

# NEWFOUNDLAND AND LABRADOR PAINT STEWARDSHIP PROGRAM



Submitted to:

Multi-Materials Stewardship Board

2024 Annual Report Submitted on April 30, 2025



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## 1. About Product Care

Product Care Association of Canada ("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 managed paint, household hazardous and special waste industry stewardship programs since 1994.

Product Care has an approved paint stewardship plan with Multi-Materials Stewardship Board (MMSB) under the Newfoundland and Labrador Waste Management Regulations, 2003 as amended by Regulation 100/10 (O.C. 2010-290) ("Regulation") enacted pursuant to the Environmental Protection Act (O.C. 2003-226). The Newfoundland and Labrador Paint Recycling Program ("Program") began in April 2012. Revisions to the original program plan covering 2012-2015 were approved by MMSB on November 1, 2018. The revised program plan covers the period December 1, 2018 – November 30, 2023 ("2018-2023 Program Plan"). A revised program plan ("2025-2029 Program Plan") was submitted to MMSB on August 18, 2023. Following feedback from MMSB, a revised version of the program plan was resubmitted on February 6, 2025 for approval and is presently under review.

Product Care's members are the "brand owners" (manufacturers, brand owners, and distributors) obligated by the Regulation under the category of architectural paint.

#### 1.1. REPORTING PERIOD

This report covers the 2024 calendar year (January 1 to December 31, 2024) and presents program performance in alignment with the requirements outlined in the 2018-2023 Program Plan. All content has been prepared in accordance with section 31.12 of the Regulation.

#### 1.2. PROGRAM SUMMARY

The Program offers collection services throughout the province where consumers can bring leftover household paint. Collection services are offered through retail locations, green depots, local government facilities and collection events. The Program supplies collection sites and events with standard reusable collection containers ("tubskids" and drums). The Program contracts with a hauler to deliver empty collection containers to 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 recycling. Additional program elements managed by Product Care include revenue management, public education, and administration.

This annual report addresses the performance of the Program in 2024.

Table 1 summarizes the Program's performance against regulatory requirements and commitments made in the approved 2018-2023 Program Plan.

Table 1: Summary of Key Performance Indicators

Commitments & Requirements	2024 Performance	
Achieve at least a 70% reuse rate	Reuse rate of 75.6% was achieved.	
The Program will maintain permanent collection sites in or near the 17 prescribed coLeahmmunities	23 permanent collection sites were operating in 17 prescribed communities.	
Maintain collection service in additional 31 target communities	Of the additional 31 targeted communities,  16 communities had a total of 18 permanent collection sites.  2 communities hosted events: Botwood and Springdale.  2 communities, serviced by biennial events,: La Scie and Robert's Arm.  1 community, serviced by biennial events, held an event in 2023 and is scheduled for 2025: Bonavista  1 community was in the planning stage in 2024 for a 2025 collection event, which is now scheduled: Gambo.  9 communities, originally scheduled for biennial events, now have permanent collection sites: St. Alban's, Pasadena, Rocky Harbour, Hopedale, Rigolet, Charlottetown, Mary's Harbour, Port	
Average 0.25% annual increase per year from the 2016 baseline (4.7%), resulting in a 6.2% annual recovery rate by 2023	Hope Simpson, and St. Lewis.  The Program achieved a recovery rate of 4.9% in 2024.	

# 2. Brand Owner Information

As of December 31<sup>st,</sup> 2024, 69 Brand Owners were registered under the Program (see APPENDIX 1 – Brand Owners). Program members reported the sale of approximately 3,144,342 litres (L)<sup>1</sup> of paint in Newfoundland and Labrador for the reporting period. "Paint" is defined by the Regulation as "a tinted or untinted water-based, oil or oil-based architectural coating used for a commercial or household purpose, and includes stain and 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 or industrial applications...". A detailed list of products accepted by the Program can be found on Product Care's website (www.productcare.org).

# 3. Collection

In accordance with section 31.12(a,f), this section provides a summary of the total amount of waste paint collected in the province in 2024 and the location of all collection facilities for waste paint.

#### 3.1. TOTAL AMOUNT OF POST-CONSUMER PAINT COLLECTED

Table 2 shows the total amount of post-consumer paint collected by the Program for the reporting period. Table 3 provides volumes collected by collection site type.

Table 2: Total Amount of Post -Consumer Paint Collected

	Number of Paint Tubskids <sup>2</sup>	Number of Aerosol Drums <sup>3</sup>	Residual Paint Volume (L) <sup>4</sup>	Residual Aerosol Paint Volume (L) <sup>5</sup>	Paint Share Volume (L)	Total Residual Paint Volume (L)
Amount Collected	1,338	48	148,786	253	3,651	152,690

<sup>&</sup>lt;sup>1</sup> 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.

<sup>&</sup>lt;sup>2</sup> Tubskid dimensions (42" x 42" x 48") with a nominal capacity of 108 one-gallon paint containers. Tubskids are collected in depots and unpacked into boxes. The actual number of paint containers per tubskid varies depending on the mix of paint container sizes, ranging from 250ml – 18.9L capacity.

<sup>&</sup>lt;sup>3</sup> Each drum holds approximately 175 aerosol containers. he increase in drum collections in 2024 reflects an operational transition at collection sites. As part of this transition, sites replaced drums with tubskids for aerosol paint collection. All remaining drums were retrieved during this process, resulting in a temporary spike in drum collections.

<sup>&</sup>lt;sup>4</sup> To determine the residual volume of paint collected from tubskids, the number of tubskids collected is multiplied by a conversion rate of 111.2 L per tubskid. This conversion rate is derived by dividing the total residual paint extracted, which includes both water-based and oil-based paints, by the number of boxes processed in the same year. The resulting figure is then converted to tubskids using the ratio of tubskids packed into boxes. Paint that was not processed in 2023 was processed in 2024.

<sup>&</sup>lt;sup>5</sup> Based on a conversion rate of 5.25L per drum.

Table 3: Percentage of Post-Consumer Paint Collected by Collection Site Type in 2024

Type of Collection Site	% of Collection
Green Depot	24.7%
Retailer	18.4%
Collection Events	3.7%
Local Government Facilities	53.3%
Total	100%6

Table 4 provides the approximate number of litres of paint sold into the province, the amount recovered (collected) and the Program's recovery rate, calculated based on the volume of paint collected as a function of volume of paint sold in the Province in 2024.

Table 4: Paint Sales, Residual Recovery Volume and Recovery Rate

	Total
Sales (litres)	3,144,342
Residual Recovery Volume (litres collected)	152,690
Recovery Rate (%)	4.9% <sup>7</sup>

#### 3.1.1. RECOVERY RATE

The program achieved a recovery rate of 4.9% in 2024. In 2023, Product Care reported a recovery rate of 6.1%, which was higher than in previous years due to the processing of temporarily stored inventory of oil-based paint from the previous years. This program did not have the carryover issues in 2024.

#### 3.1.2. CAPTURE RATE

The capture rate compares the volume of paint collected through the Program against the estimated volume of paint available for collection in the province, as outlined in the "available to collect" 2021 study.

