2022 ANNUAL REPORT

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New Brunswick Paint Program

Submitted by:



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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 2022 calendar year (January 1 to December 31, 2022). 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 2022 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 (https://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, 2022, 67 Brand Owners were registered under the Program (<u>Appendix 1</u> provides a list of registered Brand Owner's). Program members reported the sale of approximately 4,941,453 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 2022 reporting period. Not all paint that was collected in 2022 was processed. The estimation of residual paint volume assumes that all the collected paint in 2022 was processed in the same year and utilizes conversion factors.

Table 1: Total Amount of Post-consumer Paint Collected in 2022

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	2,390	233	273,009	1,253	845	275,107

Table 2 provides the 2022 recovery rate, which is the volume of paint collected as a function of the volume of paint sold in New Brunswick in 2022. It also shows the volume available to collect as a function of sales and the calculated capture rate for 2022.

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 To determine the residual volume of paint collected from tubskids, the number of tubskids collected is multiplied by a conversion rate of 114.229725 L per tubskid. Residual paint volume from tubskids has been rounded up. This conversion rate is obtained by dividing the total actual residual paint extracted (including both water-based and solvent-based) by the number of tubskids processed in the same year. The 114.229725 L conversion rate includes actual volumes for water-based paints and an estimation for solvent-based paints that applies the 2021 residual volumes of solvent-based paint per tubskid to 2022 tubskids. An estimation had to be used because, in 2022, the majority of solvent-based paint was not processed due to changes with the processing equipment and method, and issues with its implementation, therefore it was temporarily stored at the processor's facility in Richibucto, NB to be processed in 2023.

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

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

Table 2: 2022 Paint Sales, Residual Recovery Volume, Recovery Rate, Available to Collect and Capture Rate

	Total
Sales (litres)	4,941,453
Residual Recovery Volume (litres)	275,107
Recovery Rate (%)	5.6%
Total Available to Collect (litres) ⁷	449,672
Available to Collect (%) ⁸	9.1%
Capture Rate (% collected/available)	61.2%

In 2021, the Available to Collect Study was conducted at the request of the regulators to estimate the potential amount of waste paint that could be collected in the province. The study took into consideration factors such as consumer intention, storage time, and end-of-life management obtained via surveys and sampling. It is important to acknowledge that any sampling and surveys have a degree of uncertainty. Factors such as sample size, selection methodology, question phrasing, and response rates can all contribute to variations in results, limiting their precision. Therefore, the results of the study only serve as a general estimate when evaluating program performance. Overall, the results highlight that the New Brunswick paint program has been successful.

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 2022

Regional Service Commissions	Paint (tubskids)	Aerosol (drums)
Acadian Peninsula	108	5
Chaleur	93	4
Fundy	430	29
Kent	91	4
Miramichi	62	9
Northwest	78	14
Restigouche	73	7

⁷ The 2022 total available to collect volume was calculated based on the methodology of the Atlantic Availability to Collect Study conducted in 2021.

⁸ The Atlantic Availability to Collect Study conducted in 2021 established the percentage of available to collect as 9.1% for 2021-2026.

Regional Service Commissions	Paint (tubskids)	Aerosol (drums)
RSC 8	87	6
RSC 11	359	9
Southeast	827	134
Southwest	96	7
Western Valley	86	5
TOTAL	2,390	233

3.2 Collection Sites

As of December 31, 2022, 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 2022.

Table 4: Collection Site Changes in 2022

# of Collection Sites		Changes
2022	62	No sites closed or opened
2021	62	2 sites closed; 2 sites opened

In accordance with section 45(1)(f) of the Regulation, <u>Appendix 2</u> 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 54 collection sites in 2022 (see list in Table 5 below) and 52 collection sites in 2021, providing in-person support to the collection site staff, delivering informational brochures and providing any necessary training. Every site has been visited at least once in the previous two years, thus fulfilling the Program's obligations.

Table 5: Collection Sites Visited in 2022

Collection Site Name	Date of visit	Municipality	County
Airport General Store	5-Jul	Saint John	Saint John
Baie Ste Anne Home Building Centre	31-May	Baie-Sainte-Anne	Northumberland
Billy's Bottle Exchange & Salvage	30-May	Dalhousie	Restigouche
BMR D.E Landry	18-Apr	Saint-Francois-de- Madawaska	Madawaska
BMR Parent - Kedgwick	19-Apr	Kedgwick	Restigouche

Collection Site Name	Date of visit	Municipality	County
BMR Parent - Saint-Quentin	19-Apr	Saint-Quentin	Restigouche
Boyd Bros. Home Hardware Building Centre	25-Jul	St. George	Charlotte
Brooks Redemption Centre	20-Apr	Nackawic	York
Caissie Home Hardware Building Centre	16-Jun	Rogersville	Northumberland
Caraquet Centre De Renovation Home Hardware	31-May	Caraquet	Gloucester
Carpet Ranch / Grange a Tapis	30-May	Beresford	Gloucester
Centre de Remboursement SAMJ	19-Apr	Saint-Quentin	Restigouche
Centre de Remboursement Shippagan Les Iles Inc.	31-May	Lamèque	Gloucester
Centre de Transbordement	31-May	Tracadie	Gloucester
Centre Remboursement-Recyclage	19-Apr	Rivière Verte	Madawaska
Chaleur Regional Service Commission - Redpine Landfill	30-May	Allardville	Gloucester
Dupuis Home Hardware Building Centre	24-Aug	Memramcook	Westmorland
Gilbert M Rioux et fils Ltee.	20-Apr	Grand-Sault / Grand Falls	Victoria
Golden Mile Redemption Centre Ltd.	5-Jul	Saint John	Saint John
Grand Bay Redemption Centre	5-Jul	Grand Bay- Westfield	Kings
Grande-Digue Home Building Centre	6-Jun	Grand-Digue	Kent
Hampton Recycling Centre	12-Aug	Hampton	Kings
Hebert's Bottle Exchange & Scrap Metal	31-May	Miramichi	Northumberland
Hillsborough Recycling Depot	12-Aug	Hillsborough	Albert
Horsman's Bottle Exchange Inc.	12-Aug	Salisbury West	Westmorland
J&L Warehousing Inc.	18-Apr	Edmundston	Madawaska
Keith's Building Supplies Ltd.	25-Jul	St. Stephen	Charlotte
La Societe Cooperative de Lameque Ltee.	31-May	Lamèque	Gloucester
Maison du Tapis	31-May	Bertrand	Gloucester
Mapleview Redemption Centre	20-Apr	Weaver	Victoria
Marina Bottle Exchange	30-May	Campbellton	Gloucester
Norrad's Express & Redemption Centre Ltd.	12-Aug	Sussex	Kings
Northside Redemption Centre Ltd.	25-Jul	Fredericton	York
Northwest Regional Service Commission	19-Apr	Rivière Verte	Madawaska

