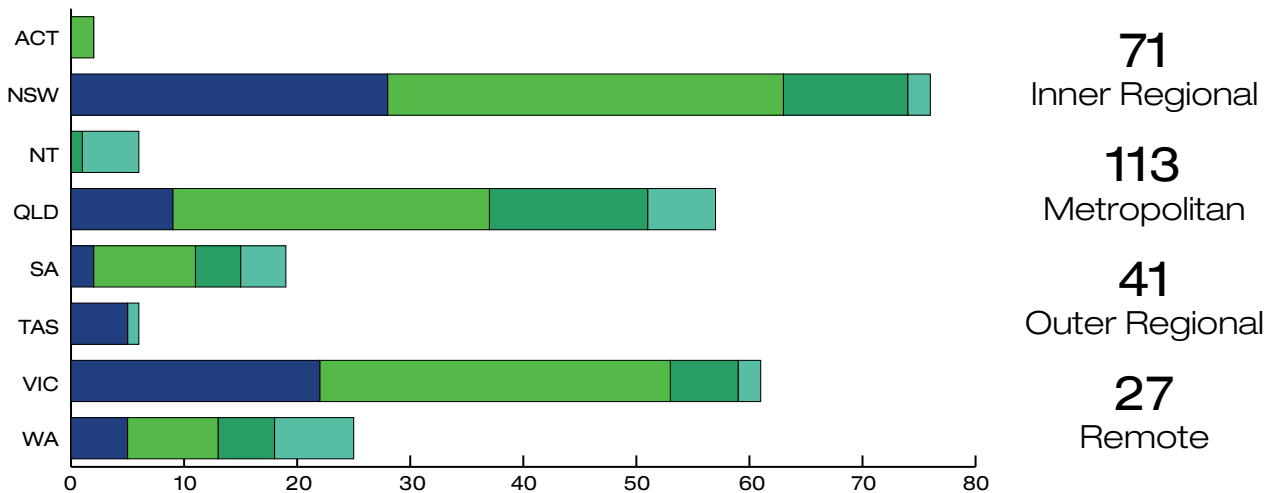


National Collection Locations

With a total of 252 collection locations across Australia, Ecycle Solutions achieved 100% reasonable access. Our ewaste volume came from Ecycle Solutions' collection network (636,438 kilograms), our member's collections (278,182 kilograms) and collections through other recyclers and businesses (15,164,274 kilograms).

No product was stored at a facility other than a correctly equipt recycling facility.

Distribution Of Collection Locations



“100% reasonable access was achieved giving every Australian resident access to responsible recycling of their ewaste.”

Member Network

We congratulate all members in our network who have continued to reduce their community's environmental footprint by participating in the NTCRS with Ecycle Solutions.

Our ongoing partnerships with these members has helped Ecycle Solutions achieve reasonable access for all Australians year on year.

Liabile Parties	ABN
Ayonz	29602266928
Changhong Electrics Australia	32095276181
Hisense Australia	55105022080
Kogan Australia	53152570351
LG Electronics Australia	98064531264
Lenovo (Australia and New Zealand)	70112394411
Lenovo Global Technology (Aus and NZ)	90614012985
Medion AG	16539727488
Mittoni	88114705038
Powermove Distribution	46298791002
Star Micronics	62003053263
Synnex Australia	40052285882
TCL Electronics Australia	83111032896
TCT Mobile (Australasia)	73616168346
Tempo (Aust)	70106100252
The Trustee for Mittoni Family Trust	45306721253
B&K Holdings (QLD)	47092133858
Sourceman International	62112013653
M.E.W (Australia)	57152719036
Ocean Office Automation	14053761596

The Health And Safety Of Our Community Is Top Priority

Ecycle Solutions prides themselves on ensuring that all workers return home safely and in good health. All employees at Ecycle Solutions and the QLS Group are responsible for their safety around the workplace, as well as their colleagues safety. Our employees monitor the situation around them to ensure that any potential hazards to themselves, colleagues or the environment is reported immediately and acted on quickly to reduce any threat. Our recyclers understand and adopt the same principles.

This year we had one notifiable and 18 non-notifiable OH&S incidents. The notifiable incident was reported by our partnered recycler, Ewastec – a driver was collecting ewaste from a designated area of the customer's site. The incident resulted in the driver dislocating both of his knees and thus, being taken to hospital by ambulance. WorkSafe was notified in a timely manner. The incident has been formally investigated and corrective measures have been put in place.

We take all incidents very seriously (both notifiable and non-notifiable). In FY19/20 the Ecycle Solutions team took the following actions to assess the adequacy of our OH&S policies and procedures as part of an ongoing adequacy assessment regime:

- Annual declarations from each partnered recycler to confirm safety performance and sighting of incident records to verify declarations
- Review and ascertain OHS compliance including:
 - Training matrix and toolbox minutes
 - Risk/hazard matrix
 - Policies and procedures
 - Verification of accreditation to AS5377, ISO9001 and ISO140001
 - Insurance certificates of currency for public liability and workers compensation.
- Annual audit completed by dedicated auditors, CBIS, which examines our recyclers work including their current OH&S policies and procedures
- Regular visits to the sites of our partnered recyclers
- Where required, recyclers complete Blood Lead Level, and Audiometric and Noise tests.

