



ANNUAL REPORT 2025-26

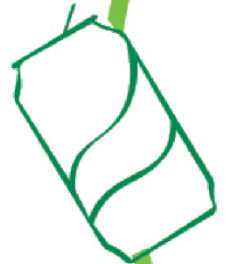


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MESSAGE FROM THE CHAIR



On behalf of the Board of Directors of the Multi-Materials Stewardship Board (MMSB), I am pleased to present the Annual Report for the 2025-26 fiscal period. This report evaluates MMSB's performance from April 1, 2025, to March 31, 2026, as well as progress towards goals identified in MMSB's three-year plan for 2023-26. This report was prepared in accordance with the **Transparency and Accountability Act** as a Category One entity.

Year three of our strategic plan has been marked by continued progress, strengthened partnerships and new opportunities to advance waste diversion and sustainability in Newfoundland and Labrador. We remained focused on delivering meaningful impact across our programs, while laying the groundwork for a new three-year plan.

Through our core programs, Newfoundlanders and Labradorians demonstrated our shared commitment to sustainable waste management practices by returning more than 243 million beverage containers and 514,000 used tires for recycling. Through our industry-led programs, Newfoundlanders and Labradorians returned more than 197,000 litres of waste paint, 800 tonnes of electronic waste and 1.8 million litres of used oil to collection locations province-wide.

This year also marked new opportunities to integrate sustainability into major public events and engage a broader audience in environmental action. We were proud to support the 2025 Canada Summer Games and the 2026 Labrador Winter Games as the sustainability sponsor.

May of 2026 saw the retirement of our CEO, Charles Bown. Under Charles' leadership, the organization had a renewed dedication to the continuous improvement of the five province-wide waste diversion programs and a new vision for organizational resilience and employee well-being. Charles' legacy is a culture of support and unity and we're grateful for his contributions over the past five years.

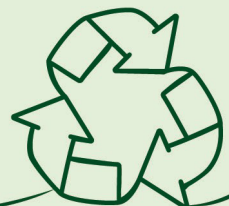
I also want to thank the team at MMSB and our partners for a successful three years in supporting residents to do the right thing with their end-of-life products and packaging. As we look ahead to the implementation of a new three-year plan, our focus will be on driving public participation, industry compliance and community trust in our existing programs and exploring new opportunities for diversion. Together, we are helping to build a cleaner future for Newfoundland and Labrador.

As Chair of the Board, my signature below is indicative of the Board's overall accountability for the actual results reported within the 2025-26 Annual Report.

Sincerely,

A handwritten signature in black ink, appearing to read 'Dermot Flynn'.

Dermot Flynn, Chair



OVERVIEW

Established in 1996, the Multi-Materials Stewardship Board (MMSB) supports and promotes sustainable waste management through the development and implementation of waste diversion programs and public education. A Crown Corporation of the Government of Newfoundland and Labrador, MMSB reports to the Minister of Environment and Climate Change. More information can be found at mmsb.nl.ca.

GOVERNANCE AND OPERATIONS

MMSB is governed by a Board of Directors appointed by the Lieutenant Governor in Council. The Board is comprised of representatives from stakeholder groups, as well as members at-large (Appendix A).

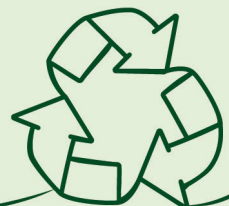
Management and staff carry out the day-to-day work of MMSB under the direction of the Chief Executive Officer. MMSB's current corporate structure consists of 19 positions: 17 positions at a head office located in St. John's and two positions at a field office located in Mount Pearl. Of the employees that presently work at MMSB, eight are female and seven are male. There are four vacant positions.

FINANCE

As a self-financed Crown Corporation, MMSB does not receive funding from the Government of Newfoundland and Labrador. In accordance with provincial legislation, its revenues are derived from deposits applied on the sale of ready-to-serve beverage containers, environmental fees applied on the sale of new highway tires and from the sale of recyclable materials collected through diversion programs.

MMSB's operating revenue in 2025-26 was just under \$40 million. Total expenditures were \$37 million, with \$650,000 expended from the Waste Management Trust Fund, which supports the implementation of the Provincial Solid Waste Management Strategy.

For detailed information on MMSB's mandate, vision and lines of business, refer to the [2026-29 Strategic Plan](#).



2025-26 HIGHLIGHTS & PARTNERSHIPS

✓ **NEW RECORD FOR BEVERAGE CONTAINER RECYCLING**

The Green Depot network and residents of the province continue to recycle more beverage containers annually. This year over 243 million beverage containers were recycled, beating last year's record high.

✓ **ROBUST TIRE COLLECTIONS AND INROADS FOR TIRE DERIVED AGGREGATE**

The Used Tire Management Program collected over 514,000 units, continuing to exceed recovery rate targets. More than 6,700 tonnes of Tire Derived Aggregate (TDA) created from these used tires was utilized in diversion projects.

✓ **LABRADOR ACCESS**

The Electronic Products Recycling Association secured seven new community partners in Labrador, expanding access to electronic waste collection services.

✓ **NEW DIVERSION OPPORTUNITIES**

New electronic products were added to the regulated list of recyclable materials in the province. In addition to TV's, computers and more, in 2026-27 Newfoundlanders and Labradorians will be able to recycle:

- Floor standing copiers
- Computer servers and switching equipment
- Handheld power tools
- Electric bikes and scooters
- Textiles processing equipment
- Electronic toys

✓ **SOLID WASTE MANAGEMENT INNOVATION FUND (SWMIF)**

MMSB funded three SWMIF projects in 2025-26 year, totalling \$150,000. Successful projects included repair of donated furniture, repurposing of surplus and recovered construction and demolition waste and the recycling of glass into aggregate material.

✓ **COMMUNITY WASTE DIVERSION FUND (CWDF)**

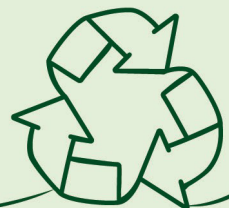
Awarded over \$168,000 to 10 communities across Newfoundland and Labrador through the CWDF in 2025-26. Many of these communities focused on organic waste reduction projects, furthering efforts to divert waste through composting and other sustainable practices.

✓ **NEW MMSB CORPORATE WEBSITE**

Launched the new corporate website, combining the three previous sites - greendepotnl.ca, mmsb.nl.ca and rethinkwastenl.ca into a single, streamlined platform to improve user experience and access to information.

✓ **CANADA GAMES AND LABRADOR WINTER GAMES PARTNERSHIPS**

MMSB's \$500,000 sponsorship through the Waste Management Trust Fund supported the 2025 Canada Games in becoming the greenest Games in the program's history. MMSB also supported the 2026 Labrador Winter Games, hosted in Happy Valley – Goose Bay with a \$50,000 contribution, making this the first sustainable Winter Games in the Labrador's history.



✓ **NEW GREEN DEPOT 'SOUNDS OF RECYCLING' CAMPAIGN**

MMSB developed and launched the "Sounds of Recycling" campaign to promote Green Depots and increase awareness of beverage container recycling. Built around the familiar sounds people hear when recycling at home, school or work, the campaign used these everyday sounds in video and digital advertising to create a recognizable and relatable

connection with audiences. Campaign assets included video, social media content and a Trick Shot contest.

✓ **EXTENDED PRODUCER RESPONSIBILITY (EPR) STEWARDSHIP PLANS**

Reviewed and approved a new five-year stewardship plan for the EPR program for waste paint and paint containers.

REPORT ON PERFORMANCE

The 2025-26 fiscal year marks the final year of MMSB's 2023-26 strategic plan. In consideration of MMSB's mandate and resources, the following areas have been identified as issues for MMSB to be strategically addressed during this period:

1. Waste Diversion Program Performance
2. Knowledge, Information and Partnerships
3. Modernizing Program Supports

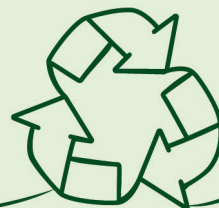
The goals identified for each strategic priority reflect the results expected in the three-year timeframe. Annual objectives have been identified to help achieve the identified goals. The following section reports on the objectives and indicators for the 2025-26 fiscal year.

ISSUE 1: WASTE DIVERSION PROGRAM PERFORMANCE

MMSB administers and manages provincial waste diversion programs and services in accordance with government direction as prescribed in the Waste Management Regulations. MMSB provides waste diversion programs for beverage containers and used tires.

MMSB also develops and oversees industry-led waste diversion programs under an EPR approach ensuring:

- awareness and access for Newfoundlanders and Labradorians
- responsible management of materials collected; and
- performance measurement and target-setting



Province-wide EPR waste diversion programs are established for waste paint, electronic waste and used oil and used glycol.

MMSB is committed to continuous improvement in the performance of existing waste diversion programs. With direction from the Minister of Environment, Conservation and Climate Change, MMSB will continue to identify and develop opportunities to divert more waste from the province’s landfills to promote a clean and healthy environment.

2023-26 GOAL

By March 31, 2026, MMSB will have improved performance of waste diversion programs in Newfoundland and Labrador.

2025-26 OBJECTIVE

By March 31, 2026, MMSB will improve performance in provincial waste diversion programs by advancing initiatives with assistance from stakeholders.

2025-26 OBJECTIVE: INDICATORS AND PERFORMANCE

INDICATOR 1: Continued to enhance supports for the Used Beverage Container Recycling and the Used Tire Management Programs for more efficient delivery of services.

Used Beverage Containers

Recovery

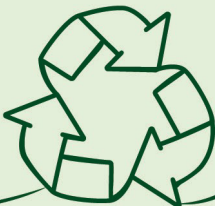
MMSB recovered 230.6 million units from the Green Depot network and 12.8 million units from regional authorities through curbside programs for a total of 243 million units collected in the 2025-26 fiscal year. This is the highest number of recovered units to date, beating the 2024-25 record amount by over five million units. While the units recovered increased, sales also increased substantially in 2025-26, bringing the recovery rate for the Used Beverage Container Recycling Program to 67%.

Quality Assurance and Standards

202,747 bulk containers holding an average of 1,137 units were transported from Green

Depots to the processing facility for recycling in 2025-26. Of the 202,747 containers, 5,299 (2.6%) were inspected by QA staff for count accuracy, contamination, mis-sorts and rejects, which can result in financial penalties to Green Depots. There were 11 depots with counts outside the 2% allowable tolerance, confirming consistent reliability on behalf of Green Depot staff members.

MMSB continued monthly auditing of beverage containers collected by curbside recycling programs to support accurate annual payments to the regional waste management authorities. Approximately \$683,000 was paid to the regions for the management of both deposit-bearing and milk packaging containers collected through curbside programs.





Beverage containers collected from Green Depots being prepared to be shipped to end markets.

Annual inspections were performed at the 52 Green Depots across the province for compliance with the 79 requirements of the Green Depot Licensing Standards. During 2025-26, 64 core infractions were cited, which centred primarily around Xpress usage, Xpress counting, QA and working capital requirements. All but 26 of these infractions have been resolved, most of which involve the counting of Xpress material.