Collection Site Name	Date of visit	Municipality	County
Landfill			
Pub's Redemption Centre	5-Jul	Saint John	Saint John
Recyclage Chaleur	30-May	Petit-Rocher	Gloucester
Recyclage Kent Recycling	16-Jun	Saint-Louis-de- Kent	Kent
Richibucto Home Hardware Building Centre	6-Jun	Richibucto	Kent
Roblynn Home Hardware Building Centre	25-Jul	Oromocto	Sunbury
RONA - Edmundston	18-Apr	Edmundston	Madawaska
Sainte Antoine Home Hardware Building Centre	16-Jun	Saint-Antoine	Kent
Shediac Redeem Centre	24-Aug	Shediac	Westmorland
Southern Valley Transfer Station	20-Apr	Woodstock	Carleton
Southside Redemption Centre	25-Jul	Hanwell	York
Southwest New Brunswick Service Commission - Hemlock Knoll Landfill	25-Jul	Lawrence Station	Charlotte
Tediche Home Hardware Building Centre	24-Aug	Cap-Pelé	Westmorland
Tri-R Redemption Centre	25-Aug	Oromocto	Sunbury
Vail's Bottle Exchange	20-Apr	Woodstock	Carleton
Valley Redemption Centre	12-Aug	Dieppe	Westmorland
Valley Redemption Centre (Collishaw)	12-Aug	Moncton	Westmorland
Valley Redemption Centre (Toombs)	12-Aug	Moncton	Westmorland
Valley Redemption Centre (Quispamsis)	5-Jul	Quispamsis	Kings
Watson's Home Building Centre	25-Jul	Harvey	York
Weibe's Home Hardware Building Centre	20-Apr	Centreville	Carleton

3.4 Regional Service Commission Events

According to information available to Product Care, 50 household hazardous waste (HHW) collection events were held in 2022 (see Table 6). The Program managed all post- consumer paint collected from these events.

Table 6: HHW Collection Event Locations and Dates in 2022

Location	Date
Alma	(Feb 9-10)
Alma	(May 11-12)
Alma	(Nov 8-9)
Alma	(Sep 7-8)
Beaubassin-est	(Jul 20-21)
Beaubassin-est	(Mar 23-24)
Beaubassin-est	(Nov 23-24)
Cap-Pele	(Feb 23-24)
Cap-Pele	(Jun 22-23)
Cap-Pele	(Oct 19-20)
Dieppe	(Feb 16-17)
Dieppe	(Jun 15-16)
Dieppe	(Oct 12-13)
Dorchester	(Aug 3-4)
Dorchester	(Feb 2-3)
Dorchester	(May 4-5)
Dorchester	(Nov 2-3)
Hillsborough	(Aug 10-11)
Hillsborough	(Dec 7-8)
Hillsborough	(Jun 8-9)
Hillsborough	(Mar 9-10)
Memramcook	(Jan 5-6)
Memramcook	(Jun 29-30)
Memramcook	(Mar 30-31)
Memramcook	(Sep 28-29)

Location	Date
Moncton	(Apr 27-28)
Moncton	(Jul 27-28)
Moncton	(Oct 26-27)
Petitcodiac	(Jul 13-14)
Petitcodiac	(Mar 16-17)
Petitcodiac	(Nov 16-17)
Port Elgin	(Apr 20-21)
Port Elgin	(Aug 24-25)
Riverside-Albert	(Apr 6-7)
Riverside-Albert	(Jan 12-13)
Riverside-Albert	(Jul 6-7)
Riverside-Albert	(Oct 5-6)
Riverview	(Apr 12-13)
Riverview	(Aug 17-18)
Riverview	(Dec 14-15)
Sackville	(Aug 31-Sep 1)
Sackville	(Jun 1-2)
Sackville	(Mar 2-3)
Sackville	(Nov 30-Dec 1)
Salisbury	(Jan 19-20)
Salisbury	(May 18-19)
Salisbury	(Sep 14-15)
Shediac	(Jan 26-27)
Shediac	(May 25-26)
Shediac	(Sep 21-22)

4 Processing

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

- a) A description of the efforts to redesign paint products to improve reusability and recyclability.
- b) The total amount of post-consumer paint processed or instorage.
- c) 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.
- d) 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.
- e) 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 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 safe 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 for the industry. 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:

- Using sustainable raw materials, such as bio-based resins and binders that have a lower environmental impact than their petroleum-based counterparts.
- Reducing volatile organic compounds (VOCs) in their products by using low-VOC and zero-VOC formulations.
- Working to reduce the amount of packaging used and the environmental impact of transportation, including the development of more efficient packaging and transportation methods.
- Collaborating with regulatory agencies to ensure that their products meet the required environmental and safety standards, leading to the development of guidelines and regulations designed to protect the environment and human health.

In addition to these measures, the industry is also shifting towards the use of water-based paint products over solvent-based paint products, as they are more recyclable. They are also researching and implementing improvements in packaging design, with the goal of finding more sustainable solutions. While plastic containers still prevail over metal ones due to cost and limited availability of post-consumer materials, industry members are determined to find more sustainable solutions, whether it's by using recyclable materials such as metal or containers made from recycled post-consumer materials.

Some of the industry's long-term goals include improving education on eco-friendly offerings to drive consumer choice and actively conducting research into more sustainable alternatives, including biobased and recyclable raw materials.

The paint and coatings products industry has made significant progress in making their products more environmentally friendly. While there is still much work to be done, the industry is committed to reducing the environmental impact of their products. The industry has realized that these efforts are not only good for the environment and people but also for the long-term sustainability of the industry.

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, or in transit, are managed in the following program year as shown in Table 8.

In 2022, a total of 2,386 tubskids of leftover paint (excluding paint aerosols) were delivered to the Laurentide facility in Richibucto, New Brunswick for processing, which includes tubskids collected in 2021 and held at the transporter's (Hebert's Recycling) consolidation facility and processed in 2022. 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) 2,378 tubskids (excluding paint aerosols), which includes tubskids that remained in their inventory from 2021.

