Nova Scotia Paint Program Annual Report

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Submitted by: Product Care Association of Canada



productcare.org

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1.0 About Product Care Association of Canada

The Nova Scotia Paint Stewardship Program ("Program") is administered and operated by Product Care Association of Canada ("Product Care"). Product Care, on behalf of its members, oversees the administration, collection, transportation, recycling and management of regulated post-consumer paints and paint aerosols in Nova Scotia.

Product Care is a federally incorporated, not-for-profit product stewardship association formed in response to stewardship regulations and is governed by a multi-sector industry board of directors. Product Care has developed and managed paint, lighting products, smoke and CO alarms, household hazardous waste and special waste stewardship programs since 1994.

Product Care's members are the "brand owners" (manufacturers, distributors and retailers) of "consumer paint products" as defined pursuant to the *Nova Scotia Solid Waste-Resource Management Regulations N.S. Reg. 25/96* as amended ("Regulation") pursuant to section 102 of the *Environment Act*. A current list of Product Care members can be found on Product Care's website.

1.1 Reporting Period

This report covers the 2019 calendar year (January 1 to December 31, 2019). All content has been prepared in accordance with section 18F (1) of the Regulation.

1.2 Program Summary

Product Care has operated an approved paint stewardship program plan with Nova Scotia Environment ("NSE") under the Regulation since 2012. A new program plan received NSE approval on March 9, 2018 ("Program Plan"). This annual report reports out against the requirements set out in this program plan.

The Program includes all water-based, oil and solvent-based paints and stains, but does not cover specifically formulated industrial and automotive coatings. The Program also includes all paint aerosols (industrial, commercial, automotive, etc.) and marine paint (except those registered as a pesticide). For the purposes of this annual report, these are collectively referred to as "Program Products". As of July 2018, Product Care began to accept empty paint containers at all Product Care collection sites in Nova Scotia, as per Program Plan commitments. A detailed list of products accepted and non-accepted is available on Product Care's website.

The Program offers collection sites throughout the Province where consumers can bring leftover household paint for free. Collection services are offered through Enviro-depots[™] (redemption centres), select retail stores and local government recycling/waste facilities. Product Care supplies collection sites with standard reusable collection containers ("tubskids" and drums). The Program contracts with Divert NS to deliver empty collection containers, pick



up full ones from collection sites, and consolidate the full collection containers into loads, which are shipped to a processor for recycling. Additional Program elements managed by Product Care include revenue management, communications and administration.

The Program is funded by environmental handling fees (EHFs), which are remitted to Product Care by its' paint industry members on sales of Program Products in or into Nova Scotia. The fees are used to operate the Program, including collection, transportation, recycling and management of leftover paint, as well as program administration and consumer education.

2.0 Brand Owner Sales Information

Program members reported the sale of approximately 5,583,647 litres¹ of Program Products in Nova Scotia from January 1 to December 31, 2019.

3.0 Collection

The following section provides the total amount of post-consumer paint collected in Nova Scotia, as well as the location of the Program's collection sites.

3.1 Total Amount of Post-Consumer Paint Collected

Table 1 below shows the total amount of post-consumer paint collected by the Program during the reporting period.

ltem	Number of Tubskids ²	Number of Aerosol Tubskids ^{2,3}	Residual Paint Volume (L) ⁴	Residual Aerosol Paint Volume (L) ⁵	PaintShare Volume (L)	Total Residual Paint Volume (L)
Volume Collected	3,357	12	466,623	1,360	3,578	471,561

Table 1: Total Amount of Post-Consumer Paint Collected in 2019

Table 2 provides the Program's recovery rate in 2019 based on the volume of paint collected as a function of volume of paint sold in Nova Scotia in 2019.

¹ Sales data is reported to Product Care in units. For the purpose of this report, sales units are converted to litres using coefficients based on the volume of the most common container size in each product category. ² Tubskid dimensions (42" x 42" x 48") with a nominal capacity of 108 one gallon containers. The actual number of

² Tubskid dimensions (42" x 42" x 48") with a nominal capacity of 108 one gallon containers. The actual number of paint containers per bin varies depending on the mix of paint container sizes, ranging from 250ml – 18.9L capacity. ³ From July 5, 2019, aerosols were no longer separated from other paint products. All paint products were sent in the same tubskids.

⁴ Based on a rounded conversion rate of 139 L per collection bin derived from the number of tubskids processed and the total residual volume of material generated.

⁵ Based on a conversion rate of 113.3 L per tubskids derived from calculations made using historic sampling for volume.



	Total
Sales (litres)	5,583,647
Residual Recovery Volume (litres)	471,561
Recovery Rate	8.4 %

Table 2: 2019 Paint Sales, Residual Recovery Volume and Recovery Rate

3.2 Collection Sites

The Program commits to maintaining a minimum of 68 collection sites to provide reasonable access to Nova Scotians. As of December 31, 2019, 99 collection sites were participating in the Program, one less collection site than in 2018. Appendix 1 provides the locations of the collection sites.