MMSB created new or improved existing standards for Green Depot operations:

- The number of days under the Xpress Drop Off Counting Standard was increased from seven business days to ten. Accordingly, in 2025-26 approximately 6% of all Xpress drop off materials province-wide took longer than prescribed – down from 15% in 2024-25.
- A new Xpress Timing Standard was developed in 2025-26. Xpress accounts with balances of \$100 or more will be paid out to customers proactively. This new standard will reduce the liability risk to MMSB in the event of an unexpected depot closure.

Of the \$7.5 million owed to Xpress customers, \$5.6 million are with account balances of \$100 or more.

- A new Working Capital Standard was implemented to ensure Green Depot operators are keeping a reserve that is sufficient to cover the refunds owed to customers on their Xpress accounts.

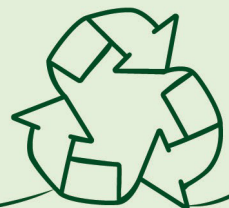
Operational Upgrades

A contamination functionality was added to the Management Information System (MIS) allowing Green Depots to record the number of contaminated containers being received from customers. Contaminated materials now show on the customer receipt providing for a more transparent transaction. Further enhancements now allow staff to select contamination issues from a drop-down listing resulting in email notifications. In 2025-26 the “contamination button” was used for 490,406 units resulting in 10,439 emails sent to customers.

Green Depot Supports

Professional Development and Information Sharing

An in-person Green Depot Professional Development Session was held from October 16 to 17, 2025. The event was attended by owners and staff from 45 Green Depot operations across the province. This annual event provides an in-person opportunity for Green Depot representatives and MMSB staff to network and share challenges and ideas for improvement.





Attendees of the Green Depot Professional Development Session in October 2025.

MMSB held an Xpress planning session with three Green Depot Operators, IT service providers and staff from Feb 26 to 27, 2026. The session focused on improving the Xpress customer experience, reducing administrative burden on depot operators and modernizing supporting technology and operational processes. Attendees explored opportunities for efficiencies as material flows from the customer drop off through to processing.

Finances and Infrastructure

The following Green Depot projects were approved in 2025-26:

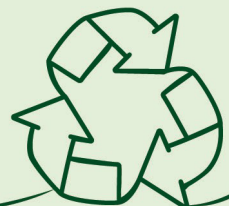
- Infrastructure loans were provided to two Green Depots in 2025-26 totalling \$30,000. This support will allow these depots to complete infrastructure upgrades to enhance the speed of transactions.
- A new Green Depot Assistance Program was approved in 2024, allowing Green Depots to access up to \$50,000 of grant funding. This funding can be used for upgrading buildings, parking lots, material handling or technology. Two Green Depots

availed of the program in 2025-26 totaling \$55,000 for heating upgrades in Marystown and a trailer to facilitate a mobile service in Labrador Straits.

- In 2025-26, four Green Depots received new customer kiosks to provide a faster and simpler customer experience.
- In January 2026, MMSB approved a four-month pilot project for a smart autonomous beverage container collection and storage unit to validate the feasibility of broader implementation.

Contracts

MMSB entered into a new five-year IT contract with Yellow Environmental for the Bluecan operating system, the back end of the Management Information System.



Used Tires

Recovery

Over the past year, more than 514,000 units were collected from 555 locations province wide. With tire sales for 2025-26 at 642,122 units, the recovery rate of used tires was 80.1%, bringing the four-year rolling average to 84.9%. This exceeds the forecasted 75% four-year rolling average.



Tires collected through MMSB's Used Tire Management Program being dropped off at Coastal Tire Recycling.

Research

MMSB completed a market research study for the Used Tire Management Program to assess awareness of accepted tires, understanding of MMSB's role in program delivery and the effectiveness of related marketing campaigns.

While 61% of Newfoundlanders and Labradorians are aware that there is a tire recycling program in the province, 87% of residents believe that recycling tires help protect the environment. Advertising exposure also proved to be a strong predictor of awareness.

The research also showed communications can focus less on program justification and more on reinforcing benefits, pride, collective impact and educational tips such as how to properly dispose of used tires.

As MMSB moves to an always-on advertising approach, this data will help shape future campaigns, including target audiences, advertising channels and key messages.

INDICATOR 2: Improved efforts to increase capture of materials under industry stewardship programs for waste paint, electronic waste, and used oil and glycol as a result of renewed and improved stewardship plans.

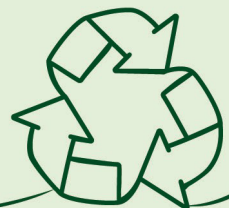
The new stewardship plans required new collection sites in additional communities throughout the province.

In 2025, 96% of residents had access to a collection site for electronic waste and 90% of residents had access to a collection site for waste paint.

The plans also required new research by the producer responsibility organizations to inform program performance.

MMSB approved a new five-year stewardship plan for the province-wide management of waste paint and saw the first year of implementation of the five-year stewardship plans for electronic waste and used oil and used glycol that were approved in 2024-25.

MMSB continued oversight of the three province-wide EPR programs and made improvements to the feedback process for



annual reporting. Annual performance for each program is impacted by effort and program enhancements but also by changes in consumer behaviour and timing between collection and processing. As such, changes in year-to-year program recovery are not necessarily indicative of changes in program performance. Trends in the movement of performance measures over multiple years are monitored as indicators of overall program health. The three EPR programs produced the following results for the 2025 calendar year:

- Product Care Recycling recovered 197,160 litres of waste paint, a 28% increase from the previous year, as well as 61 tonnes of paint containers.
- The Electronic Products Recycling Association collected 807 metric tonnes of electronic waste, a 14% increase from the previous year.

- Bell Aliant collected 52,002 set-top boxes through their lease/return program, a 4% decrease in returns from the previous year.
- The Atlantic Used Oil Management Association collected the following volumes during the 2025 calendar year, meeting the regulated objective in the used oil category only:
 - 1.8 million litres of used oil, a decrease of 15% from the previous year.
 - 60,083 litres of used glycol, a decrease of 25% from the previous year.
 - More than 100 tonnes of used oil filters, 150 tonnes of used oil containers and seven tonnes of used glycol containers.

The province-wide recycling program for waste paint has struggled since the COVID-19 pandemic with fewer consumers returning waste paint. In 2025-26, the volume of waste paint collected returned to pre-pandemic levels.

INDICATOR 3: Actioned opportunities to further expand diversion programs in the province.

Electronic Waste

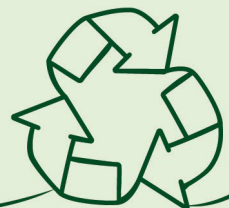
New electronic products were added to the regulated list of recyclable materials in the province. In addition to TV's, computers and more, in 2026-27 Newfoundlanders and Labradorians will be able to recycle:

- Floor standing copiers
- Computer servers and switching equipment
- Handheld power tools
- Electric bikes and scooters
- Textiles processing equipment
- Electronic toys

Brand owners of electronic products will appoint an agent to represent them in meeting the end-of-life obligations for the impacted products.

Beverage

MMSB's marketing efforts for the used beverage container recycling program included a social media strategy with an always-on approach to targeted audiences, an email strategy focused on properly preparing containers and a new marketing campaign. These efforts resulted in new Xpress accounts with 90,903 active as of March 31, 2026.



Over 63% of all materials being returned to the Green Depot network are coming in through Xpress. Xpress usage resulted in an additional \$212,000 paid to Green Depots for their continued efforts with expanding this service.

Tire Derived Aggregate

In 2025-26, tire derived aggregate (TDA) produced from the province's used tires was utilized by MMSB's processor, Coastal Tire Recycling, in an engineered layered infill where alternating layers of TDA and aggregate were placed in a commercial lot development. The

TDA replaces traditional rock fill and allows for better drainage, reduces frost heave and reduces the cost associated with purchasing rock fill and the transport of rock to the site. Approximately 6,700 tonnes of TDA were used in this project in 2025-26.

Further, in 2025-26, MMSB approved a request from Central Regional Service Board to utilize more than 4,200 tonnes of TDA in the design and development of the fourth cell of the engineered/lined landfill in Norris Arm which is expected to be constructed in 2026-27.

INDICATOR 4: Continued to support communications and resources to further increase program performance.

Used Tires

To further promote the recycling of used tires, brochures were updated to include new branding and information for the tire program. Brochures were provided to retailers at request as well as to the public during tradeshow events.

MMSB continued to use the two-minute and 30-second used tire video created in 2024-25 on its Facebook page and YouTube channel. The video was also adapted into shorter 15- and 30-second clips for traditional advertising on NTV and digital promotion across Facebook, Instagram and LinkedIn.

In November of 2025, NTV also featured Coastal Tire Recycling on their Weather Hit series to bring awareness to the used tire program and the use of TDA in the province.

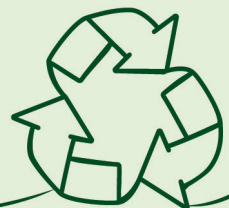
Used Beverage Containers

MMSB created and launched the "Sounds of Recycling" campaign to promote proper beverage recycling practices across the

province. Built around the familiar sounds people associate with recycling, the campaign transformed everyday actions such as cleaning,



Sounds of Recycling Campaign - onsite video shoot capturing the sounds of properly preparing beverage containers for recycling.



preparing, sorting and returning containers into a dynamic musical beat that reinforced the broader message of recycling right. Campaign assets included video advertisements, animated digital ads and social media content. As part of MMSB's 2025 Canada Games sponsorship, the campaign was also supported by a Trick Shot Challenge that helped build awareness and engagement during the event.

The campaign effectively engaged audiences, with a 67% YouTube view rate, nearly 1 million 30-second views, 223K users reached on Facebook and 39K clicks generated.

MMSB continued to support Green Depots with communications tools and customer-facing

resources to improve program information and the overall customer experience. This included:

- Signage project: MMSB refreshed Green Depot signage based on operator feedback and developed an online catalogue for depots to order signs, hats, aprons and brochures. Ordering and printing began in 2025-26, with sign distribution planned for summer 2026-27.
- Targeted emails: MMSB supported depots with customer communications on account balances, depot services, program guidelines and Xpress information.

2023-26 GOAL: INDICATORS AND PERFORMANCE

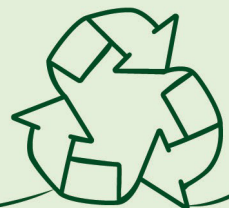
INDICATOR 1: Advanced framework for an industry-led program for packaging and paper products (PPP).

On December 1, 2021, MMSB was directed to carry out consultations with industry stakeholders and waste management authorities to inform the establishment of a fourth EPR program for packaging and paper products (PPP). Currently, curbside blue bag recycling programs for PPP such as food containers and wraps, magazines and cardboard are funded and operated by municipalities and regional authorities and are not provided province-wide. From 2022-24, MMSB carried out an extensive consultation process on an EPR program for PPP including the development and distribution of two 'What We Heard' documents to stakeholders.

