

New Brunswick Paint Program Annual Report

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Submitted by:

Product Care Association of Canada



productcare.org

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1 About Product Care

The New Brunswick Paint Stewardship Program (“Program”) is administered and operated by Product Care Association of Canada (“Product Care”). Product Care, on behalf of its members, oversees the administration, collection, transportation, recycling and management of all regulated post-consumer paints and aerosols.

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

Product Care’s members are the “brand owners” (manufacturers, distributors, and retailers) of “consumer paint products” as defined pursuant to the Designated Materials Regulation 2008-54 (“Regulation”) under the category of architectural paint.

1.1 Reporting Period

This report covers the 2021 calendar year (January 1 to December 31, 2021). All content has been prepared in accordance with section 45(1) of the Regulation.

1.2 Program Summary

Product Care has had an approved paint stewardship program plan with Recycle New Brunswick (“Recycle NB”) operating in accordance with the Regulation since 2009. This annual report summarizes the performance for the reporting year 2021 in accordance with the requirements set out in the Program Plan.

Program Products are defined by the Regulation as “a tinted or untinted water-based, oil or solvent-based architectural coating used for commercial or household purposes, including stain, and includes the coating’s container” or a “coloured or clear paint or stain sold in an aerosol container and includes the paint’s or stain’s container, but does not include coatings intended for marine antifouling, industrial or automotive applications”. A detailed list of products accepted by the Program is found on Product Care’s website (www.productcare.org/products/paint/new-brunswick/).

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

The Program offers collection sites throughout the Province where consumers can bring leftover household paint. Collection services are offered through redemption centres, retail locations, local government recycling/waste facilities and collection events. The Program supplies collection sites with standard reusable collection containers (“tubskids” and drums). The Program contracts with a hauler to deliver empty collection containers and pick-up full ones from collection sites and events, and consolidate the full collection containers into loads, which are shipped to a processor for processing. Additional Program elements managed by Product Care include revenue management, communications, and administration.

2 Brand Owner Information

As of December 31, 2021, 69 Brand Owners were registered under the Program ([Appendix 1](#) provides a list of registered Brand Owner's). Program members reported the sale of approximately 5,341,222 litres¹ of Program Products in New Brunswick for the reporting period.

3 Collection

The following section provides the total amount of post-consumer paint collected in New Brunswick, as well as the location of collection sites.

3.1 Total Amount of Post-Consumer Paint Collected

In accordance with section 45(1)(a) of the Regulation, Table 1 below shows the total amount of post-consumer paint collected by the Program for the 2021 reporting period.

Table 1: Total Amount of Post-consumer Paint Collected in 2021

| Item | Number of tubskids ² | Number of Aerosol Drums ³ | Residual Paint Volume from tubskids (L) ⁴ | Residual Aerosol Paint Volume (L) ⁵ | Paint Share volume (L) ⁶ | Total Residual Paint Volume (L) |
|------------------|---------------------------------|--------------------------------------|--|--|-------------------------------------|---------------------------------|
| Volume Collected | 2,746 | 261 | 318,536 | 1,430 | 1,055 | 321,021 |

Table 2 provides the 2021 recovery rate, which is the volume of paint collected as a function of the volume of paint sold in New Brunswick in 2021. It also shows the volume available to collect as a function of sales and the calculated capture rate for 2021.

¹ Sales data is reported to Product Care in units. For the purpose of this report, sales units are converted to litres sold using coefficients based on the volume of the most common container size in each product category.

² Each collection bin (tubskid) measures 42 x 42 x 48" with a nominal capacity of 108 one gallon containers.

³ Each drum holds approximately 175 aerosol containers.

⁴ The total residual volume of paint collected is calculated based on the total number of tubskids collected multiplied by a conversion rate of 116.0 L per tubskid. The conversion rate is derived by dividing the total actual residual paint processed by the number of tubskids processed in the same year. Due to labour shortages at the processor in 2021, not all collected tubskids were processed, resulting lower residual paint volumes.

⁵ Based on a conversion rate of 5.25L per drum.

⁶ PaintShare volume are calculated assuming that containers are 75% full.

Table 2: 2021 Paint Sales, Residual Recovery Volume, Recovery Rate, Available to Collect and Capture Rate

| | Total |
|--|--------------|
| Sales (litres) | 5,341,222 |
| Residual Recovery Volume (litres) | 321,021 |
| Recovery Rate (%) | 6.0% |
| Total Available to Collect (litres) ⁷ | 486,051 |
| Available to Collect (%) ⁸ | 9.1% |
| Capture Rate (% collected/available) | 66.0% |

Table 3 shows the total amount of paint tubskids and aerosol drums collected by the individual regions of New Brunswick.

Table 3: Collection Containers Collected by Region in 2021

| Regional Service Commissions | Paint (tubskids) | Aerosol (drums) |
|-------------------------------------|-------------------------|------------------------|
| Acadian Peninsula | 119 | 6 |
| Chaleur | 130 | 21 |
| Fundy | 529 | 33 |
| Kent | 62 | 5 |
| Miramichi | 93 | 3 |
| Northwest | 95 | 13 |
| Restigouche | 95 | 9 |
| RSC 8 | 107 | 9 |
| RSC 11 | 391 | 8 |
| Southeast | 945 | 142 |
| Southwest | 85 | 5 |
| Western Valley | 95 | 7 |
| TOTAL | 2,746 | 261 |

⁷ The total available to collect volume is calculated using the results of the Atlantic Availability to Collect Study undertaken in 2021 (9.1%).

⁸ The available to collect percentage was determined by the Atlantic Availability to Collect Study undertaken in 2021.

3.2 Collection Sites

As of December 31, 2021, 62 collection sites were participating in the Program, exceeding the program commitment of 60 collection sites. See Table 4 for the breakdown of collection site changes in 2021.

Table 4: Collection Site Changes in 2021

| | # of Collection Sites ⁹ | Changes |
|------|------------------------------------|--------------------------------|
| 2021 | 62 | 2 sites closed; 2 sites opened |
| 2020 | 62 | No sites closed or opened |

In accordance with section 45(1)(f) of the Regulation, [Appendix 2](#) provides details on the collection sites, including location and participation in the PaintShare program.

3.3 Collection Site Visits

In accordance with the program commitment “to visit all depots bi-annually to ensure adequate training”, a Product Care representative visited 52 collection sites in 2021 (see list in Table 5 below) and 32 collection sites in 2020, providing in-person support to the collection site staff, delivering informational brochures and providing any necessary training.¹⁰

Table 5: Collection Sites Visited in 2021

| Collection Site Name | Date of visit | Municipality | County |
|--|---------------|------------------|----------------|
| Airport General Store | 24-Jun | Saint John | Saint John |
| Baie Ste Anne Home Building Centre | 28-Jul | Baie-Sainte-Anne | Northumberland |
| Bett’s Home Hardware | 24-Aug | Doaktown | Northumberland |
| Billy’s Bottle Exchange & Salvage Shop | 30-Aug | Dalhousie | Restigouche |
| Boyd Bros Ltd. | 29-Jun | St. George | Charlotte |
| Brooks Redemption Centre | 27-Jul | Nackawic | York |
| Caissie Building Supplies | 28-Jul | Rogersville | Northumberland |
| Canadian Tire Oromocto | 13-Jul | Oromocto | Sunbury |
| Caraquet Home Hardware | 31-Aug | Caraquet | Gloucester |

⁹ In 2020, the number of collection sites were over reported as 64 instead of 62 due to an event (Greater Miramichi RSC) and a large volume generator (Dept. Of Transportation and Infrastructure) being counted as a permanent collection site in error. The communities of Fredericton and Miramichi both have permanent collection sites and therefore service was maintained in those communities despite the removal of the event and large volume generator from the collection site list.