The Program utilizes the accessibility levels developed by Divert NS⁶ in determining what constitutes reasonable access to Nova Scotians. The collection network's high accessibility level is illustrated when compared to the Electronic Products Recycling Association's (EPRA) collection network. As noted, Product Care had a total of 99 collection sites as of December 31, 2019. EPRA reported in 2018 their 71 collection sites in NS placed "99% of [the] population within 30 km (rural) or 30 mins (urban) of an EPRA NS Drop-off Centre."⁷ Product Care offered collection sites at 49 EPRA sites in 2019. Of the remaining 22 EPRA sites, Product Care had a collection site in the same community or a nearby community. With the overlap of EPRA's collection sites plus the additional 28 collection sites beyond EPRA's, the Program is confident that it provides reasonable access to Nova Scotians.

3.3 Process of Internal Accountability

The Program provides collection site guidelines to all collection sites setting out the operational procedures and requirements for the proper collection and handling of Program Products. In addition, the Program provides emergency spill kits and emergency procedure instructions to collection sites.

To ensure the environmental effectiveness of the Program, Product Care carries out collection site inspections on a bi-annual basis as required by the Program Plan. In 2019, Product Care carried out collection site inspections at 43 collection sites (59 in 2018) to ensure they fulfilled

⁶ Accessibility levels developed by Divert NS:

 $[\]cdot$ Rural sites shall be located to ensure that at least 90% of the Province's rural population is within a 30 kilometre radius of the nearest collection site;

[•] Urban sites in Halifax Regional Municipality and Cape Breton Regional Municipality shall be located to ensure that at least 50% of their respective urban populations are within a 10 kilometre radius of the nearest collection site; • Urban and rural sites in HRM and CBRM shall be sited so as to ensure that at least 90% of their respective

combined (urban and rural) populations are within a 30 kilometre radius of the nearest collection site;

⁷ EPRA Annual Report 2018



their role as a service provider and adhered to all applicable Program guidelines and requirements.

4.0 Processing

This section of the report sets out:

- a) The total amount of post-consumer paint processed or in storage;
- b) The percentage of post-consumer paint collected that was reused, recycled, disposed of in an engineered landfill, recovered for energy, contained, or otherwise treated or disposed of;
- c) A description of the types of processes utilized to reuse, recycle, dispose of, recover energy from, contain, or otherwise treat or dispose of post-consumer paint;
- d) A description of the efforts to redesign paint products to improve reusability and recyclability; and
- e) The location of processing or containment facilities for post-consumer paint.

All paint collected through the Program was transported by Divert NS from collection sites to the Regional Processing Centre (RPC) in Kemptown. Accumulated full truck loads were then transported from Kemptown to Laurentide Re-source's processing facility in Springhill. All products were then unloaded and removed from the storage tubs, inspected, sorted, and processed as outlined in Figure 1.





Figure 1: Chain of custody of paint

4.1 Locations of RPC and Processing Facilities

The following is a list of facilities contracted by the Program to handle and process Program Products.

Divert NS Kemptown Facility 119 Mingo Road Kemptown, NS B6L 2K4	Containment Facility (Divert NS RPC)
Laurentide Re-sources Atlantic Inc. 9322 Rue Main Richibucto, NB E4W 4C7	Containment Facility
Laurentide Re-sources Atlantic Inc. 100 Main Street Springhill, NS B0M 1X0	Processing Facility
Société Laurentide Inc. 345 Bulstrode Street Victoriaville, QC G6T 1P7	Processing Facility

4.2 Post-Consumer Paint Processed

All paint collected through the Program was sent to the Laurentide Re-sources Atlantic Inc. facility in Springhill, Nova Scotia for processing. In 2019, a total of 3,345 tubskids of leftover paint and 14 tubskids of aerosols were delivered to the Laurentide Springhill facility for



processing, which included tubskids collected in 2018 and held at the Kemptown consolidation facility.

During the reporting period, Laurentide processed (i.e., opened, sorted and bulked into shipping containers) 3,323 tubskids of paint and 28 tubskids of aerosols. These volumes processed included some tubskids that were in their inventory from 2018.

Table 3 shows the volume of post-consumer paint shipped to processors and the volume processed by collection container (tubskids and drums) and by residual volume (litres). Volumes collected but not shipped, or shipped but not processed, were managed in the following reporting year.

ltem	Number of Tubskids ⁸	Number of Aerosol Tubskids ⁵	Residual Paint Volume (L) ⁹	Residual Aerosol Paint Volume (L) ¹⁰	Total Residual Paint Volume (L)
Volume Shipped to Processor	3,345	14	464,955	1,586	466,541
Volume Processed	3,323	28	461,778	3,173	464,951

Table 3: Volume of Post-Consumer Paint Received and Processed in 2019

The number of paint containers processed in 2019 at Laurentide Re-sources and the number of containers of non-program materials collected is set out in Table 4.

⁸ Tubskid dimensions (42" x 42" x 48") with a nominal capacity of 108 one gallon containers. The actual number of paint containers per bin varies depending on the mix of paint container sizes, ranging from 250ml – 18.9L capacity.
⁹ Based on rounded a conversion rate of 139 L per collection bin derived from the number of tubskids processed and the total residual volume of material generated. Residual paint volume does not included paint handled through the PaintShare Program.