Based on the feedback gathered through the consultations and the written submissions, a

draft framework for an EPR program for PPP was developed and distributed to municipal, regional, non-governmental and industry stakeholders on June 9, 2023. A final phase of consultations asked stakeholders to review and respond to the draft framework over a period of three weeks. Seven submissions were received, with stakeholders largely being supportive of the framework as presented.

In July of 2023, the framework was presented to the provincial government for review and consideration. The department evaluated the proposal, but it was not considered more broadly by Government. A revised framework will be presented to Government as part of the 2026-29 Strategic Plan.



INDICATOR 2: Strengthened performance of the Used Beverage Container Recycling and the Used Tire Management Programs.

More than 700 million used beverage containers were collected and diverted from landfills and sold to end markets from 2023-26. More than 1.5 million used tires were collected and diverted from landfills from 2023-26 with more than 19,000 tonnes of TDA created.

MMSB held annual professional development sessions for Green Depot operators. Sessions over the three years covered topics such as human resources, information management, customer service, accounting processes, marketing and communications.

From 2023-26, MMSB developed public education and marketing resources to strengthen awareness, improve participation and support proper recycling practices for the

Used Beverage Container Recycling and Used Tire Management Programs.

- **Used beverage container recycling:** Campaigns and resources included Refund Ready, Sounds of Recycling, aluminum-focused messaging and Green Depot resource guides to support proper container preparation, reinforce everyday recycling habits and improve customer understanding.
- **Used tire recycling:** Resources included a business-focused campaign, refreshed brochures and video content explaining the program, Coastal Tire Recycling and the use of tire-derived aggregate.

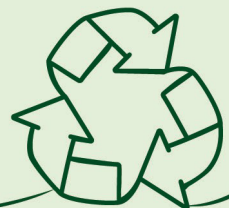
INDICATOR 3: Worked with stakeholders to strengthen the performance of existing industry-led programs for waste paint, electronic waste, and used oil and used glycol.

Over the three-years, MMSB negotiated and approved new five-year stewardship plans for all four producer responsibility organizations delivering the three province-wide EPR programs.

The number of year-round collection locations for electronic waste, waste paint and used oil and glycol not only exceeded MMSB requirements but for electronic waste and waste paint it increased year over year achieving program highs for access and convenience. Major inroads were also achieved by the

Electronic Products Recycling Association in servicing communities in Southern and Northern Labrador as well as the industrial, commercial and institutional sector throughout the province.

Awareness rates of all three programs also exceeded program targets and increased year over year. As more Newfoundlanders and Labradorians have convenient access to province-wide programs and program awareness grows, it is expected that province-wide participation will increase.



Producer Responsibility Organization	Collection Locations Jan 1, 2023	Collection Locations Dec 31, 2025
Electronic Products Recycling Association	58	77
Product Care Association	52	68
Atlantic Used Oil Management Association	145	137

INDICATOR 4: Advanced new designated materials for consideration under the Waste Management Regulations.

The list of products Newfoundlanders and Labradorians can recycle under the province-wide electronic waste program increased. Effective October 2024, the list of electronic waste products accepted for recycling expanded to include:

- floor and carpet care appliances
- garment care appliances
- counter-top cooking appliances

- devices for cutting food items and opening or sealing containers and packaging
- measuring time devices
- personal care appliances
- scales
- portable air treatment appliances

Newfoundlanders and Labradorians will be able to recycle even more products under the electronic waste program in 2026-27.

INDICATOR 5: Enhanced communications and resources.

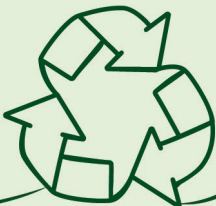
From 2023-26, MMSB continued to support Green Depots with various resources including:

- brochures
- training guides
- email communication supports
- targeted campaigns
- signage
- promotional items such as hats and aprons

- Labrador West pilot campaign
- Refund Ready campaign
- Sounds of Recycling campaign

MMSB developed public marketing campaigns to promote proper beverage recycling practices and encourage greater participation across the province which included:

Over the three-year period, MMSB continued to educate residents about proper tire recycling through seasonal tire change-over campaigns supported by digital, social media, radio and television advertising. New radio and video content helped build awareness, improve understanding of the program and increase transparency around how used tires are managed in the province. These campaigns generated strong engagement, with more than 2 million impressions annually.



MMSB also developed video content to highlight the province's in-province tire recycling solution for use on its website and social media platforms.

To support business and industry awareness, MMSB began developing a targeted social

media campaign focused on the uses and benefits of tire-derived aggregate (TDA).

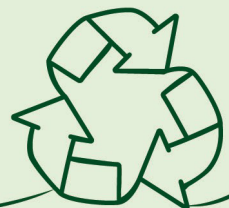
Print resources also continued to support the tire program, including a refreshed brochure for retailers and public education events.

Discussion of Results

Waste diversion programs continue to increase the volumes and types of materials being diverted from landfills. The third year of the strategic plan resulted in continuous investments in used beverage containers and used tires to improve collection and management. Beverage containers and tires reached their highest recovery rates since the inception of both programs during the three-year period. New collection locations and municipal partnerships also enhanced access to the EPR programs for electronic waste, waste paint and used oil and glycol. With respect to recovery, the used oil and used glycol program saw some decreases over this period, while the electronic waste and waste paint programs saw improvements. All EPR programs saw increases in the percentage of Newfoundlanders and Labradorians that are aware of the programs.

Rising operational costs, increased minimum wage, and aging infrastructure and staff are making it harder for Green Depot operators to maintain service, efficiency, and financial stability. While new operators are emerging for select locations (Bonavista saw a change in ownership in 2025-26), the depots in Pasadena and Burgeo permanently closed, bringing the total number of Green Depots at the start of the three-year plan to the end from 54 to 52. To address some of these challenges, over the three-year period, MMSB has introduced a grant program for infrastructure upgrades, conducted optimization research, and supported new concepts for service delivery through pilot projects.

Despite its challenges, MMSB has achieved its three-year goal of improving performance of both the beverage container and used tire programs as well as the 2025-26 objective. Through continued improvements in administrative and operational processes, new initiatives and technologies and continued support and education, MMSB has worked with stakeholders to strengthen province-wide waste diversion programs for Newfoundlanders and Labradorians.



ISSUE 2: Knowledge, Information & Partnerships

Effective stakeholder engagement is crucial to the advancement of sustainable waste management practices and is therefore a critical component of MMSB's strategic plan. Residents, communities, schools, industries, Green Depot operators, regional waste management authorities, businesses and government all share responsibilities in advancing sustainable waste management practices in Newfoundland and Labrador.

Effective stakeholder engagement involves:

- Proactively communicating with stakeholders.
- Developing strategic public education campaigns and initiatives to promote sustainable waste management behaviours and activities to residents.
- Providing strategic counsel and support to help with the implementation of community, regional, provincial and national goals.
- Advising on the development and enhancement of programs, services and resources using research and waste generation, composition, disposal and diversion data.
- Ensuring stakeholders work together to make decisions that deliver enhanced and sustainable solid waste management programs for Newfoundlanders and Labradorians.
- Offering meaningful funding programs to support stakeholder initiatives to advance waste diversion.

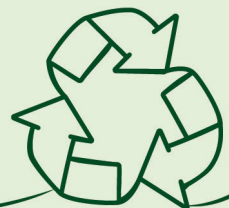
MMSB strives for increased knowledge and has mobilized information and resources supporting its stakeholders during this period to advance sustainable waste management practices.

2023-26 GOAL

By March 31, 2026, MMSB will have advanced sustainable waste management practices through enhanced public education, funding opportunities and partnerships.

2025-26 OBJECTIVE

By March 31, 2026, MMSB will have further implemented elements of its public education strategy and built relationships with partners.



2025-26 OBJECTIVE: INDICATORS AND PERFORMANCE

INDICATOR 1: Continued support for provincial and regional programs supporting development and growth of diversion programs.

Provincial Waste Audit

MMSB conducted a provincial waste audit in the summer of 2025 to understand the composition of waste being delivered to six disposal facilities across Newfoundland and Labrador and inform future policy and program development. This is the first waste audit conducted by MMSB with a

province-wide scope. More than 3,400 kilograms of residential and commercial waste was sorted into 141 categories.

The results of this audit will be shared with stakeholders in 2026-27 to explore opportunities for improving waste diversion programs in the province.

INDICATOR 2: Through advancement of the strategic public education plan, continue to raise awareness and increase participation among residents.

Social Strategy Execution

As previously reported in 2024-25, MMSB's social media strategy was developed to strengthen public engagement and enhance the effectiveness of MMSB's messaging across digital platforms. The new social media strategy guided the delivery of a more targeted social media presence in 2025-26.

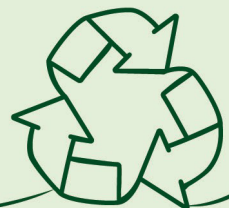
The strategy outlines content themes, platform-specific tactics, and audience targeting approaches to strengthen the organization's digital presence on social media. Specifically, leveraging vertical video and short form cutdowns to meet audiences where they are.

The "Sounds of Recycling" campaign for example, reached 223K users and generated 39K clicks, while the MMSB Champions campaign achieved an exceptional Click-Through Rate (CTR - a measure of ad relevance)

of over 4% - both driven by vertical cutdowns as the top-performing format.

In addition, MMSB continued to explore and adopt emerging marketing platforms to expand the reach of campaigns. As part of MMSB's annual strategic digital media planning, video ads were extended to Connected TV, a growing channel as audiences increasingly consume content via streaming platforms. All ads were non-skippable, ensuring full message exposure. For 2026, ads were focused on premium Canadian properties, including Bell Media/CTV, Rogers Media/CityTV, CBC, Global, as well as Paramount and Roku. Almost 34,000 impressions resulted from this approach.

As we move into 2026-27, the Communications, Marketing and Public Education Plan will be developed annually. An always-on presence across paid, earned, owned, and social channels



will strengthen communication activities that are aligned with MMSB's operational calendar, major program cycles, partner needs, and stakeholder expectations.

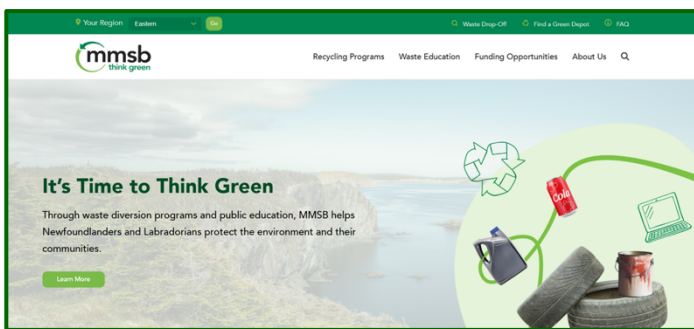
Email Strategy

To further increase participation amongst residents in the used beverage recycling

INDICATOR 3: Continue to increase engagement through advancement of new and improved digital communications and e-learning tools.