As noted in the 2018-2023 Program Plan, it is difficult to calculate how much paint is actually available for collection in a given year, as paint is a consumable product. Consumers often store leftover paint for extended periods, and disposal may be delayed until circumstances change, such as moving homes. The 2021 study provided an estimate based on surveys and sampling. While the study's methodology provides a basis for estimating paint available for collection, it is important to recognize that external factors such as shifts in market activity and variability in consumer behaviour can influence results. As such, the capture rate reflects a theoretical maximum and is presented as a general point of reference. At the request of MMSB, the Program continues to report on capture rate (see Table 5), but does not rely on it as a primary measure of performance.

<sup>&</sup>lt;sup>6</sup> Total does not add up due to rounding.

<sup>&</sup>lt;sup>7</sup> See section 3.1.1.

Table 5: Capture Rate 2021-2024

	2021	2022	2023	2024
Available to Collect Rate (%) <sup>8</sup>	10.7%	10.7%	10.7%	10.7%
Total Volume Available for Collection (litres) <sup>9</sup>	412,387	362,632	332,769	336,445
Collection Volume (litres)	143,896	132,898	188,870	152,690
Capture Rate (% collected/available)	35%	37%	57%	45%
Average Capture Rate 2021-2024	43%			

#### 3.2. COLLECTION NETWORK

The Program's collection network is comprised of permanent collection sites and collection events. The Program is required to have one permanent collection site in seventeen (17) prescribed communities, with St. John's having a minimum of 3 permanent collection sites, totaling nineteen (19) permanent sites. It is also required to have either a permanent collection site or a collection event in thirty-one (31) additional communities.

As of December 31, 2024, the Program's collection network consisted of sixty-seven (67) permanent collection sites, an increase of fourteen (14) compared to 2023. A complete list of permanent collection sites and collection events, including volumes collected by location, can be found in APPENDIX 2 – Collection Network.

#### 3.2.1. PRESCRIBED COMMUNITIES

The Program Plan commits to maintaining permanent collection sites in seventeen (17) prescribed communities identified by MMSB. The Program exceed the commitments by maintaining twenty three (23) permanent collection sites in the seventeen (17) prescribed communities, including four (4) in St. John's.

#### 3.2.2. ADDITIONAL COMMUNITIES

In addition, the Program commits to providing collection services (permanent sites or collection events) in or near 31 additional communities.

Of the 31 additional communities:

- Sixteen (16) communities had a total of eighteen (18) permanent collection sites. One of these communities, Dunville, was serviced by two (2) permanent collection sites established in the neighbouring community of Placentia. One (1) community (Burgeo) that has a permanent site, also held an event.
- Twelve (12) were scheduled to be serviced through biennial collection events as previously approved by the Program's Advisory Committee and MMSB, see Table 6. Of these, two (2) communities (LaScie, and Robert's Arm) held events in 2024, one (1) community (Bonavista) held an event in 2023 and is scheduled for another in 2025. Permanent collection sites were established in the remaining nine (9) communities (St. Alban's<sup>10</sup>, Pasadena, Rocky Harbour, Hopedale, Rigolet, Charlottetown, Mary's Harbour, Port Hope Simpson, and St. Lewis), of these communities, Rocky Harbour, has two collection sites. Table 6 shows the number of tubskidscollected through the biennial events.2) communities hosted events in 2024 (Botwood and Springdale).

<sup>&</sup>lt;sup>8</sup> The Atlantic Availability to Collect Study, conducted in 2021, determined that 10.7% of paint sold in Newfoundland and Labrador is expected to be available for collection annually between 2021 and 2026.

<sup>&</sup>lt;sup>9</sup> The total volume available for collection in each year was calculated by applying the 10.7% rate to that year's total volume of paint sales.

<sup>&</sup>lt;sup>10</sup> The Program is required to provide service to either St. Alban's/ Milltown, either through a permanent collection site or a collection event. In 2024, a permanent collection site was established in St. Alban's, while a collection event was held in Milltown.

 One (1) community (Gambo) was in the process of arranging a collection event for 2025, which is now scheduled.

Table 6: Tubskids Collected at Biennial Collection Events in 2021-2024

	Waste		Tubskids Collected <sup>11</sup>			
	Management Region	Community	2021	2022	2023	2024 <sup>12</sup>
1.	Discovery Region	Bonavista	3		3	
2.	Coast of Bays Region	St. Alban's/Milltown	3		2	3 <sup>13</sup>
3.	Baie Verte-	La Scie		0		1
4.	Green Bay Region	Robert's Arm		1		1
5.	Western	Pasadena	10	9		
6.	Region	Rocky Harbour	7	6	6	
7.	Northern	Hopedale		1		
8.	Labrador Region	Rigolet	2			
9.		Charlottetown		1		
10.	Southern Labrador Region	Mary's Harbour	1			
11.		Port Hope Simpson	2			
12.		St. Lewis		0		
Tota	I		28	18	11	5

See APPENDIX 2 – Collection Network for a complete list of permanent collection sites and collection events held across the province in 2024.

#### 3.2.3. COLLECTION SERVICES BEYOND PRESCRIBED AND ADDITIONAL COMMUNITIES

The Program also provided collection services through permanent collection sites in fifteen (15) communities that fall outside the seventeen (17) prescribed and thirty-one (31) additional communities. One (2) of these communities (Paradise) has two (2) collection sites. These fifteen (15) communities are listed as "Other – Beyond Requirements" in APPENDIX 2 – Collection Network, reflecting the Program's commitment to exceeding the minimum regulatory requirements and enhancing accessibility across the province.

#### 3.2.4. ADDITIONAL COLLECTION EVENTS

The Program also participated in collection events in ten (10) additional communities conducted by the Eastern Regional Service Board (ERSB) as part of their Household Hazardous Waste (HHW) program (see Table 7). The Program provided collection containers, transportation and processing services for these events, which collected

<sup>&</sup>lt;sup>11</sup> Events reporting zero tubskids generally collected less than 15 cans of paint.

<sup>&</sup>lt;sup>12</sup> Of the 12 communities scheduled for biennial events, 9 now have a permanent collection site. The remaining three communities: Bonavista, La Scie, and Robert's Arm, will continue the biennial event schedule.

<sup>&</sup>lt;sup>19</sup> There is a permanent collection site in St. Alban's, the collection volume is from the event that took place in Milltown.

twenty-four (24) tubskids in total.

Table 7: Additional Collection Events

	Community Serviced	Event Date
1.	Branch	June 8, 2024
2.	Ferryland	June 8, 2024
3.	St. Joseph's	June 8, 2024
4.	St. Shott's	June 8, 2024
5.	Whiteway	June 8, 2024
6.	Fair Haven	September 21, 2024
7.	Little Heart's Ease	September 21, 2024
8.	Norman's Cove-Long Cove	September 21, 2024
9.	Northern Bight	September 21, 2024
10.	North Harbour - Placentia Bay- Rte. 21	September 21, 2024

#### 3.3. COLLECTION SITE VISITS

As part of the management of the collection network, Program representatives visit collection sites to provide inperson support, deliver informational brochures and provide training about program requirements. In 2024, Product Care visited a total of thirty-seven (37) collection sites in the Burin Peninsula, Discovery, Eastern and Central regions of the island.