¹⁰ Eight collection sites in the Northwest region of the province were not visited in 2021 as originally intended. The unpredictability of COVID-19 throughout 2021 due to variants of concern, restrictions, and lockdowns consistently impeded planned visits to this region of the Province. Check-in calls were made to these sites when it became apparent that visiting these sites would not be possible in 2021. These sites will be visited in 2022.

| Collection Site Name | Date of visit | Municipality | County |
|---|---------------|---------------------------|----------------|
| Carpet Ranch / Grange a Tapis | 30-Aug | Beresford | Gloucester |
| Centre de Remboursement Shippagan Les Iles Inc. | 31-Aug | Lamèque | Gloucester |
| Centre de Transbordement | 31-Aug | Tracadie | Gloucester |
| Clark's Bottle Exchange | 10-Jun | Chipman | Queens |
| Dupuis Home Hardware | 02-Jun | Memramcook | Westmorland |
| Fredericton Region Solid Waste Commission | 13-Jul | Fredericton | York |
| Fundy Region Solid Waste | 24-Jun | Saint John | Saint John |
| Gilbert M Rioux et fils Ltee. | 27-Jul | Grand-Sault / Grand Falls | Victoria |
| Golden Mile Redemption Centre Ltd. | 24-Jun | Saint John | Saint John |
| Gorber's Bottle Exchange Ltd. | 02-Jun | Moncton | Westmorland |
| Hampton Recycling Centre | 11-Jun | Hampton | Kings |
| Hebert's Bottle Exchange Ltd. | 28-Jul | Miramichi | Northumberland |
| Hillsborough Recycling Depot | 02-Jun | Hillsborough | Albert |
| Horsman's Bottle Exchange Inc. | 10-Jun | Salisbury West | Westmorland |
| Island Waste & Recycling | 10-Aug | Grand Manan | Charlotte |
| Keith's Building Supplies Ltd. | 29-Jun | St. Stephen | Charlotte |
| La Societe Cooperative de Lameque Ltee. | 31-Aug | Lamèque | Gloucester |
| Maison du Tapis | 31-Aug | Bertrand | Gloucester |
| Mapleview Redemption Centre | 27-Jul | Weaver | Victoria |
| Marina Bottle Exchange | 30-Aug | Campbellton | Gloucester |
| Nepisquit-Chaleur SWC (Redpine) | 30-Aug | Allardville | Gloucester |
| Norrad's Express & Redemption Centre Ltd. | 10-Jun | Sussex | Kings |
| Northside Redemption Centre Ltd. | 13-Jul | Fredericton | York |
| Pub's Transfer & Bottle Exchange Ltd. | 24-Jun | Saint John | Saint John |
| Recyclage Chaleur | 30-Aug | Petit-Rocher | Gloucester |
| Richibucto Home Hardware | 28-Jul | Richibucto | Kent |
| Roblynn Home Hardware & Home Furniture | 13-Jul | Oromocto | Sunbury |
| Sainte Antoine Home Hardware Building Centre | 28-Jul | Saint-Antoine | Kent |
| Shediac Redeem Centre / Eastern Propane | 02-Jun | Shediac | Westmorland |

| Collection Site Name | Date of visit | Municipality | County |
|----------------------------------|---------------|------------------|-------------|
| Southeast ECO360 (Landfill) | 10-Jun | Moncton | Westmorland |
| Southern Valley Transfer Station | 27-Jul | Woodstock | Carleton |
| Southside Redemption Centre | 13-Jul | Hanwell | York |
| Southwest Solid Waste (Landfill) | 29-Jun | Lawrence Station | Charlotte |
| Tediche Home Hardware | 02-Jun | Cap-Pelé | Westmorland |
| Tri-R Redemption Centre | 13-Jul | Oromocto | Sunbury |
| Vail's Bottle Exchange | 27-Jul | Woodstock | Carleton |
| Valley Glass Recycling | 02-Jun | Dieppe | Westmorland |
| Valley Redemption (Collishaw) | 02-Jun | Moncton | Westmorland |
| Valley Redemption (Toombs) | 02-Jun | Moncton | Westmorland |
| Valley Redemption (Quispamsis) | 10-Jun | Quispamsis | Kings |
| Watson's General Store Ltd. | 29-Jun | Harvey | York |
| Weibe's Home Building Centre | 27-Jul | Centreville | Carleton |
| Wheaton's All-In-One | 02-Jun | Sackville | Westmorland |

3.4 Regional Service Commission Events

According to information available to Product Care, 49 household hazardous waste (HHW) collection events were held in 2021 (see Table 6). The Program managed all post-consumer paint collected from these events.

Table 6: HHW Collection Event Locations and Dates in 2021

| Location | Date | Location | Date |
|----------------|-------------|------------------|------------------|
| Alma | Feb (3-4) | Moncton | Sep (29-30) |
| Alma | May (5-6) | Petitcodiac | Mar (10-11) |
| Alma | Nov (3-4) | Petitcodiac | Jul (7-8) |
| Beaubassin-est | Mar (17-18) | Petitcodiac | Nov (9-10) |
| Beaubassin-est | Jul (14-15) | Port Elgin | Apr (14-15) |
| Beaubassin-est | Nov (17-18) | Port Elgin | Aug (18-19) |
| Cap-Pelé | Feb (17-18) | Port Elgin | Dec (15-16) |
| Cap-Pelé | Jun (16-17) | Riverside-Albert | Jan (6-7) |
| Cap-Pelé | Oct (20-21) | Riverside-Albert | Mar (31) Apr (1) |
| Dieppe | Feb (10-11) | Riverside-Albert | Jun (29-30) |
| Dieppe | Jun (9-10) | Riverside-Albert | Oct (6-7) |
| Dieppe | Oct (13-14) | Riverview | Apr (7-8) |
| Dorchester | Jan (27-28) | Riverview | Aug (11-12) |
| Dorchester | Apr (21-22) | Riverview | Dec (8-9) |

| | |
|--------------|-------------|
| Dorchester | Jul (21-22) |
| Dorchester | Oct (27-28) |
| Hillsborough | Mar (3-4) |
| Hillsborough | Jun (2-3) |
| Hillsborough | Sep (1-2) |
| Hillsborough | Dec (1-2) |
| Memramcook | Mar (24-25) |
| Memramcook | Jun 23-24) |
| Memramcook | Sep (22-23) |
| Moncton | Apr (28-29) |
| Moncton | Jul (28-29) |

| | |
|-----------|-------------|
| Sackville | Feb (24-25) |
| Sackville | May (26-27) |
| Sackville | Aug (25-26) |
| Sackville | Nov (24-25) |
| Salisbury | Jan (13-14) |
| Salisbury | May (12-13) |
| Salisbury | Sep (8-9) |
| Shediac | Jan (20-21) |
| Shediac | May (19-20) |
| Shediac | Sep (15-16) |

4 Processing

In accordance with sections 45(1)(b,c,d,e,g) of the Regulation, this section of the report sets out:

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

4.1 Design for Environment

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.

4.2 Post-Consumer Paint Processed

All paint collected through the Program is sent to the Laurentide Re-sources Atlantic Inc. facility in Richibucto, New Brunswick for initial processing. Volumes collected but not shipped, or shipped but not processed, are managed in the following program year as shown in Table 8.

In 2021, a total of 2,796 tubskids of leftover paint (excluding paint aerosols) were delivered to the Laurentide facility in Richibucto, New Brunswick for processing, which includes tubskids collected in 2020 and held at the transporter's (Hebert's Recycling) consolidation facility and processed in 2021. Paint aerosols were sent to the GFL Environmental facility in Sussex, New Brunswick for processing.

During the reporting period, Laurentide processed (i.e., opened, sorted, and bulked into shipping containers) 2,475 tubskids (excluding paint aerosols), which includes tubskids that remained in their inventory from 2020.

Table 7 shows the volume of post-consumer paint and aerosols shipped to processors and the volume processed by collection container (tubskids and drums) and by residual volume (litres).

Table 7: Total Amount Post-Consumer Paint Processed in 2021

| Item | Number of Tubskids ¹¹ | Residual Paint Volume (L) | Number of Aerosol Drums ¹² | Residual Aerosol Paint Volume (L) ¹³ | Total Residual Paint Volume (L) |
|-----------------------------|----------------------------------|---------------------------|---------------------------------------|---|---------------------------------|
| Volume Shipped to Processor | 2,796 | 289,536 ¹⁴ | 302 | 1,645 | 291,181 |
| Volume Processed | 2,475 | 287,097 | 302 | 1,645 | 288,741 ¹⁵ |

Table 8 shows the number of tubskids and drums that were collected, shipped and processed in 2021. It also shows the number of tubskids and drums that were carried over from 2020 and the number that will be carried over to 2022. The amount shipped to be processed, in 2021, includes the amount collected in 2021 plus the carry over¹⁶ from 2020.

Table 8: Total Amount of Post-consumer Paint Collected, Shipped, Processed & Carried Over in 2021

| | | Number of Tubskids | Number of Aerosol Drums |
|------|------------|--------------------|-------------------------|
| 2020 | Carry Over | 50 | 41 |
| 2021 | Collected | 2746 | 261 |
| | Shipped | 2796 | 302 |
| | Processed | 2475 | 302 |
| | Carry Over | 321 | 0 |

¹¹ The total residual volume of paint processed is calculated based on the total number of tubskids collected multiplied by a conversion rate of 116.0 L per tubskid. The conversion rate is derived by dividing the total actual residual paint processed by the number of tubskids processed in the same year. Due to labour shortages at the processor in 2021, not all collected tubskids were processed, resulting lower residual paint volumes.

¹² See footnote 3.

¹³ See footnote 5.