New Corporate Website

In September 2025, MMSB completed the redevelopment of its corporate website, which combined three previous sites - greendepotnl.ca, mmsb.nl.ca, and rethinkwastenl.ca - into one centralized platform, redirecting traffic to a single destination, and opening opportunities for deeper engagement and insights - such as user journey mapping and behaviour tracking.



Home page for new mmsb.nl.ca website

Early analysis is showing that:

- Average pageviews per session have nearly doubled - rising from 1.76 and 1.62 on the legacy sites to 3.76 post-consolidation.
- Top visited pages like Used Beverage Containers and the Green Depot Finder show that users are still accessing key

program, MMSB created an email content strategy that would refine targeted messaging to Xpress account users. The strategy will roll out in 2026-27 in two phases; the launch (create and implement) and optimization (analyze performance and engagement and refine and improve).

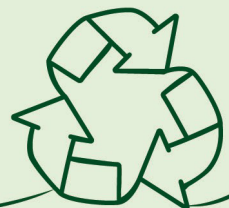
resources without friction, while also exploring additional content they might not have discovered before.

- Google Organic search was the leading traffic source to the new www.mmsb.nl.ca website, suggesting that our pages are well-indexed and easily discoverable in search results - a key consideration when launching a new site.

Funding Programs

MMSB maintains year-round digital marketing efforts across LinkedIn, Facebook, and Instagram to inspire residents to apply for the Solid Waste Management Innovation Fund (SWMIF). On LinkedIn, the campaign delivered 8,509 impressions (up from 3,616 last year) and 50 clicks (up from 30 last year) and reached a highly targeted audience. The campaign reached 95,584 people across Meta platforms (Facebook and Instagram), up from 75,701 in 2024, and drove over 2,100 link clicks compared to 1,380 last year.

In 2025-26, there were 12 SWMIF applications, compared to 17 in the previous year, helped by the move to year-round application availability, paid promotion and strong past success stories that helped build awareness and credibility.



In October 2025, MMSB launched a digital marketing campaign to increase the number and quality of applications for the Community Waste Diversion Fund.

Marketing outreach included:

- A targeted email which was sent to over 300 municipalities across the province.
- Broader social media messaging about the funding program and key dates for 2025-26 applications, which progressed to more specific new content highlighting successful past recipients, designed to inspire future project ideas in other communities.
- MNL e-newsletter.

In 2025-26, 38 CWDF applications were received, compared with 46 in 2024-25 and 31 in 2023-24.

Special Occasions Education

MMSB continued to recognize and support designated annual days through online social posts. These included: Earth Day, Environment Week, World Oceans Day, Global Recycling Day, World Clean-up Day, back to school, and World Rivers Day.

Circular Economy Month was celebrated during October 2025, which included Waste Reduction Week from October 20 to 26. MMSB launched an online campaign offering practical resources and tips to help residents incorporate circular practices into their daily lives. Additionally, special theme days of Waste Reduction Week were highlighted which were dedicated to awareness of reuse of textiles, recycling of plastics and electronic waste, reducing food waste and composting.

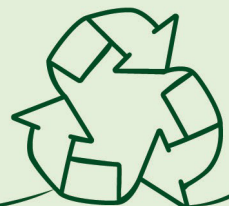
New social media posts were developed to promote waste reduction during the holiday season. New branding elements along with a refreshed look of existing marketing assets were incorporated into the creative design.

Composting Education

Celebrated International Compost Awareness Week (CAW) from May 4 to 10, 2025, with a campaign to expand backyard composting and promote and raise awareness about community composting. Activities included sharing composting tips and information through MMSB social media channels for backyard and community composting as well as a backyard compost bin giveaway. Paid search for CAW posts generated significant interest among residents on the MMSB Facebook page, with



Social media post promoting waste reduction during the holidays.



over 27,000 reached, with 2,615 clicks and 397 link clicks from the various posts.

MMSB continued to support the awareness of the Compost Bin Distribution Program through webpage updates and email marketing to communities across the province. MMSB also continued to offer community composting workshops for communities that participated in the bin distribution program and Train the Trainer sessions for community staff or volunteers upon request.

MMSB's e-learning composting course, which teaches residents how to start composting at



home, was promoted throughout the year. During the 2025-26 fiscal year, 34 new residents completed the course.

INDICATOR 4: Further supported key partners and stakeholders with sustainable waste management practices and education to strengthen community involvement in diversion programs

Canada Games 2025

From August 8 to 25, 2025, MMSB played a leading role in promoting environmental responsibility as the presenting partner of the 2025 Canada Games Sustainability Program with a sponsorship of \$500,000 which supported a range of initiatives focused on

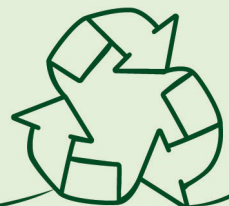


MMSB staff hosting Canada Games booth at the athlete's information centre.

waste reduction, education, and community engagement. This partnership reinforced MMSB's ongoing commitment to environmental stewardship while supporting the Games' vision for sustainable planning and delivery.

Sustainability achievements from the 2025 Canada Games included:

- Over 69,000 single-use plastic bottles avoided through the use of water bottle refill stations.
- 850 pounds of pre-consumer food waste was composted.





2025 Canada Summer Games Sustainability Kiosk Signage

Labrador Winter Games 2026

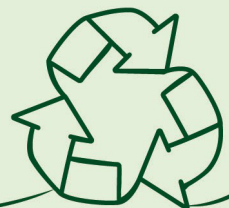
In January 2026, \$50,000 in funding was awarded to the Labrador Winter Games Association to support sustainability initiatives at the 2026 games. These included:

- Reduction of food waste and single-use items for food service.
- Collection and recycling of used beverage containers from all event venues.
- Use of digital documents to reduce paper usage.
- Communication to emphasize the use of refillable water bottles and bottle filling stations.
- Signage was developed with reuse in mind for future games.



Labrador Winter Games advertising

- Nearly 4,700 pounds of plastic signage was recycled.
- An overall waste diversion rate of over 40%.
- More than half (115,600km) of all kilometres driven by the games fleet was done in an electric vehicle.
- Surplus food, surplus medical supplies and used sporting equipment was donated to local non-profit organizations.





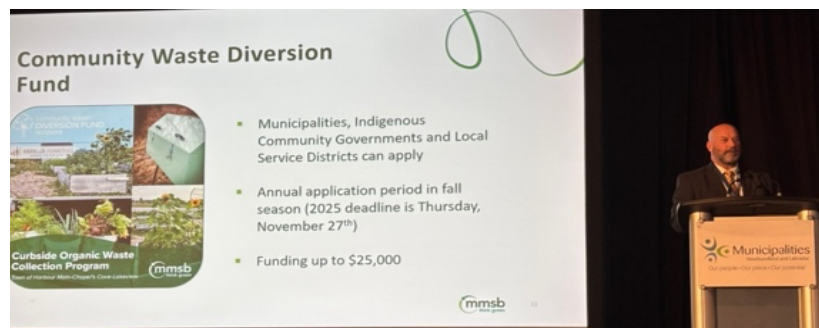
Attendees of the 2026 MMSB Regional Waste Management Forum held in Corner Brook, NL

Municipalities and Regional Authorities

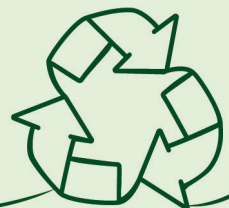
MMSB revised the guidelines and application process for the Community Waste Diversion Fund (CWDF) to simplify the application process and clarify the eligibility criteria for projects. Over \$168,000 was awarded to 10 communities across Newfoundland and Labrador through the CWDF in 2025-26. Many of these recipients are focused on organics reduction projects, furthering efforts to reduce waste through composting and other sustainable practices.

The compost bin distribution program was continued in 2025-26, offering two sizes of compost tumblers. Eight communities ordered a total of 480 backyard compost bins for use by residents and community groups.

MMSB held a Regional Waste Management Forum in May 2025 in Corner Brook. A total of 37 representatives from seven waste management regions attended as well as representatives from government departments and producer responsibility organizations. The two-day event provided attendees an opportunity to share key insights and best practices in advancing modern waste management. Stemming from the forum, in the fall of 2025 MMSB invited new staff of the Central and Northern regional authorities for a tour and information session about MMSB and their role in province-wide diversion programs.



MMSB CEO speaking at the MNL 2025 Conference.



MMSB served as the Sustainability Sponsor at the 2025 MNL Conference and Trade Show in Corner Brook and the Professional Municipal Administrators Conference in St. John's. MMSB's participation at these events included a trade show booth featuring key MMSB messaging and presentations focused on the province's waste profile, along with a Q&A session from MMSB's CEO outlining the organization's role and available funding supports for municipalities. Both groups incorporated sustainable measures into the planning and execution of their events.

The enhanced MMSB toolkit includes ready-made social media content, printable materials, and radio and video assets to help municipalities share consistent and accurate recycling information with residents. Materials are available online and will continue to be promoted to communities in the 2026-27 fiscal year.

Community Organizations

Recognition

MMSB continued to expand its Champions for a Greener Future campaign, recognizing organizations and individuals for their leadership in environmental stewardship.

To help build awareness, two 'Call for Nomination' emails were sent; one to schools; and the second to communities across the province. MMSB received several nominations that were featured. These include:

- Brother Rice Junior High
- St. Lewis Academy
- Gander Academy
- Change Islands Community Garden.



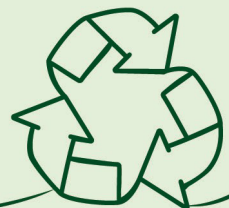
School Champion - Brother Rice Junior High

New Champions videos achieved a 51% view rate, highlighting the strong performance of refreshed content.

Information Sharing

MMSB continued to host and attend events with communities and waste management organizations such as:

- Beverage Container Recycling Network of Canada (BCRNC) – MMSB attended the annual meetings in Yellowknife from September 23 to 25, 2025 and participated in virtual quarterly leadership, operations and marketing/communications group meetings
- Canadian Association of Tire Recycling Agencies (CATRA) - MMSB attended annual meetings in Calgary from Oct 6 to 7, 2025



- Tire and Rubber Association of Canada (TRAC) - MMSB attended the TRAC conference in Calgary from Oct 8 to 9, 2025
- Circular Innovation Council – MMSB attended the 2025 Canadian Circular Economy Summit in Montreal from April 15 to 17, 2025
- Eastern, Central and Western Regional Service Boards – MMSB participated in regular board meetings
- City of St. John's – MMSB participated in the Doors Open Day at the Materials Recovery Facility
- Divert Nova Scotia – hosted tour of MMSB's Beverage Recycling Program, Xpress service
- Machinex, Quebec – MMSB toured the sorting facility at Sorel-Tracy and the research and development facility in Plessisville on April 16 to 17, 2025
- Halifax Regional Municipality, NS – MMSB toured the new regional compost facility in Goodwood on June 4, 2025

Strategic Partnerships

econext

MMSB's partnership with econext continued through the second year of a two-year funding agreement for \$180,000 to support a circular economy incubator program and industry specific outreach and support. The first year of the incubator hosted a cohort of nine participants.