# 4. Processing

In accordance with section 31.12(b,c,d,e,g) of the Regulation, this section of the report sets out:

- i. The total amount of waste paint processed or in storage;
- ii. The percentage of waste paint collected that was reused, recycled, contained, or otherwise treated;
- iii. A description of the types of processes utilized to reuse, recycle, contain, or otherwise treat or dispose of waste paint;
- iv. A description of efforts to redesign paint products to improve reusability and recyclability; and
- v. The location of processing or containment facilities for waste paint.

#### 4.1. POST-CONSUMER PAINT PROCESSED

Paint collected by the Program was received from collection sites and collection events and consolidated into boxes at the hauler's warehouse. Boxes of paint were then shipped to the Program's paint processor's facilities, Laurentide Resources Atlantic Inc., in Richibucto, New Brunswick, or Victoriaville, Quebec. Paint aerosols were sent to GFL Environmental's facilities in Saint John's or Foxtrap, Newfoundland for processing and energy recovery.

In 2024, a total of 842 boxes of post-consumer paint were shipped for processing, and 903 boxes were processed, including carryover volumes from 2023 (see Table 8).

Table 8: Total Amount of Post-Consumer Paint Processed in 2024

	Number of boxes	Number of Aerosol Drums <sup>14</sup>	Residual Paint Volume (L) <sup>15</sup>	Residual Aerosol Paint Volume (L)	Total Residual Paint Volume <sup>16</sup> (L)
Volume Processed	903	43	168,777	227	169,004

#### 4.2. PERCENTAGE OF POST-CONSUMER PAINT BY DISPOSAL METHOD

Table 9 shows the breakdown of waste paint management by disposition.

Table 9: Percentage of Waste Paint by Management Method in 2024 17

Management	Volume (litres)	Percentage
Reuse - Paint Reuse Program	3,651	2.1%
Reuse - Paint Recycling	126,831	73.5%
Energy Recovery	9,987	5.8%
Landfill	32,185	18.6%
Incineration	0	0%
Total <sup>18</sup>	172,655	100%

#### 4.3. METAL AND PLASTIC CONTAINERS COLLECTED AND PROCESSED

Table 10 lists the amount of metal and plastic containers collected and recycled in 2024. Containers not processed in 2024, will be processed in 2025.

Table 10: Metal and Plastic Containers Collected and Recycled in 2024

Container Type	Collected (tonnes)	Recycled (tonnes)
Metal	42.9 <sup>19</sup>	42.9
Plastic (HDPE 2)	2.0	1.3
Plastic (polypropylene)	19.9	13.3

Metal containers (paint containers and paint aerosol containers) were sent to scrap metal recyclers, comingled,

<sup>&</sup>lt;sup>14</sup> Each drum holds approximately 175 aerosol containers. Based on a rounded conversion of rate of 5.25 per drum. Collection sites began replacing drums with tubskids for aerosol paint collection.

<sup>&</sup>lt;sup>15</sup> Actual volume of residual paint recovered from processed boxes, including both water-based and oil-based paint. Paint that was not processed in 2023 was processed in 2024.

<sup>&</sup>lt;sup>16</sup> Total residual paint volume does not include PaintShare volumes.

<sup>&</sup>lt;sup>17</sup> See footnote 15

 $<sup>^{\</sup>rm 18}$  The values shown do not add up to the total value due to rounding.

<sup>&</sup>lt;sup>19</sup> Metal weight for aerosol paint cans is calculated using a conversion factor of 35.5 kg per aerosol drum.

and processed with various other metal products. The processed scrap metals are then sold as a commodity and eventually end up being recycled at a smelter. For plastic containers, the standard process is for the primary processor to bale the empty plastic paint containers and send them for recycling to secondary processors. Table 11 lists the metal and plastic empty container processors and their management processes.

Table II: List of Metal and Plastic Container Processors

Processors	Location	Management Process	% of Total Containers Recycled
DR Metal Recycling	New Brunswick	Metal Recycling: Metal Containers are processed with other scrap metal and sold as a metal commodity.	100%
Sustane Tech	Nova Scotia	Plastic Recycling: Plastic containers are converted into kerosene and diesel.	100%

#### 4.4. MANAGEMENT METHODS

The following section describes each method the Program used to reuse, recycle, or otherwise treat or dispose of post-consumer paint.

#### 4.4.1. REUSE (PAINTSHARE PROGRAM)

The PaintShare Program makes better quality returned paint available to the public free of charge at participating collection sites. The collection sites record and report the number of containers given away. This is a highly efficient way to achieve reuse as the paint does not require transportation and reprocessing. The quantity of paint given away is dependent on consumer needs and the quality and type of paint available. It's also important to note that the growing adoption of tools that help consumers accurately gauge the amount of paint they need for a project reduces the likelihood of excessive paint purchases and needing to be disposed. Additionally, the rise of social media sharing platforms has fostered a culture of community sharing, including the redistribution of leftover paint. It is recognized that this community sharing occurs outside of the PaintShare Program and volumes are not accounted for in the PaintShare volumes.

An estimated 3,651 L of paint were given away to consumers through the PaintShare Program in 2024. Reuse volumes are estimated by assuming that each container is 75% full on average.

#### 4.4.2. RECYCLING

At the Laurentide Re-sources processing facilities in Richibucto, paint containers were removed from the collection bins, inspected, opened, sorted by type, colour, and quality, and bulked into shipping containers according to management options.

Table 12 provides the quantities of water-based paint and oil-based paint reprocessed and recycled into paint. The diminishing market for oil-based paint has made it increasingly difficult to recycle. Consequently, while a limited amount of oil-based paint continues to be recycled, a large portion of the volume is sent for energy recovery.

Table 12: Type and Quantity of Paint Recycled in 2024

Туре	Litres	Percentage of Paint Recycled
Water-based paint	115,200	91%
Oil-based paint	11,631	9%
Total	126,831	100%

The Regulation requires 70% of paint collected to be "reused", where reuse is defined as a combination of both reused (PaintShare Program) and recycled paint. In 2024, the Program surpassed its target, achieving an 75.6% reuse rate (see Table 9 above).

#### 4.4.3. ENERGY RECOVERY

Not all oil-based paint collected is of suitable quality for paint 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 Federal VOC Regulations, require more stringent limits on certain chemical constituents, which tend to be found in higher concentrations in older paints making them difficult to recycle. Finally, the market for recycled oil-based paint is significantly smaller than that for water-based products, with demand continuing to decline.

Due to their high solvent content, oil-based paints are suitable for energy recovery. Through fuel blending, oil-based paint collected by the Program that is not suitable for paint recycling is used as an alternative energy source in applications such as permitted incinerators. During the reporting period, 9,987 L of oil-based paint and paint from paint aerosols processed were blended with other fuels and utilized for energy value at licensed facilities.

#### 4.4.4. LANDFILL

The sorting and bulking of water-based paint by Laurentide generated 32,185 L of non-recyclable water-based paint, which were solidified and disposed of at a landfill.

#### 4.4.5. INCINERATION

Incineration is typically utilized when oil-based paint is contaminated with PCBs and therefore not suitable for energy recovery. During the reporting period, no material was contaminated with PCB, and hence, there was no material sent for incineration.