¹⁴ See footnote 4.

¹⁵ The values shown do not add up to the total value due to rounding.

¹⁶ Carry over from 2020 are tubskids or drums that were collected but not shipped to the processor and remained at a consolidation centre, or were shipped but not processed in 2020, and were processed in the 2021 program year. The carry over from 2021 are tubskids or drums that were collected but not shipped to the processor and remained at a consolidation centre or were shipped but not processed in 2021. These will be processed in the 2022 program year.

Table 9 lists the amount of metal and plastic containers recycled in 2021 and their respective processors.

Table 9: Metal and Plastic Containers Collected and Recycled in 2021

| Container Type | Collected & Recycled (tonnes) | Processor | Management Process |
|-------------------------|-------------------------------|--|--|
| Metal | 67.4 ¹⁷ | DR Metal Recycling, NB, Nova 4 Metals, NS Aim Metal, NB, Copal Metal, QC | Mixed with other scrap metal and sold as a commodity that is eventually sent for smelting |
| Plastic (HDPE 2) | 5.5 | Laurentide Re-sources Atlantic/ Société Laurentide Inc. | Combined and baled with other plastics and managed as a commodity for plastics recycling or sent for reuse |
| Plastic (polypropylene) | 28.8 | Laurentide Re-sources Atlantic/ Société Laurentide Inc. | Processed and managed as a commodity for plastics recycling |

4.3 Management Methods

The following section describes each method the Program used to manage post-consumer paint and the amount of paint managed through each method.

4.3.1 Reuse (PaintShare Program)

The PaintShare Program makes better quality paint returned to collection sites available to the public to take and use at no cost. PaintShare was offered at 27 collection sites in 2021 (see Appendix 1 for a list of sites offering PaintShare). Participating collection sites reported approximately 1,055 litres of paint given away for reuse in 2021.

The amount of paint taken through the Paint Share Program is subject to consumer demand. The accuracy of volumes managed through the Paint Share Program is predicated on users completing the reuse tracking form. PaintShare volumes are estimated by assuming that each container is 75% full on average.

4.3.2 Recycling

At the Laurentide Re-sources facility, paint containers are removed from collection bins, inspected, opened, sorted by type, colour and quality, and poured into shipping containers according to management options. Bulk paint of recyclable quality is then transferred to an affiliated processor Peintures Recupérées du Québec (PRQ) in Victoriaville, QC or transferred to other international recyclers. Table 9 provides the quantities of water-based paint and solvent-based paint that were reprocessed and recycled into paint. The diminishing market for solvent-based paint has made it increasingly difficult to recycle. Consequently, while limited amounts of solvent-based paints continue to be recycled, a large portion of the volume is sent for energy recovery.

¹⁷ Metal weight for aerosol paint cans is calculated using a conversion factor of 35.5 kg per aerosol drum.

Table 10: Quantity and Type of Paint Recycled in 2021¹⁸

| Type | Litres | Percentage |
|---------------------|---------|------------|
| Water-based paint | 207,113 | 96% |
| Solvent-based paint | 9,648 | 4% |
| Total | 216,761 | 100% |

4.3.3 Energy Recovery

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

Due to the high solvent content of solvent-based paints, these products are suitable for energy recovery. Through the process of fuel blending, solvent-based paint collected that is not suitable for paint recycling is used as an alternative energy source in applications such as permitted incinerators. During the reporting period, 9,455 litres of solvent-based paint and paint from paint aerosols processed were blended with other fuels and utilized for energy value at licensed facilities.

4.3.4 Landfill

The sorting and bulking of the water-based paint by Laurentide Re-sources generated 62,525 litres of non-recyclable water-based sludge/solid, which were solidified and disposed of at a synthetic-lined landfill cell with leachate collection.

4.3.5 Incineration

No material was incinerated during the reporting period.

Table 11 shows the breakdown of post-consumer paint collected that was reused, recycled, recovered for energy or disposed of in an engineered landfill. Each amount is shown in litres and as a percentage.

¹⁸ Volumes managed through the PaintShare Program are not included in Table 9.

Table 11: Post-Consumer Paint by Management Method

| Method | Volume (litres) | Percentage |
|-----------------|-----------------|---------------------------|
| Reuse | 1,055 | 0.4% |
| Recycle | 216,761 | 74.8% |
| Energy Recovery | 9,455 | 3.3% |
| Landfill | 62,525 | 21.6% ¹⁹ |
| Incineration | 0 | 0% |
| Total | 289,797 | 100% ²⁰ |

4.4 Location of Processing and Containment Facilities

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

| Location Address | Facility Type |
|---|----------------------|
| Hebert's Recycling Inc. 53 Walsh Avenue, Miramichi, NB E1N 3A5 | Containment Facility |
| Laurentide Re-sources Atlantic Inc. 9322 Rue Main, Richibucto, NB E4W 4C7 | Processing Facility |
| Société Laurentide Inc. 345 Bulstrode Street, Victoriaville, QC G6T 1P7 | Processing Facility |
| GFL Environmental 17 Jones Court, Sussex NB E4E 2S2 | Processing Facility |

5 Communication and Education

5.1 Promotion and Education

Section 45(1)(h) of the Regulation requires the Program to report on the types of consumer information, educational materials and strategies adopted by the brand owner. In 2021, Product Care implemented a number of different methods to raise consumer awareness of the paint recycling program in New Brunswick. The following sections provide details regarding the communication and public education for the program in 2021.

5.2 Program Awareness

In November 2019, an online survey representative of New Brunswick's adult population was conducted among 805 residents. The survey found that 80 per cent of residents who purchased paint are aware it can be recycled in the province; 23 percentage points above the 2019 awareness target of 57 percent. The next consumer awareness study will be conducted in 2022 as approved by RecycleNB.

¹⁹ The amount of paint that can be recycled back into paint is heavily dependent on the quality of the paint coming into the collection systems. Poor quality paint (e.g. previously frozen) cannot be recycled back into paint.

²⁰ Total does not add up to a 100% due to rounding.

5.3 Website

The productcare.org website includes the following bilingual content for the New Brunswick paint recycling program, as required in the program plan:

- Recycling locator (a searchable map displaying locations of all New Brunswick paint collection sites – see [Appendix 3](#))
- Collection sites' hours of operations and contact information
- Tips for buying the correct amount of paint
- A list of the Program's accepted and non-accepted products
- Annual reports and other program information, including details about environmental handling fees, and safe storage and handling of program products.

Other information on the website, not required by the program plan includes:

- A description of the PaintShare program
- Consumer videos showing the product management approach for paint
- A fillable form for members, retailers and collection sites to order promotional materials, such as rack cards and brochures
- Information about the environmental benefits of paint stewardship

An estimated 372,774 users accessed productcare.org during the 2021 calendar year of which 13,188 sessions were from New Brunswick. Productcare.org and Recycle New Brunswick's website cross-promoted one another with backlinks.

5.4 Program Hotline

Recycle New Brunswick and Product Care continued to operate a toll-free, bilingual "hotline" where consumers obtained information about the Program.

5.5 Television

Television ads were broadcasted on CBC Television (CBAT-DT) from August to October 2021, resulting in more than 6.4 million impressions.

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

In 2021, Product Care distributed PoS and PoR materials as requested by retailers and collection sites (see [Appendix 4](#)). The following materials were available for order through the online form:

- Bilingual brochures (English and French)
- Posters

5.7 Digital Advertising

All digital campaigns (excluding targeted blog posts and organic social media posts via Product Care's Facebook, Instagram, and Twitter feeds) were conducted in both English and French to reach the entire province.

Google Search Ads: January to December 2021

A search advertising campaign served text ads on Google and its search engine partners to provincial residents based on an extensive list of keyword searches relevant to the Program. New Brunswick's English and French ads collectively generated 2,057 impressions and 374 clicks.

Google Display Ads: January to December 2021

A New Brunswick-specific display advertising campaign served paint-related banner ads including text, image and video through Google's Display network, YouTube and Gmail to provincial residents. The ads received 2,429,839 impressions and 8,425 clicks through to the website. Ads were specifically targeted to internet users who performed online searches related to paint purchasing, usage, and disposal in New Brunswick. Secondary targeting focused on individuals searching for home improvement, moving, and DIY-related terms, to reach a wider, but still relevant, population.

YouTube Video Ads: April to October 2021

Paint explainer videos were run as pre-roll and skippable in-stream ads on YouTube and Google's video partners. In New Brunswick, these ads received a total of 295,456 impressions and 67,385 views.

Facebook Ads: April to December 2021

Blog posts and explainer videos were targeted at relevant audience members including, but not limited to, homeowners, female heads of households, and environmentally-conscience individuals in New Brunswick. Topics included specific information on paint recycling, "do it yourself" ("DIY") content, renovation tips, and sustainability best practices. All posts included a call-to-action to find a collection site or interact with the brand on social media. Collectively, these posts and ads received 375,081 impressions and 4,297 link clicks.

