

British Columbia Paint and Household Hazardous Waste Program Annual Report 2021

Submitted to:

Director, Extended Producer Responsibility Section
BC Ministry of Environment and Climate Change Strategy
PO Box 9341, STN PROV GOVT
Victoria, BC, V8W 9M1

Prepared by:

Product Care Association of Canada
420 – 2238 Yukon St.
Vancouver, BC, V5Y 3P2

June 29, 2022



productcare.org

Contents

Contents	3
1 Executive Summary.....	4
2 Program Outline.....	9
3 Public Education Materials and Strategies	9
4 Collection Systems and Facilities	13
5 Product Environmental Impact Reduction, Reusability and Recyclability	17
6 Pollution Prevention Hierarchy and Product/ Component Management	18
7 Product Sold and Collected and Recovery Rate.....	22
8 Revenues and Expenditures	25
9 Plan Performance	27
Appendix A: Collection Site List by Regional District (as of Dec 31, 2021).....	30
Appendix B: Communications Materials.....	37
Appendix C: 2021 Program Audited Financial Statements	54
Appendix D: 2021 Product Care Consolidated Audited Financial Statements	55
Appendix E: 2021 Non-Financial Audit Report.....	57

1 Executive Summary

The BC Paint and Household Hazardous Waste (HHW) Program (“Program”) has been in operation since 1994 under the operation and management of Product Care Association of Canada (“Product Care”). The Program operates pursuant to the requirements of the British Columbia Recycling Regulation (BC Reg 449/2004 as amended) (“Regulation”) under the Province’s Environmental Management Act, as well as the British Columbia Paint and Household Hazardous Waste (HHW) Product Stewardship Plan (“Program Plan”) approved by the British Columbia Ministry of Environment and Climate Change Strategy (BCMOECCS) on November 20, 2018.

This annual report reports on the performance of the Program as required pursuant to Section 8(2) of the Regulation for the period January 1 to December 31, 2021.

Products within plan	<ul style="list-style-type: none">• Architectural paints and coatings (household); paint aerosols (consumer, industrial and automotive)• Domestic pesticides• Flammable liquids and aerosols• Gasoline
Program website	https://www.productcare.org/province/british-columbia

The Program’s performance information required pursuant to s.8(2) of the Regulation is provided below.

Recycling Regulation Reference	Topic	Summary of Activities in 2021
Part 2, s.8(2)(a)	Public Education Materials & Strategies	<ul style="list-style-type: none">• 78% of British Columbians were aware they could recycle paint and HHW.• Productcare.org provided consumers with content about the Program, with a “Find a recycling location” tool, collection site hours and operations, and accepted product lists.• Productcare.org provided service partners and members with content about the Program, membership, regulatory documentation, stewardship plans, annual reports, product lists and fee schedules.• Point of sale and point of return materials were available for reorder, free of charge, upon request.• Print ads published in CPCA Insight, Property Manager’s Sourcebook, and in municipal calendars

Recycling Regulation Reference	Topic	Summary of Activities in 2021
		<p>for Mission, and Penticton.</p> <ul style="list-style-type: none"> • Digital advertising: The Weather Network, CBC, Global News, Google search, Google display, YouTube, Facebook, and blogs. • Partnered with RCBC on the Hotline and Recyclepedia.
Part 2, s.8(2)(b)	Collection System and Facilities	<ul style="list-style-type: none"> • Program had a 99.7% accessibility rate for collection sites accepting paint and a 98.4% accessibility rate for collection sites accepting HHW (maintained from 2019 study results.) • Total sites decreased by one (1) for a total of 223 collection sites contracted in 2021. Of the 223 collection sites, 116 were paint-only and 107 were HHW collection sites. • See Appendix A for locations of collection sites. • Participated in sixteen (16) collection events in 2021. • Collection service to 28 First Nations communities.
Part 2, s.8(2)(c)	Product Environmental Impact Reduction, Reusability and Recyclability	<ul style="list-style-type: none"> • See Section 5.
Part 2, s.8(2)(d)	Pollution Prevention Hierarchy and Product / Component Management	<p><u>Paint:</u></p> <ul style="list-style-type: none"> • Reuse: 1.6% of all paint collected by the Program was reused through the PaintShare Program. • Recycling: 86.4% of water-based (latex) paint was recycled back into paint and coating products or used as a raw material in the manufacturing of concrete products. • Energy recovery: 100% of solvent-based (alkyd) paint and 13.6% of water-based paint was sent to energy recovery as an alternative energy source • Landfill: No paint was sent to a landfill. <p><u>Paint containers:</u></p> <ul style="list-style-type: none"> • 100% of metal containers were recycled. • 80% of #2 plastic containers were recycled. 20% were used as an alternative energy source. • 100% of #5 plastic (polypropylene) containers were used as an alternative energy source.

Recycling Regulation Reference	Topic	Summary of Activities in 2021
		<p><u>Paint aerosols and containers:</u></p> <ul style="list-style-type: none"> • Energy Recovery: 100% of paint aerosol residuals were sent to energy recovery as an alternative energy source. • Recycling: 100% of paint aerosol containers recycled. <p><u>Flammable liquids and containers:</u></p> <ul style="list-style-type: none"> • Energy recovery: 100% of flammable liquids were sent to energy recovery as an alternative energy source. • Recycling: 100% of flammable liquid containers were recycled. <p><u>Pesticides and containers:</u></p> <ul style="list-style-type: none"> • Incineration: 100% of pesticides. • Recycling: 100% of pesticide containers were recycled. <p><u>Gasoline and containers:</u></p> <ul style="list-style-type: none"> • Energy recovery: 100% of gasoline liquids were sent for energy recovery as an alternative energy source. • Recycling: 100% of gasoline containers were recycled.
Part 2, s.8(2)(e)	Product Sold and Collected and Recovery Rate	<p>Recovery rates:</p> <ul style="list-style-type: none"> • Paint, 9.0% • Flammable liquids/gasoline, 6.2% Pesticides, 12.3%
Part 2, s.8(2)(e.1)		See Section 7 for the collection volumes breakdown by regional district.
Part 2, s.8(2)(f)	Summary of Deposits, Refunds, Revenues and Expenses	See Appendix D for the audited financial statements for the reporting year.

The Program Plan sets out several key performance measures for the Program. The following chart summarizes the performance in 2021 and Product Care's strategies for improvement going forward, where applicable. In accordance with BC's Recycling Regulation, the Program's annual report is subject to an independently verified third party non-financial audit. See Appendix E for the auditor's report.

Comparison of Key Performance Targets		
Priority Extended Producer Responsibility Plan Targets	2021 Performance	Strategies for Improvement
Collection System and Accessibility		
Maintain a minimum of 219 contracted collection sites in total	<ul style="list-style-type: none"> 223 collection sites 	N/A
Maintain a minimum of 95% accessibility rate to a collection site based on SABC Accessibility Standard for Paint and HHW collection sites respectively	<ul style="list-style-type: none"> 99.7% accessibility rate for collection sites accepting paint (See discussion in section 4.1.1) 98.4% accessibility rate for collection sites accepting HHW (See discussion in section 4.1.1) 	N/A
Collections		
Percentage annual increase in container capacity volume (CCV) based on 2016 volumes: Paint (Non- aerosol & Aerosol), 4.2% annual increase	<ul style="list-style-type: none"> Paint CCV was 11.9% below target for 2021. 	See discussion in section 7. <ul style="list-style-type: none"> Implement commercial painter outreach strategy (see section 3) Continue to implement residential segmentation strategy (see section 3)
Percentage annual increase in container capacity volume (CCV) based on 2016 volumes: Solvent & Flammable liquids, 8.75% annual increase	<ul style="list-style-type: none"> Solvent & flammable liquids CCV was 10.5% below target for 2021. 	See discussion in section 7. <ul style="list-style-type: none"> Continue to implement residential segmentation strategy (see section 3)
Percentage annual increase in container capacity volume (CCV) based on 2016 volumes: Pesticides, 7.85% annual increase	<ul style="list-style-type: none"> Pesticide CCV was 45.7% below target for 2021. 	See discussion in section 7. <ul style="list-style-type: none"> Continue to implement residential segmentation strategy (see section 3)
Consumer Awareness		
Percent of population aware of	<ul style="list-style-type: none"> 78% of consumers were 	N/A

Comparison of Key Performance Targets		
Priority Extended Producer Responsibility Plan Targets	2021 Performance	Strategies for Improvement
the Program: 70% or more for paint and HHW	aware they could recycle paint and HHW.	
Management of Collected Materials		
Recycle a minimum of 75% of water-based (latex) paint	<ul style="list-style-type: none"> 86.4% of water-based paint was recycled. 	N/A
100% of solvent-based (alkyd) paint sent to energy recovery	<ul style="list-style-type: none"> 100% of solvent-based paint was sent to energy recovery. 	N/A
Strive for 100% recycling of metal & HDPE (#2) paint containers	<ul style="list-style-type: none"> 100% of metal paint containers were recycled. 80% of HDPE (#2) plastic paint containers were recycled 	<ul style="list-style-type: none"> Continue to seek recycling options for HDPE (#2) paint containers
100% of polypropylene (#5) paint containers sent to energy recovery	<ul style="list-style-type: none"> 100% of #5 plastic (polypropylene) containers were used as an alternative energy source 	N/A
100% of flammable liquids sent to energy recovery	<ul style="list-style-type: none"> 100% of flammable liquids were sent to energy recovery as an alternative energy source in licensed incinerators 	N/A
Strive for 100% recycling of flammable liquid containers	<ul style="list-style-type: none"> 100% of flammable liquid containers were recycled 	N/A
100% of pesticides sent for incineration	<ul style="list-style-type: none"> 100% of pesticides were sent for incineration 	N/A
Strive for 100% recycling of metal & plastic pesticide containers	<ul style="list-style-type: none"> 100% of metal & plastic pesticide containers were recycled 	N/A
100% of gasoline sent to energy recovery	<ul style="list-style-type: none"> 100% of gasoline liquids were sent for energy recovery as an alternative energy source 	N/A
Strive for 100% recycling of	<ul style="list-style-type: none"> 100% of gasoline containers 	N/A

Comparison of Key Performance Targets		
Priority Extended Producer Responsibility Plan Targets	2021 Performance	Strategies for Improvement
gasoline containers	were recycled	

2 Program Outline

The BC Paint and Household Hazardous Waste (HHW) Program (“Program”) has been in operation since 1994 under the operation and management of Product Care Association of Canada (“Product Care”). 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, including representatives from the paint and HHW sectors with a commercial presence in BC.

Producers of designated products are required to meet the obligations set out in British Columbia’s Recycling Regulation (BC Reg 449/2004 as amended) (“Regulation”) under the Province’s Environmental Management Act. Accordingly, the Program operates pursuant to the requirements of the Regulation and the British Columbia Paint and Household Hazardous Waste (HHW) Product Stewardship Plan (“Program Plan”) approved by the British Columbia Ministry of Environment and Climate Change Strategy (BCMOECCS) on November 20, 2018. This annual report reports on the performance of the Program as required pursuant to Section 8(2) of the Regulation for the period January 1 to December 31, 2021.

The Program is funded by membership fees, known as environmental handling fees (“EHF”), remitted to Product Care by its members based on the volume of sales of products identified in the Program Plan (“Program Products”). A current list of Program members is available here <https://www.productcare.org/members/membership-documents>.

3 Public Education Materials and Strategies

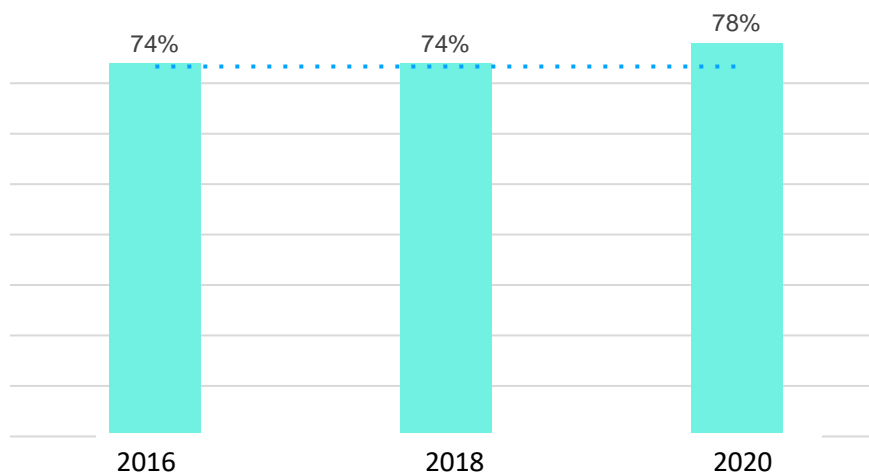
In 2021, Product Care implemented several different tactics to educate and raise consumer awareness of paint and HHW recycling in accordance with regulatory requirements. Product Care educated BC’s public about paint and HHW recycling year-round and province-wide yielding more than 259 million impressions. Public education efforts spanned from traditional channels, such as TV and industry publications to new media, including The Weather Network App and YouTube. The following section provides details regarding the Program’s communication and public education activities in 2021.

3.1.1 Consumer Awareness

According to a survey conducted by the Stewardship Agencies of BC (SABC) in fall 2020, 78% of British Columbians were aware that they could recycle paint and HHW in the province. This represents a four per cent (4%) increase in awareness from the previous survey in 2018 and exceeds the Program’s awareness target set at 70% (Figure 1). The consumer awareness survey was conducted by an independent survey company between September 8-14, 2020, using online surveying techniques. Respondents were asked

the question “as far as you are aware, can household paint, pesticides and flammable liquids be recycled or safely disposed of in BC when they are no longer wanted.” Product Care has seen stable awareness numbers over the past several surveys, reflecting the maturity of the Program and validating the efficacy of implemented public education tactics. The following table offers a historical look at the stable awareness trends for the Program, referencing SABC survey results.

Figure 1: Consumer Awareness Levels (2016 - 2020)



Awareness results are derived from a (typically) bi-annual survey conducted by Stewardship Agencies of British Columbia (SABC). The most recent survey was conducted online in September 2020 and was representative of British Columbia’s adult population, with a total sample size of 1,036.

3.1.2 Advertising Campaigns

The following tactics were employed in 2021 to educate the public:

Year-round Tactics:

- **Point of Sale (PoS)** – Free brochures, rack cards, posters and wallet reminders were made available to retailers to educate consumers at PoS. Digital content such as blog posts and social media posts were also supplied to retailers to share with online audiences.
- **Hotline** – Product Care operated a toll-free hotline, as well as participated in the Recycling Council of British Columbia (RCBC) hotline and website/app service, which all answer consumer inquiries about product recycling. Combined, these services received a total of 20,324 consumer inquiries in 2021.
- **Website** – Product Care continues to operate a permanent website where consumers can find Program information year-round, which offers information about proper disposal, where to find a collection sites, hours of operation, safety information, accepted and not accepted products, and so forth.
- **Google Search** – Ads ran year-round and targeted those who typed relevant search

queries into Google, resulting in 64,858 impressions and 9,597 clicks.

- **Google Display & Discovery** – Ads ran year-round across Gmail, YouTube, Google Display Network and Google’s Discovery section resulting in 6.9 million impressions and 38,953 clicks.
- **Social Media** – Throughout the year, Product Care shared relevant content about paint and HHW recycling across its social media platforms including Facebook, Instagram, and Twitter.
- **Municipal Calendars** – Product Care advertised in recycling calendars in Mission and Penticton with a total circulation of 29,700 calendars.

Seasonal campaigns:

- **TV** – April to June and from August to October 15-second and 30-second animated TV ads ran on Corus, BC2 and CBC, generating more than 141 million impressions.
- **The Weather Network** – April to June and from August to October, Product Care advertised on The Weather Network App, resulting in 1,513,027 impressions and 6,452 clicks.
- **Google Video Ads** – Ads ran from April to October through YouTube and Google’s video partners resulting in 591,963 impressions and 140,997 video views.
- **Facebook Ads** – From February to April and June to December, Product Care promoted explainer videos about the program and blog posts with topics relevant to DIY audiences and similar across Facebook, Instagram, and Facebook’s Audience Network, resulting in 1,063,252 impressions and 18,337 clicks.
- **Trade publication** – Product Care advertised in the Property Managers’ Sourcebook (2021 edition) and Climate Change Magazine (April 2021), both with a circulation of 8,000 copies (See Appendix B).

The Program committed to developing a communications strategy focused on paint reuse. PaintShare is part of Product Care’s paint recycling program which allows consumers to pick up high quality, leftover paint that has been dropped off at participating collection sites. Executing this strategy was stalled in 2021 as a consequence of many sites temporarily closing or temporarily pausing participation in PaintShare to limit in-person interactions in response to the Covid-19 pandemic.

3.1.3 Industry-focused strategies and tactics

Commercial users represent a significant portion of Program Products consumed in the province. Awareness strategies utilized in the residential consumer sector for paint recycling will naturally also increase awareness in the commercial sector. However, commercial painters and other industrial, commercial, and institutional (IC&I) users of Program Product have different means of obtaining information that may require additional strategies and tactics. Consequently, the Program committed to developing a commercial user strategy. The Program implemented the following tactics, to increase awareness of paint recycling in the commercial sector:

- Attending at least two industry events annually
- Advertising in paint and coatings industry publications annually
- Within the first full calendar year following plan approval, conduct targeted outreach to the trade painters to:
 - Identify opportunities and challenges to raise awareness of the Program
 - Develop a campaign to raise awareness amongst commercial painters
 - Provide a qualitative report on this initiative in the Program's annual report. Each of these commitments are addressed below in turn.

3.1.4 Industry Event

Due to the COVID-19 pandemic and the resulting cancellation of industry events, Product Care was unable to attend industry events in 2021.

3.1.5 Trade Publications

Product Care advertised in the Property Manager's Sourcebook to reach a targeted audience responsible for paint, with a circulation of 8,000 copies. Product Care also ran an inside cover print ad featured in Canadian Paint & Coatings Association (CPCA) Insight Trade Publication. Three thousand (3,000) copies were distributed to industry members. A digital version of the publication is posted on CPCA's website.

3.1.6 Commercial Painter Outreach Strategy

In addition to the industry-focused tactics above, the Program initiated the Commercial Painter Outreach Strategy to raise awareness of paint recycling amongst commercial painters in BC. Informed by the findings from commercial painter outreach strategy research conducted in 2019, a comprehensive engagement strategy was developed and executed throughout 2020 and 2021 and focused on partnering with paint distributors/retailers to raise awareness amongst commercial painters. Product Care developed and distributed informative materials to manufacturers who expressed interest in participating. The materials were targeted at sales representatives working with commercial painters, to help them spread the message of paint recycling to their commercial clients.