Crime Stoppers

A partnership with Crime Stoppers NL was continued to support efforts to report indiscriminate dumping.

Miss Achievement Newfoundland and Labrador

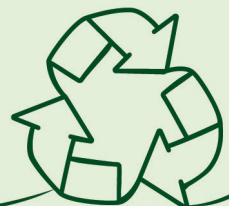
A partnership with the Miss Achievement Newfoundland and Labrador Leadership Program was continued, which includes providing financial support of \$1,000 for the environmental scholarship. This award recognizes a participant who shows a strong commitment to sustainability and environmental protection.

Business, Industry, and Professional Associations

MMSB worked with 28 potential clients resulting in 12 applications received under the Solid Waste Management Innovation Fund (SWMIF). MMSB funded three projects throughout the 2025-26 year, totalling \$150,000. Successful projects include the repair of donated furniture, repurposing of surplus and recovered construction and demolition waste, and the recycling of glass into aggregate material.

The SWMIF guidelines were updated in 2025-26 to better communicate the intent and desired outcomes of the fund by providing additional guidance on:

- What is considered innovative
- Eligibility of applicants and projects
- How applications should be structured
- How applications are assessed



Throughout the year, MMSB continued to look for new partnerships and identify opportunities to enhance the reach of public education action items.

National and Provincial Committees

Beverage Container Recycling Network of Canada (BCRNC)

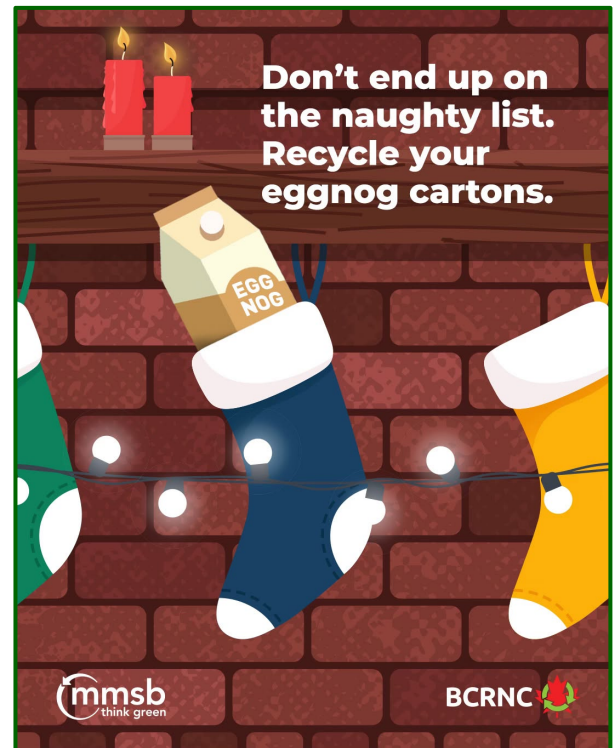
MMSB participated in quarterly BCRNC Leadership, Operations and Marketing/Communications Committee meetings.

In 2025-26, leadership and operations discussions focused on end markets, federal plastics reporting, fraud detection, attached cap policy considerations and a proposed economic impact study.

MMSB also took part in BCRNC's collaborative plastic beverage container marketing campaign, which ran from March 18 to December 2025. Campaign highlights included environmental date posts, myth-busting recycling content and impact-focused environmental statistics. The campaign will continue in 2026-27, with further collaboration with the Carton Council of Canada and a national beverage container research study.

Canadian Association of Tires Recycling Agencies (CATRA)

During CATRA meetings in 2025-26, members discussed strategic issues such as end markets for used tires and the continued development of the circularity framework and Life Cycle Assessment for scrap tire recycling.



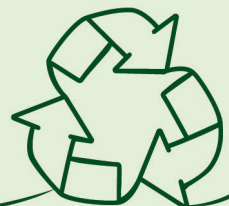
BCRNC collaborative campaign - holiday post to encourage beverage carton recycling.

Atlantic Harmonization Group

MMSB continued to participate in semi-annual meetings with other Atlantic provinces to explore opportunities for collaboration on EPR programs and policies. MMSB chaired the meetings in 2025-26.

NL Solid Waste Management Committee

MMSB continues to chair an inter departmental solid waste management committee to promote a concerted approach to advancing the Newfoundland and Labrador Solid Waste Management Strategy.



2023-26 GOAL: INDICATORS AND PERFORMANCE

INDICATOR 1: Increased engagement with the public through communications and education initiatives.

Over the last years, MMSB advanced its approach to public education by developing a three-year operational plan, refreshing its organizational brand and strengthening communications across key programs. The introduction of the “Think Green” platform, updated corporate materials and a unified website helped create a clearer public identity and improved access to information. MMSB

also continued to support curbside recycling education through the Recycle @ Home campaign, working with regional waste management authorities and municipalities to promote consistent messaging, increase participation and encourage proper recycling practices. Going forward, MMSB will continue this work through annual Communications, Marketing and Public Education Plans.

INDICATOR 2: Developed a new e-learning program to support the mobilization of knowledge and information.

From 2023-26, MMSB expanded its online education resources by launching and promoting an e-learning composting course that helps residents learn how to compost at home using a tumbler or backyard bin. The course was updated with refreshed branding, new photos and community composting

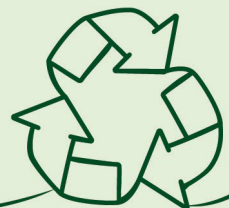
information, and 298 residents completed it since launch. MMSB is continuing to work on existing projects that require more refinement and focus and is also pursuing new e-learning opportunities for implementation in the next fiscal year.

INDICATOR 3: Generated new research and data to support waste diversion programs and stakeholders.

To support waste diversion programs and stakeholders, MMSB completed a stakeholder brand survey and market research for the Used Tire Management Program. The research helped clarify MMSB’s role, confirmed strong public support for tire recycling and showed that advertising exposure is a key driver of awareness. These findings will guide future communications by focusing on program benefits, collective impact, proper disposal practices and audience-specific messaging.

New research is scheduled for 2026-27 for beverage recycling both provincially and nationally in collaboration with our partners at the Beverage Container Recycling Network of Canada (BCRNC).

MMSB chaired the Canadian Council of Ministers of the Environment (CCME) working group which commissioned research to assess policy options and best practices to improve the end-of-life management of fishing and aquaculture gear.



INDICATOR 4: Strengthened funding opportunities to better meet the needs of stakeholders

In September 2023, MMSB approved an increase of the maximum contribution eligible proponents could get from \$15,000 to \$50,000 for the Solid Waste Management Innovation Fund (SWMIF). To further improve stakeholder service, the intake timing also changed from fixed (annual/bi-annual) to ongoing. The selection criteria were also made more accessible to the public via MMSB's website to better support stakeholders in the development of their proposals.

The guidelines for the SWMIF and the Community Waste Diversion Fund (CWDF) were also updated in 2025 to better communicate

the intent and desired outcomes of these funding programs to stakeholders.

From 2023-26 MMSB enhanced the marketing plans for the SWMIF and CWDF resulting in an increase in engagement.

The annual average for 2023-26 for the CWDF was 38 applications - more than double the annual average of 16 applications during 2020-23. From 2023-26, MMSB worked with more than 60 clients, received 37 applications and approved eight projects under the SWMIF totaling over \$342,000.

INDICATOR 5: Increased engagement with stakeholders.

From 2023-26, MMSB strengthened stakeholder engagement through funding, collaborative committees, public events, conferences and direct program education.

Over the three-year period, MMSB expanded outreach and sponsorship of in-province events and conferences, providing more than \$600,000 to support sustainability initiatives.

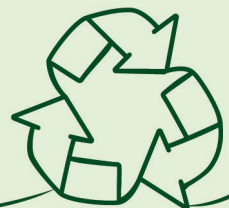
MMSB hosted and participated in regional forums, professional development sessions,

training opportunities, national committees and industry events to support collaboration and information sharing of best practices.

Together, these actions reflect MMSB's commitment to strengthening stakeholder relationships, building partnerships, and empowering communities and industry partners to advance sustainable waste management across the province.

Discussion of Results

MMSB achieved its 2023-26 strategic goal and met the objective set for 2025-26 by strengthening public education, improving brand recognition and expanding engagement with residents, communities, schools, businesses and partner organizations. Over the three-year period, MMSB advanced its operational public education plan through refreshed branding, targeted marketing and communications, website improvements, direct outreach and new e-learning tools. With a new contract



in place for a marketing agency of record, MMSB is better positioned to advance future strategic goals, including expanded research to inform public education, campaign planning and program improvements that support long-term waste diversion outcomes.

ISSUE 3: Modernizing Program Supports

It is critical that MMSB supports the development and creation of new and innovative technology, processes and practices to provide quality, modern and sustainable diversion programs and public education.

In 2025-26, MMSB continued to enhance its financial practices, information technology (IT) and human resource management strategies to ensure the delivery of modern programs and initiatives to its stakeholders. MMSB has been positioned to advance sustainable waste management practices and offer quality, accessible diversion programs and opportunities.

2023-26 GOAL

By March 31, 2026, MMSB will modernize and enhance technology, practices and processes to improve the sustainability of its waste diversion programs and practices.

2025-26 OBJECTIVE

By March 31, 2026, MMSB will have implemented plans and practices for the modernization of its technology, practices and processes to improve the sustainability of MMSB programs.

2025-26 OBJECTIVE: INDICATORS AND PERFORMANCE

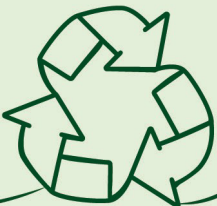
INDICATOR 1: Continued to enhance administrative, compliance and financial processes and practices to improve and modernize procedures.

Throughout 2025-26, MMSB streamlined select administrative functions to improve efficiency, reduce duplicate data entry and strengthen policy compliance.

Administration

In 2025-26, MMSB introduced a new expense claim process and provided staff training to eliminate duplicate entries and facilitate efficient approvals.

MMSB submitted a proposal to the Office of the Auditor General (OAG) to procure a multi-year agreement for financial auditing services. A new multi-year arrangement was approved with an opt-out clause that will save time and promote more competitive bids from potential audit firms going forward.



Financial

During 2025-26, MMSB took several steps to improve its ability to collect its accounts receivable and encourage timely filing of remittances by registrants:

- Improved data integrity allows staff to take collection action with reduced review of account histories, allowing more efficient collections. A comprehensive review of all open accounts receivable was performed to ensure accuracy. Due to this effort MMSB is now able to send more frequent reminders to remitters with outstanding accounts receivables.
- To ensure all required registrants are filing their remittances monthly, a report capability was developed that lists all active remitters who have not recently filed a remittance. MMSB staff review this report and import into our electronic communications system monthly to remind remitters to file.