¹⁰ Based on a conversion rate of 113.3 L per tubskids derived from calculations made using historic sampling for volume.



Table 4: Number of Paint Containers Processed in 2019 at Laurentide Re-SourcesAtlantic Facility

	# of Containers
Paint containers	427,158
Non-program containers	13,181
Total containers	440,339
% of non-program containers	3.0%

The weight of metal and plastic containers recycled in 2019, their respective processors and management options are provided in

Table 5.

Table 5: Weight of Meta	I and Plastic Containers	s Collected and Recycled in 20 ^r	19
Tuble V. Weight of motu			

Container Type	Collected and Recycled (MT)	Processors	Management Process
Metal	82.3	DR Metal Recycling, NB	Mixed with other scrap metal and sold as a commodity that was eventually sent for smelting
Plastic pails (HDPE 2)	7.4	Laurentide Re-sources Atlantic/ Société Laurentide Inc.	Combined and baled with other plastics and managed as a commodity for plastics recycling or sent for reuse
Plastic paint cans (polypropylene)	26.1	Laurentide Re-sources Atlantic/ Société Laurentide Inc.	Processed and sold as a commodity for plastics recycling

4.3 Product Management

The following sections describe the methods employed by the Program to manage postconsumer paint.

Reuse (PaintShare Program)

The PaintShare Program, previously "Paint Reuse", makes better quality paint returned to collection sites available to the public to take and use at no cost. The collection sites record and report the number of containers given away. This is a highly efficient way to achieve reuse as the paint does not require transportation and reprocessing.



An estimated 3,578 litres of paint was given away to consumers in 2019 at no charge through the PaintShare Program. The reuse volume was estimated by assuming that each container was 75% full on average.

Recycling

At the Laurentide Re-sources Springhill facility, paint containers were removed from the collection bins, inspected, opened, sorted by type, colour and quality, and poured into shipping containers according to management options. Bulked paint of recyclable quality was then transferred to Laurentide Re-sources Richibucto storage facility, where it was distributed to an affiliated processor, Peintures Recuperées du Quebec (PRQ) in Victoriaville, QC or shipped to off-shore customers. Table 6 provides the quantities of water-based paint and solvent-based paint that were recycled and reprocessed as paint. The diminishing market for solvent-based paint has made it increasingly difficult to recycle. Consequently, while limited amounts of solvent-based paints continue to be recycled, a large portion of the volume was sent for energy recovery in 2019.

		•
Туре	Litres	Percentage of Total Paint Recycled
Water-based paint	297,638	88%
Solvent-based paint	40,769	12%
Total	338,407	100%

Table 6: Type	and Quantity	v of Paint	Recycled in 2019
		,	

Aerosol Paint Management

The residual volumes of paint recovered from paint aerosols were very small (0.7% of all paint processed in 2019) and represent a variety of product formulations that limit the options for recycling. Paint aerosol containers were punctured, the propellant filtered through activated carbon and the contents drained. The residual paint was used for energy recovery.

Energy Recovery

Not all solvent-based paint collected is of suitable quality for recycling. In some cases, the paint may be in the form of skins or sludge, of an undesirable color, contaminated or of the wrong chemistry for paint recycling. In addition, regulations such as the Federal VOC Regulations, require more stringent limits on certain chemical constituents, which tend to be found in higher concentrations in older paints, making it difficult to recycle. Finally, the market for recycled solvent-based paint is significantly smaller than that for water-based products and demand continues to decline.

Due to the high solvent content of solvent-based paints, these products are suitable for energy recovery. Solvent-based paint collected by the Program that was not suitable for paint recycling was used as an alternative energy source in applications such as permitted incinerators. During the reporting period, 35,934 litres of solvent-based paint and paint from paint aerosols processing were blended with other fuels and utilized for energy value at licensed facilities.



Incineration

During the reporting period, no material went for incineration.

Landfill

The sorting and bulking of the water-based paint by Laurentide Re-sources generated 90,610 litres of non-recyclable water-based sludge/solid, which was solidified and disposed of at an engineered landfill.

4.4 Percentage of Post-Consumer Paint by Management Method

In 2019, the Program achieved a reuse and recycling rate of 73 per cent, exceeding the 70 percent target in the Program Plan. Table 7 below shows the breakdown of post-consumer paint managed by the different product management methods.

Method	Volume (litres)	Percentage
Reuse – PaintShare Program	3,578	0.8%
Reuse – Paint Recycling	338,407	72.2%
Energy Recovery	35,934	7.7%
Landfill	90,610	19.3%
Incineration	0	0. %
Total	468,529	100%

Table 7: Post-Consumer Paint by Management Method

4.5 Design for Environment

The paint and coatings sector continues to move forward on many fronts with improvements in product formulation with a focus on design for the environment (DfE). This section highlights developments in 2019, including innovations in product formulation, assessment and reassessment of chemicals of concern, use of alternative ingredients based on informed substitution, further reductions in VOC emissions from paint, integration of sustainability reporting into business planning, exploring integration of life-cycle and sustainability metrics accounting principles, increasing alignment with international sustainability goals, investment in bio-based alternatives, and advances in the development of Product Category Rules and Environmental Product Declarations. All of these measures continue to produce paint and coatings products that are less harmful and more sustainable with respect to the recycling of those products.