4 Collection Systems and Facilities

As of December 31, 2021, Product Care contracted with 223 permanent collection sites in British Columbia to provide convenient locations for consumers to drop off unwanted Program Products; exceeding the Program Plan commitment to maintain a minimum of 219 contracted collection sites. Of the 223 locations, 116 were paint collection sites that collected leftover paint products only, including paint aerosols. The remaining 108 were HHW collection sites that collected both paint and household hazardous products (i.e., flammable liquids, pesticides, and gasoline). Of the 223 locations, 124 were part of the PaintShare Program, providing paint to customers for free.

One (1) paint only site and two (2) HHW sites were added in 2021, while three (3) paint only sites and one (1) HHW site were removed, representing a net decrease of one (1) site from 2020. Table 1 provides a comparison of 2020, and 2021 collection site numbers, Table 2 lists the specific changes in the collection system in 2021, and Table 3 lists the collection sites by Regional District. A complete list of contracted collection sites in 2021 is provided in Appendix A.

Table 1: Paint and HHW Contracted Collection Sites, 2020 and 2021

Collection Site Type	2020	2021
Paint	116	116
HHW	108	107
Total Permanent	224	223

Table 2: Collection Site Changes in 2021

Collection Site Name	Location	Change in 2021
GFL Environmental Squamish Landfill	Squamish	New HHW collection site and PaintShare.
Mattress Recycling	Hope	New HHW collection site.
Metrotown Return-It Centre	Burnaby	New paint collection site and PaintShare.
Bulkley Valley Bottle Depot	Smithers	Closed HHW collection site.
East Van Bottle Depot	Vancouver	Closed paint collection site.
RONA – Interlakes Building Supplies Ltd (Lone Butte) (#7240)	Lone Butte	Closed paint collection site.
RONA Hope - (Fraser Valley Building Supplies #08530)	Hope	Closed paint collection site.
GRIPS - Green Recycling in Pender Society	Madeira Park	Changed from Paint only site to HHW collection site.

Table 3: Summary of Collection Sites by Regional District as of December 31, 2021

Regional Districts	Number of Collection Sites
Alberni Clayoquot	4
Bulkley Nechako	7
Capital	12
Cariboo	5
Central Coast	3
Central Kootenay	5
Central Okanagan	3
Columbia Shuswap	6
Comox Valley	4
Cowichan Valley	7
East Kootenay	5
Fraser Fort George	5
Fraser Valley	12
Kitimat Stikine	5
Kootenay Boundary	6
Metro Vancouver	55
Mt. Waddington	6
Nanaimo	6
North Coast	4
North Okanagan	5
Northern Rockies	1
Okanagan Similkameen	9
Peace River	7
qathet	2
Squamish Lillooet	10
Strathcona	4
Sunshine Coast	3
Thompson Nicola	22
Total	223

Product Care also supplements the collection system with several one-day collection events, often carried out in collaboration with a municipality or regional district. Product Care participated in sixteen (16) collection events in 2021, which accepted both paint and HHW products. See Table 4 for a list of collection events.

Table 4: Collection Events Held in 2021

Date	Event Location
April 17 & 18, 2021	Sayward
April 24, 2021	Hope
May 15, 2021	Mission
July 4 and 7, 2021	Sunshine Coast
July 19, 2021	Sayward
August 7 & 28, 2021	Sunshine Coast
September 1, 2021	Sunshine Coast
September 11, 2021	Castlegar
September 18, 2021	Creston
September 26, 2021	Nakusp
October 1, 2021	McBride
October 2, 2021	Quadra Island
October 4, 2021	Summerland
October 16, 2021	Sayward
October 23, 2021	Chilliwack
October 23 and 24, 2021	Langley

In addition, the Program provided service/access to more than 28 First Nations communities through various means, including permanent collection sites, collection events and direct pickup service.

4.1.1 Accessibility

The Program measures consumer access to permanent collection facilities in accordance with the Accessibility Standard established by the Stewardship Agencies of BC (SABC). SABC defines reasonable access as a 30-minute drive or less to a collection site in urban areas with a population of 4,000 or more and a 45-minute drive or less in rural areas with a population of 4,000 or more. The Program commits to provide a minimum of 95% of the population that meets the Standard with access to a permanent collection facility. The 95% is viewed as the minimum standard and the Program works to exceed the minimum requirements.

Accessibility levels were determined through a GIS analysis of the network undertaken by an independent third-party consultant. The network was analyzed by collection site type, applying widely accepted GIS practices. Collection site locations were geocoded using address locations and a provincial road network file was used to create a network dataset that could be used to calculate the driving times from population points to collection sites. A dissemination block digital boundary file and population data was used to clip

each dissemination block to the area within a 500m buffer of the provincial road network. Each block was classified as being urban, rural, or excluded according to scenarios defined by SABC. The total accessibility was calculated by summing the total population of dissemination blocks that met the accessibility criteria specified by SABC as set out above. Table 5 provides the total SABC population with access to collection locations as of December 31, 2019.

Table 5: SABC Population with Access to Collection Sites in 2019 and Targets

Collection site type	Accessibility target	Total SABC population with access (2019)
Accepting HHW	95%	98.4%
Accepting Paint	95%	99.7%

The accessibility rate for HHW collection sites was 98.4%. The accessibility rate for sites accepting paint was 99.7%. Both exceed the accessibility target of 95% according to the SABC Accessibility Standard. Since December 31, 2019, 11 new sites were added (5 paint sites and 6 HHW sites) and 10 sites were removed (8 paint sites and 2 HHW sites). Communities with populations greater than 4,000 in which a site closed in 2020 and 2021 had other collection sites that continued to provide consumer access; therefore, accessibility levels did not change from 2019 levels.

4.1.2 Waste Composition Audits

To confirm that Program Products are being successfully diverted from landfill, the Program participates in waste composition audits undertaken by local governments in collaboration with other stewardship organizations. The Program is committed to participate in all waste composition studies committed to by SABC. The Program reports out on the number and location of waste composition audits conducted annually and the amount of Program Products identified, as applicable.

In conjunction with SABC, two waste composition audits took place in 2021: one at the Campbell Mountain Landfill (RDOS) and the other at the Glenmore Landfill (RDCO). The audits were conducted by independent third-party consultants engaged by the regional districts. Audit findings pertaining to Program Products are detailed in Table 6 below.

Table 6: Units of Program Products Identified

Product (Units)	Campbell Mountain Landfill (RDOS)	Glenmore Landfill (RDCO)
Aerosol paint (units containing residual)	0	1
Aerosol paint containers	3	0
Domestic pesticides	0	0
Flammable liquids	0	3

Product (Units)	Campbell Mountain Landfill (RDOS)	Glenmore Landfill (RDCO)
Gasoline	0	0
Paint containers	12	6
Paint/coatings (units containing residual)	0	2
Total	15	12

5 Product Environmental Impact Reduction, Reusability and Recyclability

The paint and coatings industry is proud to provide products that protect, sustain, and add value to buildings, infrastructure, vehicles, and the objects we depend on every day. This is achieved with products that are safe to handle and increasingly eco-efficient. The industry evaluates the impacts of products along their entire life cycle and continuously develops offerings to reflect the latest available science. At the same time, the industry works hard to ensure sustainable production processes, which includes the health and safety of their workforce. Beyond their basic feature of protecting our built infrastructure, coatings are essential components to the production processes of many different industries. Functional coatings can provide additional properties to materials, paving the way to upgraded infrastructure, innovative products, and resource efficiency.

The move towards a circular economy is a central concern and opportunity for the paint and coatings industry. Compliance with regulations on the management of chemicals and waste is considered a basis for doing business.

According to industry members, the paint and coatings industry has been working to reduce the use of volatile organic compounds (VOC) and associated emissions in paint production. Over the past decade, the industry has seen a significant drop in VOCs used within the industry, with a 75% decrease reported in VOC emissions. Many paint products today contain either zero VOCs or a very low percentage. High-percentage solids coatings ensure that almost no gas emission is produced during the drying process and lasts for a very long time after application.

Additionally, companies are increasingly evaluating resource efficiency along the entire life cycle of their products, starting from the raw materials that serve as ingredients for the industry's products to the management of water, energy, and waste in production processes. A waste management practice observed in the manufacturing of paint is to reuse wash water to reduce the amount of make-up water needed in the process. Wash water and wash solvent can be redirected into low-grade products and paint can also be reworked into new batches, reducing waste and the usage of raw materials in the manufacturing process.

In terms of packaging, many paint manufacturers today are continuously researching more sustainable

alternatives. As a result, we are more frequently seeing packaging on the market that is made up of up to 100% post-consumer materials.

Many companies have set sustainable goals to be achieved within the next 10 years, while some manufacturers have aligned their goals with the targets set out in the UN Sustainable Development Goals. For example, one manufacturer has reported a 24% reduction in GHG emissions in paint and coatings manufacturing since 2017. Some manufacturers are setting renewable energy goals and are exploring a variety of renewable energy mechanisms, such as onsite renewable energy production and the use of renewable energy credits. Overall, continued innovation in manufacturing processes has led to energy and material efficiency in production.

6 Pollution Prevention Hierarchy and Product/ Component Management

Product Care endeavours to manage collected products in accordance with the pollution prevention hierarchy.¹ This section details the measures that Product Care follows with respect to each product category based on information provided by downstream processors, where available.²

Consolidation

Collected products are sent to a consolidation facility in the Lower Mainland. During consolidation, paint is separated into water-based (latex) and solvent-based (alkyd) paint. Paint aerosols are separated into liquid paint, metal containers and propellant. The liquid paint from paint aerosols is then consolidated with solvent-based paint and other flammable liquids. Pesticides and flammable liquids are consolidated by product type and properties, and “other aerosols” (flammable and pesticide aerosols) are repackaged into larger containers.

Following these initial processes, consolidated or repackaged materials are sent to downstream processors for recycling, energy recovery, incineration, or landfill. Detailed information on how collected materials are processed is provided below.

Paint

Leftover paint is the largest volume of the residual products managed by the Program. Leftover paint is managed in a number of ways:

¹ The pollution prevention hierarchy is explained on pages 9 and 10 of the BC Recycling Regulation Guide available here: https://www2.gov.bc.ca/assets/gov/environment/waste-management/recycling/recycle/reg_guide.pdf

² The information detailed in this section was verified based on processor questionnaires or site visits of the various processors and the review of final disposition as indicated on hazardous waste manifests as applicable. However, there is greater confidence in the end fate of hazardous wastes given the framework of regulatory requirements governing hazardous materials and commensurate oversight by various environmental departments and agencies.

Reuse

Reusable paint is given away at no charge through the PaintShare Program to members of the public and non-profit organizations to be used for its originally intended purpose. In 2021, 124 collection sites participated in the PaintShare Program, representing 56% of all collection sites. Based on monthly reports provided by collection sites, approximately 1.6% of the total volume of paint processed in 2021 was reused through the PaintShare Program, up from 1.5% in 2020.

Recycling

Product Care utilizes a number of options for water-based (latex) paint recycling. High-grade recyclable water-based paint is reprocessed into paint and coatings products. The lower grade recyclable paint (i.e., paint that is not suitable for paint-to-paint recycling) is used as a raw material in the manufacturing of concrete products (blocks, barriers, and Portland cement).

According to shipment records³, approximately 86.4% of the water-based paint sent to downstream processors by the Program in 2021 was recycled utilizing one of the two options listed above. The total volume of water-based paint processed is equivalent to the total volume of water-based paint shipped from the consolidation facility to the downstream processors.

Energy Recovery

Solvent-based (alkyd) paints are suitable for energy recovery by virtue of their high solvent content. According to shipment records, 100% of the solvent-based paint and aerosol paint shipped to downstream processors from the consolidation facility in 2021 went to hazardous waste management companies who then sent the paint to permitted/licensed facilities to be used for alternative energy recovery.

Product Care continues to search for recycling options for solvent-based paint. This is generally more difficult due to hazardous waste and transportation regulations, which limit the movement of this kind of material. Regulations, such as the Federal VOC Regulations, require tighter limits on certain chemical constituents, which tend to be higher in older paints, making recycling of solvent-based paints more difficult. In addition, the chemistry of solvent-based paints makes it more difficult to recycle into paint and coating products, and the diminishing market for recycled solvent-based products is significantly smaller than that for water-based paint products.

Due to the colour or physical/chemical composition, some water-based paint cannot be recycled. Water-based paint has heat value, but not as high as solvent-based paints. A portion of the unrecyclable water-based paint was sent to downstream processors who sent it to a licensed facility to be used as alternative fuel (energy recovery). According to shipment records, 13.6% of the water-based paint sent to

³ Shipment records evidencing the management of Program Product may include certificates of disposal, bills of lading or processor invoices and the review of final disposition as indicated on hazardous waste manifests, as applicable. Shipment records evidencing the management of metal and plastic containers may include bills of lading, scale tickets or processor invoices.

downstream processors was used as an alternative fuel in 2021.

Secure Landfill

In 2021, all water-based paint was recycled as paint, sent for energy recovery, or used as raw materials in the manufacturing process of concrete products. No water-based paint was landfilled.

Flammable Liquids

Due to the nature of flammable liquids and the fact that many flammable liquids are sold as fuels, leftover flammables collected are treated as alternative fuels for energy recovery. According to shipment records, 100% of the flammable liquids shipped from the consolidation facility to downstream processors in 2021 went to a hazardous waste management company who then sent them to permitted/licensed facilities to be used for alternative energy recovery.

Gasoline

Due to the nature of gasoline, which is intended for use as a fuel, collected leftover gasoline is treated as alternative fuel for energy recovery. According to shipment records, 100% of the gasoline shipped from the consolidation facility to downstream processors in 2021 went to a hazardous waste management company who then sent the gasoline to permitted/licensed facilities to be used for energy recovery.

Pesticides

Due to the nature of pesticides, there is no reuse or recycling option available for these products. According to shipment records, 100% of pesticide products shipped from the consolidation facility to downstream processors in 2021 went to a hazardous waste management company who then sent them to permitted/licensed facilities for incineration.

Containers

Metal Containers

Based on shipment records from the consolidation facility, 100% of metal containers processed by the Program in 2021 from paint (including aerosols), pesticides, flammable liquids and gasoline were sent for metal recycling.

Plastic Containers

According to shipment records, 100% of #2 HDPE plastic gasoline containers shipped from the consolidation facility to downstream processors were recycled in 2021. Shipment records also confirm 100% of plastic containers from flammable liquids and pesticides were sent for plastics recycling. 80% of 5-gallon size #2 HDPE plastic paint containers shipped from the consolidation facility to downstream processors were recycled and the remaining 20% of the 5-gallon #2 HDPE plastic paint containers were sent to energy recovery as an alternative energy source in licensed incinerators, as demonstrated by

shipment records. Changes in the plastic recycling industry due to external factors (e.g., international policy such as China Sword) made it difficult to find recycling options for certain product streams. Product Care remains committed to seeking recycling options for 100% of its #2 plastic paint containers in keeping with the Program's commitment.

Based on shipping records to processors, the Program managed 100% of plastic (polypropylene #5) one US gallon size paint cans through energy recovery. The diversion of this plastic to energy recovery was due to the limited market demand for recycled polypropylene #5. The same challenges noted with #2 HDPE applies to #5 polypropylene. Product Care remains committed to seeking recycling for 100% of its #5 plastic containers.

Table 7: Program Product End Fate 2021 ⁴

Product Category	Recycling	Energy Recovery	Incineration	Landfill
Water-based (latex) Paint	86.4%	13.6%		
Solvent-based (alkyd) Paint		100%		
Flammable Liquids		100%		
Pesticides			100%	
Gasoline		100%		
Metal Containers	100%			
#2 Plastic Containers (Paint)	80%	20%		
#2 Plastic Containers (Gasoline)	100%			
#5 Plastic Containers		100%		
Plastic Pesticide Containers	100%			
Plastic Flammable Liquids Containers	100%			

⁴ Table 7 does not include paint volumes reused through PaintShare, which represented approximately 1.6% of total paint volumes collected (see discussion above under "Reuse").

7 Product Sold and Collected and Recovery Rate

Product Collected

The Program employs two metrics for measuring collected volumes of Program Product. Residual Recovery Volume (RRV) measures the amount of product collected as a function of the amount of product sold in the same year. The container capacity volume (CCV) measures the maximum capacity of the containers that could fit within tubskids or drums⁵ returned through the Program. The Program reports annually on the total CCV by product category at both the provincial and regional district level, the ratio of CCV to total paint sold, total RRV collected, and an annual recovery rate based on RRV. Table 8 provides the CCV collected in BC, broken down by regional district. Table 9 provides the total 2021 residual recovery volumes (RRV) for each product category.

Table 8: Container Capacity Volume (L) Collected by Regional District (2021)

Regional District	Paint	Aerosols	Flammable Liquids	Pesticides	Aerosols Other
Alberni Clayoquot	69,984	5,644	3,888	324	88
Bulkley Nechako	44,064	2,844	0	0	0
Capital	1,403,136	20,344	69,120	18,900	10,369
Cariboo	95,040	5,250	1,728	0	569
Central Coast	3,456	0	0	0	0
Central Kootenay	133,488	2,800	5,184	1,296	131
Central Okanagan	458,784	8,050	14,256	1,512	1,575
Columbia Shuswap	100,224	3,325	8,208	2,376	481
Comox Valley	210,384	3,806	15,120	756	350
Cowichan Valley	337,824	17,150	26,352	6,804	875
East Kootenay	133,056	2,406	2,160	108	875
Fraser Fort George	179,712	2,625	7,344	432	0
Fraser Valley	663,120	11,419	22,896	3,348	1,488
Kitimat Stikine	61,344	875	1,296	0	0
Kootenay Boundary	103,680	1,706	2,592	1,512	438
Metro Vancouver	6,001,344	86,494	180,144	24,084	14,219
Mt. Waddington	28,944	5,075	0	0	0
Nanaimo	479,520	15,050	17,712	972	1,225

⁵ Tubskids are 4'x4'x3' plastic boxes used for the collection of paint, paint aerosols, flammable liquids, and pesticides. Drums are converted into tubskids at a factor of 0.25 tubskids per drum. The total number of tubskids has been rounded to the nearest whole number. The total number of tubskids is based on tubskids picked up from collection sites as evidenced by bills of lading.