Corus Digital Advertising Campaign: August to October 2021

Television spots ran as pre-roll video ads on several Corus digital platforms, including Global and HGTV. Collectively, these ads generated 193,904 impressions, 166,774 views, and 706 clicks.

The Weather Network Display Campaign: August to October 2021

Display ads ran on the Weather Network app in French and English. New Brunswick's English and French ads collectively generated 517,810 impressions and 1,410 clicks.

See [Appendix 5](#) for examples of digital advertising activities.

5.8 Print Advertising

An inside cover print ad was featured in CPCA Insight Trade Publication. Three thousand copies were distributed to industry members. A digital version of the publication is posted on CPCA's website (see [Appendix 6](#)).

5.9 Recycle New Brunswick Partnership

Product Care continued to partner with Recycle New Brunswick in 2021 (see [Appendix 7](#)). The two organizations collaborated by sharing in-market promotional strategies with one another to ensure maximum audience reach, synergies, and to avoid duplication of efforts.

6 Financial Information

In accordance with section 45(1)(l) of the Regulation, the Program's audited financial statements are provided in [Appendix 8](#) of this report detailing the revenues received and the expenditures incurred by the Program.

7 Audit of NB Paint Stewardship Program

In accordance with section 45(1)(j), this annual report was reviewed by an independent auditor. The auditor's report is attached in [Appendix 9](#).

APPENDIX 1 – Brand Owners as of December 31, 2021

| Brand Owner Name | | | |
|------------------|--|-----|---|
| 1. | 1439174 Ontario Ltd (NLS Products) | 2. | 3M Canada Company |
| 3. | Acklands - Grainger Inc. | 4. | Alexandria Moulding |
| 5. | Amazon.com.ca, Inc. | 6. | Avanti Sports Group Inc. |
| 7. | BASF Canada Inc. | 8. | Bass Pro Canada ULC |
| 9. | Behr Process Corp. | 10. | Benjamin Moore & Co. Ltd. |
| 11. | Bestbuy Distributors Ltd | 12. | Canadian Building Restoration Products, Inc |
| 13. | Canadian Tire Corporation, Limited | 14. | Cansel Survey Equipment Inc. |
| 15. | Class C Solutions Group, MSC Industrial Supply LLC | 16. | Cloverdale Paint Inc. |
| 17. | Comfort & Stuff imports Ltd. | 18. | Costco Wholesale Canada Ltd. |
| 19. | Country Chic Paint Ltd. | 20. | CRC Canada Co. |
| 21. | Denalt Paints Ltd. | 22. | Diamond Vogel Paints Inc |
| 23. | Dover Finishing Products Inc | 24. | Ducan Products Inc. |
| 25. | Dynamic Paint Products Inc. DBA Lancaster Canada | 26. | Farrow & Ball Canada Ltd. |
| 27. | Fastenal Canada Ltd. | 28. | Forrest Paint Co. US\$ |
| 29. | Groupe BMR inc. | 30. | Henry Company Canada, Inc. |
| 31. | Home Depot of Canada Inc. | 32. | Home Hardware Stores Limited |
| 33. | IRL Supplies (2011) Ltd. | 34. | John Deere Canada ULC |
| 35. | Kent Building Supplies | 36. | K-G Spray-Pak Inc. |
| 37. | Kleen-Flo Tumbler Industries Ltd. | 38. | Kubota Canada LTD |
| 39. | Laurentide Re-sources Inc. | 40. | Lawson Products, Inc. |
| 41. | Loop Recycled Products Inc. | 42. | LPS Canada - Division of LPS Laboratories |
| 43. | Michaels Stores Inc. | 44. | Modern Sales Co-op |
| 45. | Motion Industries (Canada), Inc. | 46. | Orgill Canada Hardlines ULC |
| 47. | Peintures MF Inc. | 48. | PPG Architectural Coatings Canada Inc. |
| 49. | Princess Auto Ltd. | 50. | Produits de Plancher Finitec Inc. |
| 51. | RONA Inc. | 52. | Rust-Oleum Canada |
| 53. | Saman Corporation (3777472 Canada Inc.) | 54. | Selectone Paints Inc. |
| 55. | Seymour of Sycamore, Inc. | 56. | Sherwin-Williams Canada Inc |
| 57. | Sika Canada Inc. | 58. | Soprema Inc. |
| 59. | Techniseal | 60. | TENAQUIP Limited |
| 61. | The Houtshop Inc. | 62. | The Sansin Corporation |
| 63. | The Sherwin-Williams Company | 64. | Timber Pro Coatings Ltd. |
| 65. | UAP INC. | 66. | UCP PAINT INC |
| 67. | Wal-Mart Canada Corp. | 68. | Wood Essence Distributing |
| 69. | Wurth Canada Limited | | |

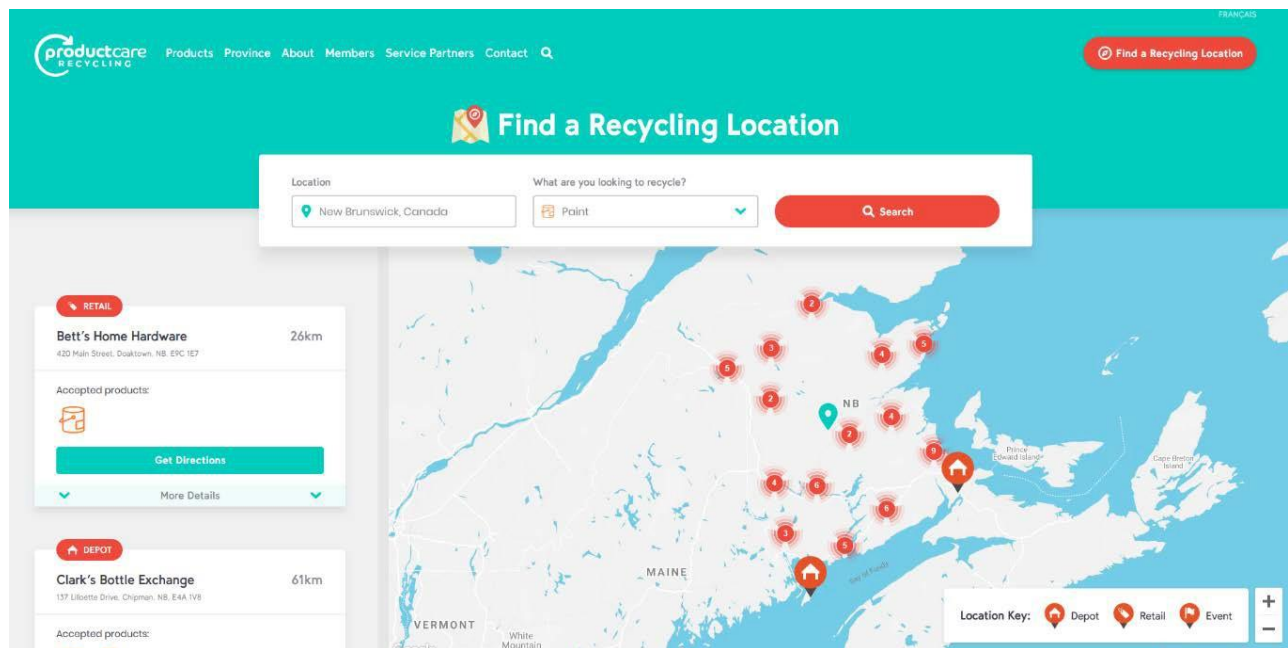
APPENDIX 2 – Collection Site Details as of December 31, 2021