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 2022

Item	Number of Tubskids	Residual Paint Volume (L)	Number of Aerosol Drums ⁹	Residual Aerosol Paint Volume (L) ¹⁰	Total Residual Paint Volume (L) ¹¹
Volume Shipped to Processor	2,386	272,552 ¹²	233	1,253	273,805
Volume Processed	2,378	257,939 ¹³	233	1,253	259,192

Table 8 shows the number of tubskids and drums received by the processor and carried over to be processed in the following year.

Table 8: Carry-over Inventory at Processor

		Number of Tubskids	Number of Aerosol Drums
2021	Carry-over	014	0
	Shipped to processor	2,386	233
2022	Processed	2,378	233
	Carry-over	8	0

Metal and Plastic Containers Collected, Processed and Stored

Table 9 lists the amount of metal and plastic containers recycled or temporarily stored in 2022 and their respective processors.

⁹ See footnote 3.

¹⁰ See footnote 5.

¹¹ The values shown do not add up to the total value due to rounding.

¹² Residual paint volume shipped to the processor has been rounded up. To determine the residual volume of paint shipped to processors from tubskids, the number of tubskids shipped is multiplied by a conversion rate of 114.2297257 L per tubskid. This conversion rate is obtained by dividing the total actual residual paint extracted (including both water-based and solvent-based) by the number of tubskids processed in the same year. The 114.229725 L conversion rate includes actual volumes for water-based paints and an estimation for solvent-based paints that applies the 2021 residual volumes of solvent-based paint per tubskid to 2022 tubskids. An estimation had to be used because, in 2022, the majority of solvent-based paint was not processed due to changes with the processing equipment and method, and issues with its implementation, therefore it was temporarily stored at the processor's facility in Richibucto, NB to be processed in 2023.

¹³ Actual volume of residual paint recovered from processed tubskids, including both water-based and solvent-based paint; does not account for any stored solvent-based paint that was not processed.

¹⁴ Carry over data unavailable for 2021.

Table 9: Metal and Plastic Containers Collected, Recycled and Temporarily Stored in 2022

Container Type	Collected (tonnes)	Recycled (tonnes)	Temporarily stored (tonnes)	Processor	Management process
Metal	81.0 ¹⁵	81.0	-	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)	5.3	-	5.3	Laurentide Re-sources Atlantic/ Société Laurentide Inc.	Temporary storage
Plastic (polypropylene)	32.8	-	32.8	Laurentide Re-sources Atlantic/ Société Laurentide Inc.	Temporary storage

Metal containers (paint containers and paint aerosol containers) were managed by scrap metal recyclers, which take empty metal paint containers that have been baled and mixes them with other metals. The bales of 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 and to be sold as a commodity. Secondary processors are contracted by the primary processor, Laurentide. To ensure transparency and adherence to regulatory requirements, Laurentide is contractually obligated to certain end-fates of Program materials. Further to this, the Program periodically requires Laurentide to confirm their secondary processors and end-fates; as well as inspects Laurentide for compliance with regards to their inventory and processes. These inspections and contract reviews make sure that PCA is consistently informed about the management methods applied to containers.

In the 2021 annual report, Product Care reported that 28.8 tonnes of the polypropylene empty plastic containers collected were processed and managed as a commodity for plastics recycling. However, the reported amount was instead placed in inventory due to some challenges with downstream recyclers and market conditions. Before 2021, the program did not store any empty containers; instead, all were recycled. It was anticipated that the problems would be resolved in 2022 but unfortunately have not and the program had to temporarily store the plastics as the Program continues to work with the primary recycler to find a solution. The processor manages the storage of stockpiled materials to ensure they are in compliance with health and safety regulations, and do not pose any environmental risk.

 $^{^{15}}$ Metal weight for aerosol paint cans is calculated using a conversion factor of 35.5 kg per aerosol drum.

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 2022 (see <u>Appendix 2</u> for a list of sites offering PaintShare). Participating collection sites reported approximately 845 litres of paint given away for reuse in 2022.

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. Bulked paint of recyclable quality is then transferred to an affiliated processor Peintures Recuperées du Quebec (PRQ) in Victoriaville, QC or transferred to other international recyclers. Table 10 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.

In 2022, the majority of solvent-based paint was not processed due to changes with the processing equipment and method, and issues with its implementation, therefore it was temporarily stored at the processors facility in Richibucto, NB to be processed in 2023. As a result, no solvent-based paint was recycled in 2022, and a reduced volume of solvent-based paint was sent for energy recovery.

Table 10: Quantity and Type of Paint Recycled in 2022¹⁶

Туре	Litres	Percentage	
Water-based paint	193,774	100%	
Solvent-based paint	0 ¹⁷	0%	
Total	193,774	100%	

 $^{^{16}}$ Volumes managed through the PaintShare Program are not included in Table 10.

¹⁷ Not all the collected solvent-based paint was processed in 2022. It is anticipated that all the solvent-based paint temporarily stored in 2022 will be processed in 2023. All unprocessed paint is stored at Laurentide facilities until it is processed.

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, 4,328¹⁸ 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 61,090 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 and empty containers collected that were reused, recycled, recovered for energy or disposed of in an engineered landfill. For post-consumer paint each amount is shown in litres and as a percentage and for empty containers each amount is shown in tonnes and as a percentage.

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¹⁸ See footnote 16.

Table 11: Post-Consumer Paint and Empty Paint Containers by Management Method

Method	Volume (litres)	Percentage				
Post-Consumer Paint (litres)						
Reuse	845	0.3%				
Recycle	193,774	74.5%				
Energy Recovery	4,328	1.7%				
Landfill	61,090	23.5% ¹⁹				
Incineration	0	0%				
Total	260,037	100%				
Empt	y Paint Containers (tonne	<u>s)</u>				
Reuse	0	0%				
Recycle	81	68%				
Energy Recovery	0	0%				
Landfill	0	0%				
Incineration	0	0%				
Temporarily Stored	38.1	32%				
Total	119.1	100%				

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.	Processing and
9322 Rue Main, Richibucto, NB E4W 4C7	Containment Facility
Société Laurentide Inc.	Processing and
345 Bulstrode Street, Victoriaville, QC G6T 1P7	Containment Facility
GFL Environmental	Processing and
17 Jones Court, Sussex NB E4E 2S2	Containment Facility

¹⁹ The amount of paint that can 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.