Regional District	Paint	Aerosols	Flammable Liquids	Pesticides	Aerosols Other
North Coast	30,672	2,625	432	0	0
North Okanagan	220,752	4,550	7,776	540	1,006
Northern Rockies	3,024	0	0	0	0
Okanagan Similkameen	245,808	6,213	8,640	1,512	700
Peace River	87,264	2,275	864	0	0
qathet	31,968	1,794	1,728	432	0
Squamish Lillooet	213,408	5,950	6,912	756	656
Strathcona	108,000	14,306	12,096	1,296	438
Sunshine Coast	142,128	12,250	9,072	1,188	481
Thompson Nicola	305,856	5,250	9,504	864	963
TOTAL	11,895,984	250,076	435,024	69,012	36,927

Table 9: Approximate Total Collected Volumes (residual recovery volume) for Paint, Paint Aerosols, Flammable Liquids and Pesticides (2021)

Residual recovery volume (litres)	Paint (non-aerosol) ⁶	Paint (Aerosol) ⁷	Flammable Liquids/Gasoline ⁸	Pesticides ⁹
2021	2,978,215	43,642	177,464	18,269

The Program also commits to achieving annual targeted increases in CCV for each product category against 2016 baseline levels. Specifically, the Program is to achieve an annual increase in CCV of 4.2% for paint (including aerosols), 8.75% for flammable liquids/gasoline and 7.85% for pesticides based on 2016 container capacity for total volumes of paint (including aerosols) and HHW reported. Table 10 provides the total 2021 container capacity volume (CCV) and performance against the targeted annual increase in CCV. When setting these targets at the time of drafting the current Program Plan in 2016, Product Care relied on historical collection volumes from 2010 through 2016, which showed a consistent increase in CCV. However, collection volumes have been decreasing since 2016 for all product categories. The

⁶ Paint residual recovery volume was calculated using a conversion factor of 106.5 litres per tubskid, based on the average volume generated per tubskid over the full year 2021. This number includes PaintShare.

⁷ Paint aerosol residual recovery volume was calculated using a conversion factor of 30.5 litres per tubskid, based on the average volume generated per tubskid that was processed over the full year 2021.

⁸ Flammable Liquids/Gasoline residual recovery volume was calculated using a conversion factor of 176.2 litres per tubskid, based on the average volume generated per tubskid over the full year 2021. This does not include volume from flammable or pesticide aerosols.

⁹ Pesticide residual recovery volume was calculated using a conversion factor of 114.4 litres per tubskid, based on the average volume generated per tubskid that was processed over the full year of 2021.

decrease in CCV runs contrary to all other key Program performance indicators, including increased consumer awareness levels, expansion of the Program's collection networks and accessibility levels, and continued low numbers of units found through waste composition audits. The Program has stated all along that basing the evaluation of the Program's performance on a single metric is not appropriate, especially with the reference to recovery rate. It is very difficult to isolate the factors influencing recovery rates for various Program Products. Rather, the Program should be evaluated based on a suite of performance measures. Product Care will continue to monitor CCV and recovery rates closely.

Table 10: Approximate Total Collected Volumes (CCV) for Paint, Paint Aerosols, Flammable Liquids and Pesticides (2021 v. 2016)

Container capacity volume (litres) ¹⁰	Paint	Flammable Liquids/Gasoline ¹¹	Pesticides
2016 baseline (CCV)	11,693,724	377,111	93,917
2021 (CCV)	12,146,059	471,905	69,012
2021 (target CCV)	13,785,538	527,456	127,065
Variance (2021 actual vs target)	-11.9%	-10.5%	-45.7%

Recovery Rate

For all product categories, Table 11 below shows the calculation of the recovery rate, based on the sales in BC and the residual recovery volume collected in 2021. Regarding gasoline collection, members report the number of gasoline stations, not volumes of gasoline sold. Therefore, sales volumes (in litres) for gasoline are not available and are excluded from the flammable liquids/gasoline category. Gasoline collected volumes are included in the residual recovery volumes for flammable liquids, as gasoline and other flammable liquids are processed together and therefore indistinguishable.

¹⁰ Container capacity volume was calculated by converting the total number of tubskids collected into equivalent litres of containers, using a conversion factor of 432 litres per tubskid (non-aerosol), and 0.25 tubskids per drum for the paint (non-aerosol), flammable liquids/gasoline (non-aerosol) and pesticides (non-aerosol) categories. A conversion factor of 175 litres per tubskid was used for the paint aerosol and flammable liquid and pesticide aerosol categories.

¹¹ Includes both non-aerosol and aerosol flammables.

Table 11: Approximate Sales, Collections (CCV), Residual Recovery Volume and Recovery Rates of Paint (including aerosols), Flammable Liquids and Pesticides (2021)

2021	Sales (litres) ¹²	CCV (litres)	CCV / Sales (%)	RRV (litres)	Recovery Rate (%)
Paint¹³	33,637,235	12,146,059	36.1%	3,021,865	9.0%
Flammable Liquids /Gasoline¹⁴	2,849,037	471,905	16.6%	177,464	6.2%
Pesticides¹⁵	149,005	69,012	46.3%	18,269	12.3%

In 2021, the COVID-19 pandemic continued to impact the Program from a volume sold and collected perspective.

8 Revenues and Expenditures

8.1 Environmental Handling Fees

The Program is funded by membership fees, known as environmental handling fees (EHF), remitted to Product Care by its members based on the number of units of designated products sold in or into BC. The fee may be passed on by the member to their customers, either as a visible fee or by incorporating the cost directly into the price of the product. EHF rates are set by Product Care and are subject to change as needed to ensure there are sufficient funds to operate the Program and maintain the necessary reserve in accordance with Product Care's policies. Table 12 lists the EHF rates for Program Products.

¹² Volumes reported as "Sales (litres)" are estimated by converting units reported to Product Care by its members according to the typical container volume for each container size category. For the flammable liquids category, the sales (litres) exclude gasoline, as sales volume of gasoline is not reported to Product Care.

¹³ Collection volumes reported include aerosol and non-aerosol paint. Paint residual recovery volume was calculated using a conversion factor of 106.5 litres per tubskid, based on the average volume generated per tubskid over the full year 2021. Paint aerosol residual recovery volume was calculated using a conversion factor of 30.5 litres per tubskid, based on the average volume generated per tubskid that was processed over the full year 2021.

¹⁴ Flammable Liquids/Gasoline residual recovery volume was calculated using a conversion factor of 176.2 litres per tubskid, based on the average volume generated per tubskid over the full year 2021. This does not include volume from flammable aerosols.

¹⁵ Pesticide residual recovery volume was calculated using a conversion factor of 114.4 litres per tubskid, based on the average volume generated per tubskid that was processed over the full year of 2021. This does not include volume from pesticide aerosol.

Table 12: Environmental Handling Fees (2021)

Paint Category

Container Size	EHF Rates
100 ml to 250 ml	\$0.35
251 ml to 1 litre	\$0.65
1.01 litres to 5 litres	\$1.00
5.01 litres to 23 litres	\$2.25
Aerosol Paint (any size)	\$0.35

Pesticide Category

Container Size	EHF Rates
Less than 10 ml or grams	\$0.10
0.01 to 0.89 litres or kg	\$0.80
0.9 to 1.79 litres or kg	\$2.10
1.8 to 10 litres or kg	\$3.50

Flammable Liquids Category

Container Size	EHF Rates
Less than 750 ml	\$0.10
751 ml to 1 litre	\$0.15
1.01 litres to 2 litres	\$0.35
2.01 litres to 4 litres	\$0.60
4.01 litres to 10 litres	\$1.50
Aerosol Flammable Liquids	
1 to 75 ml or grams	\$0.01
76 to 200 ml or grams	\$0.10
Over 201 ml or grams	\$0.15

For the gasoline category, the EHF per gas station per month is \$11.25.

8.2 Independently Audited Financial Statements

A copy of the independent financial audit of the Program's revenues and expenses can be found in

Appendix C. A copy of Product Care’s consolidated financial statements for 2021 can be found in Appendix D.

9 Plan Performance

This annual report addresses the performance of the Program in relation to Program Plan targets and commitments. Accordingly, Table 13 sets out the key performance measures for 2021, and strategies for performance improvement going forward.

Table 13: Key Performance Measures

Plan Target	2021 Results	Strategies for Improvement
Collection System and Accessibility		
Maintain a minimum of 219 contracted collection sites in total	<ul style="list-style-type: none"> • 223 collection sites 	N/A
Maintain a minimum of 95% accessibility rate to a collection site based on SABC Accessibility Standard for Paint and HHW ¹⁶ collection sites respectively	<ul style="list-style-type: none"> • 99.7% accessibility rate for collection sites accepting paint (see discussion in section 4.1.1 above) • 98.4% accessibility rate for collection sites accepting HHW (see discussion in section 4.1.1 above) 	N/A
Collections		
Percentage annual increase in container capacity volume (CCV) based on 2016 volumes: Paint (Non-aerosol & Aerosol), 4.2% annual increase	<ul style="list-style-type: none"> • Paint CCV was 11.9% below target for 2021. 	<p>See discussion in section 7</p> <ul style="list-style-type: none"> • Continue to Implement Commercial Painter Outreach Strategy (see section 3) • Continue to implement the Residential Segmentation Strategy (see section 3)

¹⁶ The Program also refers to HHW collection sites as “Paint Plus” sites.

Plan Target	2021 Results	Strategies for Improvement
Percentage annual increase in container capacity volume (CCV) based on 2016 volumes: Solvent & Flammable liquids, 8.75% annual increase	<ul style="list-style-type: none"> Solvent & flammable liquids CCV was 10.5% below target for 2021. 	See discussion in section 7 <ul style="list-style-type: none"> Continue to implement the Residential Segmentation Strategy (see section 3)
Percentage annual increase in container capacity volume (CCV) based on 2016 volumes: Pesticides, 7.85% annual increase	<ul style="list-style-type: none"> Pesticide CCV was 45.7% below target for 2021. 	See discussion in section 7 <ul style="list-style-type: none"> Continue to implement the Residential Segmentation Strategy (see section 3)
Consumer Awareness		
Percent of population aware of the Program: 70% or more for paint and HHW	<ul style="list-style-type: none"> 78% of consumers were aware they could recycle paint and HHW in the province. 	N/A
Management of Collected Materials		
Recycle a minimum of 75% of water-based (latex) paint	<ul style="list-style-type: none"> 86.4% of water-based paint was recycled. 	N/A
100% of solvent-based (alkyd) paint sent to energy recovery	<ul style="list-style-type: none"> 100% of solvent-based paint was sent to energy recovery. 	N/A
Strive for 100% recycling of metal & HDPE (#2) paint containers	<ul style="list-style-type: none"> 100% of metal paint containers were recycled. 80% of #2 plastic paint containers were recycled 	<ul style="list-style-type: none"> Continue to seek recycling options for #2 HDPE paint containers
100% of polypropylene (#5) paint containers sent to energy recovery	100% of #5 plastic (polypropylene) containers were used as an alternative energy source	<ul style="list-style-type: none"> Continue to seek recycling options for #5 HDPE paint containers
100% of flammable liquids sent to energy recovery	<ul style="list-style-type: none"> 100% of flammable liquids were sent to energy recovery as an alternative energy source 	N/A
Strive for 100% recycling of flammable liquid containers	<ul style="list-style-type: none"> 100% of flammable liquid containers were recycled 	N/A

Plan Target	2021 Results	Strategies for Improvement
100% of pesticides sent for incineration	<ul style="list-style-type: none"> 100% of pesticides were sent for incineration 	N/A
Strive for 100% recycling of metal & plastic pesticide containers	<ul style="list-style-type: none"> 100% of metal & plastic pesticide containers were recycled 	N/A
100% of gasoline sent to energy recovery	<ul style="list-style-type: none"> 100% of gasoline liquids were sent for energy recovery as an alternative energy source 	N/A
Strive for 100% recycling of gasoline containers	<ul style="list-style-type: none"> 100% of gasoline containers were recycled 	N/A

Appendix A: Collection Site List by Regional District (as of Dec 31, 2021)

The following collection sites were contracted with the Program to collect paint in 2021. The table also indicates whether each site was contracted to collect HHW and participate in PaintShare.

#	Collection Site Name	Regional District	City	Paint Share	HHW
1.	7 Mile Landfill and Recycling Centre	Mt. Waddington	Port McNeill	Yes	Yes
2.	70 Mile House Eco-Depot	Thompson Nicola	70 Mile House	No	Yes
3.	A&P Disposal	Capital	Sooke	Yes	Yes
4.	Abbotsford Bottle Depot	Fraser Valley	Abbotsford	No	No
5.	Abbotsford Mission Recycling Depot	Fraser Valley	Abbotsford	Yes	Yes
6.	ACE Victory Building Centre	Fraser Fort George	Mackenzie	No	No
7.	ACRD 3rd Ave Depot	Alberni Clayoquot	Port Alberni	Yes	Yes
8.	Agassiz Bottle Depot	Fraser Valley	Agassiz	Yes	Yes
9.	Alberni Valley Landfill	Alberni Clayoquot	Port Alberni	Yes	Yes
10.	Aldergrove Return-It Bottle Depot	Metro Vancouver	Aldergrove	Yes	Yes
11.	Area 'D' Transfer Station (formerly Fraser Lake Landfill)	Bulkley Nechako	Fraser Lake	Yes	No
12.	Augusta Recyclers Inc.	qathet	Powell River	Yes	Yes
13.	Barnhartvale Landfill	Thompson Nicola	Kamloops	No	No
14.	Barriere Return-It	Thompson Nicola	Barriere	Yes	No
15.	Bay Street Castle	Capital	Victoria	Yes	No
16.	Beaverdell Landfill	Kootenay Boundary	Beaverdell	No	Yes
17.	Bella Bella Eco-Depot (Heiltsuk Environmental Services)	Central Coast	Bella Bella	Yes	Yes
18.	Bella Coola Recycling Depot	Central Coast	Bella Coola	Yes	No
19.	Bings Creek Recycling Centre	Cowichan Valley	Duncan	Yes	Yes
20.	Blue River Eco-Depot	Thompson Nicola	Blue River	No	Yes
21.	Boucherie Self Storage & Bottle Depot	Central Okanagan	West Kelowna	Yes	Yes
22.	Bridgeview Return-It Bottle Depot	Metro Vancouver	Surrey	No	No
23.	Burnaby Recycling Depot dba Burnaby Eco Centre	Metro Vancouver	Burnaby	No	Yes
24.	Burns Lake Return-It Recycling Depot	Bulkley Nechako	Burns Lake	Yes	No
25.	Campbell Mountain Landfill	Okanagan Similkameen	Penticton	Yes	Yes
26.	Campbell River Waste Management Centre	Strathcona	Campbell River	Yes	Yes
27.	Central Cariboo Disposal Services	Cariboo	Williams Lake	Yes	Yes
28.	Chasers Bottle Depot	North Okanagan	Vernon	Yes	Yes
29.	Chetwynd Recycling & Bottle Depot	Peace River	Chetwynd	Yes	Yes

#	Collection Site Name	Regional District	City	Paint Share	HHW
30.	Chilliwack Bottle Depot	Fraser Valley	Chilliwack	No	Yes
31.	Clearwater Eco-Depot	Thompson Nicola	Clearwater	No	Yes
32.	Clinton Eco-Depot	Thompson Nicola	Clinton	No	Yes
33.	Columbia Bottle Recycling	Central Kootenay	Creston	Yes	No
34.	Comox Return Centre	Comox Valley	Comox	Yes	No
35.	Comox Valley Waste Management Centre	Comox Valley	Cumberland	Yes	Yes
36.	Coquitlam Return-It Depot	Metro Vancouver	Coquitlam	No	No
37.	Cortes Island Waste Management Centre	Strathcona	Cortes Island	Yes	Yes
38.	Courtenay Return-It Depot	Comox Valley	Courtenay	Yes	No
39.	Cranbrook Bottle Depot	East Kootenay	Cranbrook	No	Yes
40.	D.C. Recycling & Bottle Depot	Peace River	Dawson Creek	No	No
41.	Do Your Part Recycling	Kitimat Stikine	Terrace	Yes	Yes
42.	East Hastings Bottle Depot	Metro Vancouver	Burnaby	Yes	Yes
43.	Edmonds Return-it Depot	Metro Vancouver	Burnaby	Yes	Yes
44.	Ellice Recycle Ltd.	Capital	Victoria	No	Yes
45.	Enderby Return-It Recycling Depot	North Okanagan	Enderby	Yes	No
46.	Fernie Bottle Depot	East Kootenay	Fernie	Yes	No
47.	Fisher Road Recycling	Cowichan Valley	Cobble Hill	Yes	Yes
48.	Fleetwood Bottle Return Depot	Metro Vancouver	Surrey	No	No
49.	Fort St. James Transfer Station	Bulkley Nechako	Fort St. James	Yes	No
50.	FSJ Bottle Drop	Peace River	Fort St. John	Yes	Yes
51.	Gabriola Island Recycling Organization	Nanaimo RD	Gabriola Island	Yes	Yes
52.	Galiano Island Recycling Resources	Capital Regional District	Galiano Island	No	No
53.	General Grants Sahali	Thompson Nicola	Kamloops	Yes	Yes
54.	GFL Environmental - Langford	Capital	Langford	No	Yes
55.	GFL Environmental - Pemberton	Squamish Lillooet	Pemberton	Yes	Yes
56.	GFL Environmental - Squamish	Squamish Lillooet	Squamish	Yes	Yes
57.	GFL Environmental - Squamish Landfill	Squamish Lillooet	Squamish	Yes	Yes
58.	GFL Environmental - Whistler	Squamish Lillooet	Whistler	Yes	No
59.	Gibsons Recycling Depot	Sunshine Coast	Gibsons	Yes	Yes
60.	Go Green	Metro Vancouver	Vancouver	No	No
61.	Gold Trail Recycling LTD	Cariboo	100 Mile House	Yes	Yes
62.	Golden Landfill	Columbia Shuswap	Golden	No	Yes
63.	Grand Forks Bottle Depot	Kootenay Boundary	Grand Forks	No	Yes
64.	Grand Forks Regional Landfill	Kootenay Boundary	Grand Forks	Yes	Yes
65.	GRIPS - Green Recycling in Pender Society	Sunshine Coast	Madeira Park	Yes	Yes
66.	Guildford Bottle Depot 2001 Ltd.	Metro Vancouver	Surrey	No	No
67.	Hartland Landfill Facility	Capital	Victoria	Yes	Yes
68.	Hazelton Bottle Depot	Kitimat Stikine	New Hazelton	No	No