#### 4.5. DESIGN FOR ENVIRONMENT

#### PRODUCT ENVIRONMENTAL IMPACT REDUCTION, REUSABILITY AND RECYCLABILITY

The paint and coatings industry has been working tirelessly to make their products safer for the environment. This effort is driven by the growing awareness of the negative impact of chemical products on the environment. In recent times, the industry has made significant strides towards reducing the environmental impact of their products. The industry's offerings are not only becoming safer to handle but are increasingly eco-efficient, reflecting the latest available science. The industry evaluates the impacts of their products along their entire life cycle and continuously develops new offerings. Sustainable production processes are top priorities.

Beyond their primary function of protecting built infrastructure, coatings are also essential components in the production processes of various industries. Functional coatings provide additional properties to materials, leading to upgraded infrastructure, innovative products, and resource efficiency.

Here are some measures that the industry is taking to make their products more environmentally friendly:

#### TRANSITION TO WATER-BASED PAINTS

The paint industry has increasingly favored water-based (latex) paint products over oil-based (alkyd) paints in the last decade, significantly impacting the architectural paint sector. In the past five years, there has been an additional 10% shift toward water-based paints. According to representatives from the Canadian paint industry, this transition has led to a reduction of around 44 kilotonnes of volatile organic compound (VOC) emissions over the past 15 years.

#### **VOC REDUCTION IN PAINT FORMULATION AND FUTURE TRENDS**

Paint manufacturers are actively finding ways to reduce volatile organic compounds (VOCs) in their products, though achieving zero VOC might take time. Regulations and innovations in biobased products are driving the reduction of VOCs. Proposed regulations for VOC in architectural paints, industrial, commercial adhesives & sealants, and auto refinish coatings are expected to further reduce VOC emissions.

Several of our members offer Greenguard-certified paint products, which help consumers easily identify options that meet rigorous third-party standards for low chemical emissions. This certification supports healthier indoor environments and reinforces consumer confidence in making sustainable choices.

According to representatives from the Canadian paint industry, low-VOC and VOC-free paints now account for approximately 50% of all paint sold, particularly within the architectural and decorative segments. The widespread adoption of these formulations reflects both regulatory progress and growing consumer demand for safer, more environmentally responsible products.

Industry is steadily increasing the use of bio-based ingredients. Suppliers are offering more plant-derived and renewable inputs for formulations, replacing traditionally petroleum-based or toxic substances. It is expected that these reformulation trends will result in a further decrease of approximately 2 kilotons of VOC emissions over the next 5 years.

#### SUSTAINABLE PACKAGING INNOVATIONS IN THE PAINT SECTOR

The paint industry is witnessing a notable shift towards more sustainable packaging solutions, as companies increasingly adopt materials with higher recycled content. Currently, some industry players are utilizing packaging that contains 15% recycled content, contributing to a circular economy. There is also an industry-wide goal to achieve 50% recycled content by 2030. This aligns with federal mandates aiming for significant reductions in non-recyclable packaging materials. The composition of these recycled materials varies, with plastics and other innovative components being considered to meet these evolving standards.

Additionally, the sector is exploring alternative materials, like cellulose and seaweed, to reduce reliance on traditional, less environmentally friendly packaging options. These efforts are part of a broader industry commitment to decrease non-recyclable material usage by 10% by 2030, in line with governmental objectives.

# 4.6. PROCESSING AND CONTAINMENT FACILITIES

Table 13 provides all the processing and containment facilities used by the Program, in accordance with section 31.12 (g).

Table 13: Processing & Containment Facilities

Facility	Facility Type
Hebert's Recycling Inc.	
14 Clyde Avenue,	Containment Facility
Mount Pearl, NL A1N 4S1	
Laurentide Re-sources Atlantic Inc.	
9322 Rue Main	Processing Facility
Richibucto, NB E4W 4C7	
Société Laurentide Inc.	
345 Bulstrode Street	Processing Facility
Victoriaville, QC G6T 1P7	
GFL Environmental	
349 Incinerator Rd,	Processing Facility
St. John's, NL A1H 0B4	

# 5. Promotion and Education

Consumers are an integral component of the recycling ecosystem; without their participation, responsible endof-life management of consumer products cannot be achieved. For this reason, a concerted communications strategy must be deployed to ensure consumers of regulated products:

- 1. Are aware that the product can be recycled; and
- 2. Know the steps/process for how to recycle said product.

In 2024, Product Care Recycling implemented a range of promotion and education activities as part of our communication plan to meet these objectives, complying with our obligations under regulatory requirement 31.6 and 31.13. The following section provides details regarding these efforts, as per Section 31.12(h) of the Regulation.

#### **5.1. STRATEGY**

Consumers of the Program's Products are diverse; they range across demographics and vary in their purchase, use, and disposal behaviour. Recognizing these nuances and that different segments of our audience will access information in different ways and at different times, the Program utilize a multi-channel approach for communication activities. This comprehensive strategy ensures broad market coverage, giving consumers a variety of ways to receive and access information about the program.

#### **5.2. ACTIVITIES**

#### **5.2.1. MANAGE INFORMATION HUB FOR CONSUMERS**

Product Care owns and manages productcare.org to serve as a program information hub. The site is consumer-facing and has been designed to meet their specific needs. Website content includes:

- Recycling locator (see APPENDIX 3 Collection Site Locator):
  - Interactive map displaying the locations of all paint collection sites within the province, along with their hours of operation and contact information. The database of collection sites is regularly updated to ensure consumers receive accurate information.
- Information on recycling large volumes
- Product information:
  - Dedicated page for PaintShare program, educating consumers on the opportunities to access free
  - Topical content related to environmental issues and waste management
  - Videos describing the recycling process

#### 5.2.2. PRINTED ASSETS - POINTS OF SALE (POS) AND POINT OF RETURN (POR)

The optimal time to educate a consumer that a product is recyclable is at the time of purchase. Similarly, informing consumers who regularly recycle that other products they may own can also be recycled is equally valuable, as these consumers are already demonstrating an interest in recycling. For these reasons, the Program has a suite of printed educational materials that are available at no cost to retailers or collection sites. Online forms available on both websites facilitate ease-of-ordering and shipment.

#### **5.2.3. MULTI-CHANNEL ADVERTISING**

Advertising campaigns are a proactive mechanism to reach consumers and influence their future behaviour. To maximize the effectiveness of these efforts, the Program undertakes a multi-channel approach, utilizing a mix of traditional and digital platforms. Campaigns are released across the province, targeting both rural areas and urban centres.

The Program concentrates advertising activity during periods when paint purchase and usage is at its highest to maximize the relevance and effectiveness of campaigns with residential and commercial audiences. Warmer summer months, from April to September, coincide with high volumes of Program Product in our collection network and increased traffic to the online recycling locator. However, the Program also maintains a year-long Google Search advertising campaign to capture consumers deliberately seeking information regarding paint recycling.