Canada's Chemicals Management (CMP)

The paint and coatings industry is continually pursuing innovations in product formulations that strike a balance between sustainability, health, safety and product performance. An example of industry's sustainability initiatives includes involvement with the federal government's CMP. This comprehensive federal government initiative assesses chemicals in commerce for all industry sectors, including paint and coatings, and evaluates risks associated with substances contained in products and intended uses or applications of the product. These risk assessments are done with a view to banning highly toxic substances that are considered dangerous to human health and the environment or managing the risks in the ones that are deemed to be less harmful.

The CMP entered its third phase in 2019 and identified 1,550 substances being risk assessed for potential to cause harm to human health or the environment. Over five hundred of those chemicals are implicated in the paint and coatings industry. Canadian Paint and Coatings Association (CPCA) is now concluding formal assessments of these 500-plus substances used in coatings formulations, which will conclude in 2020. Beyond 2020, the federal government will continue to identify new substances and issues to be reviewed related to chemicals in commerce including those used in the coatings industry. As part of the CMP, government and industry associations, including the CPCA, are engaged in formal discussions on how industry might consider 'informed substitution' for more sustainable ingredients to be used in paint product formulations. This will address the issue of removing any remaining 'chemicals of concern' from product formulations and replacing them with more environmentally friendly options.

VOC emissions reductions in the paint and coatings industry

Compared with 2002 levels, the architectural paint and coatings sector has achieved 74 per cent reduction in overall VOC emissions due to lowering of the VOC content in waterborne products and by eliminating most of the solvent borne product lines completely. These industry efforts greatly exceeded the government's own expectations, which was projected to be a 28 per cent reduction.

Over the past ten years VOC emissions have been reduced by an additional 20 per cent for a total of 94 per cent reduction, representing 41,000 tonnes. This is a total emissions reduction equivalent to approximately 200,000 average sized automobiles annually. This has been a major advancement in sustainability of paint.

The federal government under Environment and Climate Change Canada (ECCC) is now engaged in a new study looking at VOC emissions in coatings products beginning April, 2019. The study is proceeding with its broad national VOC Survey for all paint products sold in Canada, except for paint products not covered under Canada's VOC Concentration Limits for Architectural Coatings Regulations. The ECCC Products Division's goal is to identify possible amendments to regulations by looking at concentration limits in other jurisdictions while performing a cost-benefit analysis.



Sustainability reporting

Many companies now have sustainability goals and targets with regular sustainability reporting as an ongoing part of their business planning. This allows companies to integrate environmental challenges into their long-term product development strategy.

World Coatings Council Sustainability Projects

The World Coatings Council, of which CPCA is a founding member, is currently developing two projects:

- A demonstration project on using life-cycle-assessments (LCA) and sustainability metrics to support chemicals management. This project would build on current efforts by ACA and CEPE (EU based) to address threatened preservatives for waterborne decorative paints. Expected work product would be a consensus report on valid methodology and a public-facing policy paper and associated infographics detailing the quantitative benefits.
- Develop an expanded profile of how current IPPIC member sustainability projects provide clear and quantifiable support for specific UN Sustainable Development Goals. This effort would avoid any generalizations and not integrate any industry claims that were not clear and quantifiable. This effort is expected to identify additional collaborative projects that the World Coatings Council will develop.

Environmental product declarations for architectural paint

The coatings industry is currently working on enhancing sustainability by establishing Product Category Rules (PCR). These PCRs will help form the basis for products to have Environmental Product Declarations (EPD), which would reflect the properties of various architectural paint products. The documents developed to date relate to the Life Cycle Analysis (LCA) for the specific architectural product category to produce clear environmental product declarations according to ISO 14025 standard. The PCR includes all life-cycle phases for both interior and exterior applications. The scope excludes adhesives and coatings solely for shop applications, original equipment manufacturing, or application to non-stationary structures, such as vehicles, airplanes, ships, boats, and railcars.

The goal of this PCR is to specify the guidelines for developing a Type III Environmental Product Declaration (EPD) in conformance with ISO 21930 and 14025. The goal of an LCA study conforming to this PCR shall be, at a minimum, to identify the potential environmental impacts of each life cycle phase of the product, or enable product improvement over the full life cycle of the product. It shall be presented in such a way to ensure its relevance to the public or for internal company use.

Governments of Canada and Quebec support growth of CelluForce

The federal government will invest a combined \$6.4-million investment to support CelluForce Inc.'s innovative cellulose nanocrystal facility becoming the world's first full commercial demonstration-scale plant of its kind. This new material can be used I everything including paints and adhesives, and is produced from the cellulose in trees and made from wood that is



abundant, renewable and biodegradable.

Worldwide sales of bio-based coating solvents currently account for just over 10 per cent share of the market (less than 13 per cent in the EU alone, or 630,000 tons/5 million tons). However, this niche is expected to gain significant traction in the near future, while permeating key applications such as architectural coatings and industrial equipment coatings.