#	Collection Site Name	Regional District	City	Paint Share	HHW
69.	Heffley Creek Eco-Depot	Thompson Nicola	Heffley Creek	No	Yes
70.	Home Hardware Merritt	Thompson Nicola	Merritt	No	Yes
71.	Hornby Island Waste Management Centre	Comox Valley	Hornby Island	Yes	Yes
72.	Houston Bottle Depot	Bulkley Nechako	Houston	No	No
73.	Interior Freight & Bottle Ltd.	North Okanagan	Vernon	Yes	Yes
74.	Invermere Home Hardware Building Centre	East Kootenay	Invermere	No	No
75.	Ironwood Bottle & Return-it Depot	Metro Vancouver	Richmond	Yes	No
76.	Island Return It - Campbell River	Strathcona	Campbell River	Yes	No
77.	Island Return It - Duncan	Cowichan Valley	Duncan	Yes	No
78.	Island Solid Waste Management - Port Clements	North Coast	Port Clements	Yes	No
79.	Island Solid Waste Management - Queen Charlotte	North Coast	Queen Charlotte Village	Yes	No
80.	J&C Bottle Depot	Okanagan Similkameen	Penticton	Yes	Yes
81.	Jenill Bottle Depot	Metro Vancouver	Surrey	Yes	Yes
82.	Joe's Bottle Depot	Metro Vancouver	Vancouver	No	No
83.	Junction Bottle Depot Ltd.	Cowichan Valley	Ladysmith	Yes	No
84.	Kamloops Home Hardware Building Center	Thompson Nicola	Kamloops	No	No
85.	Kaslo Building Supplies 1990 LTD	Central Kootenay	Kaslo	No	Yes
86.	KBM Autoworks	North Okanagan	Lumby	Yes	No
87.	Kitchener Bottle Depot Ltd.	Metro Vancouver	Burnaby	Yes	No
88.	Kitimat Recycling Depot	Kitimat Stikine	Kitimat	Yes	No
89.	Kitwanga Transfer Station	Kitimat Stikine	Kitwanga	Yes	No
90.	Knockholt Sub-Regional Landfill	Bulkley Nechako	Houston	Yes	No
91.	Ladner Bottle Depot Co. Ltd	Metro Vancouver	Delta	No	No
92.	Landfill Zero Waste Centre	Metro Vancouver	Delta	No	Yes
93.	Langley Bottle Depot	Metro Vancouver	Langley	Yes	No
94.	Lax Kw'alaams Waste Transfer Station	North Coast	Lax Kw'alaams	Yes	Yes
95.	Lee's Bottle Depot	Metro Vancouver	Burnaby	No	No
96.	Logan Lake Eco-Depot	Thompson Nicola	Logan Lake	No	Yes
97.	Lorne Street Bottle Depot	Thompson Nicola	Kamloops	Yes	Yes
98.	Lougheed Return-It Depot Inc	Metro Vancouver	Coquitlam	Yes	No
99.	Louis Creek Eco-Depot	Thompson Nicola	Louis Creek	No	Yes
100.	Lower Nicola Eco-Depot	Thompson Nicola	Lower Nicola	No	Yes
101.	Lowe's - New Westminster (Queensborough) #3056 (Store #82045)	Metro Vancouver	New Westminster	No	No
102.	Lowe's Langford Store #83003 (#3702)	Capital Regional District	Victoria	No	No

#	Collection Site Name	Regional District	City	Paint Share	HHW
103.	Lowe's Vancouver Grandview #83004 (3704)	Metro Vancouver	Vancouver	No	No
104.	Lytton Eco-Depot	Thompson Nicola	Lytton	No	Yes
105.	Malcolm Island Recycling Centre	Mt. Waddington	Sointula	Yes	No
106.	Mattress Recycling	Fraser Valley	Hope	Yes	Yes
107.	Mayne Island Recycling Society	Capital	Mayne Island	Yes	No
108.	McKelvey Creek Landfill	Kootenay Boundary	Trail	No	Yes
109.	Meade Creek Recycling Centre	Cowichan Valley	Lake Cowichan	Yes	Yes
110.	Merritt Machine Works Ltd.	Thompson Nicola	Merritt	Yes	No
111.	Metrotown Return-It Centre	Metro Vancouver	Burnaby	Yes	No
112.	Mission Flats Landfill	Thompson Nicola	Kamloops	Yes	Yes
113.	Mission Recycle Center Ltd.	Fraser Valley	Mission	Yes	No
114.	Mission Recycling Depot	Fraser Valley	Mission	Yes	Yes
115.	Nechako Bottle Depot	Fraser Fort George	Prince George	No	Yes
116.	Nelson Leafs Recycling Centre	Central Kootenay	Nelson	Yes	Yes
117.	New & Nearly New	East Kootenay	Kimberley	Yes	No
118.	Newton Bottle Depot	Metro Vancouver	Surrey	Yes	No
119.	North Shore Bottle Depot	Metro Vancouver	North Vancouver	Yes	Yes
120.	North Shore Recycling and Waste Centre	Metro Vancouver	North Vancouver	Yes	Yes
121.	North Van Bottle and Return-It Depot	Metro Vancouver	North Vancouver	Yes	Yes
122.	NVSS Bottle Depot	Bulkley Nechako	Vanderhoof	Yes	No
123.	Oak Bay Recycling Depot	Capital	Victoria	No	No
124.	Oliver Sanitary Landfill	Okanagan Similkameen	Oliver	Yes	No
125.	Osoyoos Bottle Depot	Okanagan Similkameen	Osoyoos	Yes	No
126.	Panorama Village Return-It Inc.	Metro Vancouver	Surrey	Yes	No
127.	Parksville Bottle & Recycling Depot	Nanaimo RD	Parksville	Yes	Yes
128.	Peerless Road Recycling Centre	Cowichan Valley	Ladysmith	Yes	Yes
129.	Pender Island Recycling Society	Capital Regional District	Pender Island	Yes	No
130.	PG Recycling & Return-It Centre	Fraser Fort George	Prince George	Yes	No
131.	Pitt Meadows Bottle & Return-it Depot Ltd.	Metro Vancouver	Pitt Meadows	Yes	No
132.	PoCo Return-It	Metro Vancouver	Port Coquitlam	No	Yes
133.	Port Hardy Return-it Centre	Mt. Waddington	Port Hardy	Yes	Yes
134.	Powell Street Return-it Bottle Depot	Metro Vancouver	Vancouver	Yes	No
135.	Prespatou Transfer Station	Peace River	Prespatou	Yes	Yes
136.	Qualicum Bottle Depot	Nanaimo RD	Qualicum	Yes	No
137.	Quality Glass Ltd.	Thompson Nicola	Ashcroft	Yes	No
138.	Queensborough Landing Return-It	Metro Vancouver	New Westminster	Yes	Yes
139.	Quesnel Landfill Site	Cariboo	Quesnel	No	No
140.	R&T Bottle Depot	Fraser Valley	Abbotsford	Yes	No
141.	Recycle-It Resource Recovery	Peace River	Fort St. John	Yes	No

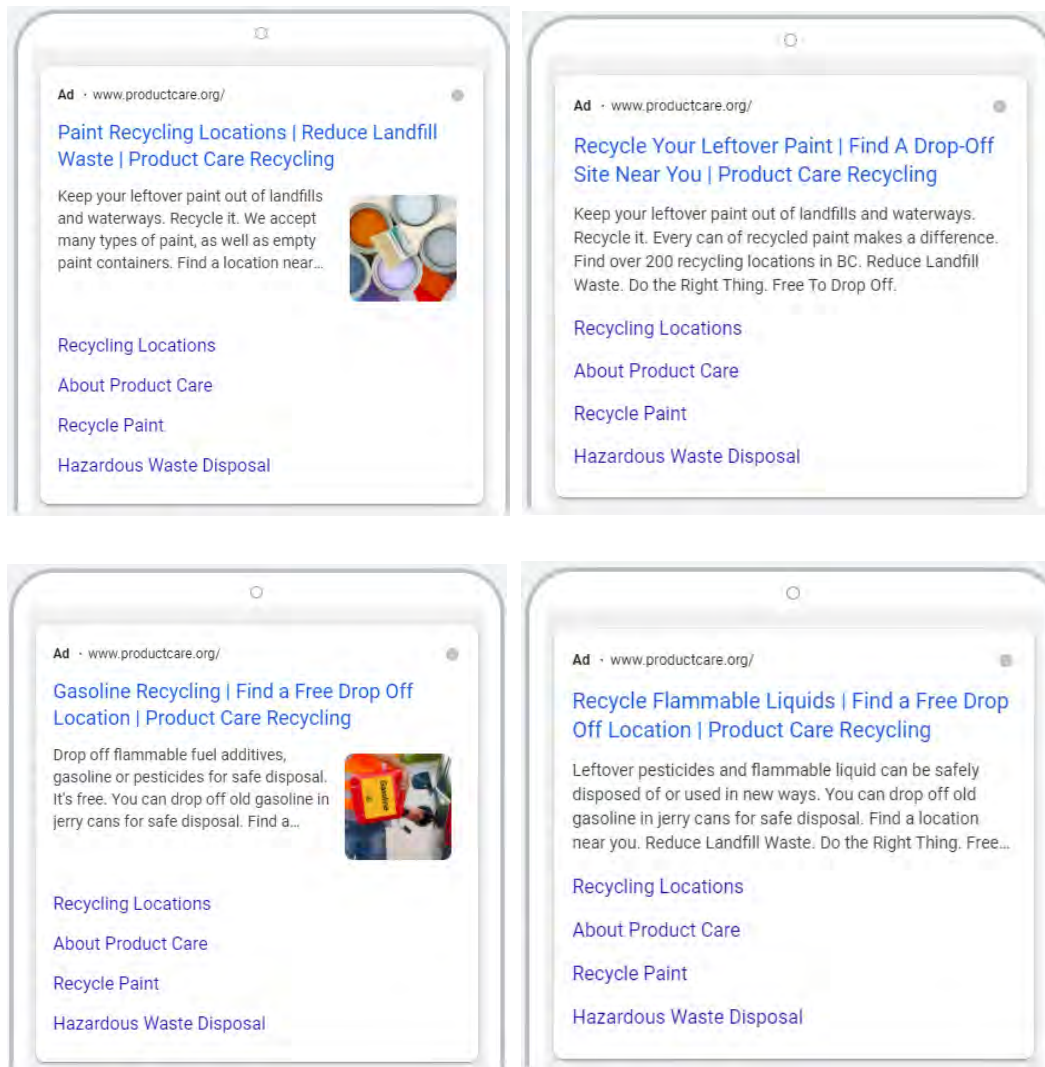
#	Collection Site Name	Regional District	City	Paint Share	HHW
142.	Regional Recycling Abbotsford	Fraser Valley	Abbotsford	Yes	Yes
143.	Regional Recycling Cloverdale	Metro Vancouver	Surrey	Yes	Yes
144.	Regional Recycling Nanaimo - Hayes	Nanaimo RD	Nanaimo	No	Yes
145.	Regional Recycling Nanaimo - Old Victoria	Nanaimo RD	Nanaimo	No	Yes
146.	Regional Recycling Prince Rupert	North Coast	Prince Rupert	Yes	Yes
147.	Regional Recycling Richmond	Metro Vancouver	Richmond	Yes	Yes
148.	Regional Recycling Vancouver	Metro Vancouver	Vancouver	Yes	Yes
149.	Regional Recycling Whistler	Squamish Lillooet	Whistler	Yes	Yes
150.	Revelstoke Bottle Depot	Columbia Shuswap	Revelstoke	Yes	No
151.	Revelstoke Refuse Disposal Facility	Columbia Shuswap	Revelstoke	No	Yes
152.	Richmond Recycling Depot	Metro Vancouver	Richmond	No	Yes
153.	Ridge Meadows Recycling Society	Metro Vancouver	Maple Ridge	No	Yes
154.	RONA - BH Allen Building Centre (North Vancouver) (#8140)	Metro Vancouver	North Vancouver	No	No
155.	RONA - Capital Building Supplies (Prince George) (#1890)	Fraser Fort George	Prince George	No	No
156.	Rona - Glacier Building Supplies (Revelstoke) (#123)	Columbia Shuswap	Revelstoke	No	No
157.	RONA - Langley Bypass #61810	Metro Vancouver	Langley	No	No
158.	Rona - North Valley Supply Ltd. (Clearwater) (#6410)	Thompson Nicola	Clearwater	No	No
159.	RONA - Northstar Hardware & Building Supplies (Invermere) (#8999)	East Kootenay	Invermere	No	No
160.	RONA - Pemberton Valley Hardware (#8522)	Squamish Lillooet	Pemberton	No	No
161.	RONA - Powell River Building Supply (#2791)	qathet	Powell River	No	No
162.	RONA - RA Rosback Enterprises (Port McNeill) (#1195)	Mt. Waddington	Port McNeill	No	No
163.	RONA Alert Bay - (#1215)	Mt. Waddington	Alert Bay	No	No
164.	RONA Building Centre (Cobble Hill) (#61040)	Cowichan Valley	Cobble Hill	No	No
165.	RONA Building Centre (Fort St. John) (#8444)	Peace River	Fort St. John	No	No
166.	RONA Building Centre (Nanaimo) (#61030)	Nanaimo RD	Nanaimo	No	No
167.	RONA Golden - (#61830)	Columbia Shuswap	Golden	No	No
168.	RONA Home & Garden (Kelowna) (#61700)	Central Okanagan	Kelowna	No	No
169.	RONA Home Centre (Austin) (#61290)	La Vallée-de-la-Gatineau	Coquitlam	No	No
170.	RONA Home Centre (Burnaby - Edmonds) (#61270)	Metro Vancouver	Burnaby	No	No

#	Collection Site Name	Regional District	City	Paint Share	HHW
171.	RONA Home Centre (Chilliwack) (#61390)	Fraser Valley	Chilliwack	No	No
172.	RONA Home Centre (Clearbrook) (#61220)	Fraser Valley	Abbotsford	No	No
173.	RONA Home Centre (Coquitlam) (#61260)	Metro Vancouver	Coquitlam	No	No
174.	RONA Home Centre (Fleetwood) (#61720)	Metro Vancouver	Surrey	No	No
175.	RONA Home Centre (Kamloops) (#61310)	Thompson Nicola	Kamloops	No	No
176.	RONA Home Centre (Maple Ridge) (#61190)	Metro Vancouver	Maple Ridge	No	No
177.	RONA Home Centre (North Van-Tilford) (#61740)	Metro Vancouver	North Vancouver	No	No
178.	RONA Home Centre (Quesnel) (#61320)	Cariboo	Quesnel	No	No
179.	RONA Home Centre (South Surrey) (#61240)	Metro Vancouver	Surrey	No	No
180.	RONA Home Centre (Squamish) (#61450)	Squamish Lillooet	Squamish	No	No
181.	RONA Home Centre (Vernon) (#61300)	North Okanagan	Veron	No	No
182.	RONA Home Centre (Whistler) (#61460)	Squamish Lillooet	Whistler	No	No
183.	RONA Home Centre (Williams Lake) (#61340)	Cariboo	Williams Lake	No	No
184.	RONA Penticton - (#61490)	Okanagan Similkameen	Penticton	No	No
185.	RONA Richmond - (#8040)	Metro Vancouver	Richmond	No	No
186.	Salmo Valumart & Bottle Depot	Central Kootenay	Salmo	No	No
187.	Salmon Arm Landfill	Columbia Shuswap	Salmon Arm	No	Yes
188.	Saltspring Island Recycling Depot	Capital	Salt Spring Island	No	Yes
189.	Sardis Bottle Depot	Fraser Valley	Chilliwack	Yes	No
190.	Scott Road Bottle Depot	Metro Vancouver	Surrey	No	Yes
191.	Sechelt Landfill	Sunshine Coast	Sechelt	Yes	Yes
192.	Semiahmoo Bottle Depot	Metro Vancouver	Surrey	No	No
193.	Sidney Return-It	Capital	Sidney	Yes	No
194.	Silverton Building Supplies	Central Kootenay	Silverton	No	No
195.	SLRD Lillooet Landfill	Squamish Lillooet	Lillooet	Yes	Yes
196.	Smithers/Telkwa Transfer Station	Bulkley Nechako	Smithers	Yes	Yes
197.	South Thompson Eco-Depot	Thompson Nicola	Pritchard	No	Yes
198.	South Van Bottle Depot	Metro Vancouver	Vancouver	No	Yes
199.	Starlite Auto Wrecking & Repair	Thompson Nicola	Sorrento	Yes	No
200.	Stewart Transfer Station	Kitimat Stikine	Stewart	Yes	No
201.	Summerland Bottle Depot	Okanagan Similkameen	Summerland	No	No

#	Collection Site Name	Regional District	City	Paint Share	HHW
202.	Summerland Sanitary Landfill	Okanagan Similkameen	Summerland	Yes	Yes
203.	Surrey Central Return-It Centre	Metro Vancouver	Surrey	No	Yes
204.	T-2 Market	Okanagan Similkameen	Oliver	Yes	Yes
205.	The Battery Doctors	Central Okanagan	Kelowna	Yes	Yes
206.	Thompson Bottle Depot Ltd.	Alberni Clayoquot	Port Alberni	Yes	Yes
207.	Thorsen Creek Recycling Depot	Central Coast	Bella Coola	Yes	Yes
208.	Town of Princeton	Okanagan Similkameen	Princeton	Yes	No
209.	Trail Bottle Depot	Kootenay Boundary	Trail	Yes	No
210.	Tsal'alh Transfer Station	Squamish Lillooet	Shalath	Yes	Yes
211.	Tsawwassen Bottle Depot	Metro Vancouver	Delta	No	No
212.	Tumbler Ridge Transfer Station	Peace River	Tumbler Ridge	Yes	Yes
213.	Ucluelet Bottle Depot Ltd.	Lac-Saint-Jean-Est	Ucluelet	Yes	No
214.	United Blvd. Recycling and Waste Centre	Metro Vancouver	Coquitlam	Yes	Yes
215.	Valemount Recycling Centre	Fraser Fort George	Valemount	Yes	No
216.	Vancouver West Bottle Depot	Metro Vancouver	Vancouver	No	No
217.	Village of Gold River	Strathcona	Gold River	Yes	Yes
218.	Walnut Grove Bottle Depot	Metro Vancouver	Langley	No	No
219.	White Rock Return-It Depot	Metro Vancouver	Surrey	Yes	Yes
220.	Wide Sky Disposal	Northern Rockies	Fort Nelson	Yes	Yes
221.	Willowbrook Recycling Depot	Metro Vancouver	Langley	No	No
222.	Woss Recycling Depot	Mt. Waddington	Woss	Yes	No
223.	West Boundary Regional Landfill	Kootenay Boundary	Greenwood	No	Yes