#### 5.2.3.1. DIGITAL ADVERTISING (VIDEO, DISPLAY, SOCIAL)

Digital advertisements appear on websites, apps, and social media platforms through targeting and tracking technology. A suite of Product Care branded assets across formats (text, graphic, video, etc.) (see APPENDIX 4 – Promotion and Education Material) are distributed through the Google Display Network and Meta Audience Network and are displayed to relevant consumers based on their demographics, interest, browsing behaviour, or past online interactions (remarketing). Based on their ability to target a specified audience (consumers of paint products), digital advertisements form a foundational component of our advertising strategy.

#### **5.2.3.2. ALTERNATIVE SOCIAL MEDIA**

To supplement our digital investment, the Program also purchases advertisements on popular, alternative social media platforms, such as Pinterest, Reddit, and Tik Tok, that may not be captured in the Google or Meta networks, but nevertheless present valuable opportunities to reach our target audience. These platforms provides the opportunities to engage with niche audiences with ideal behaviours, such as DIYers and hobbyists, that coincide with our target audience.

#### **5.2.3.3. STREAMING CHANNELS**

Video advertisements on the streaming platform Spotify help reaching audiences beyond traditional digital and social channels. Not only are these ads shown when users are actively engaging with the app, ensuring high visibility, by leveraging video on a platform primarily known for audio content, advertisements uniquely stand out.

#### **5.2.3.4. TRADITIONAL CHANNELS**

Traditional advertising supports our multi-channel strategy by reaching those not actively engaged online. In 2024, linear television advertisements and radio advertisements provided a tangible brand presence for the stewardship program.

#### **5.2.4. TOLL-FREE NUMBER AND EMAIL**

To support access to information regarding recycling for residents, Product Care manages a consumer-facing toll-free number and email address.

#### **5.2.5. CONSUMER AWARENESS**

Product Care coordinates consumer awareness surveys to validate the impact of our promotion and education activities for the provincial stewardship programs we oversee. A reputable third party conducts the surveys every two years, compiling responses by province. Harmonizing the biennial process between provincial programs achieves cost and resource efficiencies.

The 2024 survey found that 77% of New Foundland & Labrador respondents who purchased paint are aware it can be recycled in the province, a 1% increase from 2022's results, and surpassing the Program Plan's target of 70%.

Table 14: Biennial Consumer Awareness Survey Targets and Results 2022-2024

Year	Target	Actual
2024	70%	77%
2022	70%	76%

#### **5.2.6. INDUSTRY AND COMMUNITY EVENTS**

In 2024, the Program participated in relevant community/industry events. These events serve as platforms to connect with other steward agencies, brand owners, and municipal authorities, fostering the exchange of insights and the formation of strategic partnerships. Product Care continued to actively participate in key discussions, reaffirming our commitment to drive positive change and minimize environmental impact.

- MMSB Regional Waste Management Forum (May 2024): Attended by representatives from the waste management regions, government departments, and other steward agencies.
- 2024 Green Depot Professional Development Session (October 2024): Attended by green depot representatives, where achievements were shared, and exploration on collaboration opportunities to expand the collection network.
- Municipalities NL Annual General Meeting (November 2024): Attended by representatives from
  municipalities and other steward agencies. An event successful in fostering collaboration between
  municipalities and other steward agencies. EPRA, UOMA, and Product Care organized and hosted a panel to
  showcase respective programs and ways of continuous collaboration between them to support municipalities
  in their recycling efforts.

# 6. Financial Information

In accordance with section 31.12(i) of the Regulation, the Program's audited financial statements for 2024 are provided in APPENDIX 5 – 2024 Audited Financial Statements in this report.

# 7. APPENDIX 1 - Brand Owners

	Brand Owner Name								
1.	1439174 Ontario Ltd (NLS Products)	36.	Laurentide Re-sources Inc.						
2.	3M Canada Company	37.	Lawson Products, Inc.						
3.	Acklands - Grainger Inc.	38.	LPS Canada - Division of LPS Laboratories						
4.	Alexandria Moulding	39.	Michaels Stores Inc.						
5.	Amazon.com.ca ULC	40.	Motion Industries (Canada), Inc.						
6.	AMRE Supply Canada Inc	41.	Orgill Canada Hardlines ULC						
7.	Avanti Sports Group Inc.	42.	Osmose Pentox Inc.						
8.	BASF Canada Inc.	43.	Peinture Denalt Ltee / Denalt Paints Ltd.						
9.	BDI CANADA INI.C	44.	Peintures MF Inc.						
10.	Behr Process LLC	45.	PPG Architectural Coatings Canada Inc.						
11.	Benjamin Moore & Co. Ltd.	46.	Princess Auto Ltd.						
12.	Bestbuy Distributors Ltd	47.	Produits de Plancher Finitec Inc.						
13.	Canadian Building Restoration Products, Inc	48.	RENUE RECYCLING LTD.						
14.	Canadian Tire Corporation, Limited	49.	RONA Inc.						
15.	Cansel Survey Equipment Inc.	50.	Rust-Oleum Canada						
16.	Class C Solutions Group, MSC Industrial Supply LLC	51.	Saman Corporation (3777472 Canada Inc.)						
17.	Cloverdale Paint Inc.	52.	Seymour of Sycamore, Inc.						
18.	Consolidated Coatings Corporation	53.	Sherwin-Williams Canada Inc						
19.	Country Chic Paint Ltd.	54.	Sika Canada Inc.						
20.	Diamond Vogel Paints Inc	55.	Soprema Inc.						
21.	Ducan Products Inc.	56.	Techniseal						
22.	Dynamic Paint Products Inc. DBA Lancaster Canada	57.	TENAQUIP Limited						
23.	Farrow & Ball Canada Ltd.	58.	The Houtshop Inc.						
24.	Fastenal Canada Ltd.	59.	The North West Company LP						
25.	General Motors of Canada Company	60.	The Sansin Corporation						
26.	Golden Artist Colors, Inc.	61.	The Sherwin-Williams Company						
27.	Henry Company Canada, Inc.	62.	Timber Pro Coatings Ltd.						
28.	Home Depot of Canada Inc.	63.	UAP INC.						

29.	Home Hardware Stores Limited	64.	UCP PAINT INC
30.	Homestead House Paint Co INC	65.	Uni-Select Inc.
31.	Jaguar Land Rover Canada ULC	Vallen Canada Inc.	
32.	John Deere Canada ULC	67.	Wal-Mart Canada Corp.
33.	Kent Building Supplies	68.	Wood Essence Distributing
34.	34. Kleen-Flo Tumbler Industries Ltd.		Wurth Canada Limited
35.	Kubota Canada LTD		

# 8. APPENDIX 2 - Collection Network

The 2018-2023 Program Plan specifies collection service requirements across Newfoundland & Labrador. It requires at least one permanent collection site in each of 17 <u>Prescribed Communities</u> with at least three in St. John's. In addition, each of 31 <u>Additional Communities</u> must have either a permanent site or host a collection event. The Program also maintains permanent collection sites in 15 other communities beyond the requirements of the plan.