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 2022, 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 communications and public education for the program in 2022.

5.2 Program Awareness

In fall 2022, an online survey was conducted that was representative of New Brunswick's adult population. The survey found that 82% of residents who purchased paint are aware it can be recycled in the province; seven percentage points above the awareness target of 75%. The next consumer awareness study will be conducted in 2024.

5.3 Website

The productcare.org website includes the following bilingual content for the New Brunswick paint recycling program:

- Recycling locator (a searchable map displaying locations of all New Brunswick paint collection sites – see <u>Appendix 3</u>)
- 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 587,264 users accessed productcare.org during the 2022 calendar year of which 23,165 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 2022, resulting in more than 4 million impressions.

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

In 2022, Product Care distributed PoS and PoR materials as requested by retailers and collection sites (see <u>Appendix 4</u>). The following materials were available for order through the online form:

- Bilingual brochures (English and French)
- Posters

5.7 Digital Advertising

All digital campaigns were set to reach the entire province. In 2022, they achieved a total of more than 6.6 million impressions and more than 30,000 clicks to visit the New Brunswick section of Product Care's website.

Campaign Type	Description	Duration	Impressions	Video Views	Clicks
Google Search (EN & FR)	Text ads shown on Google & other search engines	Jan-Dec	2,411	-	412
Google Video (EN)	Skippable video ads displayed across YouTube and Google's video partners	May-Sep	769,291	235,467	559
Google Display & Discovery (EN & FR)	Responsive banners displayed across Google display network, Discover, YouTube and Gmail	Feb-Oct	2,294,612	-	14,390
Facebook Ads (EN & FR)	Responsive graphic ads displayed across Facebook and Instagram	Feb-Oct	1,668,706	229,944	10,557
TWN Display ads (EN & FR)	Banner ads displayed throughout the Weather Network app	Aug-Oct	962,973	-	2,172
Corus Global (EN)	15sec pre-roll video	Aug-Oct	285,081	216,577	1,206
Programmatic (EN)	Pre-Roll & Display/Native :15sec creative - devise agnostic	Aug-Oct	707,001	530,162	1,090

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. An estimate of 1,500 copies were distributed across Canada to industry members. A digital version of the publication is posted on CPCA's website (see <u>Appendix 6</u>).

5.9 Recycle New Brunswick Partnership

Product Care continued to partner with Recycle New Brunswick in 2022 (see <u>Appendix 7</u>). 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)(I) of the Regulation, the Program's audited financial statements are provided in <u>Appendix 8</u> 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, 2022

	Brand Ov	vner Na	me	
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.	Country Chic Paint Ltd.	
19.	CRC Canada Co.	20.	Denalt Paints Ltd.	
21.	Diamond Vogel Paints Inc	22.	Dover Finishing Products Inc	
23.	Ducan Products Inc.	24.	Dynamic Paint Products Inc. DBA Lancaster Canada	
25.	Farrow & Ball Canada Ltd.	26.	Fastenal Canada Ltd.	
27.	Forrest Paint Co. US\$	28.	Groupe BMR inc.	
29.	Henry Company Canada, Inc.	30.	Home Depot of Canada Inc.	
31.	Home Hardware Stores Limited	32.	32. IRL Supplies (2011) Ltd.	
33.	John Deere Canada ULC	34.	Kent Building Supplies	
35.	K-G Spray-Pak Inc.	36.	Kleen-Flo Tumbler Industries Ltd.	
37.	Kubota Canada LTD	38.	Laurentide Re-sources Inc.	
39.	Lawson Products, Inc.	40.	Loop Recycled Products Inc.	
41.	LPS Canada - Division of LPS Laboratories	42.	Michaels Stores Inc.	
43.	Modern Sales Co-op	44.	Motion Industries (Canada), Inc.	
45.	Orgill Canada Hardlines ULC	46.	Peintures MF Inc.	
47.	PPG Architectural Coatings Canada Inc.	48.	Princess Auto Ltd.	
49.	Produits de Plancher Finitec Inc.	50.	RONA Inc.	
51.	Rust-Oleum Canada	52.	Saman Corporation (3777472 Canada Inc.)	
53.	Selectone Paints Inc.	54.	Seymour of Sycamore, Inc.	
55.	Sherwin-Williams Canada Inc	56.	Sika Canada Inc.	
57.	Soprema Inc.	58.	Techniseal	
59.	TENAQUIP Limited	60.	The Sansin Corporation	
61.	The Sherwin-Williams Company	62.	Timber Pro Coatings Ltd.	
63.	UAP INC.	64.	UCP PAINT INC	
65.	Wal-Mart Canada Corp.	66.	Wood Essence Distributing	
67.	Wurth Canada Limited			