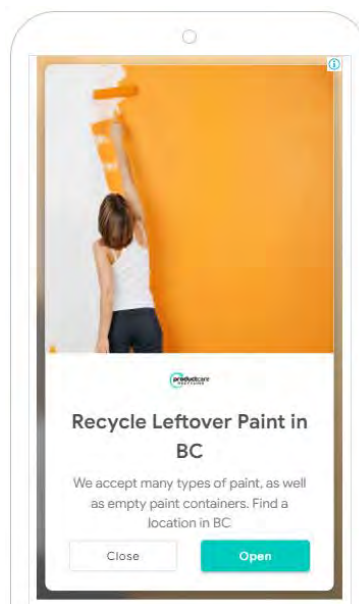
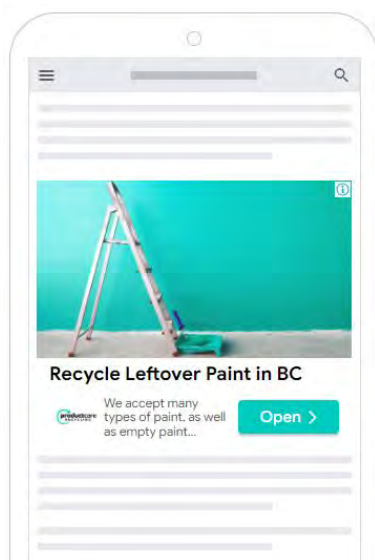
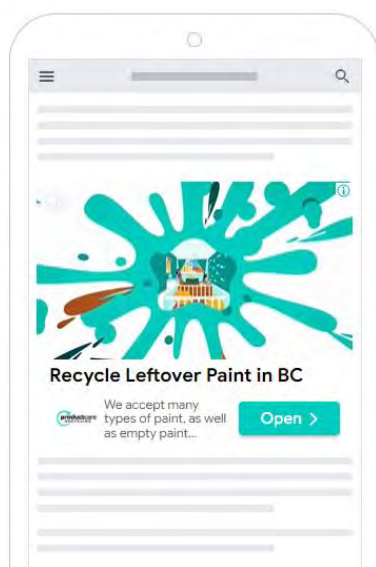
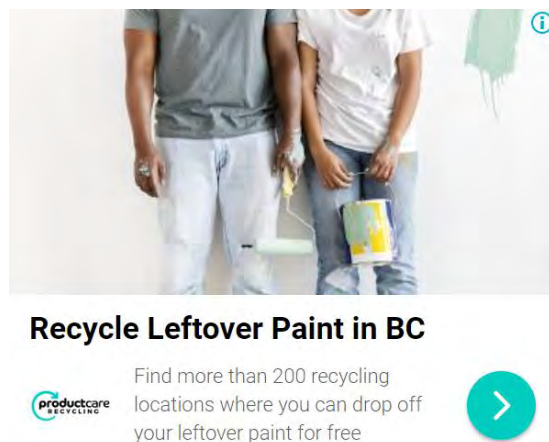
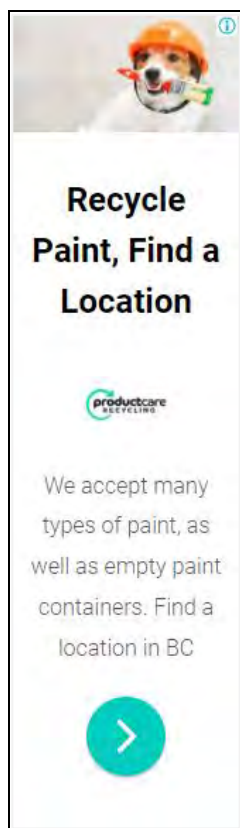
Appendix B: Communications Materials

1. Google Search Ads



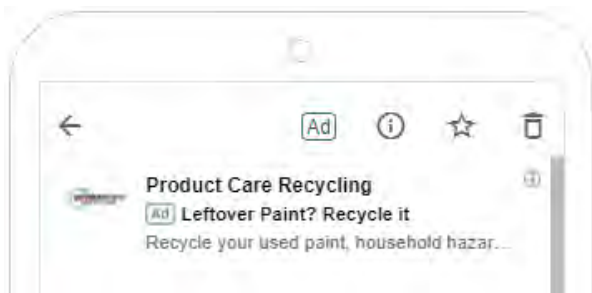
2. Google Display – Banner Ads

Banner with video



3. Google Display Ads - Gmail

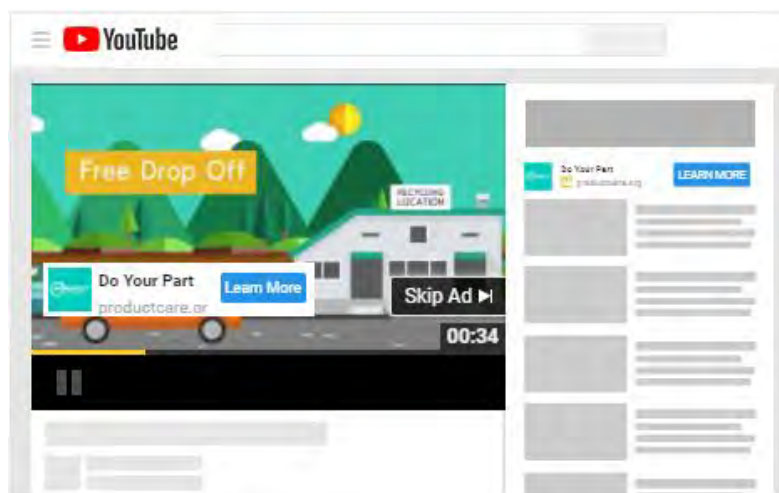
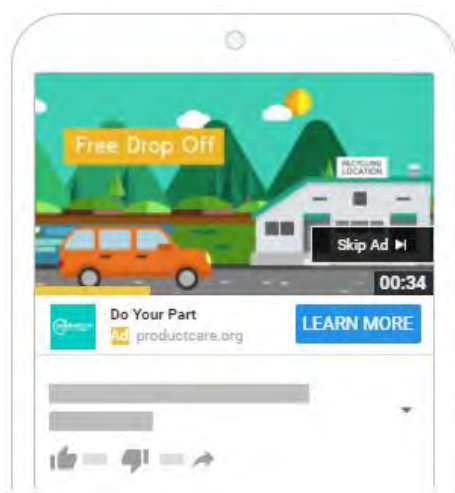
Gmail Ad (open)



Gmail Ad (closed)




4. YouTube Ads



5. Facebook / Instagram Ads

Product Care Recycling
Sponsored · 🌱

Find more than 200 recycling locations in BC where you can drop off your leftover paint for free




PRODUCTCARE.ORG
Leftover Paint? Recycle it
Find a Location near you

LEARN MORE

Instagram

productcarerecycling
Sponsored



Learn more

productcarerecycling Find more than 200 recycling locations in BC where you can drop off your left... more

Product Care Recycling
Sponsored · 🌱

After you drop off your paint at a recycling location it is sorted for processing. High quality paint is offered to the public for ...See more




PRODUCTCARE.ORG
Paint Recycling: How it works
- Product Care Recycling

LEARN MORE

Product Care Recycling
Sponsored · 🌱

Leftover pesticides and flammable liquids can be safely disposed of or used in new ways. Find drop off location in BC




PRODUCTCARE.ORG
Recycle Gasoline and other Flammable Liquids

LEARN MORE

Instagram

productcarerecycling
Sponsored



Learn more

productcarerecycling Leftover pesticides and flammable liquids can be safely disposed of or used in new... more

Product Care Recycling
Sponsored · 🌱

Dip Dip 🍫🧀 Have you indulged in delicious chocolate or cheese fondue? You can recycle your fondue fuel in BC, SK and MB. ...See more



PRODUCTCARE.ORG
Household Hazardous Waste
- British Columbia | Product...

LEARN MORE

6. Website Blog Posts



Blog

5 low waste Halloween decoration ideas


15th October 2021



Blog

5 tips to make your home cozier for fall

24th September 2021



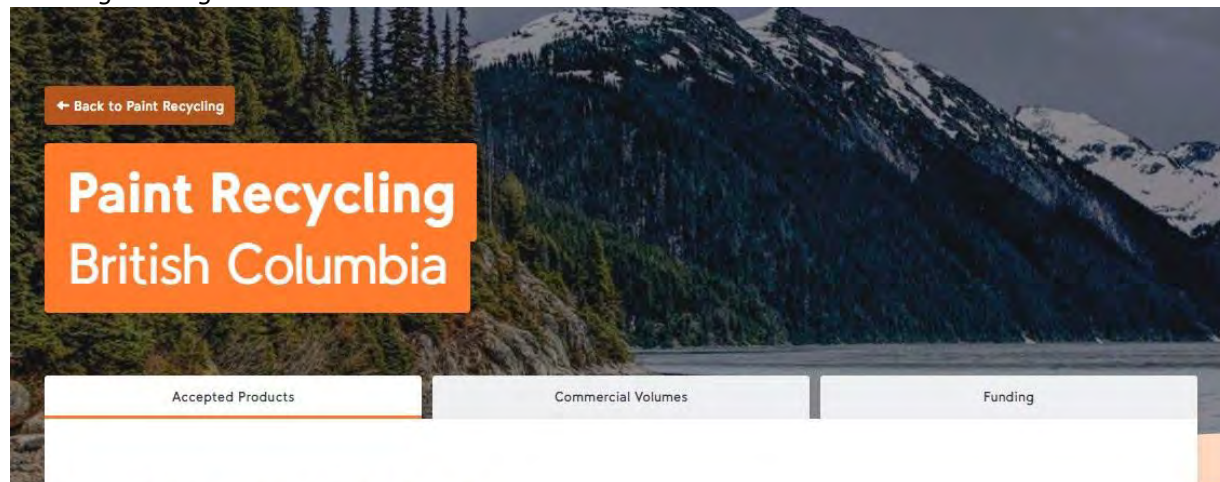
Blog

4 Ideas for your leftover paint

20th August 2021

7. Website – Program Page, Recycling Locator

a. Program Page



Accepted Products

In British Columbia, there are more than 200 recycling locations where you can drop off your leftover paint for free.

At 100 of these locations, you can also drop off flammable liquids and pesticides through [British Columbia's household hazardous waste \(HHW\) recycling program](#). Be sure to use our recycling locator to determine which locations accept HHW, as not all do.

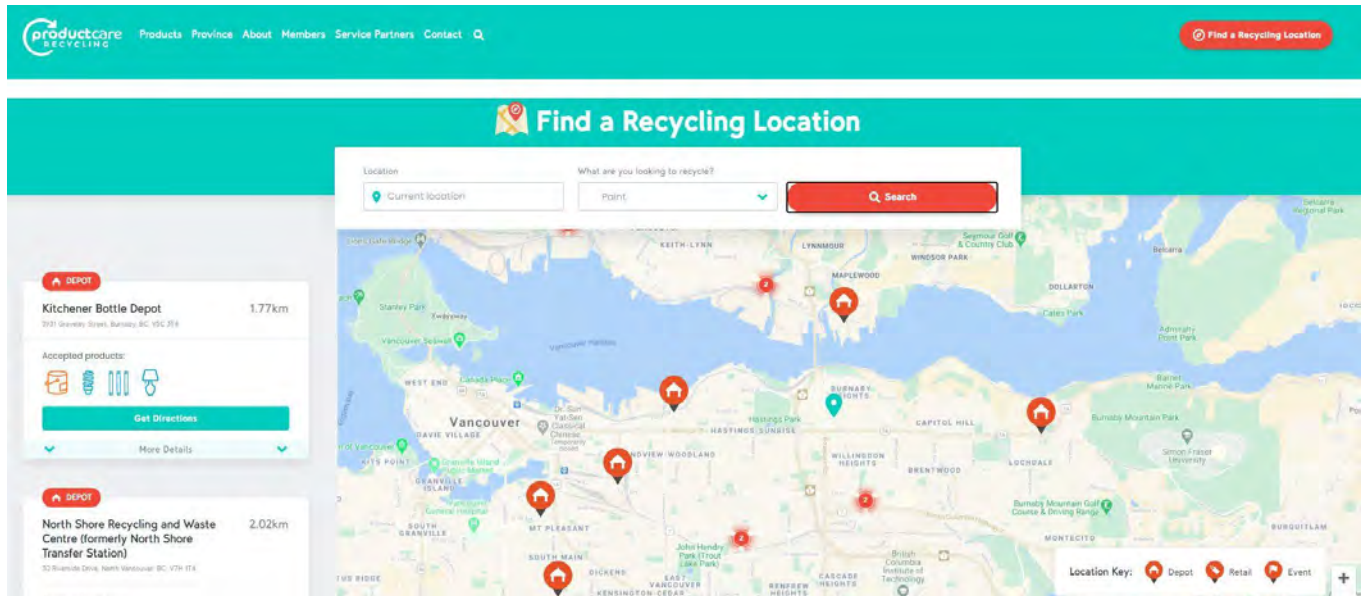


Accepted Products

You can drop off leftover pesticides and flammable liquids, including gasoline, for free at recycling locations across British Columbia. They will be safely disposed of or used in new ways, such as for energy recovery.

There is no limit to how many products you can drop off at once.

b. Recycling Locator Tool



8. The Weather Network Display Ads



9. CPCA ad:



Recycling paint for 27 years

Since 1994, Product Care Recycling has worked with coatings manufacturers, fulfilling their paint recycling obligations in 8 provinces.

Website: productcare.org/cpca
Toll Free: 1-877-592-2972
Email: contact@productcare.org



10. Globe and Mail



**Protect our planet.
Recycle hazardous
household products.**

Keep paint, garden pesticides, gasoline and other flammable liquids out of our landfills and waterways. Drop off these items (and more) for FREE at +210 recycling locations across B.C.

Small actions make a big difference.

Find a recycling location near you and a full list of accepted products:
productcare.org/globe

productcare
RECYCLING



**Protect our planet.
Recycle hazardous
household products.**

Keep paint, garden pesticides, gasoline and other flammable liquids out of our landfills and waterways. Drop off these items (and more) for FREE at +210 recycling locations across B.C.

Find a recycling location near you and a full list of accepted products: productcare.org/globe

productcare
RECYCLING



**Protect our planet.
Recycle hazardous
household products.**

Keep paint, garden pesticides, gasoline and other flammable liquids out of our landfills and waterways. Drop off these items (and more) for FREE at +210 recycling locations across B.C.

Find a recycling location near you and a full list of accepted products: productcare.org/globe

productcare
RECYCLING

11. Business In Vancouver (BIV)

(a) Property Manager's Sourcebook



Leftover paint, burnt out lights, or expired alarms piling up?

Recycling paint, lights, and smoke/CO alarms minimizes your company's environmental impact and ensures hazardous materials are kept out of our soil and waterways.

Drop off small volumes of paint, lights, and alarms for free at a recycling location near you. Large volumes may qualify for **FREE** pick up.

Visit productcare.org or contact us for more information.

CALL 1-877-592-2972 ext. 216	EMAIL ops@productcare.org
--	--

Visit productcare.org for a full list of accepted products or to find a location near you.





Leftover paint, burnt out lights, or expired alarms piling up?

Help protect the environment. Recycle them.

Recycling paint, lights, and smoke/CO alarms reduces your company's environmental impact by preserving valuable landfill space and ensuring hazardous materials are kept out of our soil and water sources.

Drop off small volumes of paint, lights, and alarms for free at a recycling location near you. Large volumes may qualify for **FREE** pick up.

Visit productcare.org or contact us for more information.

CALL
1-877-592-2972 ext. 216

EMAIL
ops@productcare.org

Visit productcare.org for a full list of accepted products or to find a location near you.



12. Print Materials (posters, rack card, depot signs):



Want free leftover paint for a project?

Product Care's PaintShare program allows you to pick up free leftover paint from participating recycling locations.

This puts paint where it belongs – art and DIY projects, buildings, walls, and fences – and diverts it away from our landfills and waterways. Leftover paint is given away on an as is, as available basis.

To find a PaintShare location near you, visit productcare.org.



#paintshare

How Is Product Care funded?

Product Care Recycling programs are funded by environmental handling fees (EHFs), which are remitted to us by our paint industry members.

The fees are not a tax or a refundable deposit. The fees are used to operate the programs, including collection, transportation, and recycling of leftover paint, as well as program administration and consumer education. EHFs are sometimes itemized on sales receipts.

For specific product fees, visit productcare.org.

Leftover paint?

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



Accepted Paint Products

- Interior and exterior water-based (latex, acrylic) and oil-based (alkyd, enamel) household paint
- Undercoat and primers (e.g. metal, wood, etc.)
- Concrete or masonry paint, block filler, drywall or stucco paint, deck and floor coatings/paint (including elastomeric)
- Varnish and urethane (only single component), wood finishing oil, melamine, stain, shellac, anti-rust paint, and stain blocking paint
- Marine paint and wood preservatives (unless registered under Pest Control Products Act)
- Swimming pool paint (only single component)
- Textured paint
- Wood, masonry, driveway sealer, and water repellent (not tar based or bitumen based)**
- All types of aerosol paint
- Empty containers of accepted products



Max. paint container size:
25 litres



Max. paint aerosol size:
24 ounces or 680 grams

** Tar and bitumen based paints and coatings are accepted in Ontario only

Always remember the BUD Rule:

- Buy no more than you need
- Use the paint you buy
- Drop off the leftovers for recycling

Not Accepted Products

- Unidentifiable, unknown, unlabelled, and non-original containers
- Containers with poor integrity (e.g. badly rusted, leaking, bulging, improperly sealed)
- Non-aerosol industrial paints and finishes (e.g. baked-on, heat resistant, etc.)
- Roof patch and repair, tar or tar/bitumen based products*
- Patching stucco and spackling compounds
- Caulking compound, epoxies, glues, and adhesives
- Non-aerosol traffic or line marking paint
- Non-aerosol craft or automotive paint
- Brushes, rags, and rollers
- Two-part or component paints containing catalyst or activator
- Colourants and tints
- Paint thinner, resins, mineral spirits, and solvents
- Waxes, polishes, sealants, and other household products
- Paint mixed with other products
- Products registered as a pesticide under the Pest Control Products Act (has a P.C.P. registration number on label)
- Paint for skating rinks and curling club floors
- Household cleaners

*Note: Some products may be accepted through local household hazardous waste programs (check with your local waste authority)

** Tar and bitumen based paints and coatings are accepted in Ontario only



Have large volumes of leftover paint?

In select provinces, you may qualify for free pick up. Visit productcare.org for more information.

Who is Product Care?

Product Care Recycling is a federally incorporated, not-for-profit organization that responsibly manages products at end-of-life. We contribute to the local economy, keep hazardous materials out of our landfills and waterways, conserve resources, and protect the planet by recycling millions of litres of paint each year.

Visit productcare.org to find a recycling location near you.

productcare.org
1-877-593-5372
In BC: 1-800-687-6321





Drop off checklist

- ✓ Products must be in original container, with label intact
- ✓ Container is tightly sealed
- ✓ Gasoline must be returned in an approved ULC container

Visit productcare.org to find a full list of accepted products and a recycling location near you.

How is Product Care funded?

Product Care Recycling programs are funded by environmental handling fees (EHFs), which are remitted to us by our industry members.

The fees are not a tax or a refundable deposit. The fees are used to operate the programs, including collection, transportation, and management of household hazardous waste, as well as program administration and consumer education.

EHFs are sometimes itemized on sales receipts. For specific product fees, visit productcare.org.