Recycler	Notifiable incidents	Non-notifiable incidents	Time lost (hours)	# trainings (including Toolbox)
Ewastec	1	4	1,408	78
Quantum Recycling	0	2	0	10
United Star Resources	0	0	0	61
Green Technology Recycling	0	0	0	16
Electronic Recycling Australia	0	0	0	44
Ace Recycling	0	0	0	42
Reverse Ewaste	0	0	0	10
CDS Recycling	0	3	0	7
Total Green Recycling	0	9	0	322
Axis Worx	0	0	0	12
Ewaste Recyc Australia	0	0	0	0
Total	1	18	1,408	602



Marketing Review

Marketing in the 2019/20 financial year saw the need for Ecycle Solutions to adapt to the evolving situation in light of the COVID-19 pandemic.

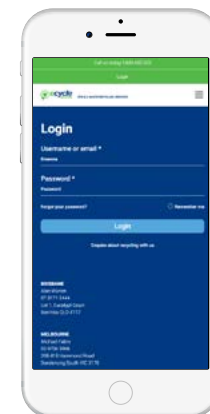
The first quarter saw an update in marketing collateral for the consistent branding of Ecycle Solutions and our services. We created resources, such as flyers and booklets, which specifically promote the NTCRS and encourage participation from industries and the general public. This collateral has been used for lead generation in 2019/20 and has proved to be effective in increasing our inquiries.

In addition, Ecycle Solution has taken a focus on increasing awareness and understanding about the NTCRS. Throughout the year we commissioned three editorials in industry magazines such as Sustainability Matters and Waste Management Review. These discussed the scheme and it's achievements to date. We expect to continue this effective form of marketing for the NTCRS scheme in the coming financial year.

For greater visibility of our NTCRS drop-off locations to the general public, a project was initiated to review and update our website's SEO ranking. The primary purpose was to show our convenient drop-off location finder as one of the top results when someone is looking for a way to recycle their ewaste. This project contributed to the results of increased visits, increased page view times and ultimately, the increase in ewaste recycling enquiries.

One of our biggest projects for most of the financial year was developing a system which would improve ordering efficiency and transparency for our customers. We wanted our customers to have the flexibility of ordering when it was most convenient for them irrespective of the time or day as many of our clients operate seven days a week. When discussing this system with current ewaste customers, they saw the added benefit and provided us with very positive feedback. Ecycle Solutions began the roll out of this system to current and new ewaste and EPS in October 2020.

After a very successful financial year, Ecycle Solutions will continue to strengthen their brand and position as an expert recycling leader in 2020/21. We will continue to implement and participate in initiatives which make recycling easier for the general public including increasing the number of ewaste drop off locations as part of the NTCRS.



Australia's Leading EPS Recycler

Reducing the amount of expanded polystyrene (EPS) heading to landfill is now a priority concern as the Australian packaging covenant mandates to remove packaging waste from landfill by 2025; this includes expanded polystyrene.

Although lightweight, bulky EPS waste takes up significant space in a bin or skip – meaning that true disposal costs are often hidden in a company's general waste removal costs. With the material being so popular for the storage and transportation of fragile and expensive (especially electronic goods), due to its excellent protection and insulation properties like no other material, the use of expanded polystyrene will continue.

Our collection program offers a simple yet sustainable solution for EPS waste removal and recycling. It is important that our service is as easy as possible to allow our customers to focus on other aspects of their business without having to worry about if they are recycling right.

Each Ecycle Solutions site has a 'hot melt' extrusion machine which allows us to produce a reusable commodity on site. This commodity is then used to manufacture products such as picture frames, skirting boards, outdoor furniture, decking and more.

In the 2019/20 financial year, Ecycle Solutions' recycling efforts were recognised with a number of editorial pieces being published in publications such as Sustainability Matters and Waste Management Review.

“We are committed to helping Australian businesses and industries save up to 70% on retail packaging removal by providing a service that responsibly recycles their expanded polystyrene.”



Looking Forward

“With an uncertain view on what the 2020/21 financial year environment will be like with the ever changing COVID-19 situation, Ecycle Solutions will continue to strive for higher recycling volumes in for ewaste and expanded polystyrene recycling.

We plan to expand our recycling and members network in order to provide more Australians with drop off locations for their ewaste, whilst also helping industries to reduce their environmental footprint.

We will continue with our program to build brand awareness with a focus on the digital space. It is hoped that we can return to exhibiting in trade shows and spreading the word on the ground about our services. However, for now we will focus on improving our digital presence in order to educate Australians on recycling responsibly.

Ecycle Solutions is focused on our co-regulatory requirements and is a supporter of the Battery Stewardship Scheme. Working with the Battery Stewardship Council, specialist battery recyclers and our logistics partner QLS Group, we are hopeful that this voluntary scheme will begin during the 2020/21 financial year.

We are excited to enhancing our customer's experience through personally introducing our online ordering system to each client. With such positive feedback already received, we are confident that our customers both current and new will enjoy this efficient way of ordering.

Ecycle Solutions' services can be accessed by delivering 'end-of-life' television or computer equipment to any of the stores mentioned on the Ecycle Solutions' website. It is free of charge and the nominated site is required to accept the compliant ewaste. There is no obligation to purchase a replacement. Should you require any assistance please contact Ecycle Solutions on 1300 432 925 or visit our website at www.ecyclesolutions.net.au”



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