APPENDIX 2 – Collection Site Details as of December 31, 2022

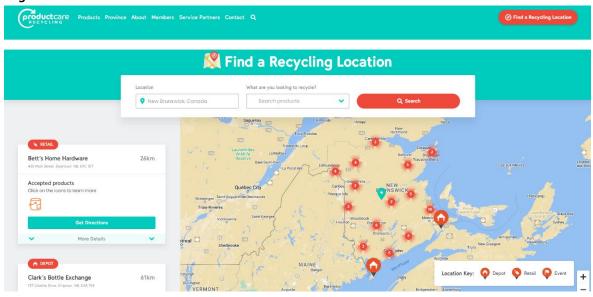
	Collection Site Name	Address	City	Paint
	Collection Site Name	Address	City	Share
1.	Airport General Store	4105 Loch Lomond Road	Saint John	No
2.	Baie Ste Anne Home Building Centre	6 Ch Riviere du Portage	Baie Ste Anne	No
3.	Betts Home Hardware Building Centre	420 Main Street	Doaktown	No
4.	Billy's Bottle Exchange and Salvage	524 Darlington Drive	Dalhousie	No
5.	BMR D.E Landry (formerly RONA		Saint-Francois-	
	#2125)	1976 Rue Commerciale	de-	No
			Madawaska	
6.	BMR Parent - Saint-Quentin	38 Chemin Labrie	Saint-Quentin	No
	(formerly RONA #7200)	36 CHEITHII LABITE	Same Quentin	140
7.	BMR Parent - Kedgwick (formerly	115 rue Notre-Dame	Kedgwick	No
	RONA #7786)	113 rde Notre-Dame	Reugwick	140
8.	Boyd Bros. Home Hardware Building Centre	#9 - Route 172	St. George	No
9.	Brooks Redemption Center	496 Campbell Settlement	Hartfield	Yes
		Rd		163
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	42 Blv St-Pierre Est.	Caraquet	No
	Hardware	42 Biv St-Fierre Est.	Caraquet	140
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	4008 Route 113	Savoy Landing	No
	Shippagan Les Iles Inc.	4008 Noute 113	Savoy Landing	INO
17.	Centre De Transbordement	220 rue de L'entreprise	Tracadie	No
18.	Chaleur Regional Service Commission -	1300 Route 360	Allardville	No
	Redpine Landfill	1300 Noute 300	Allaraville	140
19.	Dupuis Home Hardware Building Centre	8 Ch Pont Rouge	Memramcook	No
20.	Fredericton Region Solid Waste	1775 Alison Blvd	Fredericton	No
	Commission Landfill	17737113011 5114	Trederictori	140
21.	Fundy Regional Service Commission - Crane	10 Crane Mountain Road	Saint John	No
	Mountain Landfill			
22.	Gilbert M Rioux et fils Ltee.	53 rue Beaulieu	Grand Sault	Yes
23.	Golden Mile Redemption Centre	35 Linton Road	Saint John	Yes
	Ltd.			
24.	Gorbers Bottle Exch. Ltd.	216 High Street	Moncton	Yes
25.	Grand Bay Redemption Centre	301 Highland Road	Grand Bay -	Yes
		<u> </u>	Westfield	
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	68 rue Principale	Lamèque	No
	Lamèque Ltee	•	·	140
35.	Maison Du Tapis	832 Boulides Acadiens	Bertrand	No
36.	Mapleview Redemption Center	182 Route 385	Weaver	Yes
37.	Marina Bottle Exchange	15 C Boom Lane	Atholville	Yes
38.	Northside Redemption Centre	213 McFarland Street	Fredericton	No
39.	Northwest Regional Service Commission Landfill	248 Clement Roy Rd.	Rivière -Verte	Yes
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

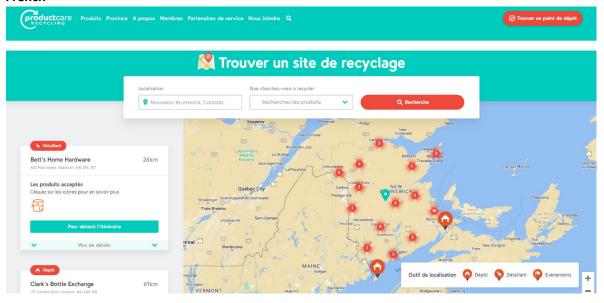
APPENDIX 3 – Recycling Locator Tool

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

English



French



APPENDIX 4 – PoS and PoR Materials

PoS and PoR Poster

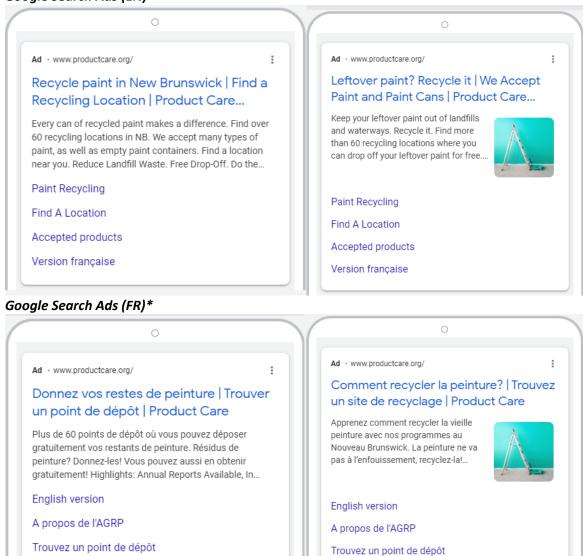


PoR/PoS Bilingual Brochure



APPENDIX 5 – Digital Advertising Activities

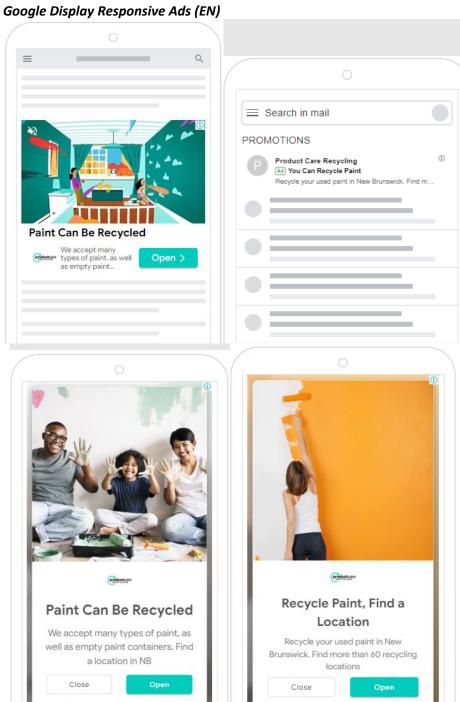
Google Search Ads (EN)*



Les produits acceptés

Les produits acceptés

^{*}Responsive Search ads work with a mix of elements, including several headlines and descriptions, these are a few examples of how an ad could look like.

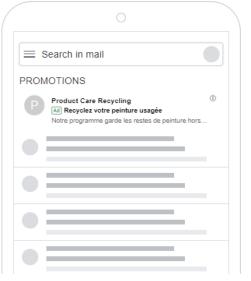


Google Display Responsive Ads (FR)