Accepted Flammable Liquids

- Acetone
- BBQ lighter fluid
- Camping fuel (liquid type only)
- Flammable degreasers, lubricants, and liquid adhesives
- Flammable fuel treatment and additives
- Flammable furniture stripper
- Fondue fuel
- Kerosene
- Methanol and methyl hydrate
- Mineral spirits
- Paint stripper and thinner
- Paint and varnish remover
- Turpentine and varsol
- Other flammable solvents

Flammable liquids and aerosols must display the flammable symbol

Max. flammables size: 10 litres
Max. aerosol size: 24 ounces or 680 grams

Accepted Domestic Pesticides

- Liquid and solid pesticides
- Aerosol pesticides

Pesticides must have the poison symbol, the Pest Control Product (PCP) number, and the word "domestic" on the label

Max. solid/liquid pesticide size: 10 litres
Max. aerosol size: 24 ounces or 680 grams

Not Accepted Products

- Unidentifiable, unknown, unlabelled, and non-original containers
- Leaking and improperly sealed products
- Insect repellents, disinfectants, and pet products
- Commercial, industrial, or agricultural products
- Fertilizer
- Powder (solid) forms of masonry products, cement, grout, mortar, and plaster of Paris
- Swimming pool and hot tub chemicals (e.g. pucks, pH adjusters)
- Acids, bleach, and other corrosive materials
- Corrosive cleaners (e.g. drain opener, bleach)
- Oil, antifreeze, and windshield washer fluid
- Diesel and refillable propane cylinders
- Caulking compound
- Cosmetics, health, and beauty aids
- Drugs, medicines, and medical sharps
- Wine and distilled spirits
- Mercury switches
- Batteries
- Ammunition

Accepted Gasoline

- Leftover, stale, and old gasoline

Gasoline will only be accepted in approved ULC containers. For safety reasons, containers cannot be returned after drop-off

Max. container size: 25 litres



Who is Product Care?

Product Care Recycling is a federally incorporated not-for-profit organization that responsibly manages products at end-of-life. We keep materials out of our landfills and waterways, conserve resources, and protect the planet.

Visit productcare.org to find a full list of accepted products and a recycling location near you.

productcare.org
1-877-892-3872
KCBC: 1-800-667-4321



Keep these products out of landfill:

Paint

Household
Hazardous Waste

Lights

Smoke & CO Alarms

Learn how and where to recycle them at productcare.org



Drop off for free:



Paint



Household
Hazardous Waste



Lights



Alarms

Learn more at productcare.org



Paint

For a full list of accepted products, visit productcare.org

Accepted Paint Products

- Household paint (interior or exterior, water or oil based; includes latex, acrylic, alkyd, enamel) and primers (metal, wood, etc.)
- Varnish and urethane (only single component), wood finishing oil, melamine, stain, shellac paint
- Anti-rust, concrete, metal, and masonry paint
- Single component paints including stain blocking, swimming pool, textured, and drywall paint or stucco paint
- All types of paint aerosols
- Empty containers of accepted products

Maximum paint container size: 25 litres
Maximum paint aerosol size: 680 grams or 24 ounces

Not Accepted Products

- Unknown, unlabelled, rusted, bulging, or non-original containers
- Non-aerosol industrial paints and finishes (e.g. baked-on, heat resistant, etc.), non-aerosol craft or automotive paint
- Roof patch and repair, tar or tar/bitumen based products
- Caulking compound, epoxies, glues and adhesives
- Non-aerosol traffic or line-marking paint
- Brushes, rags and rollers
- Colourants and tints
- Household cleaners (wood, deck, wall, or surface cleaners)

IT IS STRICTLY PROHIBITED TO ABANDON MATERIALS AT THIS SITE.

Emergency contact:
1-877-592-2972



Household Hazardous Waste (HHW)

For a full list of accepted products, visit productcare.org

Accepted HHW Products

- Flammable liquids including, but not limited to:
 - BBC lighter fluid, camping fuel, kerosene, and fondue fuel
 - Flammable disinfectants, lubricants, liquid adhesives, fuel treatment and additives
 - Acetone, methyl hydrate, varnish, and mineral spirits
 - Paint stripper, thinner, and varnish remover
- Gasoline in an approved ULC container
- Consumer pesticides with a poison symbol, a PCP registration number, and the word "domestic" on the label

Maximum gasoline container size: 25 litres
Maximum flammables and solid/liquid pesticide container size: 10 litres
Maximum aerosol size: 680 grams or 24 ounces

Not Accepted Products

- Unknown, unlabelled, rusted, bulging, or non-original containers
- Leaking or improperly sealed products
- Fertilizer and commercial, industrial, or agricultural products
- Oil, antifreeze, and windshield washer fluid
- Propane, butane, and diesel fuels
- Cosmetics, drugs, medicines, and medical sharps
- Insect repellent, disinfectants, and pet products
- Cleaners (e.g. drain opener, bleach)
- Swimming pool and hot tub chemicals (e.g. pools, pH adjusters)

IT IS STRICTLY PROHIBITED TO ABANDON MATERIALS AT THIS SITE.

Emergency contact:
1-877-592-2972



13. TV – BC Global News Banner



14. Recycling Calendars:



**Keep Summerland beautiful
with our free recycling
programs**

- ✓ Paint
- ✓ Household hazardous waste
(pesticides, flammable liquids, gasoline)
- ✓ Light bulbs & fixtures
- ✓ Smoke & CO alarms

Find information on accepted products
and drop-off recycling locations at
productcare.org or call 1-800-667-4321

productcare
RECYCLING

Appendix C: 2021 Program Audited Financial Statements

**PRODUCT CARE ASSOCIATION OF CANADA
BC PAINT AND HOUSEHOLD HAZARDOUS
WASTE PROGRAM**

STATEMENT OF REVENUES AND EXPENSES

31 DECEMBER 2021

PRODUCT CARE ASSOCIATION OF CANADA
BC PAINT AND HOUSEHOLD HAZARDOUS WASTE PROGRAM
Statement of Revenues and Expenses
For the year ended 31 December 2021

Contents

Independent Auditors' Report	
Statement of Revenues and Expenses	5
Notes to the Statement of Revenues and Expenses	6 - 7

INDEPENDENT AUDITORS' REPORT

To: BC Ministry of Environment,

Report on the Audit of the Statement of Revenues and Expenses

Opinion

As required by the British Columbia Environmental Management Act, Recycling Regulation 8(2)(f)(ii), we have audited the Statement of Revenues and Expenses of the BC Paint and Household Hazardous Waste Program (the "Statement") as reported by Product Care Association of Canada (the "Association") for the year ended 31 December 2021 and a summary of significant accounting policies and other explanatory information.

In our opinion, the Statement presents fairly, in all material respects, the revenues and expenses of the BC Paint and Household Hazardous Waste Program for the year ended 31 December 2021 in accordance with Canadian accounting standards for not-for-profit organizations.

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 the BC Ministry of 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 the BC Ministry of 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 the Statement that is free from material misstatement, whether due to fraud or error.

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.

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.



CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, Canada
8 April 2022

PRODUCT CARE ASSOCIATION OF CANADA
BC PAINT AND HOUSEHOLD HAZARDOUS WASTE PROGRAM

Statement of Revenues and Expenses
For the year ended 31 December 2021

	2021	2020
Revenues	\$ 9,545,384	\$ 9,434,872
Program expenses		
Processing	3,704,615	3,550,431
Collection	1,579,819	1,541,179
Transportation	1,360,287	1,139,769
Administration (Note 2(b) & (d))	1,181,457	1,047,018
Communications	218,047	125,530
	8,044,225	7,403,927
Excess of revenues over expenses for the year	\$ 1,501,159	\$ 2,030,945

Commitment (Note 3)

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

PRODUCT CARE ASSOCIATION OF CANADA
BC PAINT AND HOUSEHOLD HAZARDOUS WASTE PROGRAM
Notes to the Statement of Revenues and Expenses
For the year ended 31 December 2021

1. Basis of Presentation

The Statement of Revenues and Expenses (the “Statement”) only includes the revenues and expenses related to the BC Paint and Household Hazardous Waste 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 BC Paint and Household Hazardous Waste Program. 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 Program’s start date or the date when the 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 rates are as follows:

Building	25 years
Depot equipment	3 and 5 years

Included in administration expense is \$388,128 (2020 - \$348,320) of amortization expense related to tangible capital assets.

(c) Use of Estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-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, depreciation, overhead allocation and processing commitment. Actual results could differ from those estimates.

PRODUCT CARE ASSOCIATION OF CANADA
BC PAINT AND HOUSEHOLD HAZARDOUS WASTE PROGRAM
Notes to the Statement of Revenues and Expenses
For the year ended 31 December 2021

2. Summary of Significant Accounting Policies - continued

(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 this Program. The allocation of general and administrative expenses to this 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 \$482,582 (2020 - \$416,591) of overhead expense 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 \$205,480 (2020 - \$68,666) which will be incurred in 2022.

Appendix D: 2021 Product Care Consolidated Audited Financial Statements

PRODUCT CARE ASSOCIATION OF CANADA

FINANCIAL STATEMENTS

31 DECEMBER 2021

PRODUCT CARE ASSOCIATION OF CANADA

Financial Statements

For the year ended 31 December 2021

Contents

Independent Auditors' Report	
Statement of Financial Position	4
Statement of Changes in Net Assets	5
Statement of Operations	6
Statement of Cash Flows	7
Notes to the Financial Statements	8 - 20

INDEPENDENT AUDITORS' REPORT

To the Members,
Product Care Association of Canada

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Product Care Association of Canada (the "Association"), which comprise the statement of financial position as at 31 December 2021, and the statements of changes in net assets, operations and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Association as at 31 December 2021, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

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 for the Audit of the Financial Statements section of our report. We are independent of the Association in accordance with the ethical requirements that are relevant to our audit of the financial statements 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 Information

Management is responsible for the other information. The other information comprises: the various Annual Reports that the Association issues for its provincial recycling programs (the "Annual Reports").

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained certain sections of the Association's Annual Reports prior to the date of this auditors' report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditors' report. We have nothing to report in this regard.

INDEPENDENT AUDITORS' REPORT - Continued

The Annual Reports are expected to be made available to us after the date of this auditors' report. If, based on the work we will perform on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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 for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are 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 these financial statements. 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 financial statements, 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.

INDEPENDENT AUDITORS' REPORT - Continued

- ◆ 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 financial statements 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.
- ◆ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent 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.



CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, Canada
21 April 2022

PRODUCT CARE ASSOCIATION OF CANADA
Statement of Financial Position
31 December 2021

	2021	2020
Assets		
Current		
Cash and cash equivalents	\$ 12,602,678	\$ 12,841,414
Term deposit (Note 5(a))	-	11,000,000
Restricted cash (Note 3)	765,500	2,381,724
Accounts receivable	2,952,024	3,675,865
Prepaid expenses and deposits	209,449	1,932,445
	<u>16,529,651</u>	<u>31,831,448</u>
Forgivable loans (Note 4)	372,394	338,885
Term deposits (Note 5(b))	20,716,359	14,919,661
Reserve - at market value (Note 6)	19,522,764	17,097,440
Investments - at market value	5,622,900	-
Tangible capital assets (Note 7)	15,328,142	8,719,010
Intangible assets (Note 8)	<u>50,000</u>	<u>60,248</u>
	<u>\$ 78,142,210</u>	<u>\$ 72,966,692</u>

Liabilities

Current		
Accounts payable and accrued liabilities (Note 9)	\$ 7,220,954	\$ 5,883,501
Ontario fee reduction payable (Note 12)	-	1,616,224
	<u>7,220,954</u>	<u>7,499,725</u>

Commitments (Note 11)
Contingencies (Note 10)

Members' Equity

Unrestricted	35,254,850	38,824,769
Invested in tangible capital and intangible assets	15,378,142	8,779,258
Reserve - internally restricted (Note 6)	19,522,764	17,097,440
Ontario fee reduction reserve (Note 10(b))	765,500	765,500
	<u>70,921,256</u>	<u>65,466,967</u>
	<u>\$ 78,142,210</u>	<u>\$ 72,966,692</u>

APPROVED BY THE DIRECTORS:

 Director

 Director

The accompanying notes are an integral part of these financial statements

PRODUCT CARE ASSOCIATION OF CANADA
Statement of Changes in Net Assets
For the year ended 31 December 2021

	Unrestricted	Invested in Tangible Capital and Intangible Assets	Internally Restricted Reserve	Ontario Fee Reduction Reserve	Total 2021	Total 2020
Net assets - beginning of year	\$ 38,824,769	\$ 8,779,258	\$ 17,097,440	\$ 765,500	\$ 65,466,967	\$ 57,043,785
Excess (deficiency) of revenues over expenses for the year	6,035,869	(581,580)	-	-	5,454,289	8,423,182
Transfer to invested in tangible capital and intangible assets, net	(7,180,464)	7,180,464	-	-	-	-
Transfer to reserve	(2,425,324)	-	2,425,324	-	-	-
Net assets - end of year	\$ 35,254,850	\$ 15,378,142	\$ 19,522,764	\$ 765,500	\$ 70,921,256	\$ 65,466,967

The accompanying notes are an integral part of these financial statements

PRODUCT CARE ASSOCIATION OF CANADA
Statement of Operations
For the year ended 31 December 2021

	2021	2020
Revenues	\$ 44,205,764	\$ 45,552,306
Expenses		
Operating	38,153,394	35,445,685
General and administration	3,463,899	3,388,802
General communications	93,923	99,648
	<u>41,711,216</u>	<u>38,934,135</u>
Excess of revenues over expenses from operations	<u>2,494,548</u>	<u>6,618,171</u>
Other income		
Investment income	2,471,957	808,097
Interest income	347,411	602,754
Unrealized gain on investments	128,533	390,934
Gain on sale of marketable securities	11,840	2,226
Gain on sale of tangible capital assets	-	1,000
	<u>2,959,741</u>	<u>1,805,011</u>
Excess of revenues over expenses for the year	<u>\$ 5,454,289</u>	<u>\$ 8,423,182</u>

The accompanying notes are an integral part of these financial statements

PRODUCT CARE ASSOCIATION OF CANADA**Statement of Cash Flows****For the year ended 31 December 2021**

	2021	2020
Cash provided by (used in):		
Operating activities		
Excess of revenues over expenses for the year	\$ 5,454,289	\$ 8,423,182
Items not involving cash		
Market value adjustments	(128,533)	(390,934)
Amortization	581,580	484,922
Loans forgiven	56,401	56,880
Gain on sale of marketable securities	(11,840)	(2,226)
Gain on sale of tangible capital assets	-	(1,000)
	<u>5,951,897</u>	<u>8,570,824</u>
Changes in non-cash working capital balances		
Accounts receivable	723,841	(560,391)
Prepaid expenses and deposits	1,722,996	(26,154)
Accounts payable and accrued liabilities	1,337,453	874,598
Ontario fee reduction payable	(1,616,224)	1,616,224
	<u>8,119,963</u>	<u>10,475,101</u>
Investing activities		
Redemption (purchase) of term deposits	5,203,302	(11,373,781)
Transfer to reserve	(1,969,340)	(808,097)
Purchase of capital assets - net	(7,180,464)	(215,760)
Purchase of investments	(5,938,511)	-
	<u>(9,885,013)</u>	<u>(12,397,638)</u>
Financing activity		
Issuance of forgivable loans	<u>(89,910)</u>	<u>-</u>
Net decrease in cash and cash equivalents	(1,854,960)	(1,922,537)
Cash and cash equivalents - beginning of year	15,223,138	17,145,675
Cash and cash equivalents - end of year	\$ 13,368,178	\$ 15,223,138
Cash and cash equivalents consists of:		
Cash	\$ 12,602,678	\$ 2,318,718
Savings accounts	-	10,522,696
Restricted cash	<u>765,500</u>	<u>2,381,724</u>
	\$ 13,368,178	\$ 15,223,138

The accompanying notes are an integral part of these financial statements

PRODUCT CARE ASSOCIATION OF CANADA
Notes to the Financial Statements
For the year ended 31 December 2021

1. Nature of operations

On 7 May 2001, Product Care Association (the “Association”) was incorporated under the Canada Corporations Act. The new entity was the result of the amalgamation of PPC Paint and Product Care Association and Consumer Product Care Association. Effective 7 January 2015, the Association filed Articles of Continuance under the Canada Not-for-Profit Corporations Act and changed its name to Product Care Association of Canada. The Association is a not-for-profit organization and as such, the Association is not subject to income taxes.

The purpose of the Association is to design, implement, and operate product stewardship programs in Canada or elsewhere. Product stewardship programs are industry funded and managed programs which provide a collection system to consumers for unwanted products. The program then takes responsibility for the recycling and proper disposal of the waste products. Products accepted by the Association’s stewardship programs include: paint, pesticides, flammable liquids and other household hazardous waste, lighting products and smoke and carbon monoxide alarms. The Association operates product stewardship programs for some or all of these products in BC, Saskatchewan, Manitoba, Ontario, Quebec, Nova Scotia, New Brunswick, Prince Edward Island and Newfoundland and Labrador.

2. Summary of significant accounting policies

The Association applies the Canadian accounting standards for not-for-profit organizations.

(a) Financial instruments

(i) Measurement of financial instruments

The Association initially measures its financial assets and liabilities at fair value and subsequently measures all of its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market and investments in other securities, which are measured at fair value. Changes in fair value are recognized in the statement of operations.

Financial assets measured at amortized cost include cash and cash equivalents, restricted cash, term deposits, accounts receivable, and forgivable loans.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

The Association’s financial assets measured at fair value include investments and the reserve which is comprised of various investments in mutual funds.

PRODUCT CARE ASSOCIATION OF CANADA
Notes to the Financial Statements
For the year ended 31 December 2021

2. Summary of significant accounting policies - Continued

(a) Financial instruments - Continued

(ii) Impairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in the statement of operations. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in the statement of operations.

(iii) Transaction costs

The Association recognizes its transaction costs in the statement of operations in the period incurred. However, financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption.

(b) Cash and cash equivalents

The Association's policy is to disclose bank balances under cash and cash equivalents, including bank overdrafts with balances that fluctuate frequently from being positive to overdrawn and term deposits with a maturity period of three months or less from the date of acquisition. Term deposits that the Association cannot use for current transactions because they are pledged as security are also excluded from cash and cash equivalents.

(c) 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 rates are as follows:

Building	25 years
Office equipment	2 years
Depot equipment	2, 3 and 5 years

PRODUCT CARE ASSOCIATION OF CANADA
Notes to the Financial Statements
For the year ended 31 December 2021

2. Summary of significant accounting policies - Continued

(d) Intangible assets

Intangible assets are recorded at cost. The Association provides for amortization using the following methods at rates designed to amortize the cost of the intangible assets over their estimated useful lives. The annual amortization rate is as follows:

ERP software	5 years
--------------	---------

Intangible assets with an indefinite life are not amortized and are assessed annually for impairment.