| | Collection Site Name | Address | City | Paint Share |
|-----|---|----------------------------|-----------------------------|-------------|
| 1. | Airport General Store | 4105 Loch Lomond Road | Saint John | No |
| 2. | Baie Ste Anne Home Building Centre | 6 Ch Riviere du Portage | Baie Ste Anne | No |
| 3. | Betts Home Hardware Building Centre | 420 Main Street | Doaktown | No |
| 4. | Billy's Bottle Exchange and Salvage | 524 Darlington Drive | Dalhousie | No |
| 5. | BMR D.E Landry (formerly RONA #2125) | 1976 Rue Commerciale | Saint-Francois-de-Madawaska | No |
| 6. | BMR Parent - Saint-Quentin (formerly RONA #7200) | 38 Chemin Labrie | Saint-Quentin | No |
| 7. | BMR Parent - Kedgwick (formerly RONA #7786) | 115 rue Notre-Dame | Kedgwick | No |
| 8. | Boyd Bros. Home Hardware Building Centre | #9 - Route 172 | St. George | No |
| 9. | Brooks Redemption Center | 496 Campbell Settlement Rd | Hartfield | Yes |
| 10. | Caissie Home Hardware Building Centre | 11301 rue Principale | Rogersville | No |
| 11. | Canadian Tire Oromocto | 345 Miramichi Road | Oromocto | No |
| 12. | Caraquet Centre De Renovation Home Hardware | 42 Blv St-Pierre Est. | Caraquet | No |
| 13. | Carpet Ranch / Grange a Tapis | 1263 Rue Principale | Beresford | No |
| 14. | Centre de remboursement SAMJ | 6418 Route 17 | Saint-Quentin | Yes |
| 15. | Centre Remboursement-Recyclage | 13790 Rte 144 | Rivière-Verte | Yes |
| 16. | Centre De Remboursement Shippagan Les Iles Inc. | 4008 Route 113 | Savoy Landing | No |
| 17. | Centre De Transbordement | 220 rue de L'entreprise | Tracadie | No |
| 18. | Northwest Regional Service Commission Landfill | 248 Clement Roy Rd. | Rivière -Verte | Yes |
| 19. | Dupuis Home Hardware Building Centre | 8 Ch Pont Rouge | Memramcook | No |
| 20. | Fredericton Region Solid Waste Commission Landfill | 1775 Alison Blvd | Fredericton | No |
| 21. | Fundy Regional Service Commission - Crane Mountain Landfill | 10 Crane Mountain Road | Saint John | No |
| 22. | Gilbert M Rioux et fils Ltee. | 53 rue Beaulieu | Grand Sault | Yes |
| 23. | Golden Mile Redemption Centre Ltd. | 35 Linton Road | Saint John | Yes |
| 24. | Gorbers Bottle Exch. Ltd. | 216 High Street | Moncton | Yes |
| 25. | Grand Bay Redemption Centre | 301 Highland Road | Grand Bay - Westfield | Yes |
| 26. | Grande-Digue Home Building Centre | 3957 NB-134 | Grande-Digue | No |
| 27. | Hampton Recycling Centre | 401 William Bell Drive | Hampton | No |
| 28. | Hebert's Bottle Exchange & Scrap Metal | 293 Wellington Street | Miramichi | Yes |
| 29. | Hillsborough Recycling Depot | 110 Steeves St. | Hillsborough | Yes |
| 30. | Horsman's Bottle Exchange Inc. | 3493 Route 106 | Salisbury West | Yes |
| 31. | Island Waste and Recycling | 9 Curling Club Road | Grand Manan | No |

| | Collection Site Name | Address | City | Paint Share |
|-----|--|------------------------|---------------------|-------------|
| 32. | J&L Warehousing Inc. | 500 Blvd. de L'Acadie | Edmundston | Yes |
| 33. | Keith's Building Supplies | 169 Route 1 | St. Stephen | No |
| 34. | La Société Cooperative de Lamèque Ltee | 68 rue Principale | Lamèque | No |
| 35. | Maison Du Tapis | 832 Boulides Acadiens | Bertrand | No |
| 36. | Mapleview Redemption Center | 182 Route 385 | Weaver | Yes |
| 37. | Marina Bottle Exchange | 51 Boom Road | Atholville | Yes |
| 38. | Chaleur Regional Service Commission - Redpine Landfill | 1300 Route 360 | Allardville | No |
| 39. | Northside Redemption Centre | 213 McFarland Street | Fredericton | No |
| 40. | Norrad's Express and Redemption Centre Ltd. | 40 Albert Street | Sussex | Yes |
| 41. | Pub's Redemption Centre | 346 Rothesay Ave | Saint John | Yes |
| 42. | Recyclage Chaleur | 571 Rue De L'Industrie | Petit-Rocher | Yes |
| 43. | Recyclage Kent Recycling | 10296 Route 134 | Saint-Louis-de-Kent | Yes |
| 44. | Richibucto Home Hardware Building Centre | 45 Cartier Blvd | Richibucto | No |
| 45. | Roblynn Home Hardware Building Centre | 257 Restigouche Road | Oromocto | No |
| 46. | RONA - Edmundston | 595 Rue Carrier | Edmundston | No |
| 47. | Sainte Antoine Home Building Centre | 4612 Rue Principale | Sainte-Antoine | No |
| 48. | Shediac Redeem Center | 610 Main St | Shediac | Yes |
| 49. | Southwest New Brunswick Service Commission - Hemlock Knoll Landfill | 5749 Route 3 | Lawrence Station | No |
| 50. | Southeast Regional Service Commission - Eco360 Waste Management Facility | 100 Enviro Drive | Berry Mills | No |
| 51. | Southern Valley Transfer Station | 155 Moffatt St | Woodstock | Yes |
| 52. | Southside Redemption Centre | 70 Timothy Avenue | Hanwell | Yes |
| 53. | Tediche Home Hardware Building Centre | 2499 Acadie Road | Cap-Pele | No |
| 54. | Tri-R Redemption Centre | 16 Lewis Street | Oromocto | No |
| 55. | Vail's Bottle Exchange | 522 Main St. | Woodstock | Yes |
| 56. | Valley Redemption Centre | 665 Babin Street | Dieppe | Yes |
| 57. | Valley Redemption Centre - Collishaw | 323 Collishaw St. | Moncton | Yes |
| 58. | Valley Redemption Centre – Toombs | 88 Toombs St. | Moncton | Yes |
| 59. | Valley Redemption Centre - Quispamsis | 1 Market Street | Quispamsis | Yes |
| 60. | Watson's Home Building Centre | 2686 Route 3 | Harvey | No |
| 61. | Wheaton's All in One | 13 Industrial Drive | Sackville | Yes |
| 62. | Wiebe's Home Hardware Building Centre | 3151 Main Street | Centreville | No |

APPENDIX 3 – Recycling Locator Tool

Below is a snapshot of the recycling locator tool found at ProductCare.org:



APPENDIX 4 – PoS and PoR Materials

PoS and PoR Poster



✓ Produits de peinture acceptés

- Peintures à l'eau (latex ou acrylique), à l'huile ou laque, d'intérieur ou d'extérieur
- Sous-couches et apprêts (pour métal, bois, etc.)
- Peintures pour maçonnerie, coulis pour remplissage des blocs de construction, revêtements pour terrasses et sols (élastomères inclus)
- Vernis à l'uréthane (à composant unique), huiles de finition pour bois, peintures mélangées, peintures bloque-taches pour plafond, gommes laquées, peintures anti-rouille
- Revêtements pour cloisons sèches et stucco
- Peintures marines et produits de préservation du bois (sauf si homologué en vertu de la Loi sur les produits antiparasitaires)
- Peintures pour piscine (à composant unique)
- Peintures au fini texturé
- Produits scellants ou hydrofuges pour bois, maçonnerie ou chaussée
- Toutes les peintures en aérosol sont acceptées, y compris les peintures résidentielles, industrielles et automobiles
- Conteneurs vides

Peinture résidentielle jusqu'à 25 litres

Peinture en aérosol 680 grammes ou 24 onces

Ce programme est approuvé par Recycle NB
1-888-322-8473
www.recyclenb.com

✗ Produits de peinture non acceptés

- Conteneurs non identifiants ou sans étiquette
- Peintures entreposées dans des contenants en verre ou des contenants en mauvais état (rouillés, avec fuites, mal fermés)
- Brosses, chiffons et rouleaux
- Peintures et apprêts industriels et finis (ex. cult. au four, résistant à la chaleur, etc.)
- Colorants et teintures
- Produits homologués en vertu de la Loi sur les produits antiparasitaires (doit avoir un numéro d'homologation)
- Peintures pour artisanat (sauf aérosols)
- Peintures automobiles (sauf aérosols)
- Peintures en 2 composants contenant un catalyseur ou activateur
- Produits pour toitures à base de goudron ou de bitume
- Peintures de signalisation routière
- Diluants à peinture, décapants et solvants
- Nettoyants pour terrasses
- Produits de calfeutrage, résines époxy, colles et adhésifs
- Autres produits chimiques domestiques

N'oubliez pas la règle « NUD »

Nachetez que ce dont vous avez besoin
Utilisez toute la peinture que vous achetez
Déposez vos restes de peinture pour les recycler

*Product Care Recycling contribue à l'économie locale tout en protégeant l'environnement, un contenant à la fois.

Leftover Paint?

Recycle it for free across New Brunswick.
To find a recycling location visit productcare.org

Restes de peinture?

Recyclez-les gratuitement partout au Nouveau-Brunswick. Visitez productcare.org pour trouver un dépôt.