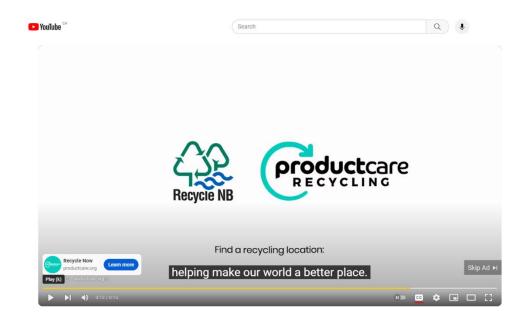






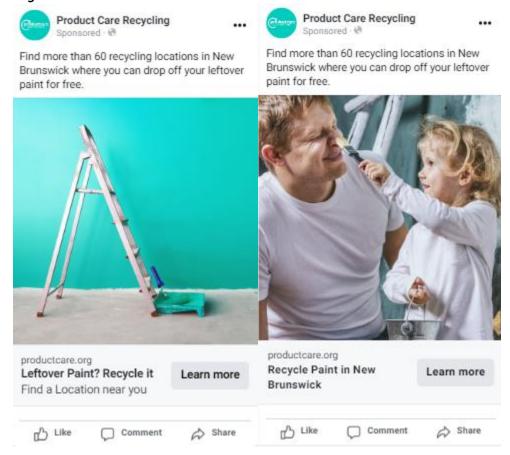


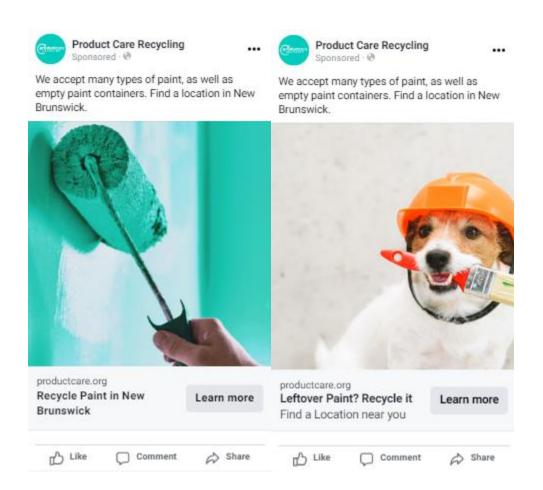
Google Video Ads (EN)



Facebook Ads

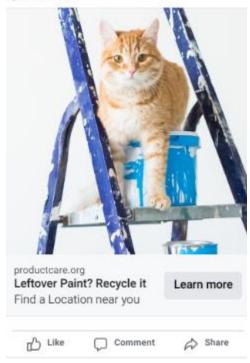
English

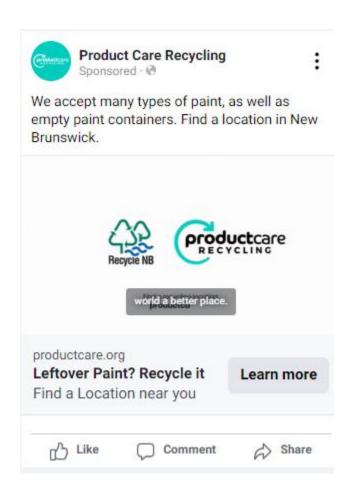




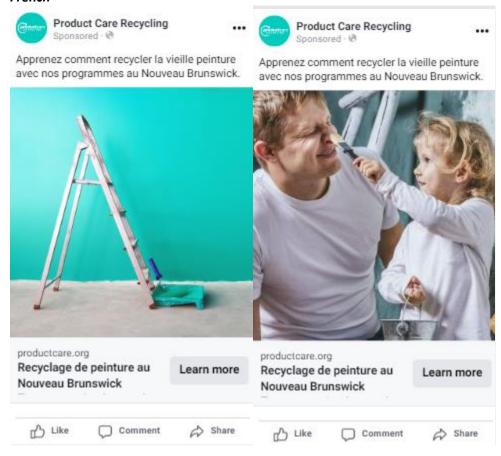


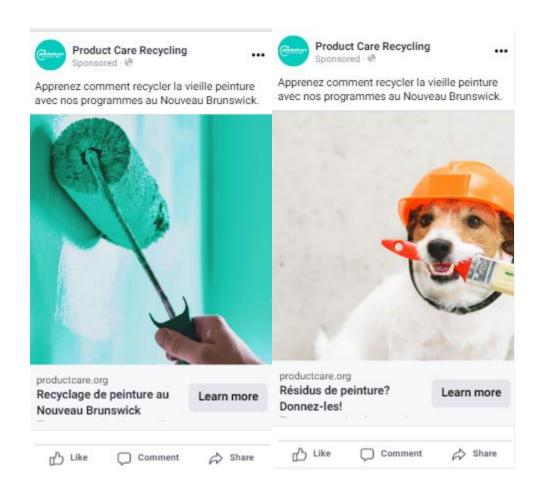
Find more than 60 recycling locations in New Brunswick where you can drop off your leftover paint for free.