Sustainability underlines contribution of coatings as an enabler for waste reduction

When coatings manufacturers source raw materials, they will have to join forces with their suppliers to sharply increase the share of bio-based materials and recycled content, learning to make better use of such materials. More importantly, brand owners want to offer customers technologies and solutions that enable them to reduce emissions and material use, such as lower curing temperatures, low or zero solvents, and fewer layers. This helps customers reduce their overall environmental footprint, the ultimate goal of sustainability.

Above all, paint use is about better performance, durability and long-term protection of the underlying substrate – wood or metal – and products that reflect heat, reduce fuel use and friction, or create insulating capacity. It's about solutions being non-hazardous and thus enabling the underlying products such as furniture, transport or building materials to be reused and recycled. Coatings are indeed a true 'enabler' of environmental sustainability that prevents products from being turned into waste.

5.0 Communication and Education

In 2019, Product Care implemented a number of different strategies and tactics to raise consumer awareness of the paint recycling Program in Nova Scotia, in accordance with regulatory requirements. The following section provides details regarding communication and public education commitments for the Program in 2019, as outlined in the Program Plan.

5.1 Consumer Awareness

In order to assess the awareness levels of Nova Scotian consumers of paint, the Program commits to conducting consumer awareness surveys biannually and aim to maintain a consumer awareness level in the range of 60%-70%. An online awareness survey was conducted in 2019 by an independent survey company. The survey revealed that 80% of residents who purchased paint were aware that they could recycle it in the province, exceeding the target. The next consumer awareness survey will be conducted in 2021.

In addition, the Program committed to meeting with Regional Solid Waste Coordinators at least once a year to discuss opportunities for collaboration on education consumers about the Program. The Program contacted the Regional Solid Waste Coordinators about a possible meeting but was informed that there wasn't a need to meet in 2019.



5.2 Website

In January 2019, the regeneration.ca website was replaced with the new Product Care website, productcare.org. The new website reflects a refreshed, consolidated brand focused on an improved user experience for consumers, industry and members. Similar to regeneration.ca, the Product Care site includes the following content for the Nova Scotia paint recycling Program:

- "Find a recycling location" tool (a searchable map displaying the collection sites) (see Appendix 2)
- Collection site hours and operations
- Accepted and not accepted products
- The environmental and economic benefits of the Program
- Program member support section with news and updates
- Videos showing the product management approach for Program Products
- Other information (e.g., a description of the PaintShare Program a list of environmental handling fees (EHFs), news, annual reports, information about buying and storing paint, etc.)

An estimated 527,307 unique visitors accessed ProductCare.org during the 2019 calendar year. The Nova Scotia section (including sub-sections for accepted products and fee information) received 6,709 total page views. In addition, there were a total of 10,477 unique visits to the "find a recycling location" tool from consumers in Nova Scotia.

5.3 Program Hotline

Product Care continued to operate a toll-free, "hotline" (1-877-592-2972) for consumers to obtain information about the Program.

5.4 Television

Television commercials aired on Global TV in Halifax and Sydney from July to September 2019, resulting in approximately 3,157,000 impressions.

5.5 Print Advertising

A full-page inside cover print ad was featured in *CPCA Insight* Trade Publication (see Appendix 3). Seven thousand copies were distributed to industry members.

5.6 Collection site Advertising

Product Care ran paint recycling TV screen advertisements (see Appendix 4) at 35 recycling collection sites in the greater Halifax metropolitan area, as well as other large centres across the province accepting paint products. The advertisements ran from April to September and were shown more than 400,000 times.



5.7 Digital Advertising

All digital campaigns (excluding tactic targeted blog posts and organic social media posts via Product Care Recycling Facebook, Instagram, and Twitter feeds) reached the entire province and garnered more than 7.2 million impressions.

- Google Search Advertising Campaign: January to December, 2019. A search advertising campaign served paint ads to provincial residents based on an extensive list of keyword searches relevant to the Program. Nova Scotia's ads collectively generated 2,048 impressions.
- 2. Google Display Advertising Campaign: January to December, 2019. A Nova Scotia-specific display advertising campaign served paint-related ads to provincial residents. Several iterations of the ads were run, collectively receiving 6.5 million impressions through to the website. Ads were specifically targeted to internet users who performed online searches related to paint purchasing, usage, and disposal in Nova Scotia. Secondary targeting focused on individuals searching for home improvement, moving house, and DIY-related terms, in order to reach a wider, but still relevant, population.
- YouTube Video Advertising Campaign: June to September, 2019. During summer months, paint and PaintShare explainer videos were run as pre-roll and skippable in-stream ads on YouTube. In Nova Scotia, these ads received a total of 334,058 impressions and 25,026 views.
- 4. **Facebook Advertising Campaign:** A Nova Scotia-specific campaign promoted the Program, targeting Nova Scotia residents on an ongoing basis. These campaigns collectively received 299,156 impressions.
- 5. **Facebook Content Strategy:** To promote the Nova Scotia paint program in 2019, organic Facebook content visible only to residents of Nova Scotia was posted in addition to public posts. Nova Scotia-specific content primarily intended to inform consumers about various details of the program, such as accepted products, and to promote engagement from our audience in the province. Formats used included images, video and website links.
- 6. **Targeted blog posts:** Blog posts were targeted at relevant audience members including, but not limited to, homeowners, female heads of households, and environmentally-inclined individuals in Nova Scotia. Topics included specific information on paint recycling, "do it yourself" ("DIY") content, renovation tips, and sustainability best practices. All posts included a call-to-action to find a collection site or interact with the brand on social media. Collectively, these posts received 45,568 views.
- The Weather Network Display Campaign: July to September, 2019. Display ads ran on the Weather Network app and collectively generated 152,870 impressions.