Waste Management Region	Community	Collection Site Name	Service Required	Service Provided	PaintShare	Collected Tubskids	Collected Tubskids
	Bay Roberts	Bay Roberts Green Depot	Prescribed	Permanent site	Yes	34.00	0.50
	Carbonear	Carbonear Green Depot	Prescribed	Permanent site	Yes	25.00	0.00
	Clarenville	Clarenville Home Hardware Building Centre	Prescribed	Permanent site	No	15.00	0.00
Eastern Region	Conception Bay South	Handyman Home Hardware	Prescribed	Permanent site	No	19.00	0.25
	Mount Pearl	Mount Pearl Green Depot	Prescribed	Permanent site	Yes	107.00	1.00
	Mount Pearl	The Paint Shop - Mount Pearl	Prescribed	Permanent site	No	41.00	0.25
	Mount Pearl	Dulux Paint (Mount Pearl)	Prescribed	Permanent site	No	14.00	0.00

2024 NL Paint Program Annual Report productcare.org 20

Waste Management Region	Community	Collection Site Name	Service Required	Service Provided	PaintShare	Collected Tubskids	Collected Tubskids
	Paradise	Paradise Green Depot	Other	Permanent site	Yes	30.00	0.25
	Paradise	Paint Shop	Other	Permanent site	No	6.00	0.00
	Placentia	Aylwards Home Centre - Placentia	Additional	Permanent site	No	2.00	0.00
	Placentia	Paint Shop Home Decorating Center (Placentia)	Additional	Permanent site	No	12.00	0.25
Eastern Region	Riverhead	Riverhead Green Depot	Additional	Permanent site	Yes	3.00	0.25
	St. John's	Paint Shop Home Decorating Center (St. John's)	Prescribed	Permanent site	No	38.00	0.00
	St. John's	Robin Hood Bay Waste Management Facility	Prescribed	Permanent site	No	474.00	4.25
	St. John's	Home Hardware Torbay Rd	Prescribed	Permanent site	No	4.00	0.00
	St. John's	Dulux Paint (St John's)	Prescribed	Permanent site	No	4.00	0.00

Waste Management Region	Community	Collection Site Name	Service Required	Service Provided	PaintShare	Collected Tubskids	Collected Tubskids
	Wabana	Bell Island Green Depot	Other	Starting conversation		0.00	0.00
Eastern Region	Witless Bay/Bay Bulls		Other			0.00	0.00
	Trepassey	Town of Trepassey	Other	Event held in 2024	No	3.00	0.25
Discovery	Bonavista	Bonavista Fire Department	Additional	Biennial event held in 2023	No	0.00	0.00
Region	Lethbridge	Lethbridge and Area Local Service District	Other	Permanent site	Yes	0.00	0.00
	Grand Bank	Aylwards Home Centre - Grand Bank	Other	Permanent site	No	0.00	0.00
Burin Peninsula	Marystown	Aylwards Home Centre - Marystown	Prescribed	Permanent site	No	3.00	0.00
Region	St. Lawrence	Aylwards Home Centre - St. Lawrence	Other	Permanent site	No	3.00	0.00
	Burin Peninsula	Burin Peninsula Regional Service Board	Other	Permanent site	Yes	12.00	0.00

Waste Management Region	Community	Collection Site Name	Service Required	Service Provided	PaintShare	Collected Tubskids	Collected Tubskids
	Botwood	Botwood Fire Hall	Additional	Event held in 2024	No	10.00	0.25
	Buchans Junction	Buchan's Junction Transfer Station (Norris Arm Satellite Site)	Other	Permanent site	No	0.00	0.00
	Fogo Island	Fogo Island Transfer Station	Additional	Permanent site	No	0.00	0.00
	Gambo	Gambo Green Depot	Additional	Planning for 2025	No	0.00	0.00
Central Region	Gander	Aylwards Home Centre - Gander	Prescribed	Permanent site	No	33.00	0.00
	Gander Bay	Gander Bay Transfer Station	Other	Permanent site	No	0.00	0.00
	Glovertown	Glovertown Green Depot	Additional	Permanent site	No	12.00	0.75
	Grand Falls	Paint Shop Home Decorating Center (Grand Falls)	Prescribed	Permanent site	No	42.00	0.00
	Indian Bay	Indian Bay Transfer Station	Other	Permanent site	No	0.00	0.00

Waste Management Region	Community	Collection Site Name	Service Required	Service Provided	PaintShare	Collected Tubskids	Collected Tubskids
	Lewisporte	Pritchett's Tim-Br Mart - Lewisporte	Prescribed	Permanent site, exit the program in 2024	No	9.00	0.00
	New-Wes-Valley	New-Wes-Valley Green Depot	Additional	Permanent site	No	0.00	0.00
	New World Island	NWI/Twillingate Transfer Station	Additional	Permanent site	No	0.00	0.00
Control Pagion	Norris Arm North	Central Regional Waste Management Facility	Other	Permanent site	No	97.00	0.00
Central Region	Point Leamington	Point Leamington Transfer Station	Other	Permanent site	No	0.00	0.00
	Terra Nova	Terra Nova Transfer Station	Other	Permanent site	No	0.00	0.00
	Twillingate	Twillingate Green Depot	Additional	Permanent site	No	0.00	0.00
	Twillingate	Paint Shop (Twillingate)	Additional	Permanent site	No	0.00	0.00
Coast of Bays Region	Harbour Breton	Town of Harbour Breton	Other	Permanent site, exit the program in 2024	No	0.00	0.00

Waste Management Region	Community	Collection Site Name	Service Required	Service Provided	PaintShare	Collected Tubskids	Collected Tubskids
Coast of Bays	Milltown	Milltown Firehall	Additional	Biennial event held in 2024	No	3.00	0.00
Region	St. Alban's	Town of St. Alban's	Additional	Permanent site	Yes	2.00	0.00
	Baie Verte	Baie Verte Home Hardware Building Centre	Additional	Permanent site	No	2.00	0.00
Baie Verte- Green Bay	LaScie	La Scie Firehall	Additional	Biennial event held in 2024	No	1.00	0.25
Region	Robert's Arm	Robert's Arm Firehall	Additional	Biennial event held in 2024	No	1.00	0.50
	Springdale	Springdale Fire Rescue	Additional	Event held in 2024	NA	2.00	0.25
	Port aux Choix	Hawke's Bay Landfill Site	Prescribed	Permanent site	No	0.00	0.00
Northern Peninsula Region	St. Barbe	St. Barbe Landfill Site	Other	Permanent site	No	0.00	0.00
	St. Anthony	St. Anthony Landfill Site	Additional	Permanent site	No	6.00	0.00

Waste Management Region	Community	Collection Site Name	Service Required	Service Provided	PaintShare	Collected Tubskids	Collected Tubskids
	Bay St. George	St George's Transfer Station	Other	Permanent site	Yes	0.00	0.00
	Burgeo	Burgeo Transfer Station	Additional	Permanent site	Yes	0.00	0.00
	Burgeo	Burgeo Ground Search	Additional	Event held in 2024	NA	4.00	0.00
	Deer Lake	Town of Deer Lake	Prescribed	Permanent site	No	17.00	0.00
Western Region	Corner Brook	Corner Brook Green Depot	Prescribed	Permanent site	Yes	87.00	1.50
	Corner Brook	Wild Cove Transfer Station	Prescribed	Permanent site	Yes	75.00	0.00
	Hampden	Hampden Junction Transfer Station	Other	Permanent site	Yes	0.00	0.00
	Pasadena	Town of Pasadena	Additional	Permanent site	Yes	9.00	0.00
	Port Aux Basques	Port Aux Basque Transfer Station	Prescribed	Permanent site	Yes	0.00	0.00