(e) Impairment of long-lived assets

The Association tests long-lived assets for impairment when events or changes in circumstances indicate that their carrying value may not be recovered. When a tangible capital asset or intangible asset no longer contributes to the services provided by the Association its carrying value amount is written down to its residual value. No impairment losses were determined by management to be necessary for the year.

(f) Revenue recognition

Environmental Handling Fees (EHFs) are received from registered members within the provinces which participate in the Association's programs. 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. EHF's revenues are recognized as individual members report and remit them as required by the Association's membership agreement which is by the end of the month following the reporting period that the designated program materials were sold by the member.

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

Investment income includes interest income, and realized and unrealized investment gains and losses. Unrealized gains and losses are reported in the statement of operations. Unrestricted investment income is recognized as revenue when earned.

PRODUCT CARE ASSOCIATION OF CANADA
Notes to the Financial Statements
For the year ended 31 December 2021

2. Summary of significant accounting policies - Continued

(g) Use of estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and disclosure of contingencies at the date of the statement of financial position. Accounts and disclosures subject to estimates include amortization of tangible capital and intangible assets, accrued liabilities, revenue recognized for EHF's receivable and commitments for unprocessed product on hand. Management believes that estimates utilized in preparing the financial statements are prudent and reasonable, however, actual results could differ from those estimates.

(h) Foreign exchange

Monetary assets and liabilities of the Association which are denominated in foreign currencies are translated at year end exchange rates. Other assets and liabilities are translated at rates in effect at the date the assets were acquired and liabilities incurred. Revenue and expenses are translated at the rates of exchange in effect at their transaction dates. The resulting gains or losses are included in the statement of operations.

3. Restricted cash

Restricted cash is comprised of the following amounts:

	<u>2021</u>	<u>2020</u>
Ontario Fee Reduction Campaign (Note 12)	\$ -	\$ 1,616,224
Ontario Fee Reduction Reserve (Note 10(b))	<u>765,500</u>	<u>765,500</u>
	<u>\$ 765,500</u>	<u>\$ 2,381,724</u>

4. Forgivable loans

The Association has advanced funds in the form of forgivable loans to various organizations for the development of collection facilities for specific programs (Note 11(b)). Providing that the collection facility commences operations and meets the various criteria in the collection site agreement, these funds and any related interest are forgiven at the rate of 10% or 20% of the original amount of the loan on each anniversary of the commencement of the collection site's operations. If the development of the collection facility is not completed, or the collection facility does not commence operations, the amounts advanced are repayable to the Association plus interest at 8% per annum.

PRODUCT CARE ASSOCIATION OF CANADA
Notes to the Financial Statements
For the year ended 31 December 2021

4. Forgivable loans - Continued

	<u>2021</u>	<u>2020</u>
Balance - beginning of year	\$ 338,885	\$ 395,765
Funds advanced during the year	89,910	-
Loans forgiven during the year	<u>(56,401)</u>	<u>(56,880)</u>
Balance - end of year	<u>\$ 372,394</u>	<u>\$ 338,885</u>

5. Term deposits

(a) Short-term

As at 31 December 2021, the Association held term deposits of \$Nil (2020 - \$11,000,000).

(b) Long-term

As at 31 December 2021, the Association held term deposits totalling \$20,716,359 (2020 - \$14,919,661) with maturity dates ranging from 18 July 2024 to 6 December 2024 and bearing interest at 1.0% to 1.5% per annum which have been classified as long-term assets.

6. Reserve

The internally restricted reserve fund was established to (1) respond to environmental impairment liability exposures and director and officers liability exposures up to predetermined levels in conjunction with the overall insurance program and (2) to fund the ongoing operations, future program expenses, potential penalties and various other projects of the Association from time to time. The amount is internally restricted and expenditures from the reserve are at the discretion of the Board of Directors. Transfers to the reserve fund are made upon resolutions passed by the Board of Directors. During the year the transfers to the fund were limited to the income earned on the investments in the reserve fund.

The assets in the reserve fund consist of cash and investments in fixed income and equity securities and are independently managed. All income earned on these investments is initially reported in the unrestricted fund and then transferred to the reserve fund. During the year, \$2,425,324 was transferred from the unrestricted fund to the reserve fund, which consisted of an unrealized gain of \$444,144 at 31 December 2021, realized investment income and gain of \$1,981,180. In the prior year, \$1,201,257 was transferred from the reserve fund to the unrestricted fund, which consisted of an unrealized gain of \$390,934 at 31 December 2020 and realized investment income and gain of \$810,323.

PRODUCT CARE ASSOCIATION OF CANADA
Notes to the Financial Statements
For the year ended 31 December 2021

7. Tangible capital assets

	Cost	Accumulated Amortization	2021 Net	2020 Net
Land	\$ 7,659,119	\$ -	\$ 7,659,119	\$ 3,403,983
Buildings	8,168,644	1,231,245	6,937,399	4,964,167
Equipment	3,052,230	2,320,606	731,624	350,860
Office equipment	5,551	5,551	-	-
	\$ 18,885,544	\$ 3,557,402	\$ 15,328,142	\$ 8,719,010

During the year, the Association acquired a building and an associated parcel of land for \$2,268,354 and \$4,255,136 respectively. The property will be used as a new office facility.

Land and buildings consist of two properties where legal ownership resides with bare trustee corporations. The Association has beneficial ownership of the properties.

Included in operating expenses and general and administrative expenses is a total of \$571,332 (2020 - \$431,701) of amortization expense.

8. Intangible assets

	Cost	Accumulated Amortization	2021 Net	2020 Net
ERP Software	\$ 754,986	\$ 754,986	\$ -	\$ 10,248
Quebec RecycFluo Program	50,000	-	50,000	50,000
	\$ 804,986	\$ 754,986	\$ 50,000	\$ 60,248

During the 2012 fiscal year, the Association acquired certain intangible assets related to commencement of the Quebec RecycFluo Program for \$50,000. The intangible assets acquired consist of the program trademark and the list of program members that was established by the previous program manager. Management of the Association is of the opinion that no impairment allowance is required for the 2021 fiscal year.

Included in operating expenses and general and administrative expenses is a total of \$10,248 (2020 - \$53,221) of amortization expense.

PRODUCT CARE ASSOCIATION OF CANADA
Notes to the Financial Statements
For the year ended 31 December 2021

9. Accounts payable and accrued liabilities

	<u>2021</u>	<u>2020</u>
Accounts payable and accrued liabilities	\$ 7,046,760	\$ 5,572,835
Government remittances payable	<u>174,194</u>	<u>310,666</u>
	<u>\$ 7,220,954</u>	<u>\$ 5,883,501</u>

10. Contingencies

- (a) Effective for the 2020 fiscal year, pursuant to the Regulation regarding the recycling and recovery of products by businesses as amended on 4 November 2019, the Association is required to calculate and accrue certain penalties if material collection targets as defined by the regulation are not met. Included in accrued liabilities are estimated penalties of \$810,354 (2020 - \$402,091), as a result of the program not meeting certain material collection targets in the fiscal year. These penalties are payable to the Quebec Green Fund five years after the year they are incurred and can be offset over the next five years if the program exceeds collection targets. The estimated penalties incurred in each fiscal year are as follows:

2020	\$402,091
2021	<u>408,263</u>
	<u>\$810,354</u>

- (b) Pursuant to the Surplus Fund Transfer Addendum (Note 12), the Association established a restricted reserve fund of \$765,500 (2020 - \$765,500) from the Association's existing assets excluding the surplus funds received as part of the Fee Reduction Campaign. The restricted reserve fund has been allocated to the categories of designated program materials as follows:

Paint and Coatings	\$ 673,700
Pesticides	15,000
Solvents	61,700
Fertilizers	<u>15,100</u>
	<u>\$ 765,500</u>

The purpose of the restricted reserve fund is to cover certain expenses which may be invoiced by Stewardship Ontario should there be a delay in transitioning the MHSW program to individual producer responsibility beyond 30 September 2021. In the event that there is insufficient funding in the restricted reserve fund to cover the expenses during a transitional delay, the Association is required to fund any expenses in excess of the restricted reserve fund from its own assets. At the date of the independent auditors' report, while the transition of the MHSW program is underway, it is indeterminable whether the Association will be required to fund any expenses, either up to, or in excess of, the amount of the restricted reserve fund.

PRODUCT CARE ASSOCIATION OF CANADA
Notes to the Financial Statements
For the year ended 31 December 2021

11. Commitments

- (a) The Association has a lease agreement for the Quebec office suite which expires on 31 May 2024.

The Association has a lease agreement for the Ontario office which expires on 29 Feb 2024.

The annual lease payments for the Association's premises are as follows:

2022	\$ 105,541
2023	106,198
2024	<u>30,909</u>
	<u>\$ 242,648</u>

- (b) In previous years, the Association's board of directors had passed resolutions to make funds up to \$2,335,000 available which can to be used for the development of collection facilities for certain ongoing programs. These funds are to be disbursed at the discretion of the Association based on an application process from qualifying organizations. As of 31 December 2021, \$653,242 of loans have been disbursed from the pool of available funds (Note 4) and \$280,848 of loans have been forgiven.
- (c) During the year, the Association's board of directors passed a resolution to make capital funding of up to \$1,000,000 available to collection sites participating in the Saskatchewan Household Hazardous Waste Program. The terms and conditions of how these funds will be disbursed have not been determined by the Association at the date of the Independent Auditors' Report.
- (d) At year end the Association had unprocessed product on hand with an estimated cost to process, transport and recycle of \$1,191,111 (2020 - \$1,406,710) which will be incurred during 2022.

PRODUCT CARE ASSOCIATION OF CANADA
Notes to the Financial Statements
For the year ended 31 December 2021

12. Ontario Fee Reduction Campaign

On 24 June 2020, the Resource Productivity and Recovery Authority (“RRPA”) approved the Surplus Fund Transfer Addendum which, among other matters, included a transfer of surplus funds from the previous Municipal Hazardous or Special Waste (“MHSW”) program to Stewards or members of the program. On 8 July 2020, the Association entered into an agreement with Stewardship Ontario (“SO”) to distribute surplus funds from the MHSW program to the members of the Ontario PaintRecycle Program and the Ontario Pesticides, Solvents and Fertilizers Program (the “Programs”). Under the agreement the Association received total surplus funds of \$16,366,500, of which \$14,586,000 was to be distributed to members of the Ontario PaintRecycle Program and \$1,780,500 was to be distributed to members of the Ontario Pesticides, Solvents and Fertilizers Program before 30 June 2021. Under the agreement, eligible members of the Programs were entitled to receive a reduction of Environmental Handling Fees (“EHFs”) from the surplus funds that would have otherwise been payable by the members as they report EHFs, in accordance with the fee reduction schedule as established and agreed by the Association and SO. The remaining amounts to be distributed to members as of 31 December 2020 were \$801,158 related to the Ontario PaintRecycle Program and \$815,066 related to the Ontario Pesticides, Solvents and Fertilizers Program. In 2021, the Association continued to distribute the SO funds to members. For any remaining amounts of SO funds related to Paint, Pesticides and Fertilizers, cash refunds of \$827,599 were issued to members during the year.

After the final distribution of the SO surplus funds related to Solvents, the board of directors approved an extension of the Ontario Solvent fee reduction program. The extended fee reduction program is funded from the accumulated surplus generated by the Association's Solvent program which has been used to reduce EHF's owing by members. For the year ended 31 December 2021, the extended Ontario Solvents fee reduction program resulted in a decrease in EHF revenue of \$235,576.

13. Financial instruments

The Association is exposed to various risks through its financial instruments. The following analysis provides a measure of the Association's risk exposure and concentrations at the statement of financial position date, 31 December 2021.

(a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Association's main credit risks relate to its cash and cash equivalents, restricted cash, term deposits, accounts receivable and forgivable loans. Cash, cash equivalents, restricted cash and term deposits are in place with major financial institutions. Concentrations of credit risk with respect to accounts receivable are limited due to the large number of customers. Concentrations of credit risk with respect to the forgivable loans are limited to the extent that a collection facility who has received a forgivable loan does not become operational and the loan becomes repayable to the Association (Note 4). The Association has evaluation and monitoring processes in place and writes off accounts when they are determined to be uncollectible. There has been no change to the risk exposure from the prior year.

PRODUCT CARE ASSOCIATION OF CANADA
Notes to the Financial Statements
For the year ended 31 December 2021

13. Financial instruments - Continued

(b) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Association is not exposed to this risk due to its strong working capital position. There has been no change to the risk exposure from the prior year.

(c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

(d) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Association has investments denominated in U.S. dollars included in the reserve (Note 6). As such, these investments are exposed to foreign exchange fluctuations.

Certain assets and liabilities are exposed to foreign exchange fluctuations due to transactions denominated in foreign currency. As at 31 December 2021, cash and accounts receivable of \$541,242 USD and \$97,818 USD (2020 - \$531,115 USD and \$100,580 USD) respectively and accounts payable and accrued liabilities of \$50,879 USD (2020 - \$20,035 USD) has been converted into Canadian dollars. There has been no change to the risk exposure from the prior year.

(e) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Association is exposed to interest rate risk on its fixed and floating interest rate financial instruments. Fixed-rate instruments subject the Association to a fair value risk while the floating-rate instruments subject it to a cash flow risk. There has been no change to the risk exposure from the prior year.

PRODUCT CARE ASSOCIATION OF CANADA
Notes to the Financial Statements
For the year ended 31 December 2021

13. Financial instruments - Continued

(f) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Association is exposed to other price risk through amounts held in investments and the reserve. There has been no change to the risk exposure from the prior year.

14. Controlled organization

The Association controls PCA Product Stewardship Inc. ("PCA PSI") as it is the sole member of PCA PSI and has the right to appoint the majority of PCA PSI's Board of Directors. The Association and PCA PSI have certain members of the Board of Directors in common.

PCA PSI was created to develop and manage programs in the USA that allow members to easily satisfy state regulations around the end of life handling of various products produced and sold by industry. PCA PSI is currently managing the Washington State LightRecycle program.

PCA PSI has not been consolidated in the Association's financial statements. Financial statements of PCA PSI are prepared in accordance with US generally accepted accounting principals FASB ASC 958, not-for-profit entities. The financial summary as at 31 December 2021 and for the year then ended are based on the unaudited financial statements as prepared by management and are translated to Canadian dollars using the current rate method.

PRODUCT CARE ASSOCIATION OF CANADA
Notes to the Financial Statements
For the year ended 31 December 2021

14. Controlled organization - Continued

PCA PSI

	31 December 2021	31 December 2020
	(unaudited)	
Financial Position		
Total assets	\$ 2,413,993	\$ 1,976,432
Total liabilities	115,943	79,347
Total net assets	2,298,050	1,897,085
	\$ 2,413,993	\$ 1,976,432
Results of Operations		
Total revenue	\$ 1,506,927	\$ 1,758,482
Total expenses	1,102,530	1,253,263
Excess of revenues over expenses	\$ 404,397	\$ 505,219
Cash Flows		
Cash provided by operating activities	\$ 560,965	\$ 320,097

PRODUCT CARE ASSOCIATION OF CANADA
Notes to the Financial Statements
For the year ended 31 December 2021

15. Related party transactions

The Association is related to PCA PSI (Note 14). The following summarizes the related party balances and transactions for the year.

Included in accounts receivable is \$18,814 (2020 - \$9,953) due from PCA PSI. These amounts are unsecured, non-interest bearing and will be received in the 2022 fiscal year.

Included in revenues is \$88,360 (2020 - \$110,622) charged to PCA PSI for administrative expenses.

These transactions are in the normal course of operations and have been valued at the exchange amount which is the amount of consideration established and agreed to by the related parties.

16. Impact of COVID-19

In March 2020, the World Health Organization declared the COVID-19 outbreak to be a public health emergency. This pandemic has caused an increase in economic uncertainty that has lead to volatility in international markets and disrupted business operations around the world. The Association's primary source of revenue is derived from Environmental Handling Fees charged to its members on the sale of approved program products which are dependant on the members' ongoing business operations. Additionally, the Association's operating expenses are largely comprised of the costs of collection, transportation and processing of program products as these are returned to the Association for recycling and proper disposal. During the year, the Association continued to receive revenue from Environmental Handling Fees as charged to its members. The Association did experience disruption in its collection and processing activities in certain provinces at various points during the year due to regional COVID-19 restrictions. At the date of the Independent Auditors' Report, the Association's management has been unable to determine the impact of the COVID-19 pandemic on future revenues, expenses and operations.

Appendix E: 2021 Non-Financial Audit Report

**PRODUCT CARE ASSOCIATION OF CANADA -
BC PAINT AND HOUSEHOLD HAZARDOUS WASTE
PROGRAM**

**INDEPENDENT REASONABLE
ASSURANCE REPORT**

31 DECEMBER 2021

INDEPENDENT REASONABLE ASSURANCE REPORT

To the Directors of
Product Care Association of Canada,

Level of Assurance and Selected Information

We have been engaged by Product Care Association of Canada (the “Association”) to perform a reasonable assurance engagement in respect of the following information (the “Selected Information”), detailed in Appendix 1, and also included within the Association’s Annual Report for the BC Paint and Household Hazardous Waste Program to the British Columbia Ministry of Environment and Climate Change Strategy for the year ended 31 December 2021:

- Section 4 - Collection Systems and Facilities and Appendix A - the location of collection facilities, and any changes in the number and location of collection facilities from the previous report in accordance with Section 8(2)(b) of BC Regulation 449/2004 (the “Recycling Regulation”);
- Section 6 - Pollution Prevention Hierarchy and Product/Component Management - the description of how the recovered product was managed in accordance with the pollution prevention hierarchy under Section 8(2)(d) of the Recycling Regulation;
- Section 7 - Product Sold and Collected and Recovery Rate - the description of how total amounts of the producer’s product sold and collected and the recovery rate has been calculated in accordance with Section 8(2)(e) of the Recycling Regulation; and
- Section 9 - Plan Performance - the description of performance for the year in relation to targets in the approved stewardship plan under Section 8(2)(b), (d) and (e) of the Recycling Regulation.

Our reasonable assurance engagement does not constitute a legal determination on the Association’s compliance with Sections 8(2)(b), (d) and (e) of the Recycling Regulation.

Responsibilities

Preparation and fair presentation of the Selected Information in accordance with the evaluation criteria as listed in Appendix 1 is the responsibility of the Association’s management. Management is also responsible for such internal control as management determines is necessary to enable the preparation of the Selected Information such that it is free from material misstatement. Furthermore management is responsible for preparation of suitable evaluation criteria in accordance with the Recycling Regulation Guidance - Third Party Assurance for Non-Financial Information in Annual Reports – 2021 Reporting Year dated November 2021, as specified by the Director under section 8(2)(h) of the Recycling Regulation of the Province of British Columbia.

Our responsibility is to express an opinion on the Selected Information based on the procedures we have performed and the evidence we have obtained.