See Appendix 5 for examples of digital advertising activities.



5.8 Point of Sale (PoS) and Point of Return (PoR) Materials

In 2019, Product Care distributed both PoS and PoR materials as requested by retailers and collection sites. Return to Retail (R2R) and Return to Product Care posters are available for reorder through the online order form, free of charge. See Appendix 6 for examples of PoS and PoR materials.

6.0 Financial Information

Product Care's audited financial statements are attached in Appendix 7.



Appendix 1 – Collection Sites

Region	Collection site	City
	Admiral Recycling Ltd.	Port Hood
	Burke's Recycling Depot Ltd	Louisbourg
	Camdon Recycling Limited	North Sydney
	Cheticamp Recycling	Cheticamp
	Glace Bay Recycling Ltd.	Glace Bay
	Inverness Recycling	Inverness
	Isle Madame Bottle Exchange	Arichat
	Keltic Recycling Inc	Sydney River
	Municipality of C. of Victoria-Baddeck Landfill	Baddeck
Cape Breton	Neil's Harbour Recycling Depot	Neils Harbour
	New Waterford Recyclers	River Ryan, New Waterford
	North Sydney Recycling	North Sydney
	Rona - Donovan Building Centre	Ingonish
	Rona - Stephen's Home Centre Sydney	Sydney
	St. Peter's Bottle Exchange	St. Peter's
	Strait Bottle Exchange	Port Hawkesbury
	Total Recycling Ltd.	Sydney
	Triple B Recycling Depot	Sydney
	Beech Hill Waste Management Site (County of Antigonish)	Antigonish
	Decoste Recovery Depot	Tracadie
	John's Bottle & Recycling Depot	Pictou
Eastern	MacMillian's Service Center Ltd	Lower South River
Lastern	Mason's Recycling Centre	Canso
	Mount William Waste Management Site (Pictou County SWM)	Mount William
	Municipality of the District of Guysborough	Guysborough
	St. Mary's Transfer Station	Sherbrooke
	3K Enviro Depot (3006877 NS Ltd)	Sheet Harbour
	Beaver Redemption & Recycling	Halifax
	Bluenose Bottle Exchange	Dartmouth
Halifax	Bluewater Recycling Corp. (Bedford)	Bedford
Παιιιαλ	Bluewater Recycling Corp. (Goodwood)	Goodwood
	Burnside Recycling	Dartmouth
	Canadian Recycling Limited	Dartmouth
	Clifton Recycling Centre	Halifax



Region	Collection site	City
	E.T. Bottle Exchange	Dartmouth
	Faders Bottle Exchange Ltd.	Lower Sackville
	Friends Depot (Lady Beth Enterprises Ltd)	Ingram Port
	Green Tree Recycling Depot	Lower Sackville
	Greenleaf Recycling Limited	Porter's Lake
	Halifax Regional Municipality	Lakeside
	John Ross & Sons Ltd. (Halifax)	Halifax
	Karen's Recycling Ltd.	Dartmouth
	Matt's Bottle Exchange	Eastern Passage
	Preston Recycling	East Preston
	Rona - Pierceys Almon	Halifax
	Rona - Pierceys Elmsdale	Elmsdale
	Rona - Pierceys Harbour	Dartmouth
	Rona - Pierceys Tantallon	Upper Tantallon
	Rona - Pierceys Windmill	Dartmouth
	Sackville Bottle Exchange	Lower Sackville
	Tanner's Transfer	Halifax
	The Recycle Market	Lake Charlotte
	Timberlea Bottle Exchange	Timberlea
	Youth L.I.V.E. Recycling	Halifax
	A & J Superette	Joggins
	Cumberland Joint Services Management	Little Forks
	Durant's Enviro Depot	Parrsboro
	East Hants Waste Management Centre	Georgefield
	Elmsdale Recycling Ltd	Elmsdale
	John Ross & Sons Ltd. (Truro)	Truro
	Keep Garbage Beneficial Inc	Pugwash
	M&R Recycling	Springhill
Northern	Moore Nickels & Dimes for You Recycling	Oxford
	Municipality of Colchester	Debert
	New Germany Enviro Center	New Germany
	Nova 4 Enviro Ltd.	Amherst
	Rawdon Recycling	Upper Rawdon
	Subway Bottle Exchange	Truro
	T'N'T Recycling	Shubenacadie East
	Tatamagouche Recycling Depot	Tatamagouche
	Two Capes Recycling (Advocate Country Store Inc.)	Advocate Harbour
	Adam's Bottle Exchange Limited	Gold River