In 2025-26, MMSB improved how it reviews and reconciles payments for used beverage containers that were not properly scanned.

INDICATOR 2: Continued implementation of IT modernization practices supporting program delivery and business continuity.

The foundation of MMSB's data collection comes from kiosks located in the facilities of the Green Depots. These kiosks are used to record the counts of beverage containers that are dropped off by consumers and record Xpress transactions, including printing the labels for Xpress bags. High uptime and reliability of these systems is critical to providing a positive experience for consumers and meeting our commitments to our Green Depot operators. Most of these kiosks were based on older hardware that was not compatible with Windows 11. An upcoming end to Windows 10

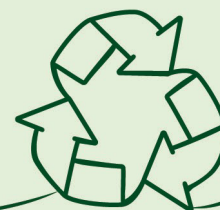
Because containers are scanned at several points between Green Depots and the processing facility, missed or inaccurate scans can occur due to technology issues, human error or operational challenges. Previously, staff compared multiple reports weekly to identify missed scans and calculate payments to the processing and transportation contractor.

Following consultations with Green Depot operators, the contractor and IT service providers, MMSB introduced process and system changes, including a shift to quarterly reviews. The new approach improves efficiency, strengthens data integrity and supports more accountable payments.

Compliance - Recyclability Requirements

The variety of beverages and beverage containers available to consumers continues to evolve. In 2025-26 MMSB issued a notice to all beverage distributors in the province to advise that beverages in non-recyclable packaging are not compliant with the Waste Management Regulations and cannot be sold in the province. Non-recyclable beverage packaging currently includes film and flexible plastic and foil, foam, ceramic and mixed materials.

updates presented an unacceptable risk to the security and reliability of the kiosks, so MMSB began an initiative to replace all consoles that were not compatible with Windows 11. Of the 73 consoles needing replacement, 25 were updated before the end of the 2024-25 fiscal year, 25 before the end of the 2025-26 fiscal year, and the remaining 23 will be updated before the extended security updates subscription ends in October 2026.



In 2025-26 MMSB also invested in cloud servers for its largest Green Depots. Depots with one location have a server that must be online for the kiosks to operate correctly. Green Depot operators with multiple locations have one server for all their locations, meaning that one location functions as a central point of failure when there is an internet or electrical outage. MMSB invested in cloud computing services to eliminate this point of failure. MMSB procured Azure servers for the two largest Green Depot operators, which will eliminate

downtime due to power outages, internet outages and hardware failures at the central servers, supporting the depots in providing reliable service to customers.

MMSB implemented an electronic signatures system and electronic signatures policy to improve processing times and eliminate unnecessary administration for its funding programs. This policy is consistent with all relevant provincial legislation and policies and will reduce administrative friction when processing funding agreements.

MMSB implemented artificial intelligence (AI) tools and an AI policy. The policy specifies that only tools which appropriately protect MMSB's data and uphold confidentiality may be utilized. Microsoft 365 Co-Pilot Business was selected as it is already validated by the Provincial Government and is also well integrated with the Office 365 Suite which is heavily used by MMSB staff.

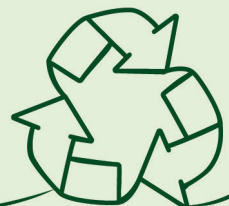


Green Depot customer using Xpress Kiosk

INDICATOR 3: Implemented a new integrated human resource management plan, including a review of human resources policies, to modernize employee relations and practices.

MMSB entered into a contract with a local labour consultant in 2025-26 to advance the review and finalization of HR policies that have been under revision. The 2025 HR Policy review introduces seven new stand alone policies addressing performance management, workplace conduct, conflict resolution, remote work, substance use, political activity, and

equity, diversity and inclusion. These additions strengthen the organization's HR framework, reflect evolving workplace practices, and support alignment with current best practices and legislative requirements. This work progressed over a longer time-frame than originally anticipated and will continue into 2026-27.



INDICATOR 4: Continued evaluation and implementation of technological advancements to support employees and programs.

During the year, MMSB made better use of Microsoft Teams features to support a more organized and connected workplace. Rather than relying primarily on email and informal file sharing, MMSB increasingly used Teams channels, chat functions, file collaboration and meeting tools to help staff work more efficiently, improve file management and internal communications. MMSB is also working on streamlining its file management

structure. Tools related to Teams and SharePoint are expected to play an important role in this effort.

MMSB used its MailChimp network for semi-automated reminders to beverage and tire remitters. This enhanced remitter engagement and helped address delinquencies.

2023-26 GOAL: INDICATORS AND PERFORMANCE

INDICATOR 1: Modernized administrative, compliance and financial practices to strengthen support for diversion programs.

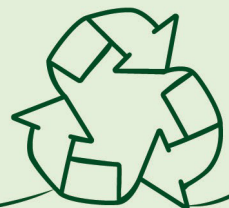
Over the three-year period, MMSB strengthened administrative, compliance and financial practices through a progression of review, implementation and refinement. Early work focused on reviewing internal processes, improving accounts receivable practices, supporting the transition from paper cheques to electronic funds transfer and strengthening separation of duties and remittance verification.

This foundation was advanced through practical improvements, including online bill payments for registrants, updated compliance metrics, new internal reporting tools to identify non-compliant remitters and an updated Green

Depot working capital standard to better safeguard public refund liabilities.

In the final year of the plan, MMSB further streamlined expense claims, improved accounts receivable accuracy, increased reminders to non-remitters, secured a more practical multiyear external audit procurement arrangement and strengthened reconciliation and payment review processes related to missed scans.

Together, these efforts created more modern, reliable and scalable administrative and financial supports for MMSB's diversion programs.



INDICATOR 2: Expanded the IT foundation to support the delivery of diversion programs

Over the three-year period, MMSB strengthened the IT foundation supporting its diversion programs by moving from assessment and planning to infrastructure investment and implementation. Initial work focused on reviewing the technology platforms serving the Green Depot network and MMSB's transportation and processing service provider, consulting with other jurisdictions, assessing program integration and data integrity, reviewing the tire collections administration portal and clarifying service-provider responsibilities for equipment and hardware support.

MMSB then advanced implementation by improving system integration and data integrity, finalizing hardware support responsibilities and transitioning hardware ownership to better use vendors of record. A phased replacement plan was also introduced to address end-of-life operating systems across Green Depots in

preparation for the end of Windows 10 support.

In the final year, MMSB continued replacing Green Depot kiosks to ensure compatibility with supported operating systems, moved the largest Green Depot operators to cloud-based servers to reduce service interruption risks, implemented an electronic signatures system and policy for funding agreements and introduced secure AI subscriptions supported by a formal AI policy. MMSB also entered into a five-year service contract with Yellow Environmental, the existing technology provider for the Green Depot Management Information System, to support continued modernization of Green Depot IT infrastructure.

Together, these efforts established a stronger, more secure and more resilient IT foundation that supports business continuity and improves service delivery across MMSB's diversion programs.

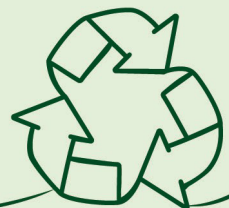
INDICATOR 3: Developed human resource strategies to support organizational goals

Over the three-year period, MMSB advanced its human resources work from foundational labour relations and policy review toward a more modernized framework. In 2023-24, MMSB began working with a human resources consultant to update policies and procedures related to onboarding, departures and succession planning, and successfully negotiated a new three-year collective agreement. Progress on the broader integrated human resource management plan was delayed by staffing turnover.

In 2024-25, MMSB completed a comprehensive review of its human resource policies to align

them with new legislation, current terminology and modern best practices. The updates focused on improving clarity, strengthening consistency and preparing the revised policies for implementation.

In the final year of the strategic plan, MMSB retained a labour relations contractor to advance the finalization of HR policies that had been under revision. MMSB strengthened its policy framework and better aligned human resource practices with current standards and organizational needs.



INDICATOR 4: Modernized technology and communications to encourage collaboration, engagement and connectivity amongst employees.

Over the three-year period, MMSB modernized internal communication and collaboration tools to support a more connected and flexible workplace. Early work included the transition from traditional landlines to Voice over IP telephony, implementation of a board meeting management solution and evaluation of a leave administration software module as part of broader efforts to improve internal business processes.

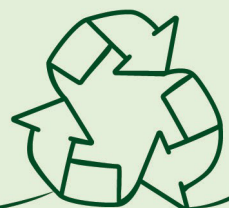
MMSB then refined these tools by continuing work on the leave administration module and upgrading Boardroom video conferencing infrastructure to better support in-person and remote participation by employees and Board members.

In the final year, the focus shifted from system readiness to daily use. MMSB made greater use of Microsoft Teams for channels, chats, meetings, file collaboration and shared workspaces, helping staff reduce duplication, improve transparency and access information more consistently.

Together with ongoing work to streamline file structures through Teams and SharePoint, these improvements have embedded more modern communication and collaboration practices into MMSB's operations.

Discussion of Results

Over the course of the 2023–26 strategic plan, MMSB moved from assessment and planning to implementation and refinement in the area of modernizing program supports. In the first year, the organization reviewed internal systems, identified opportunities for improvement, and began laying the groundwork for change. In the second year, these plans were advanced through concrete upgrades to processes, technology and policies. In the final year, MMSB completed and embedded practical improvements that strengthened administrative efficiency, business continuity, employee support and internal collaboration. Together, these efforts have positioned the organization with stronger internal foundations to sustain and support diversion programs into the future.

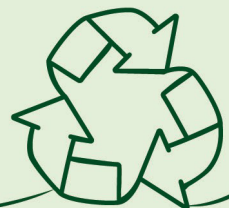


CHALLENGES AND OPPORTUNITIES

Since 1997, Newfoundland and Labrador's beverage recycling program has operated through a network of independently owned and operated Green Depots. These retail outlets, employing about 250 people, are the backbone of a system that has consistently delivered strong environmental outcomes within a deposit/return structure that has remained unchanged for 25 years. Despite its constraints, this reverse retail model, powered by human labor and low-tech systems, presents growing operational risks that may affect long-term service sustainability. Rising operational costs, increased minimum wage, aging infrastructure and staff, rising rental prices and declining customer bases are making it harder for depot operators to maintain service, efficiency and financial stability. These pressures have reinforced the need to focus on long-term sustainability and modernization. The adoption of new infrastructure and smart technologies will improve the customer experience, reduce environmental impact and promote long-term viability for operators. Over the three-year period, MMSB has introduced a grant program for infrastructure upgrades, conducted optimization research, and supported pilot projects with more planned for the year ahead.