APPENDIX 5 – Digital Advertising Activities

Website Blog posts



Blog

5 tips to make your home cozier for fall

24th September 2021



Blog

4 Ideas for your leftover paint

20th August 2021

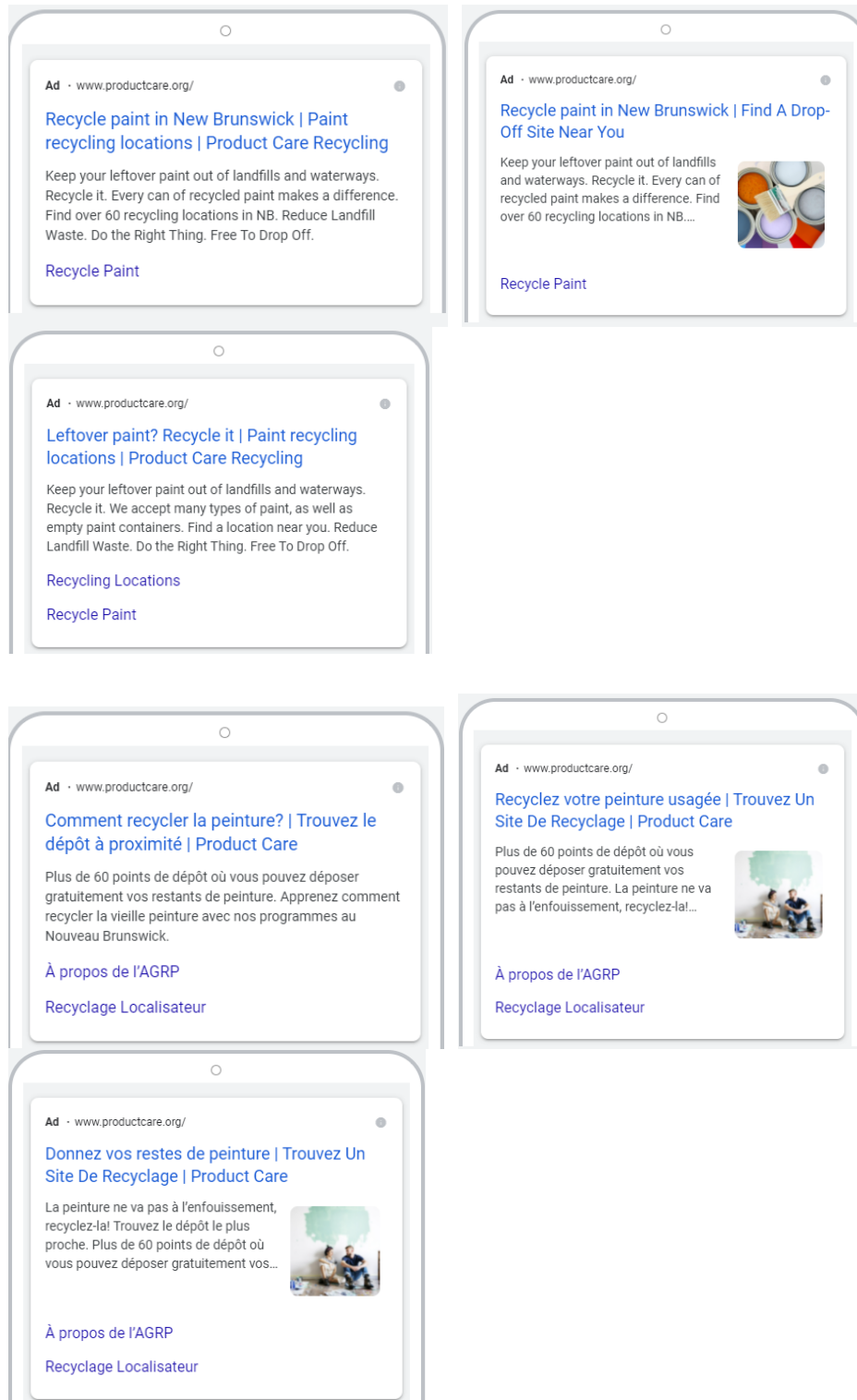


Blog

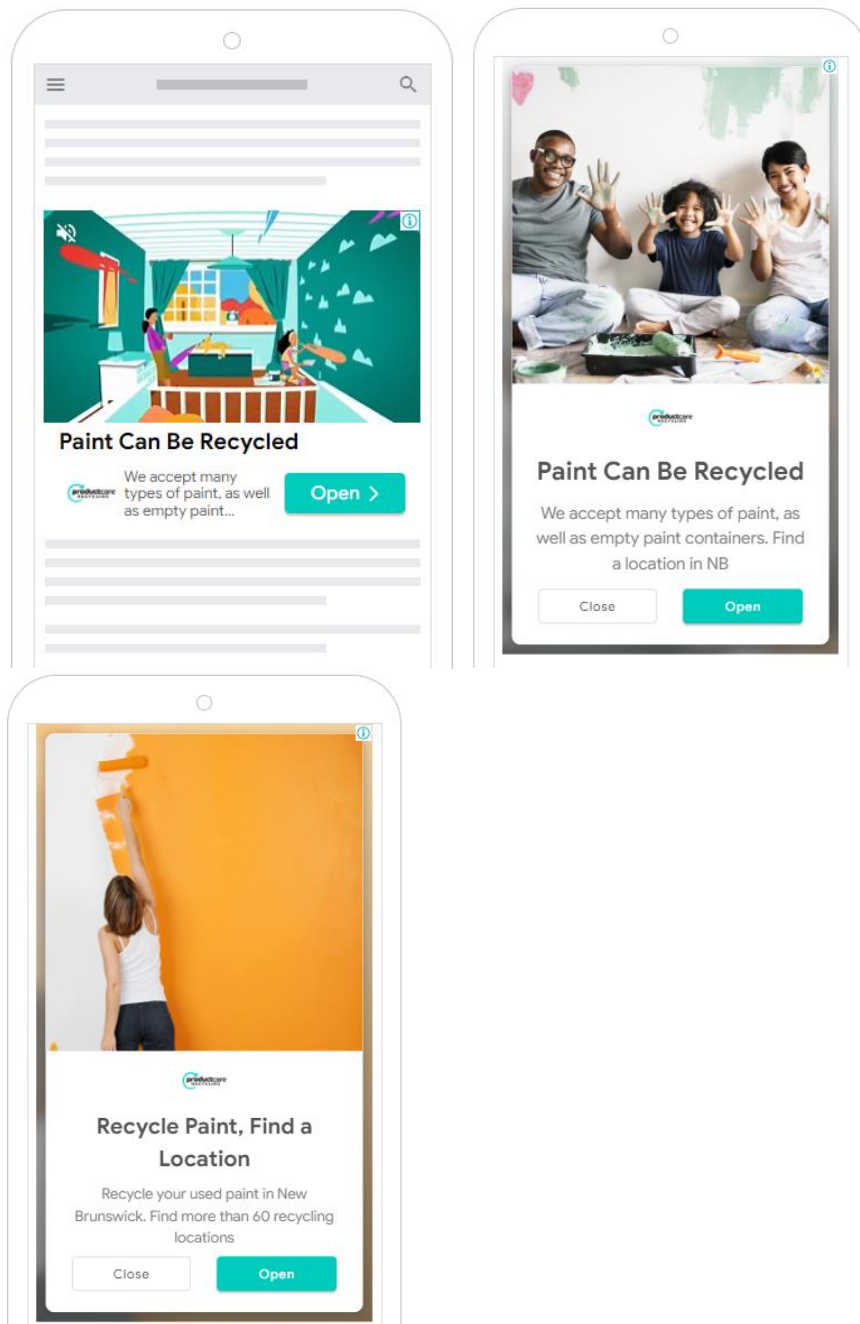
5 low waste Halloween decoration ideas

15th October 2021

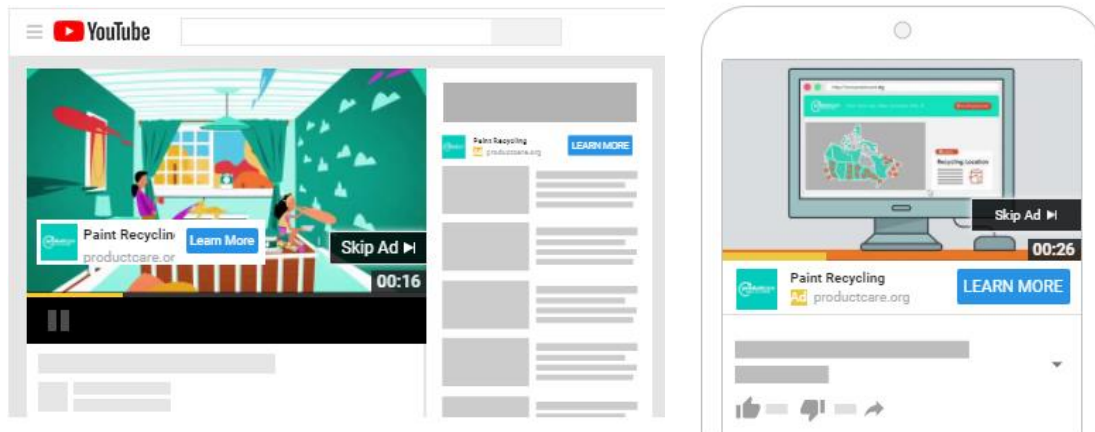
Google Search Ad



Google Display Ads



Google Video Ads



The Weather Network



APPENDIX 6 – Print Advertisements



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



APPENDIX 7 – Partnerships

Recycle New Brunswick Web Content (cross-promotion)