Region	Collection site	City
	Clyde's Trucking & Recycling	Liverpool
	Cogmagun Landfill Site	Cogmagun
	Corkum Recycling Limited	Lunenburg
	Harlow Construction Limited	Shelburne
South Shore/	Municipality of Barrington	Barrington
West Hants	Municipality of Shelburne	Shelburne
	Municipality of the District of Chester - Kaizer Meadow Landfill	Sherwood
	Municipality of the District of Lunenburg	Whynotts Settlement
	Municipality of the Region of Queens	Milton
	O'Leary's Bottle Depot	Windsor
	Oak Park Bottle Exchange	Barrington
	Victor & Douglas Oickle's Bottle Exchange	Bridgewater
	Windsor Recycling Depot	Windsor
	Beehive Adult Service Center	Alyesford
	C.N. Orde & Sons (aka Lequille Enviro Depot)	Annapolis Royal
	Greenwood Recycling Centre	Greenwood
Valley	L.W. Layton Salvage Ltd.	Canning
valley	New Minas Recycling	New Minas
	Valley Recycling	Greenwich
	Valley Waste - Eastern Waste Management Centre	Kentville
	Valley Waste - Western Waste Management Centre	Lawrencetown
	Comeau's Bottle Exchange	Meteghan Centre
Western	Digby Salvage & Disposal	Digby
	Municipality of Clare	Meteghan
vvestern	Paperchase Bottle Exchange Ltd.	Yarmouth
	Town of Yarmouth	Ohio
	Webber's Bottle Exchange	Digby



Appendix 2 – "Find a Recycling Location" Tool

The image below provides a snapshot of the Program's collection site locator tool available at productcare.org.

Product	care				=
_		Find a Rec	ycling Locat	tion	
Location		What are you looking to	recycle?		
<table-cell> Lak</table-cell>	e Charlotte, Nova Scotia, Cana	dı 🔁 Paint	~	Q Search	Malay Fal
← DEPOT The Recycle 11470 Highway 7, Lak	Market e Charlotte, NS, BOJ 1YO	Okm	Grant Grant Musquodoboit Harbour Jeddor	Grand Lake Wilderness Area Mathematical Control Control The Recycle Market See side bar for location de	374 Sheet Harbour 7 X atails
Accepted produ		Lake Echo	Hear of Chezzetcook Ostrea Lake Seaforth	dis Clam Harbour Little Harbour	
~	Get Directions More Details	tem sage	Location Ke	ey: 💿 Depot 🗳 Retail	Event +





Product Care Recycling helps the paint industry meet its regulatory obligations while protecting the environment

For more information about paint recycling programs in your province, visit productcare.org

Phone: 604–592–2972 Toll Free: 1–877–592–2972 Email: contact@productcare.org

NEND





Appendix 4 – Collection Site TV Advertisement





Appendix 5 – Digital Advertising Activities

Website Blog Posts



productCare Products Province About Members Service Partners Contact Q

Find a Recycling Location

It all began with paint recycling

In 1994, British Columbia became the first province to implement an <u>Extended Producer Responsibility</u> (EPR) regulation for architectural (household) paint. This waste management regulation required paint producers to create a network of drop-off locations for people to bring their leftover paint. Once collected, the paint was then recycled. The industry soon realised a collective approach was the best solution, and not-for-profit organization "BC PaintCare" (now Product Care) was born.





Google Search Ad

Recycle Your Leftover Paint | Locations Across Nova Scotia Ad www.productcare.org/

Keep paint out of landfills - recycle it! Find your nearest recycling location here. Nova Scotia's paint recycling program is managed by Product Care Recycling.

Google and TWN Display Ads



🔁 Recycle your paint >



YouTube Video Ad

MouTube	
Freductore.org/products/paint/b	



Social Media Assets – Product Care 25th Anniversary Paint Program





Sample Facebook Ads



Leftover paint doesn't belong in our landfills. Find a recycling location near you and drop it off for free.



PRODUCTCARE.ORG Recycle Your Paint in Nova Scotia





...

Sample Facebook Post



Responsible recycling tip: Paint aerosols don't belong in the trash! Recycle them for free at a Product Care Recycling location.

Find one at www.productcare.org/recycling-locator/





Appendix 6 – PoR and PoS Materials

PoR/PoS Posters









Leftover paint?

Recycle it for free! Visit productcare.org to find a recycling location near you.

productcare.org





Appendix 7 – Financial Statements

PRODUCT CARE ASSOCIATION OF CANADA NOVA SCOTIA PAINT RECYCLING PROGRAM

STATEMENT OF REVENUES AND EXPENSES

31 DECEMBER 2019

PRODUCT CARE ASSOCIATION OF CANADA NOVA SCOTIA PAINT RECYCLING PROGRAM **Statement of Revenues and Expenses**

For the year ended 31 December 2019

Contents

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INDEPENDENT AUDITORS' REPORT

To: Nova Scotia Environment

Report on the Audit of the Statement of Revenues and Expenses

Opinion

As required by the Nova Scotia Solid Waste-Resource Management Regulation - Environment Act Section 102 (18(F(I))), we have audited the Statement of Revenues and Expenses of the Nova Scotia Paint Recycling Program (the "Statement") as reported by Product Care Association of Canada (the "Association") for the year ended 31 December 2019 and a summary of significant accounting policies and other explanatory information.