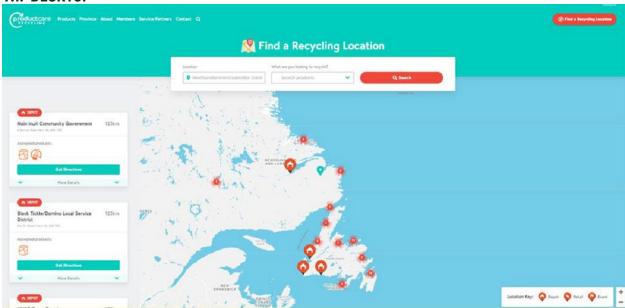
Waste Management Region	Community	Collection Site Name	Service Required	Service Provided	PaintShare	Collected Tubskids	Collected Tubskids
Western Region	Rocky Harbour	Gros Morne Recycling Depot	Additional	Permanent site	No	8.00	0.00
	Rocky Harbour	Rocky Harbour Transfer Station	Additional	Permanent site	Yes	0.00	0.00
	Stephenville	Stephenville Green Depot	Prescribed	Permanent site	Yes	28.00	1.25
Western Labrador Region	Labrador City	Labrador West Municipal Landfill	Prescribed	Permanent site	No	12.00	0.00
Central Labrador Region	Happy Valley/Goose Bay	Happy Valley Goose Bay Green Depot	Prescribed	Permanent site	Yes	2.00	0.00
Northern Labrador Region	Hopedale	Hopedale Fire Department	Additional	Permanent site	No	0.00	0.00
	Makkovik	Makkovik Landfill	Additional	Permanent site	Yes	0.00	0.00
	Nain	Nain Inuit Community Government	Additional	Permanent site	No	2.00	0.00
	Postville	Town Garage	Additional	Permanent site	Yes	0.00	0.00

Waste Management Region	Community	Collection Site Name	Service Required	Service Provided	PaintShare	Collected Tubskids	Collected Tubskids
Northern Labrador Region	Rigolet	Rigolet Inuit Community Government	Additional	Permanent site	No	0.00	0.00
Southern Labrador Region	Black Tickle	Black Tickle Fire Hall	Additional	Permanent site	Yes	0.00	0.00
	Cartwright	Cartwright Volunteer Fire Department	Additional	Permanent site	No	0.00	0.00
	Charlottetown	Charlottetown Volunteer Fire Hall	Additional	Permanent site	Yes	0.00	0.00
	L'Anse Au Loup	Labrador Straits Green Depot	Additional	Permanent site	No	0.00	0.00
	Mary's Harbour	Mary's Harbour Firehall	Additional	Permanent site	No	1.00	0.00
	Port Hope Simpson	Port Hope Simpson Firehall	Additional	Permanent site	No	0.00	0.00
	St. Lewis	St. Lewis Town Office	Additional	Permanent site	Yes	0.00	0.00
Eastern Waste Ma	24.00	0.00					
Total	1,338.00	12.00					

# 9. APPENDIX 3 - Collection Site Locator

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

# 9.1. DESKTOP



#### **9.2. MOBILE**



# 10. APPENDIX 4 - Promotion and Education Material

#### 10.1. PRINT RESOURCES FOR COLLECTION SITES

#### 10.1.1. POR/POS POSTERS







#### 10.1.2. PROGRAM BROCHURES





#### 10.1.3. PAINT FLYER



#### 10.1.4. WINDOW CLING



# 10.1.5. PAINTSHARE POSTER



# Pick up FREE leftover paint here!

- Ask staff for assistance
- 2 Select paint
- 3 Sign waiver form
- Bring back container (leftovers or empty)



productcare.org/paintshare or scan the QR code



#### 10.1.6. ILLEGAL DUMPING SIGN



## 10.2. PRINT ADS 10.2.1. CPCA INSIGHT MAGAZINE

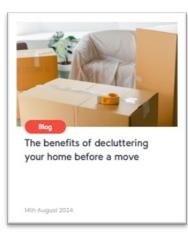


















#### 10.3. ADVERTISING 10.3.1. VIDEO

Used for TV, YouTube, Social media & Spotify (Vertical and square versions were used as well).



Got leftover paint?



Don't toss it



Recycle it!



Drop it off for free



At hundreds of recycling locations



Find the one nearest you at productcare.org

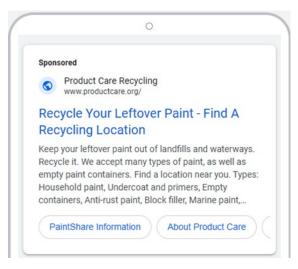
#### **10.3.2. AUDIO AD (SCRIPT)**

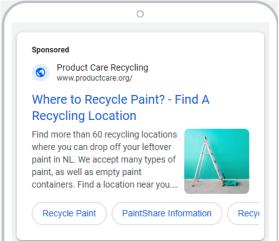
Used for Radio and Spotify

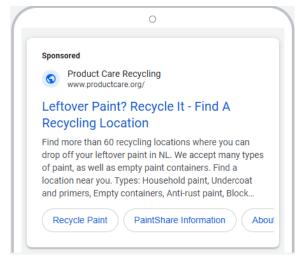
70% of Newfoundlanders and Labradorians store their leftover paint for later use. But paint doesn't last forever. If it's no longer good, Recycle it for free! Since 1994, we've been providing Canadians with recycling solutions. And with over 60 recycling locations across Newfoundland & Labrador, recycling household paint, aerosol paint, and empty paint cans is easy! Visit productcare.org to find a recycling location near you. That's productcare.org

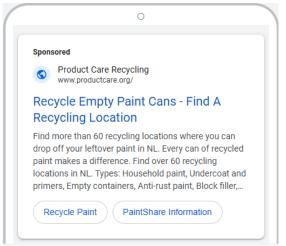
#### 10.3.3. TEXT ADS

Used for Google Search



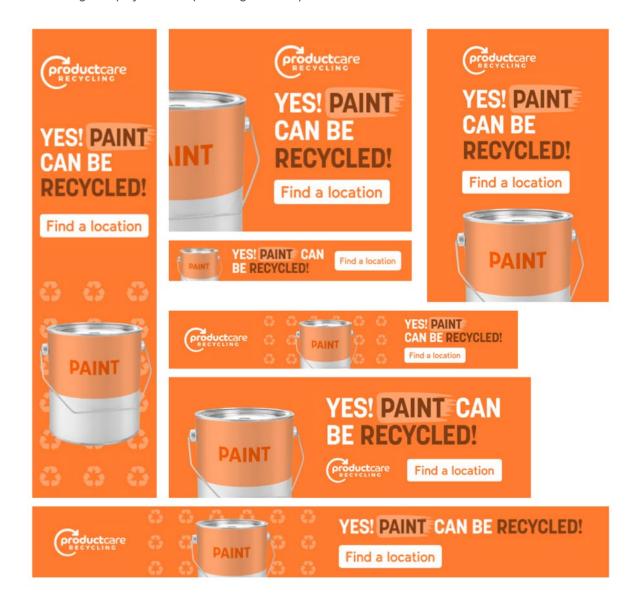






## **10.3.4. IMAGE BANNERS**

Used for Google Display Network (Including YouTube)