Evaluation Criteria

The evaluation criteria presented in Appendix 1 are an integral part of the Selected Information and address the relevance, completeness, reliability, neutrality and understandability of the Selected Information.

Applicable Quality Control Requirements

We apply Canadian Standard on Quality Control 1 and, accordingly, maintain a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Scope of the Reasonable Assurance Engagement

We carried out our reasonable assurance engagement in accordance with the International Standard on Assurance Engagements 3000 (ISAE 3000) published by the International Federation of Accountants. This Standard requires that we comply with independence requirements and plan and perform the engagement to obtain reasonable assurance about whether the Selected Information is free of material misstatement.

A reasonable assurance engagement includes examining, on a test basis, evidence supporting the amounts and disclosures within the Selected Information. The procedures selected depend on our judgement, including the assessment of the risks of material misstatement in the Selected Information due to omissions, misrepresentations and errors. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the Selected Information in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing a conclusion on the effectiveness of the entity's internal control. A reasonable assurance engagement also includes assessing the evaluation criteria used and significant estimates made by management, as well as evaluating the overall presentation of the Selected Information. The main elements of our work were:

- Gain an understanding of the data collection, monitoring and reporting processes through inquiries of management;
- Testing the processes, documents and records on a sample basis;
- Re-calculating quantitative data on a sample basis as it pertains to the Selected Information; and
- Evaluating the presentation of the Selected Information in the Annual Report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Inherent Limitations

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the Selected Information and the methods used for determining and calculating such information. Qualitative interpretations of relevance, materiality and the accuracy of data are subject to individual assumptions and judgments. Furthermore, the nature and methods used to determine such information, as well the evaluation criteria and the precision thereof, may change over time. It is important to read our report in the context of evaluation criteria.

Basis for Qualified Conclusion

As noted in the Recycling Regulation Guidance - Third Party Assurance for Non-Financial Information in Annual Reports – 2021 Reporting Year dated November 2021, the definition of collection facilities accepting household hazardous waste is required to follow the Environmental Management Act Hazardous Waste Regulation, specifically Section 42.3 *Requirements for Establishment and Operation of a Return Collection Facility* and Section 42.4 *Operating Requirements for a Return Collection Facility* (the “Hazardous Waste Regulations”). We were unable to obtain sufficient appropriate evidence whether the collection facilities accepting household hazardous waste have conformed with the Hazardous Waste Regulations as the Association’s management had not developed a process to evaluate this and as such, the information was not available. Consequently, we were unable to determine whether collection facilities participating in the BC Paint and Household Hazardous Waste Program that accept household hazardous waste had conformed to the requirements of the Hazardous Waste Regulations.

Qualified Conclusion

In our opinion, except for the effect of the matter described in the Basis for Qualified Conclusion paragraph, the Selected Information within Product Care Association of Canada’s Annual Report for the BC Paint and Household Hazardous Waste Program for the year ended 31 December 2021 presents fairly in accordance with the evaluation criteria listed in Appendix 1, in all material respects:

- The location of collection facilities, and any changes in the number and location of collection facilities from the previous report in accordance with Section 8(2)(b) of the Recycling Regulation;
- The description of how the recovered product was managed in accordance with the pollution prevention hierarchy under Section 8(2)(d) of the Recycling Regulation;
- The description of how total amounts of the producer’s product sold and collected and, if applicable, the producer’s recovery rate has been calculated in accordance with Section 8(2)(e) of the Recycling Regulation; and
- The description of performance for the year in relation to targets in the approved stewardship plan under Section 8(2)(b), (d) and (e) of the Recycling Regulation.

Emphasis of Matter

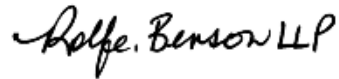
Without further qualifying our opinion, the following should be noted regarding the information contained in the Annual Report:

1. The Selected Information in Section 6 - Pollution Prevention Hierarchy and Product/Component Management includes information related to the disposition of hazardous waste. The product management of hazardous waste is a multi-step process and shipments are tracked on government manifests. Shipments to the primary processor do not indicate the final treatment of products as this takes place at a secondary processor. Materials are comingled at the primary processor before being shipped to a secondary processor. Sample hazardous waste manifests indicating the expected disposition of products for shipments from the primary to secondary processors were obtained from 1 of the 3 hazardous waste primary processors. The final disposition of products shipped to the 2 processors where hazardous waste manifests were not available is based on questionnaire responses from these processors. As such, there is uncertainty surrounding the Selected Information contained in the Pollution Prevention Hierarchy section of Appendix 1 as it pertains to hazardous waste.

2. The Selected Information included in Section 7 specifically relating to Product Sold is based on self-reported member data. During the 2021 fiscal year, the Association performed internal member audits of 14 of the 159 members of the program and as such, the product sold data presented is subject to uncertainty.

Other Matter

Our report has been prepared solely for the purposes of management's stewardship under the Recycling Regulation and is not intended to be and should not be used for any other purpose. Our duties in relation to this report are owed solely to the Association, and accordingly, we do not accept any responsibility for loss occasioned to any other party acting or refraining from acting based on this report.



CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, Canada
27 June 2022

Appendix 1

Evaluation Criteria

Collection facilities

Specific disclosures in the annual stewardship report from Section 4 - Collection Systems and Facilities Information for which evaluation criteria were developed	
Disclosure per Annual Report	Reference
Total number of collection facilities – 223	Table 1: Paint and HHW Contracted Collection Sites, 2020 and 2021; and: Appendix A: Collection Site List by Regional District (as of December 31, 2021)
“As of December 31, 2021, Product Care contracted with 223 permanent collection sites in British Columbia...”	
“One (1) paint only site and two (2) HHW sites were added in 2021, while three (3) paint only sites and one (1) HHW site were removed, representing a net decrease of one (1) sites from 2020.”	

The following evaluation criteria were applied to the assessment of the location of collection facilities, and any changes in the number and location of collection facilities from the previous report in accordance with Section 8(2)(b) of the Recycling Regulation:

- “Collection facilities” are depots that have a signed contract with the Association for the collection of program materials during the reporting period: 1 January – 31 December 2021, a physical location that is available to collect program materials, and the staff of the facility has an adequate understanding of the program.
- The Association maintains a listing of all collection facilities for the program, including the location of the collection facility, the total of which agrees to the number of collection facilities as disclosed in the Annual Report.
- One day collection events are excluded from the listing of collection facilities.
- The change in number of collection facilities is calculated by comparing the current number of collection facilities, a sum of all the collection facilities that have a signed contract within a given reporting year and those that closed within the same reporting year, to the number of collection facilities reported in the prior reporting year.

Pollution prevention hierarchy

Specific disclosures in the annual stewardship report from Section 6 - Pollution Prevention Hierarchy and Product/Component Management for which evaluation criteria were developed

“Product Care endeavours to manage collected products in accordance with the pollution prevention hierarchy. This section details the measures that Product Care follows with respect to each product category based on information provided by downstream processors, where available.”

“The information detailed in this section was verified based on processor questionnaires or site visits of the various processors and the review of final disposition as indicated on hazardous waste manifests as applicable. However, there is greater confidence in the end fate of hazardous wastes given the framework of regulatory requirements governing hazardous materials and commensurate oversight by various environmental departments and agencies.”

“Shipment records evidencing the management of program product may include Certificates of Disposal, bills of lading or processor invoices and the review of final disposition as indicated on hazardous waste manifests as applicable. Shipment records evidencing the management of metal and plastic containers may include bills of lading, scale tickets or processor invoices.”

Material: All Paint Excluding Aerosol (Paint Reuse Program)

“Reusable paint is given away at no charge through the PaintShare Program to members of the public and non-profit organizations to be used for its originally intended purpose.”

“Based on monthly reports provided by collection sites, approximately 1.6% of the total volume of paint processed in 2021 was reused through the PaintShare program, up from 1.5% in 2020.”

Material: Water-based (Latex) Paint (Excluding Paint Reuse)

End fate:

Recycling – 86.4%, Energy Recovery – 13.6%

Table 7: Program Product End Fate 2021

“Product Care utilizes a number of options for water-based (latex) paint recycling. High-grade recyclable water-based paint is reprocessed into paint and coatings products. The lower grade recyclable paint (i.e., paint that is not suitable for paint to paint recycling) is used as a raw material in the manufacturing of concrete products (blocks, barriers, and Portland cement).”

“According to shipment records, approximately 86.4% of the water-based paint sent to downstream processors by the Program in 2021 was recycled utilizing one of the two options listed above.”

“According to shipment records, 13.6% of the water-based paint sent to downstream processors was used as an alternative fuel in 2021.”

Material: Solvent-based (Alkyd) Paint (Excluding Paint Reuse)

End fate:

Energy recovery – 100%

Table 7: Program Product End Fate 2021

“According to shipment records, 100% of the solvent based paint and aerosol paint shipped to downstream processors from the consolidation facility in 2021 went to hazardous waste management companies who then sent the paint to permitted/licensed facilities to be used for alternative energy recovery.”

Material: Flammable Liquids End Fate: Energy recovery – 100%	Table 7: Program Product End Fate 2021
“According to shipment records, 100% of the flammable liquids shipped from the consolidation facility to downstream processors in 2021 went to a hazardous waste management company who then sent them to permitted/licensed facilities to be used for alternative energy recovery.”	
Material: Pesticides End Fate: Incineration – 100%	Table 7: Program Product End Fate 2021
“According to shipment records, 100% of pesticide products shipped from the consolidation facility to downstream processors in 2021 went to a hazardous waste management company who then sent them to permitted/licensed facilities for incineration.”	
Material: Gasoline End Fate: Energy recovery – 100%	Table 7: Program Product End Fate 2021
“According to shipment records, 100% of the gasoline shipped from the consolidation facility to downstream processors in 2021 went to a hazardous waste management company who then sent the gasoline to permitted/licensed facilities to be used for alternative energy recovery.”	
Material: Metal Containers End fate: Recycling – 100%	Table 7: Program Product End Fate 2021
“Based on shipment records from the consolidation facility, 100% of metal containers processed by the Program in 2021 from paint (including aerosols), pesticides, flammable liquids and gasoline were sent for metal recycling.”	
Material: #2 Plastic Containers (paint) End fate: Recycling – 80% Energy Recovery – 20%	Table 7: Program Product End Fate 2021
Material: #2 Plastic Containers (gasoline) End fate: Recycling – 100%	Table 7: Program Product End Fate 2021
Material: Plastic Pesticide Containers End fate: Recycling – 100%	Table 7: Program Product End Fate 2021
Material: Plastic Flammable Liquids Containers End fate: Recycling – 100%	Table 7: Program Product End Fate 2021
“According to shipment records, 100% of #2 HDPE plastic gasoline containers shipped from the consolidation facility to downstream processors were recycled in 2021. Shipment records also confirm 100% of plastic containers from flammable liquids and pesticides were sent for plastics recycling. 80% of 5 gallon size #2 HDPE plastic paint containers shipped from the consolidation facility to downstream	

processors were recycled and the remaining 20% of the 5 gallon #2 HDPE plastic paint containers were sent to energy recovery as an alternative energy source in licensed incinerators, as demonstrated by shipment records.”	
Material: #5 Plastic Containers End Fate: Energy recovery – 100%	Table 7: Program Product End Fate 2021
“Based on shipping records to processors, the Program managed 100% of plastic (polypropylene #5) one US gallon size paint cans through energy recovery.”	

The following evaluation criteria were applied to the assessment of how the recovered product is managed in accordance with the pollution prevention hierarchy in accordance with Section 8(2)(d) of the Recycling Regulation:

- The Association maintains a listing of all products shipped to the primary processor which is supported by shipping documents or processor invoices.
- Shipments of non-hazardous waste are supported by shipping documents indicating the type and amount of product received.
- Shipments of hazardous waste flow through a multi-step processing environment. Shipments to the primary processor are supported by the applicable government manifest which does not include information on the expected disposition of product by the secondary processor. Shipments from the primary processor to the secondary processor are supported by the applicable government manifest which includes co-mingled materials from other sources and information on the expected disposition as completed by the consignee after receiving the shipment. Sample hazardous waste manifests indicating the expected disposition of products for shipments from the primary to secondary processors were obtained from 1 of the 3 hazardous waste primary processors. Information on expected disposition from the other processors are obtained through processor questionnaires on product management.
- The processors provide information on product management in an annual questionnaire.
- The Association performs periodic site inspections for certain of the non-hazardous waste processors’ facilities. Site inspection criteria have been developed to confirm the responses in the questionnaire provided by the primary processor. The initial site inspections for the non-hazardous waste processors were performed in 2015 and 2016 and subsequent site inspections are performed on a rotating five year schedule.

Product sold and collected and recovery rate

Specific disclosures in the annual stewardship report from Section 7 - Product Sold and Collected and Recovery Rate for which evaluation criteria were developed	
Disclosure per Annual Report	Reference
Product Collected Paint (non-aerosol) collected – 2,978,215 Litres Paint (aerosol) collected – 43,642 Litres Flammable Liquids/Gasoline collected – 177,464 Litres Pesticides collected – 18,269 Litres	Table 9: Approximate Total Collected Volumes (residual recovery volume) for Paint, Paint Aerosols, Flammable Liquids and Pesticides (2021)
“Paint residual recovery volume was calculated using a conversion factor of 106.5 litres per tubskid, based on the average volume generated per tubskid over the full year 2021.”	

<p>“Paint aerosol residual recovery volume was calculated using a conversion factor of 30.5 litres per tubskid, based on the average volume generated per tubskid that was processed over the full year 2021.”</p> <p>“Flammable Liquids/Gasoline residual recovery volume was calculated using a conversion factor of 176.2 litres per tubskid, based on the average volume generated per tubskid over the full year 2021. This does not include volume from flammable or pesticide aerosols.”</p> <p>“Pesticide residual recovery volume was calculated using a conversion factor of 114.4 litres per tubskid, based on the average volume generated per tubskid that was processed over the full year of 2021.”</p>	
<p>Product Sold Paint sold – 33,637,235 Litres Flammable Liquids/Gasoline sold – 2,849,037 Litres Pesticides sold – 149,005 Litres</p>	<p>Table 11 – Approximate Sales, Collections (CCV), Residual Recovery Volume and Recovery Rates of Paint (including aerosols), Flammable Liquids and Pesticides (2021)</p>
<p>“Regarding gasoline collection, members report the number of gasoline stations, not volumes of gasoline sold. Therefore, sales volumes (in litres) for gasoline are not available and are excluded from the flammable liquids/gasoline category. Gasoline collected volumes are included in the residual recovery volumes for flammable liquids, as gasoline and other flammable liquids are processed together and therefore indistinguishable.”</p> <p>“Volumes reported as “Sales (litres)” are estimated by converting units reported to Product Care by its members according to the typical container volume for each container size category.”</p>	
<p>Recovery Rate Recovery rate Paint – 9.0% Recovery rate Flammable Liquids/Gasoline – 6.2% Recovery rate Pesticides – 12.3%</p>	<p>Table 11 – Approximate Sales, Collections (CCV), Residual Recovery Volume and Recovery Rates of Paint (including aerosols), Flammable Liquids and Pesticides (2021)</p>

The following evaluation criteria were applied to the assessment of the description of how total amounts of the producer’s product sold and collected and, if applicable, the producer’s recovery rate has been calculated in accordance with Section 8(2)(e) of the Recycling Regulation:

Product Collected

- The Association maintains a listing of product collected by product category for the fiscal year which agrees to the amounts disclosed in the Annual Report.
- Each shipment of product collected is supported by documentation indicating the total units collected and the type of program materials collected which has been agreed upon by the shipper, receiver and carrier.
- The calculation of total litres of program materials collected is based on total units collected and converted to litres using the standard volume of containers used to collect the materials and the average litres of program materials collected from each container.

Product Sold

- The Association maintains a listing of product sold by product category for the fiscal year which agrees to the amounts disclosed in the Annual Report.

- The units of product sold per program category have been recalculated using the data included in the Association's audited financial statements. Data not included in the audited financial statements has been agreed to supporting documents and recalculated.
- The calculation of total litres of program material sold is based on total units sold converted to litres based on the average volume of the most popular container sizes sold as provided by the Association's members.
- Units sold are determined based on self-reporting by each member of the Program. A key source of information in determining the accuracy of units sold and reported to the Program by members is the internal audit process carried out on sales data reported by individual members. The Association has performed 14 internal audits of its 159 members' sales data for the 2021 fiscal year.

Recovery Rate

- The calculation of the recovery rate is based on the Residual Recovery Volume in litres divided by the sales in litres.
- The calculation of the recovery rate is performed using the appropriate sources of information for product collected and product sold.

Performance targets

Specific disclosures in the annual stewardship report from Section 9 - Performance Measures for which evaluation criteria were developed	
<p>Target – maintain a minimum of 219 collection sites 2021 Assertion – Target exceeded: 223 collection sites</p> <p>Target – recycle a minimum of 75% of water-based (latex) paint 2021 Assertion – Target exceeded: 86.4% of water-based paint was recycled</p> <p>Target – 100% of solvent-based (alkyd) paint sent to energy recovery 2021 Assertion – Target met: 100% of solvent-based paint was sent to energy recovery</p> <p>Target – Strive for 100% recycling of metal & HDPE (#2) paint containers 2021 Assertion – Target not met: 100% of metal paint containers recycled; 80% of #2 plastic paint containers were recycled</p> <p>Target – 100% of polypropylene (#5) paint containers sent to energy recovery 2021 Assertion – Target met: 100% of #5 plastic (polypropylene) containers were used as an alternative energy source</p> <p>Target – 100% of flammable liquids sent to energy recovery 2021 Assertion – Target met: 100% of flammable liquids were sent to energy recovery as an alternative energy source</p> <p>Target – Strive for 100% recycling of flammable liquid containers 2021 Assertion – Target met: 100% of flammable liquid containers were recycled</p>	Table 13 – Key Performance Measures

<p>Target – 100% of pesticides sent for incineration 2021 Assertion – Target met: 100% of pesticides were sent for incineration</p> <p>Target – Strive for 100% recycling of metal and plastic pesticide containers 2021 Assertion – Target met: 100% of metal & plastic pesticide containers were recycled</p> <p>Target – 100% of gasoline sent to energy recovery 2021 Assertion – Target met: 100% of gasoline liquids were sent for energy recovery as an alternative energy source</p> <p>Target – Strive for 100% recycling of gasoline containers 2021 Assertion – Target met: 100% of gasoline containers were recycled</p>	
--	--

The following evaluation criteria were applied to the assessment of the description of performance for the year in relation to targets in the approved stewardship plan under Section 8(2)(b), (d) and (e) of the Recycling Regulation:

- All stewardship plan targets relating to Section 8(2)(b), (d) and (e) of the Recycling Regulation have been identified and reported on by management in the Annual Report.
- The description of progress against targets to date is supported by records of progress maintained by the Association.