APPENDIX 8 – Audited Financial Statements

**PRODUCT CARE ASSOCIATION OF CANADA
NEW BRUNSWICK PAINT RECYCLING PROGRAM**

**STATEMENT OF REVENUES AND EXPENSES
AND ACCUMULATED SURPLUS**

31 DECEMBER 2021

PRODUCT CARE ASSOCIATION OF CANADA
NEW BRUNSWICK PAINT RECYCLING PROGRAM
Statement of Revenues and Expenses and Accumulated Surplus
For the year ended 31 December 2021

Contents

| | |
|---|-------|
| Independent Auditors' Report | |
| Statement of Revenues and Expenses and Accumulated Surplus | 6 |
| Notes to the Statement of Revenues and Expenses and Accumulated Surplus | 7 - 8 |

INDEPENDENT AUDITORS' REPORT

To Recycle New Brunswick,

Report on the Audit of the Statement of Revenues and Expenses and Accumulated Surplus

Opinion

As required by the New Brunswick Designated Materials Regulation - Clean Environment Act 45(1)(j), we have audited the Statement of Revenues and Expenses and Accumulated Surplus of the New Brunswick Paint Recycling 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 revenue and expenses and accumulated surplus of the New Brunswick Paint Recycling 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 Auditor's 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 Recycle New Brunswick. 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 Recycle New Brunswick, and should not be distributed to other parties.

Responsibilities of Management and Those Charged with Governance for the Statement

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

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.

Rolfe Benson LLP

CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, Canada
30 March 2022

PRODUCT CARE ASSOCIATION OF CANADA
NEW BRUNSWICK PAINT RECYCLING PROGRAM
Statement of Revenues and Expenses and Accumulated Surplus
For the year ended 31 December 2021

| | 2021 | 2020 |
|--|---------------------|---------------------|
| Revenues | \$ 1,354,511 | \$ 1,396,144 |
| Program expenses | | |
| Processing | 667,218 | 580,832 |
| Transportation | 191,759 | 160,259 |
| Administration (Notes 2(b) & (d)) | 136,997 | 107,245 |
| Collection | 134,334 | 122,522 |
| Regulatory | 81,450 | 80,000 |
| Communications | 46,596 | 39,051 |
| | <u>1,258,354</u> | <u>1,089,909</u> |
| Excess of revenues over expenses for the year | 96,157 | 306,235 |
| Accumulated surplus - beginning of the year | 1,002,103 | 695,868 |
| Accumulated surplus - end of year | \$ 1,098,260 | \$ 1,002,103 |
| Commitment (Note 3) | | |

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

PRODUCT CARE ASSOCIATION OF CANADA
NEW BRUNSWICK PAINT RECYCLING PROGRAM
Notes to the Statement of Revenues and Expenses and Accumulated Surplus
For the year ended 31 December 2021

1. Basis of Presentation

The Statement of Revenues and Expenses and Accumulated Surplus (the “Statement”) only includes the revenues and expenses related to the New Brunswick Paint Recycling Program (the “Program”), a segment of the operations of Product Care Association of Canada (the “Association”).

2. Summary of Significant Accounting Policies

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

(a) Revenue Recognition

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

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

(b) Tangible Capital Assets

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

| | |
|-----------------|---------|
| Depot equipment | 3 years |
|-----------------|---------|

Included in administration expense is \$25,334 (2020 - \$28,421) 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, amortization, overhead allocation and processing commitments. Actual results could differ from those estimates.

PRODUCT CARE ASSOCIATION OF CANADA
NEW BRUNSWICK PAINT RECYCLING PROGRAM
Notes to the Statement of Revenues and Expenses and Accumulated Surplus
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 the Program. The allocation of general and administrative expenses to the Program is determined using the percentage of program specific operating expenses as compared to total operating expenses for all the Association's programs. Included in administration expense is \$75,490 (2020 - \$61,325) of overhead expense which has been allocated to the Program.

3. Processing Commitment

At year end, the Association had unprocessed program materials on hand related to the Program with an estimated cost to process, transport and recycle of \$65,279 (2020 - \$87,098) which will be incurred in 2022.

APPENDIX 9 – Report of Independent Auditor

New Brunswick Paint Stewardship Program

- 2021 Program Review

PREPARED BY: KIM HUGHES, BSc

SUBMITTED: 15 June 2022

EXECUTIVE SUMMARY

THE 2021 NEW BRUNSWICK PAINT STEWARDSHIP PROGRAM

Product Care Association of Canada (Product Care) has successfully delivered a province-wide post-consumer Paint Recycling Program in 2021.

- 5,341,222 litres of paint managed by the program was sold in New Brunswick.
- 321,021 litres of post-consumer paint collected, representing a 6% recovery rate.
- 62 collection sites operated throughout the province. This network of sites, directly supported by the provincial representative, provides an enduring and integral part of the Paint Stewardship Program in New Brunswick.
- 287,097 litres of residual paint processed by Laurentide Re-sources Atlantic (Richibucto).
- 1,645 litres of residual aerosol paint processed by GFL Environmental (Sussex).
- 1,055 litres of paint re-used through Paint Share.
- Total of 289,797 litres of post-consumer paint managed.
- A total of 101.7 tonnes of metal and plastic containers were collected and recycled.
- Communication and education programs were enhanced. The Digital Advertising component is worthy of note.
- Canadian Paint & Coatings Association members continue to advance sustainability objectives. (Design for Environment)
- Product Care renewed the New Brunswick Paint Stewardship Plan (2021-2025)

In 2021, Product Care enabled and delivered a robust post-consumer paint products collection and processing system in New Brunswick. The Program meets all the objectives established in the updated and approved New Brunswick Paint Stewardship Plan (2021-2025).

The independent auditor that undertook the review of this plan has extensive experience in environmental management and policy development, including matters related to stewardship, waste management and recycling. This expertise was developed through professional experiences (40+ years) with industry, governments, and currently as a sustainability consultant.

INTRODUCTION

This report presents the results of an independent assessment of the performance of the New Brunswick Paint Stewardship Program for 2021. This assessment is an annual requirement under the *Designated Materials Regulation* (2008-54) – Clean Environment Act to examine and assess program performance in achieving stewardship goals with respect to paint products sold and used in New Brunswick in 2021.

Stewardship programs in Canada have been developed on the basis on an Extended Producer Responsibility (EPR) model where the responsibility for end-of-life product management rests with producers of the product. Implementation of these product stewardship programs ensures the responsible management after product use and considers a range of alternatives including reuse, recycling, energy recovery, and environmentally sound disposal options.

The 2021 program performance review was carried out by reviewing and evaluating the 2021 Paint Stewardship Program Annual Report and the New Brunswick Paint Stewardship Plan(s)- (2016-2021 and 2021-2025 – as the new program plan was approved on September 24, 2021 conditional on changes finalized in October 2021), as well as discussions regarding the 2021 program with Product Care representatives, Recycle NB, and staff from the New Brunswick Department of Environment and Local Government.

Additionally, the reviewer, as a consumer of paint products in New Brunswick observed and noted personal interactions at the retail and recycling collection stages of the stewardship plans. The reviewer also had the opportunity to discuss program implementation success and challenges with a regional industry representative while purchasing product at a local retail facility.

NEW BRUNSWICK PAINT STEWARDSHIP PROGRAM

The New Brunswick Paint Stewardship Plan 2021-2025 identifies Product Care as the administrator acting on behalf of Paint Brand Owners selling or distributing paint products in the province. Product Care is a federally incorporated not-for-profit industry association incorporated under the laws of Canada. Product Care has been administering and delivering the Paint Stewardship Program in New Brunswick since 2009.

As of December 31, 2021, there were 69 Brand Owners registered under the New Brunswick Paint Stewardship Program. The program was delivered by Product Care, in collaboration with Recycle NB, and was implemented across New Brunswick through a network of 62 collection sites. The location of these sites is available on the Product Care and Recycle NB web pages.