A strong organizational foundation is essential to MMSB's ability to deliver on its mandate and continue to advance such improvements to programs. Core functions such as organizational structure, staffing capacity, internal systems, policies and operational supports provide the stability needed to manage existing programs effectively and plan for new initiatives. Without the right structure and resources in place, it is more difficult to modernize programs, respond to stakeholder needs, support employees and pursue new projects. Strengthening these foundational supports would ensure MMSB has the capacity, coordination and resilience required to improve program delivery and support long-term organizational success.

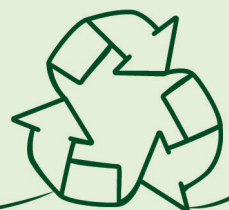
End markets for materials collected through the Used Beverage Container Recycling Program are also under strain. Of the five (5) materials collected through the program, plastic (specifically Polyethylene terephthalate (PET)) and aluminum carry the highest value and demand in the marketplace. Tariffs imposed on aluminum by the United States Government have had a significant impact on markets for recycled aluminum in Canada. Similarly, the PET recycling market in North America is under sustained structural pressure from weak demand, low virgin PET pricing and global oversupply, with imported recycled PET undercutting domestic pricing. Collectors and processors are increasingly forced to stockpile material or move it at a loss. Several plastics processing facilities throughout North America closed in 2025-26, including the Nova Scotia facility that received a portion of the province's beverage PET. Since that time, some PET is being redirected to Europe with higher freight costs. While rebounds are expected, MMSB is faced with the need to make contract modifications in response to these volatile market conditions.



Research plays an important role in ensuring MMSB's programs and marketing efforts remain responsive, relevant and evidence based. By gathering and analyzing data on public awareness, attitudes, behaviours and program participation, MMSB is better able to identify knowledge gaps, understand barriers to participation and assess the effectiveness of its communications. These insights help guide program improvements, inform audience-specific messaging and support the development of marketing campaigns that encourage meaningful action and strengthen waste diversion outcomes.

In addition to supports for existing waste diversion programs, the path forward for waste reduction and diversion programs in Newfoundland and Labrador will include research, consultation and the development and implementation of new EPR programs for specific materials. Already, this province has EPR programs for electronics, waste paint and used oil and glycol. Yet there are many more programs being delivered in Canada that increase waste diversion and reduce the amount of material going to the landfill. These include blue bag curbside products, hazardous waste, waste pharmaceuticals and medical sharps, batteries and more. These programs reduce the burden on taxpayers and place the responsibility for recycling these products on the manufacturers. As we look to the development of our new three-year plan, MMSB will continue its engagement with stakeholders on the development of an EPR program for packaging and paper products and will start new research on a potential EPR program for hazardous waste.

MMSB recognizes these challenges and remains committed to advancing research, advocacy and collaboration to support increased waste diversion in Newfoundland and Labrador. By working with our partners, we can continue to identify opportunities, support innovation and deliver meaningful benefits for communities, residents and the environment.

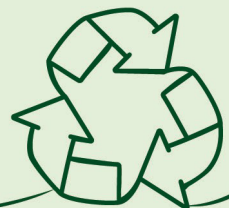


APPENDIX A – BOARD OF DIRECTORS 2025-26

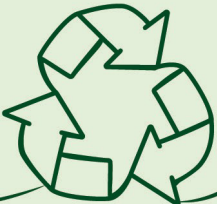
Established in 1996, the Multi-Materials Stewardship Board (MMSB) is a Crown Corporation that operates arms-length from Government with an independent Board of Directors appointed by the Lieutenant Governor in Council. The Board composition as of March 31, 2026, was:

- Derm Flynn, Chairperson, Appleton
- Valerie Snow, Deputy Minister, Environment, Conservation and Climate Change
- Tony Chubbs, Member-at-Large, Happy Valley-Goose Bay
- Maisie Clark, Consumer Representative, Campbellton
- Dale Colbourne, Municipalities Newfoundland & Labrador Representative, St. Lunaire Griquet
- John Patten, Distributor Representative, President, Browning Harvey, St. John's
- Michele Peach, Member-at-Large, Bay Roberts
- Sheldon Peddle, Member-at-Large, Corner Brook
- Wayne Power, Member-at-Large, Freshwater

Remuneration of Board Members has been set by the Lieutenant Governor in Council at \$145/full day meeting and \$70/half-day meeting, plus travel expenses, consistent with MMSB's designation as a Level 1 Board/Commission/Agency.



APPENDIX B – AUDITED FINANCIAL STATEMENTS



Financial Statements of

**MULTI-MATERIALS
STEWARDSHIP BOARD**

And Independent Auditor's Report thereon

Year ended March 31, 2026



KPMG LLP

TD Place
140 Water Street, Suite 1001
St. John's, NL A1C 6H6
Canada
Telephone 709 733 5000
Fax 709 733 5050

INDEPENDENT AUDITOR'S REPORT

To the Directors of Multi-Materials Stewardship Board

Opinion

We have audited the financial statements of Multi-Materials Stewardship Board (the Board), which comprise:

- the statement of financial position as at March 31, 2026
- the statement of operations and changes in accumulated surplus for the year then ended
- the statement of changes in net debt for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Board as at March 31, 2026 and its results of operations, its remeasurement gains and losses, its changes in net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

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 for the Audit of the Financial Statements"*** section of our auditor's report.

We are independent of the Board in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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



Emphasis of Matter - Restatement of Financial Statements

We draw attention to Note 13 to the financial statements, which explains that certain comparative information presented for the year ended March 31, 2025 has been restated. Note 13 explains the reason for the restatement and also explains the adjustments that were applied to restate certain comparative information.

Our opinion is not modified in respect to this matter.

Other Matter - Comparative Information

The financial statements for the year ended March 31, 2026, excluding the adjustments that were applied to restate certain comparative information, were audited by another auditor who expressed an unmodified opinion on those financial statements on June 27, 2025.

As part of our audit of the financial statements for the year ended March 31, 2026, we also audited the adjustments that were applied to restate certain comparative information presented for the year ended March 31, 2025.

In our opinion, such adjustments are appropriate and have been properly applied.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Board'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 Board or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 the financial statements.

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



Page 3

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Board'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 Board's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Board to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 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.

A handwritten signature in black ink that reads 'KPMG LLP' in a cursive, stylized font. A horizontal line is drawn underneath the signature.

Chartered Professional Accountants

St. John's, Canada

June 29, 2026

MULTI-MATERIALS STEWARDSHIP BOARD

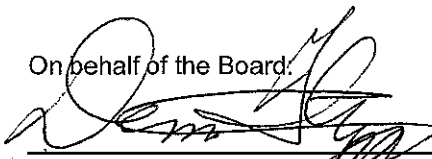
Statement of Financial Position

March 31, 2026, with comparative information for 2025

	2026	2025
		Restated (note 13)
Financial assets:		
Cash and cash equivalents	\$ 5,154,879	\$ 21,414,920
Accounts receivable net of allowance for doubtful accounts of \$51,729 (2025 - \$51,729)	4,559,892	3,662,595
HST receivable	335,808	472,815
Notes receivable (notes 2 and 12)	54,039	59,173
Inventory for resale	57,544	135,364
Investments (note 3)	25,744,322	6,855,609
	35,906,484	32,600,476
Liabilities:		
Accounts payable	689,590	1,232,240
Other payables and accrued liabilities (note 4)	2,621,634	1,923,824
Deferred used beverage container deposits	2,678,769	2,951,606
Grants payable	485,541	774,204
Unearned government transfers revenue (note 5)	134,540	131,606
Performance bonds payable (note 6)	1,629,795	1,647,241
	8,239,869	8,660,721
Net financial assets	27,666,615	23,939,755
Non financial assets:		
Tangible capital assets (Schedule 4)	982,503	1,082,970
Prepaid expenses	80,549	77,084
	1,063,052	1,160,054
Commitments (note 11)		
Accumulated surplus	\$ 28,729,667	\$ 25,099,809

See accompanying notes to financial statements.

On behalf of the Board:


Derm Flynn

Chairperson



Director

MULTI-MATERIALS STEWARDSHIP BOARD

Statement of Operations and Changes in Accumulated Surplus

Year ended March 31, 2026, with comparative information for 2025

	2026 Budget	2026 Actual	2025 Actual Restated (note 13)
Revenues:			
Used beverage container program deposits	\$ 27,156,320	\$ 29,137,985	\$ 27,727,610
Used beverage container by-product revenue	4,078,922	6,603,999	5,249,138
Used tire management program levies	3,166,311	3,776,772	3,564,635
EPR programs	247,500	262,759	250,897
Miscellaneous income	1,244,130	109,500	213,252
Interest income	-	701,644	968,261
	35,893,183	40,592,659	37,973,793
Expenses:			
Used beverage container program (Schedule 3)	29,457,188	29,950,468	29,199,493
Used tire program (Schedule 3)	3,383,877	3,285,540	3,583,189
Grant disbursements	575,000	658,804	950,668
Program operations (Schedule 3)	261,000	11,815	167,325
Administrative expenses (Schedule 1)	2,783,868	2,463,435	2,340,414
Public education expenses (Schedule 2)	582,500	592,739	590,047
	37,043,433	36,962,801	36,831,136
Annual operating surplus (deficit)	(1,150,250)	3,629,858	1,142,657
Accumulated surplus, beginning of year	25,099,809	25,099,809	23,957,152
Accumulated surplus, end of year	\$ 23,949,559	\$ 28,729,667	\$ 25,099,809

See accompanying notes to financial statements.

MULTI-MATERIALS STEWARDSHIP BOARD

Statement of Changes in Net Financial Assets

Year ended March 31, 2026, with comparative information for 2025

	2026	2025
		Restated (note 13)
Annual surplus	\$ 3,629,858	\$ 1,142,657
Acquisition of tangible capital assets	(61,253)	(106,298)
Amortization of tangible capital assets	161,720	158,809
Increase (decrease) in prepaid expenses	(3,465)	6,300
Increase in net financial assets	3,726,860	1,201,468
Net financial assets, beginning of year	23,939,755	22,738,287
Net financial assets, end of year	\$ 27,666,615	\$ 23,939,755

See accompanying notes to financial statements.

MULTI-MATERIALS STEWARDSHIP BOARD

Statement of Cash Flows

Year ended March 31, 2026, with comparative information for 2025

	2026	2025
		Restated (note 13)
Cash provided by (used in):		
Operations:		
Annual surplus	\$ 3,629,858	\$ 1,142,657
Item not involving cash:		
Amortization	161,720	158,809
	3,791,578	1,301,466
Changes in non-cash operating working capital:		
Accounts receivable	(897,297)	623,918
HST receivable	137,007	(153,301)
Notes receivable	5,134	44,962
Prepaid expenses	(3,465)	6,300
Accounts payable	(542,650)	(277,331)
Other payables and accrued liabilities	697,810	251,720
Deferred used beverage container deposits	(272,837)	(370,862)
Unearned government transfers revenue	2,934	4,521
Performance bonds payable	(17,446)	742,997
Inventory for resale	77,820	(62,962)
Grants payable	(288,663)	110,489
	2,689,925	2,221,917
Capital:		
Acquisition of tangible capital asset	(61,253)	(106,298)
Investing:		
Purchase of investments	(28,086,667)	(28,311,450)
Redemption of investments	9,197,954	34,367,465
	(18,888,713)	6,056,015
(Decrease) increase in cash and cash equivalents	(16,260,041)	8,171,634
Cash and cash equivalents, beginning of year	21,414,920	13,243,286
Cash and cash equivalents, end of year	\$ 5,154,879	\$ 21,414,920

See accompanying notes to financial statements.