In our opinion, the Statement presents fairly, in all material respects, the revenue and expenses of the Nova Scotia Paint Recycling Program for the year ended 31 December 2019 in accordance with Canadian Accounting Standards for Not-For-Profit Associations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities section of our report. We are independent of the Association in accordance with the ethical requirements that are relevant to our audit of the Statement in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter - Restriction on Distribution and Use

This report is prepared on the direction of Product Care Association of Canada's management and Nova Scotia Environment. As a result, the report may not be suitable for another purpose. Our report is intended solely for Product Care Association of Canada's management and Nova Scotia Environment, and should not be distributed to other parties.

Responsibilities of Management and Those Charged with Governance for the Statement

Management is responsible for the preparation and fair presentation of the Statement in accordance with Canadian accounting standards for not-for-profit organizations and for such internal control as management determines is necessary to enable the preparation of Statement that is free from material misstatement, whether due to fraud or error.



CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT - Continued

In preparing the Statement, management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association's financial reporting process.

Auditors' Responsibilities

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Statement.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Association to cease to continue as a going concern.





CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT - Continued

Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Rolfe, Benson LLP

CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, Canada 25 March 2020



PRODUCT CARE ASSOCIATION OF CANADA NOVA SCOTIA PAINT RECYCLING PROGRAM

Statement of Revenues and Expenses

For the year ended 31 December 2019

	 \.	2019	2018
Revenues	\$	1,331,350	\$ 1,383,642
Program expenses			
Processing		813,701	680,431
Collection		172,259	174,692
Administration (Note 2 (b) & (d))		170,730	164,480
Transportation		106,618	79,734
Communications		30,780	16,158
		1,294,088	 1,115,495
Excess of revenues over expenses for the year	\$	37,262	\$ 268,147

Commitment (Note 3)

The accompanying notes are an integral part of this statement of revenues and expenses.

PRODUCT CARE ASSOCIATION OF CANADA NOVA SCOTIA PAINT RECYCLING PROGRAM Notes to the Statement of Revenues and Expenses For the year ended 31 December 2019

1. Basis of Presentation

The Statement of Revenues and Expenses (the "Statement") only includes the revenues and expenses related to the Nova Scotia Paint Recycling Program (the "Program"), a segment of the operations of Product Care Association of Canada (the "Association").

2. Summary of Significant Accounting Policies

The Statement is prepared in accordance with Canadian accounting standards for not-for-profit organizations. The significant policies are detailed as follows:

(a) Revenue Recognition

Environmental Handling Fees are received from members of the Association making sales of designated program materials within the province of Nova Scotia. The Association recognizes these fees as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Environmental Handling Fees revenues are recognized as individual members report and remit them as required by the Association's membership agreement which is at the end of the month following the reporting period that the designated program materials were sold by the member.

Members are obligated to remit Environmental Handling Fees for all products sold from the earlier of the Programs' start date or the date when member started selling obligated products. If, for any reason, a member omits reporting and remitting Environmental Handling Fees associated with sold program products, the Association will recognize those Environmental Handling Fees as revenue when the amounts are determinable by the Association.

(b) Tangible Capital Assets

Tangible capital assets are recorded at cost. The Association provides for amortization using the straight-line method at rates designed to amortize the cost of the tangible capital assets over their estimated useful lives. The annual amortization rate is as follows:

Depot equipment 3 years

Included in administration expense is \$17,186 (2018 - \$7,526) of amortization expense related to tangible capital assets.

PRODUCT CARE ASSOCIATION OF CANADA NOVA SCOTIA PAINT RECYCLING PROGRAM Notes to the Statement of Revenues and Expenses For the year ended 31 December 2019

2. Summary of Significant Accounting Policies - continued

(c) Use of Estimates

The preparation of financial statements in accordance with Canadian accounting standards for notfor-profit organizations requires management to make estimates and assumptions that affect the reported amounts of revenues and expenses and disclosure of contingencies included in the Statement. Accounts subject to estimates include revenue accruals, expense accruals, amortization, overhead allocation and processing commitments. Actual results could differ from those estimates.

(d) General and Administrative Expenses - Overhead Allocation

A portion of the total general and administrative expenses of the Association, net of expense recoveries, has been allocated to the Program. The allocation of general and administrative expenses to the Program is determined using the percentage of program specific operating expenses as compared to total operating expenses for all the Association's programs. Included in administration expense is \$77,350 (2018 - \$69,403) of overhead expense which has been allocated to the Program.

3. Processing Commitment

At year end, the Association had unprocessed program materials on hand related to the Program with an estimated cost to process, transport and recycle of \$100,417 (2018 - \$101,722) which will be incurred in 2020.