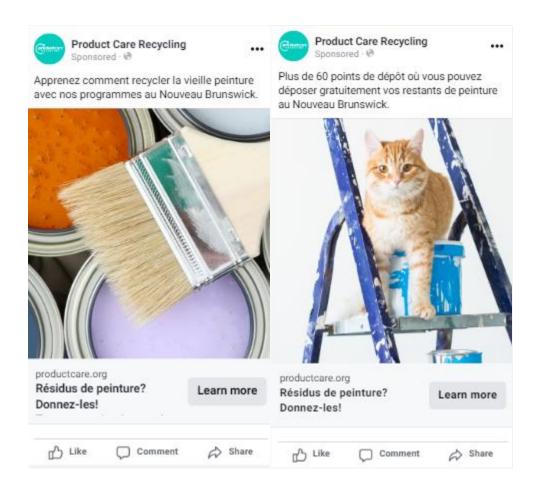




French



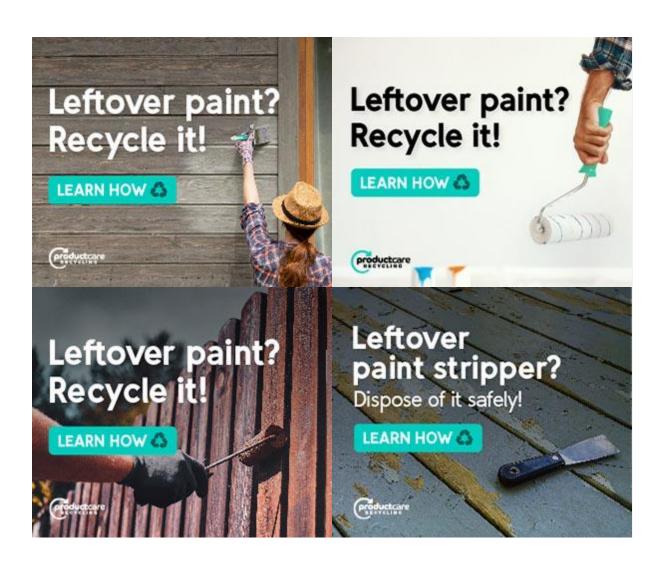




The Weather Network

English



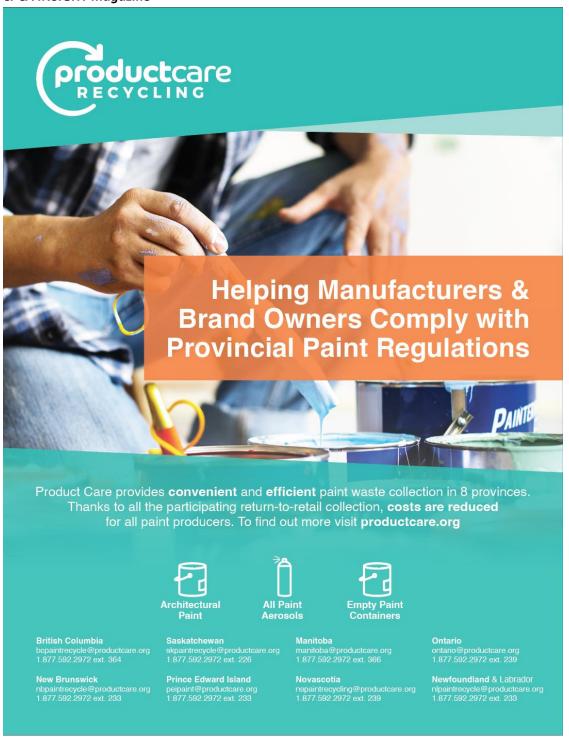


French



APPENDIX 6 – Print Advertisements

CPCA INSIGHT magazine



APPENDIX 7 – Partnerships

Recycle New Brunswick Web Content (cross-promotion)



APPENDIX 8 – Audited Financial Statements

STATEMENT OF REVENUES AND EXPENSES AND ACCUMULATED SURPLUS

31 DECEMBER 2022

Statement of Revenues and Expenses and Accumulated Surplus

For the year ended 31 December 2022

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 2022 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 2022 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.

CHARTERED PROFESSIONAL ACCOUNTANTS

Rolfe, Berson UP

Vancouver, Canada 17 March 2023

Statement of Revenues and Expenses and Accumulated Surplus

For the year ended 31 December 2022

	2022	2021
Revenues	\$ 1,200,646	\$ 1,354,511
Program expenses		
Processing	554,188	667,218
Transportation	209,231	191,759
Administration (Notes 2(b) & (d))	105,344	136,997
Collection	116,620	134,334
Regulatory	82,700	81,450
Communications	76,877	46,596
	1,144,960	1,258,354
Excess of revenues over expenses for the year	55,686	96,157
Accumulated surplus - beginning of the year	1,098,260	1,002,103
Accumulated surplus - end of year	\$ 1,153,946	\$ 1,098,260

Commitment (Note 3)

Notes to the Statement of Revenues and Expenses and Accumulated Surplus

For the year ended 31 December 2022

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

7

Included in administration expense is \$18,200 (2021 - \$25,334) of amortization expense related to tangible capital assets.

(c) Use of Estimates

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

Notes to the Statement of Revenues and Expenses and Accumulated Surplus

For the year ended 31 December 2022

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 \$61,031 (2021 - \$75,490) 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 \$69,554 (2021 - \$65,279) which will be incurred in 2023.

8

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APPENDIX 9 – Report of Independent Auditor

New Brunswick Paint Stewardship Program - 2022 Program Review

Prepared by: Kim Hughes, BSc. Submitted: 21 April, 2023

Executive Summary

2022 New Brunswick Stewardship Program

Product Care Association of Canada (Product Care) successfully delivered a province-wide post-consumer paint recycling program in 2022 that met the regulatory requirements in the *Designated Materials Regulation* 2008-54 and achieved planned program objectives.

In 2022;

- 4,941,453 litres of paint managed by the program was sold in New Brunswick
- 275,107 litres of post-consumer paint was collected
- 62 collection sites operated throughout the province. This network of sites, supported by site visits (54) and communication with the provincial Product Care representative, provide an effective and consistent presence to the public, enabling the paint recycling program
- 257,939 litres of residual paint processed by Laurentide Re-sources Atlantic (Richibucto)
- 1,253 litres of residual aerosol paint processed by GFL Environmental (Sussex)
- 845 litres of paint re-used through the Paint Share Program
- A total of 260,037 litres of post-consumer paint was managed by the program in 2022
- A total of 119.1 tonnes of metal and plastic paint containers were managed by the Program in 2022
- Communication/educational tools continue to be improved on and contribute to program awareness (@ 82%!)
- Design for Environment goals continue to be pursued by Canadian Paint & Coatings Association members. This effort is an integral part of minimizing the environmental impacts associated with consumer paint products before and after paint products enter the recycling stream.

In 2022, Product Care delivered a post-consumer paint products recycling program to New Brunswick residents that met regulatory requirements and planned program objectives (New Brunswick Paint Stewardship Plan 2021-2025).

The independent auditor that undertook the review of the 2022 New Brunswick Paint Stewardship Program has extensive experience in environmental management and sustainability consulting (40+ years), including significant knowledge relating to sustainability, stewardship, waste management and recycling in New Brunswick.

The program reviewer has experience specific to regulatory matters, policy development, program (and project) assessment and strategic planning. The reviewer is currently a member of the Board of Directors for two not-for-profit organizations that focus on the delivery of programs to enhance the environmental condition of New Brunswick and the north-eastern North America eco-region (Gulf of Maine).

Introduction

This report represents the results of an independent assessment of the performance of the New Brunswick Paint Stewardship Program for 2022. This assessment is an annual requirement under the *Designated Materials Regulation* (2008-54) – Clean Environment Act, to examine and assess program performance of designated materials (paint) with respect to achieving stewardship goals with for paint products sold in New Brunswick in 2022.

Stewardship programs in Canada continue to migrate towards the Extended Producer Responsibility (EPR) model where the end-of-life product management rests with the producers of the product and the management of the product follows a user-pay model. Product Care has been successfully implementing the model in New Brunswick since 2009. The 2022 Stewardship Program demonstrates responsible management after product use, describing the hierarchy of management processes (re-use, recycling, energy recovery and environmentally sound disposal) for paint products in the province.