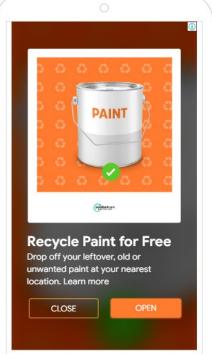
## **10.3.5. RESPONSIVE ADS**

Used for Google Display network, mainly for mobile Apps and websites

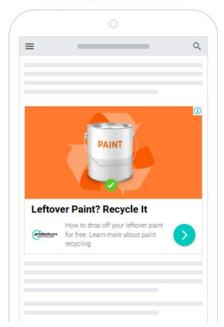
Example of your image ad at 320x568



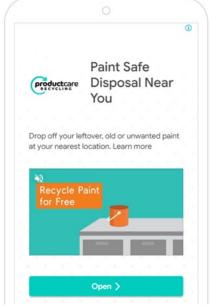




Example of your image ad at 300x250

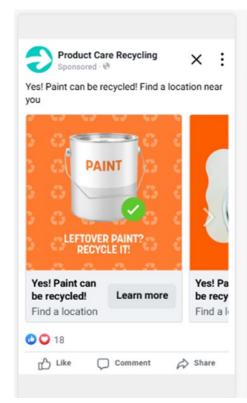


Example of your video ad at 320x568

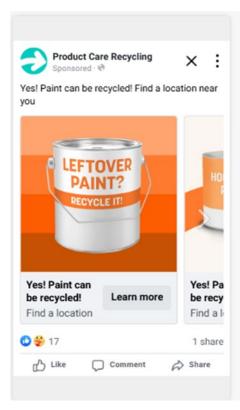


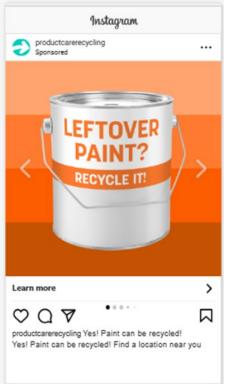
# 10.3.6. CAROUSEL ADS

Used for Meta Ads (Facebook & Instagram)



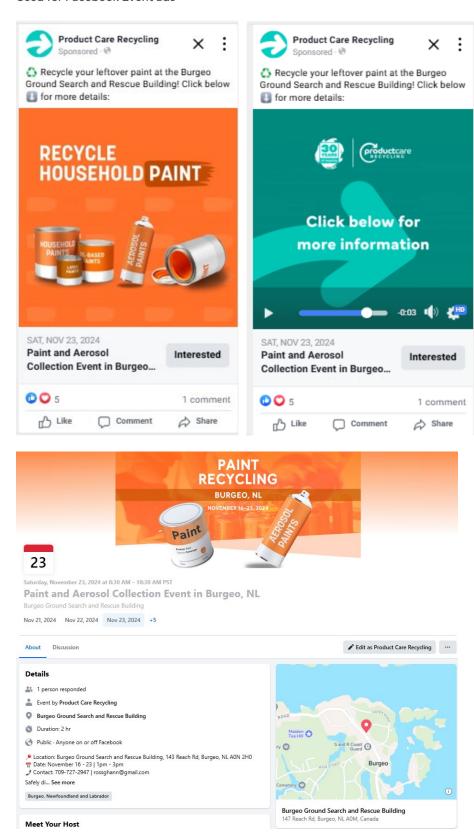






## **10.3.7. EVENT ADS**

Used for Facebook Event ads



# 11. APPENDIX 5 – 2024 Audited Financial Statements

# STATEMENT OF REVENUES AND EXPENSES AND ACCUMULATED SURPLUS

**31 DECEMBER 2024** 

# **Statement of Revenues and Expenses and Accumulated Surplus**

For the year ended 31 December 2024

Independent Auditors' Report

# **Contents**

Statement of Revenues and Expenses and Accumulated Surplus

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# INDEPENDENT AUDITORS' REPORT

To: The Multi-Materials Stewardship Board

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

# **Opinion**

As required by the Newfoundland and Labrador Waste Management Regulations (100/10 (31.12(1(I)))) we have audited the Statement of Revenues and Expenses and Accumulated Surplus of the Newfoundland and Labrador Paint Recycling Program (the "Statement") as reported by Product Care Association of Canada (the "Association") for the year ended 31 December 2024 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 Newfoundland and Labrador Paint Recycling Program for the year ended 31 December 2024 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 Multi-Materials Stewardship Board. 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 Multi-Materials Stewardship Board, 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

Kelfe, Berson LLP

Vancouver, Canada 29 April 2025

# Statement of Revenues and Expenses and Accumulatead Surplus

For the year ended 31 December 2024

	2024	2023
Revenues	\$ 1,219,609 \$	603,068
Program expenses		
Processing	449,637	294,384
Transportation	311,281	280,950
Administration (Note 2(b), (d) & (e))	158,097	100,887
Communications	124,669	116,445
Collection	83,492	63,269
Regulatory	 47,229	41,217
	1,174,405	897,152
Excess (deficiency) of revenues over expenses for the year	45,204	(294,084)
Accumulated surplus - beginning of the year	 457,174	751,258
Accumulated surplus - end of year	\$ 502,378 \$	457,174

Commitment (Note 3)

Notes to the Statement of Revenues and Expenses and Accumulated Surplus

For the year ended 31 December 2024

#### 1. Basis of Presentation

The Statement of Revenues and Expenses and Accumulated Surplus (the "Statement") only includes the revenues and expenses of the Newfoundland and Labrador 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 Newfoundland and Labrador. 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 \$5,937 (2023 - \$3,583) of amortization expense related to tangible capital assets.

# PRODUCT CARE ASSOCIATION OF CANADA NEWFOUNDLAND AND LABRADOR PAINT RECYCLING PROGRAM Notes to the Statement of Revenues and Expenses and Accumulated Surplus For the year ended 31 December 2024

## 2. Summary of Significant Accounting Policies - continued

### (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, the allocation of overhead and salaries and wages expenses and processing commitments. Actual results could differ from those estimates.

# (d) General and Administrative Expenses - Overhead Allocation

A portion of the total general and administrative expenses of the Association, net of expense recoveries, has been allocated to the Program. The general and administrative expenses include certain payroll which has not been directly charged to a 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 \$70,723 (2023 - \$58,714) of overhead expense which has been allocated to the Program.

### (e) Salaries and Wages Expense

During the year, the Association updated its methodology for charging salaries and wages expense to the Program for certain employees that have been identified as having direct involvement in the Program. Previously, these costs were either included in the overhead allocation (Note 2(d)) or charged directly to the Program. Beginning in the 2024 fiscal year, the salaries and wages expense for these employees are charged to the Program based on management's estimate of the employee time spent on the Program. This change in presentation has been accounted for prospectively in the Statement. Included in administration expense is \$26,536 of wages and salaries expense which has been charged 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 \$34,742 (2023 - \$88,227) which will be incurred in 2025.

# RESPONSIBLE, TOGETHER.