Locations provide for collection of used paints and coatings (liquid and aerosol) as well as original containers from consumers of paint products in New Brunswick.

The New Brunswick Paint Stewardship Program provides a Paint Share component where better quality paint that is returned to collection sites is made available for the public to take for use free of charge.

The intent of the program is to reuse (Paint Share) or to recycle as much of collected paint as possible to produce a repurposed or reprocessed paint product for use by consumers.

Waste paint products that are not suitable for re-use or recycling may be utilized as feedstock in energy recovery operations or disposed of in an environmentally responsible manner in a secure landfill facility.

Metal and plastic containers are directed to appropriate recycling/reprocessing facilities.

EVALUATION

Collection Network

There were 62 collection sites participating in the program in 2021. There were 49 remote household hazardous waste (HHW) collection events held throughout the province in 2021 (primarily in southeast NB in conjunction with ECO360), along with regular household hazardous waste collection at regional solid waste management facilities. All waste paint collected at these events was managed by Product Care under the New Brunswick Paint Stewardship Program.

As noted in the Executive Summary, the relationship that the provincial Product Care representative has maintained with the operators of the network of collection sites has resulted in an enduring and robust system that supports the collection and ultimate processing of waste paint throughout the province.

Product Care continues to achieve a high level of program success in New Brunswick, evidence that paint consumers are aware they can recycle or dispose of unwanted painted in a convenient manner.

Collection

Program members reported the sale of 5,341,222 litres of program products in New Brunswick from January 1 to December 31, 2021. The recovery rate is calculated by dividing the volume of waste paint collected by the volume of paint sold in NB. In 2021 the total amount of waste

paint collected was 321,021 litres representing a residual recovery rate of 6.0 %. This is consistent with recovery rates attained over the program since it's inception in 2009.

Product Care offers a comprehensive service that enables recycling of paint products and containers across New Brunswick. Continuing efforts to inform the public through communication and education programs are very effective.

Paint Share was offered at 27 collection sites in 2021. The Paint Share program offers better quality returned paint for reuse at no charge to the consumer. In 2021, it is estimated that 1,055 litres of paint was used by consumers as a result of the Paint Share program. This program component continues to be well supported by program participants and the public.

Waste paint is collected and transported in a recovery unit known as a "tubskid" that effectively provides secondary containment to the waste paint from collection to subsequent processing or disposal. In 2021, the program collected 2,746 tubskids of waste paint and 261 barrels of residual aerosol paint.

PROCESSING AND RECYCLING

The overall program had 291,181 litres of post-consumer paint shipped to processors in 2021. Of this quantity, 289,797 liters (288,741 litres- processed and 1055 litres- Paint Share) were handled following the management methods established in the New Brunswick Paint Stewardship Plan 2021-2025 and the 2021 NB program report. This demonstrates the ongoing success of the New Brunswick Paint Stewardship Program. It is the opinion of this reviewer that public communication and education programs delivered by Product Care and Recycle New Brunswick are a critical piece that enables this success.

The goal of the Paint Stewardship Program is to direct the collected waste paint towards environmentally accepted uses; such as reuse, recycling, and for use as a feedstock in energy recovery. The disposal of waste paint in a landfill or by incineration is considered as the last means of disposal of waste paint.

In 2021, the New Brunswick Paint Stewardship Program managed 289,797 litres of waste paint as follows;

| | | |
|---|-----------------|----------------|
| * | reuse | 1,055 litres |
| * | recycling | 216,761 litres |
| * | energy recovery | 9,455 litres |

representing 78.4% of the volume of paint in the Paint Stewardship Program. The remainder of paint in the program, 62,525 litres was securely disposed of in engineered landfill sites. No incineration of waste paint took place. (The regulated target is 70%.)

In 2021, a total of 67.4 tonnes of empty metal paint containers were collected and sent for metal recycling, 5.5 tonnes of plastics pails (HDPE 2) and 28.8 tonnes of plastic paint cans (polypropylene) were sent for plastics recycling. This represents a total of 101.7 tonnes of metal and plastic that is being recycled and not going to landfill.

COMMUNICATIONS AND EDUCATION

Product Care continued to advance the paint stewardship program through a comprehensive approach to inform and engage New Brunswickers that makes it easy to participate in the program.

The partnership with Recycle NB continues to provide an enhanced media presence that highlights the paint stewardship program along with other regulated products that come under the *Designated Materials Regulation* in New Brunswick.

Section 5 of the 2021 New Brunswick Paint Program Annual Report clearly shows the success that Product Care is achieving in terms of program awareness and provides detail on the methods and tools used to achieve this success. The metrics provided in the report clearly show the extent of coverage of the communication and education initiatives.

Collection sites visits by the local representative of Product Care continued in 2021, where the local representative visited all but 8 of the collection sites. The sites that were not visited were contacted directly to ensure program matters were addressed.

The ongoing efforts of the local representative serves to improve the efficiency of the program and provides a greater understanding of the goals of the Paint Stewardship Program among those using and selling paint, and those collecting waste paint in New Brunswick. It is again worth stating that the relationships developed by the provincial Product Care representative with the program participants (collection sites) over previous years enable program delivery in spite of disruptions caused by the pandemic conditions.

OPERATIONS

The description of activities undertaken in support of the program in the above sections demonstrates that the program has once again been successful in 2021. The success of the

program's operation is largely attributed to the experience of Product Care Association (national), the Product Care provincial representative, the collection site operators, and the collaborative approach that Product Care brings to the program.

Product Care carries out training sessions with collection site operators and follows up on any issues raised in the monthly collection sites reports. Data collection and analysis is carried out by Product Care in order to ensure that the operation of the program is focused on achieving the goals of the New Brunswick Paint Stewardship Plan (2021-2025).

Product Care also conducts regular communication with collection sites in order to verify the data presented in the monthly reports and to stress the fact that data collection forms a basic element in the success of the program. Product Care strives to improve the overall data collection and analysis in order to ensure that the operation of the program is directed towards achieving the goals of the New Brunswick Paint Stewardship Program.

It continues to be noted that a number of non-program containers are to be returned by consumers through the Paint Stewardship program's collection system. These non-program products/materials have been one of the components of the program that Product Care has been dealing with and trying to minimize the non-program containers ending up at the collection sites. Continued efforts by Product Care representative were directed towards educating consumers and the collection site operators regarding the non-program containers making their way into the collection and processing stream. The non-program containers present a financial cost to the program and a potential risk to retailers and collection sites operators handling the returns.

The assessment of the 2021 New Brunswick Paint Stewardship Program's annual report indicates that there is a continued success in delivering the major components of the program; communications, collection, and processing & recycling.

PROGRAM ASSESSMENT SUMMARY

The Paint Stewardship Program in New Brunswick met and exceeded all program objectives. In the opinion of this independent program reviewer this is a result of the relationships that have been developed by Product Care with all of the partners in program delivery. These relationships translate into an effective program delivered to the citizens of New Brunswick. The ongoing participation of the public in the program is evidence that the overall goal of managing un-used or waste paint products, including paint containers was achieved in 2021.

The ongoing efforts of the paint and coatings industry in Canada to reduce environmental impact through “Design for Environment” initiatives continue to contribute to local, regional, and national sustainability goals.

In 2021 a total of 291,181 litres of post-consumer paint was shipped to processors and 101.7 tonnes of paint product container material were collected by Product Care in New Brunswick and sent to processors for recycling. This represents a significant component of material that does not directly enter the provincial solid waste stream.

The contribution of the 2021 New Brunswick Paint Stewardship Program to the provincial economy is recognized. While the program activities and components are typically complimentary to existing operations this stewardship program is supporting businesses and their employees across the province.

RECOMMENDATIONS

- Product Care Association of Canada (Product Care) continue to support their paint stewardship program in New Brunswick. This includes the robust system of collection sites that has been established, the professional relationship the Product Care provincial representative provides to support the collection system, and the positive collaboration with Recycle NB and the New Brunswick Department of Environment and Local Government.
- Continue to evolve Communication & Education initiatives to reflect innovation in the administration and delivery of information to all involved in the paint recycling initiative. The communication component been very well described in Section 5 of the Annual Report submitted by Product Care.
- Product Care and the paint and coatings industry should take opportunity to inform the public in New Brunswick (and Canada) on efforts to reduce environmental impacts related to their industry (Design for Environment).
- Product Care, Recycle NB, and the New Brunswick Department of Environment and Local Government should examine opportunities to better manage non-program materials and containers, including the opportunity for collection sites to move non-program materials into the household hazardous waste collection stream offered by the Regional Service Commissions.
- Product Care should consider verifying that conversion rates utilized in the program are current given progress achieved by industry in product formulation/container management (Design for Environment) and stewardship plans (New Brunswick Paint Stewardship Plan).