The 2022 program performance review was carried out by reviewing the 2022 Paint Stewardship Program Annual Report and the 2021-2025 New Brunswick Paint Stewardship Plan. The 2022 Program was reviewed through communication with Product Care, RecycleNB, Department of Environment and Local Government, Regional Service Commissions, and with members of the public participating in the paint stewardship initiative.

New Brunswick Paint Stewardship Program

The New Brunswick Paint Stewardship Plan 2021-2025 identifies Product Care as the administrator acting on behalf of the Paint Brand Owners selling or distributing paint products in the province. As stated previously, Product Care has undertaken this role and delivered the Paint Stewardship Program since 2009.

As of December 31, 2022 there were 67 Brand Owners registered in the New Brunswick Paint Stewardship Program. The program was delivered throughout New Brunswick by Product Care, with program support from RecycleNB, through a network of 62 collection sites around the province. These locations provide a consistent and easy-to-access service that enables the collection of used paints and coatings (liquid and aerosol) as well as original containers from consumers of paint products in New Brunswick.

Product Care continues to follow their commitment found in the New Brunswick Paint Stewardship Plan 2021-2025; in order of preferred approach; consumer re-use of paint products when possible, recycle the paint product for future use as paint, disposal in an environmentally responsible manner in a secure landfill facility, lastly, use as a feed stock in energy recovery processes.

Metal and plastic containers are collected and directed to appropriate management facilities.

Evaluation

Collection Network

There were sixty-two (62) collection sites participating in the program in 2022. These sites provide consistent, province-wide access facilitating public access to participate in the program.

As in previous years, the regular collection opportunities were complimented by household hazardous waste collection events organized by Regional Service Commissions that brought waste paint products into the program that was subsequently managed by Product Care.

Ongoing interaction between the provincial Product Care representative and the collection site operators / Regional Service Commissions continues to support and enable the province-wide collection network.

Collection

Program members reported the sale of 4,941,453 litres of program products in New Brunswick from January 1, 2022 to December 31, 2022. The recovery rate for the program in 2022 was 5.6%.

This rate is calculated by dividing the volume of waste paint collected by the volume sold in 2022 (275,107/4,91,453= 0.056).

Product Care offers a comprehensive collection and logistics system that enables the paint stewardship program across New Brunswick.

In 2022, Product Care offered the Paint Share service at 27 locations, where better quality paint that has been returned to a retailer can be provided to another consumer at no charge. This resulted in 845 litres of paint product being used as originally intended, not entering into the recycling or waste stream.

Processing and Recycling

The New Brunswick Paint Stewardship Program collected 275,107 litres of post-consumer paint in 2022. The New Brunswick Paint Stewardship Plan 2021-2026 outlines the management processes that Product Care does to enable program success.

The 260,037 litres of paint in the program was managed as follows in 2022;

• re-use 845 litres

recycle 193,774 litres

landfill 61,090 litres

energy recovery 4,328 litres

incineration 0 litres

Reuse and recycling represents 74.8% of the volume of paint managed in the Paint Stewardship Program (reuse target is 70%). The remainder of the post-consumer used paint was disposed of in engineered landfill sites (61,090 litres) or sent for energy recovery (4,328 litres) in accordance with provincial regulation. No incineration of waste paint took place.

In 2022 the program managed the collection of 81.0 tonnes of metal paint containers and 38.1 tonnes of plastic (HDPE 2 and polypropylene). These products enter the recycling stream and are not being landfilled.

Communications and Education

Product Care continued to advance the paint stewardship program through communication and outreach efforts. It is the opinion of this reviewer that the ongoing collaborative efforts of Product Care and RecyleNB are a critical part maintaining and increasing participation in the stewardship initiative. The challenge associated with bringing new participants into the program is not an easy one! Media presence and educational tools re-enforce the importance of paint recycling efforts through the New Brunswick Paint Stewardship Plan, leading to a "Sustainable New Brunswick".

The communication and education effort from Product Care includes the site visits (54) undertaken by the provincial representative in 2022. This activity, while a commitment in the Stewardship Plan, is an important part of ensuring that the public interface at collection sites is as good as it can be.

The analysis of web-site visits to the Product Care web-site in the Product Care Annual Report shows the importance of social media sites in sharing information, and helping the program managers (Product Care, RecycleNB) understand the communications aspect of the program better.

Operations

The collaboration between Product Care, RecycleNB, and the Environment and Local Government (ELG) regulator continues to facilitate an ongoing, ever improving program that achieves a part of the provincial waste management strategy. Basically, create less waste, and what is created is managed effectively and responsibly. In brief, the essence of an extended producer responsibility model.

Operationally the paint and coatings industry in Canada and world-wide continues to make steps (and these should be tracked over a timeline, outside the scope of this annual program review) to minimize environmental impacts associated with their products through-out the product life-cycle. This aspect is very important and typically not recognized (or at least shared publicly!).

In New Brunswick, the paint and coatings industry, through Product Care, is managing post-consumer paint products in a manner that achieves program and regulatory expectations, and in doing so contributed to the provincial waste management strategy in a positive way in 2022.

It is worth re-stating the importance of the communication and site visits that Product Care has with the collection network. The collection sites are the entry for the public into the stewardship program (and a determinant on whether they will continue to participate), and they provide the raw data that enables program understanding (metrics/volume).

Program Assessment Summary

The 2022 New Brunswick Paint Stewardship Program met program and regulatory expectations. The collaboration between program partners (Product Care, RecycleNB, and ELG) results in an effective and efficient program that manages paint and post-consumer paint products for the citizens of New Brunswick.

The integration of the results of the "available to collect study" undertaken in 2021 will serve to support program deliverables and understanding in future years.

In 2022, a total of 275,107 liters of post-consumer paint was collected and 119.1 tonnes of metal and plastic containers were collected for processing outside of the regular solid-waste management stream.

As in previous years, the New Brunswick Paint Stewardship Program contributes consistently to the New Brunswick economy and community. While developed with a goal of better managing the environmental condition (waste management and pollution reduction), programs like the New Brunswick Paint Stewardship Program are one piece moving toward sustainability in New Brunswick.

Recommendations

- Product Care continues to invest in communications and educational materials to support the Paint Stewardship Program in New Brunswick
- RecycleNB and ELG should commit resources to inform the public on extended producer responsibility (EPR), noting that is a user-pay (polluter pay) system that enables responsible management of products once the consumer is finished with them.
- Product Care should consider enhancing program awareness at point-of-sale/retail with paint product consumers/users.