MULTI-MATERIALS STEWARDSHIP BOARD

Notes to Financial Statements

Year ended March 31, 2026

Multi-Materials Stewardship Board (the "Board") is a statutory corporation established pursuant to The Environmental Protection Act. The Board manages the Used Beverage Container Recycling Program, the Used Tire Management Program and the Newfoundland and Labrador Waste Management Trust Fund in the Province of Newfoundland and Labrador and is mandated to support and promote the protection, enhancement and wise use of the environment through waste management programs. The Board is a government organization and reports to the Minister of Environment and Climate Change. The Board is exempt from income taxes under Section 149(1)(d) of the Canadian Income Tax Act.

1. Significant accounting policies:

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles as recommended by the CPA, Canadian Public Sector Accounting Board ("PSAB") and reflect the following significant accounting policies.

(a) Cash and cash equivalents:

Cash and cash equivalents include cash on hand, balances with banks and short term deposits with original maturities of three months or less.

(b) Inventories for sale:

Inventories, which are comprised of salvaged beverage containers materials, are valued at the lower of cost and net realizable value, with net realizable value being current market prices.

(c) Non-financial assets:

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives generally extending beyond the current year and are not intended for sale in the ordinary course of operations.

MULTI-MATERIALS STEWARDSHIP BOARD

Notes to Financial Statements (continued)

Year ended March 31, 2026

1. Significant accounting policies (continued):

(d) Tangible capital assets:

Tangible capital assets are stated at cost, less accumulated amortization. Amortization is provided using the following methods and annual rates:

Asset	Basis	Rate
Used beverage equipment	Declining-balance	30%
Office furniture and equipment	Declining-balance	20%
Computer hardware	Declining-balance	30%
Computer software	Declining-balance	30%
CRM software and development	Declining-balance	10%
MIS software and development	Declining-balance	30%
Bags and tubs	Declining-balance	30%
Infrastructure assets	Straight-line	20 years
Tire yard equipment	Straight-line	10 years

(e) Impairment of long-lived assets:

When a tangible capital asset no longer has any long-term service potential to the Board, the excess of its net carrying amount over any residual is recognized as an expense in the statement of operations.

(f) Unearned revenue:

Unearned revenue consists of deposits on containers yet to be returned for redemption and recycling. The amount recorded by the Board as unearned revenue consists of sixty days of deposits received from distributors, adjusted by an estimated recovery rate of 64% (2025 - 69%).

Unearned revenue also includes funds received in relation to the Provincial Waste Management Strategy related to expenditures for strategic communications development, and restricted grant contributions. The funding is recognized as revenue as the expenditures are incurred and repayable if not fully spent on the projects.

MULTI-MATERIALS STEWARDSHIP BOARD

Notes to Financial Statements (continued)

Year ended March 31, 2026

1. Significant accounting policies (continued):

(g) Use of estimates:

In preparing the Board's financial statements in conformity with the Canadian public sector accounting standards, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the financial statements and the reported amounts of revenue and expenses during the period. Items requiring the use of estimates include the accrual for deposits outstanding at year end, useful life of tangible capital assets, rates of amortization and impairment of long-lived assets, accrued stockpile costs and unearned revenue based on estimated recovery rate and days outstanding.

Estimates are based on the best information available at the time of preparation of the financial statements and are reviewed annually to reflect new information as it becomes available. Measurement uncertainty exists in these financial statements. Actual results could differ from these estimates.

(h) Revenue recognition:

Deposit and levy revenues is recognized when remittances are received. The estimated accrual is based on subsequent receipts and historical data.

By-product revenue is recognized upon shipment and when all significant contractual obligations have been satisfied and collection is reasonably assured.

Other income is recognized as earned.

(i) Expenses:

The Board recognizes expenses on an accrual basis. The cost of all goods consumed and services received during the period is expensed. Grant disbursements to third parties are accounted for as government transfers. Grant disbursements that are financing arrangements are recorded as expenses when they are approved by the Minister. Grant disbursements that are reimbursement arrangements are recorded as expenses when the expenditures have been incurred by the recipient and the eligibility criteria have been met.

(j) Foreign currency translation:

Transactions denominated in foreign currencies are recorded in Canadian dollars at exchange rates in effect at the related transaction dates. Monetary assets and liabilities denominated in foreign currencies are adjusted to reflect exchange rates at the year end date. Exchange gains and losses arising on the translation of monetary assets and liabilities are included in the determination of income.

MULTI-MATERIALS STEWARDSHIP BOARD

Notes to Financial Statements (continued)

Year ended March 31, 2026

1. Significant accounting policies (continued):

(k) Financial instruments:

The Board considers any contract creating a financial asset, liability or equity instrument as a financial instrument, except in certain limited circumstances. The Board accounts for the following as financial instruments: cash and cash equivalents, receivables, notes receivable, investments, payables and accruals, grants payable and performance bonds payable.

A financial asset or liability is recognized when the Board becomes party to contractual provisions of the instrument.

The Board initially measures its financial assets and financial liabilities at fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instrument.

The Board subsequently measures its financial assets and financial liabilities at cost or amortized cost, except for derivatives and equity securities quoted in an active market, which are subsequently measured at fair value. Changes in fair value are recognized in annual surplus.

Financial assets measured at fair value include cash and cash equivalents and investments; financial assets measured at cost include receivables; and financial assets measured at amortized cost include notes receivable and GIC investments.

Financial liabilities measured at cost include payables and accruals, grants payable and performance bonds payable.

The Board removes financial liabilities, or a portion of, when the obligation is discharged, cancelled or expires.

Financial assets measured at cost or amortized cost are tested for impairment when there are indicators of impairment. Previously recognized impairment losses are reversed to the extent of the improvement provided the asset is not carried at an amount, at the date of the reversal, greater than the amount that would have been the carrying amount had no impairment loss been recognized previously. The amounts of any write-downs or reversals are recognized in net annual surplus.

MULTI-MATERIALS STEWARDSHIP BOARD

Notes to Financial Statements (continued)

Year ended March 31, 2026

1. Significant accounting policies (continued):

(I) Standards issued but not yet effective:

PSAB has issued the following standards and amendments that are not yet effective for the year ended March 31, 2026, and have not been applied in preparing these financial statements. The Board is currently assessing the impact of these standards on its future financial statements.

Conceptual Framework for Financial Reporting in the Public Sector

PSAB has issued a revised Conceptual Framework for Financial Reporting in the Public Sector, which replaces Sections PS 1000 Financial Statement Concepts and PS 1100 Financial Statement Objectives. The revised Conceptual Framework is effective for fiscal years beginning on or after April 1, 2026, with early adoption permitted. The Conceptual Framework is to be applied prospectively.

The adoption of the revised Conceptual Framework is not expected to have a material impact on the amounts recognized in the financial statements but will guide the development and application of accounting policies in future periods.

PS 1202 – Financial Statement Presentation

PSAB has issued Section PS 1202, Financial Statement Presentation, which replaces Section PS 1201. This new standard introduces changes to the presentation of the financial statements, including revised statement formats and updated classification of financial and non-financial assets and liabilities.

PS 1202 is effective for fiscal years beginning on or after April 1, 2026, with early adoption permitted only if the revised Conceptual Framework is adopted concurrently. Comparative information will be re-presented to conform to the new presentation requirements. The Board expects this standard to result in significant changes to the presentation and disclosure of its financial statements; however, it is not expected to have a material impact on the measurement or recognition of assets, liabilities, revenues, or expenses.

2. Notes receivable:

Notes receivable are carried at amortized cost. These are given to the Green Depots with varying interest rates and repayment terms.

MULTI-MATERIALS STEWARDSHIP BOARD

Notes to Financial Statements (continued)

Year ended March 31, 2026

3. Investments:

The Board's investment in GICs at the year end date totals to \$25,744,322 (2025 - \$6,855,609). These investments are due to mature at varying dates ranging from 2025 to 2029 at rates of return ranging from 0.65% to 4.50% per annum. A portion of this balance that is in the amount of \$1,603,935 (2025 - \$1,626,521) is invested in GICs for purposes of satisfying performance security requirements with respect to contracts the Board has entered into. These investments are restricted to repay performance bonds at the end of the contracts if all conditions are met by the parties involved.

4. Other payables and accrued liabilities:

	2026	2025
Accrued liabilities	\$ 1,813,676	\$ 1,073,243
Tire stockpile accrual	325,000	258,000
Wages and benefits	291,738	308,847
Tire processing liability	191,220	283,734
	\$ 2,621,634	\$ 1,923,824

5. Unearned government transfers revenue:

	2026	2025
Provincial Solid Waste Management Strategy	\$ 114,166	\$ 111,232
Grant contributions	20,374	20,374
	\$ 134,540	\$ 131,606

6. Performance bonds payable:

Recycling depots in the Province of Newfoundland and Labrador are required to submit a refundable deposit upon registration with the Board. These amounts are held in trust and invested in GICs, with both the principal and accrued interest repayable to the depot upon closure, subject to compliance with regulatory requirements. As at March 31, 2026, performance bonds payable totaled \$1,629,795 (2025 - \$1,647,241). The Board also holds performance bonds from suppliers on certain long-term service contracts. The liability is classified as a financial instrument and is measured at cost plus accrued interest.

MULTI-MATERIALS STEWARDSHIP BOARD

Notes to Financial Statements (continued)

Year ended March 31, 2026

7. Related party transactions:

The Board is related to the Newfoundland and Labrador Liquor Corporation ("NLC") as both organizations are Government Reporting Entities established by the Provincial Government of Newfoundland and Labrador.

The NLC collects and remits Used Beverage Container Program deposits to the Board. Included in Used Beverage Container Program deposits for 2026 is \$3,024,284 (2025 - \$3,102,362) from the NLC. The organizations enter into transactions in the normal course of business and on normal trade terms. These transactions are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

The Board operates in a building owned by the Provincial Government of Newfoundland and Labrador, and does not incur rental expense.

8. Comparative information:

Certain comparative information have been reclassified from those previously presented to conform to the presentation of the 2026 financial statements.

9. Stockpile costs:

In the 2017 fiscal year, the Board implemented a new contingency plan for the management of used tires. A decision was made to store a portion of collected tires in an effort to undertake a Tire Derived Aggregate ("TDA") Demonstration Project. As at March 31, 2026, total expected costs relating to the tires stored for purposes of undertaking the TDA Demonstration Project were \$325,000 (2025 - \$258,000).

10. Employee future benefits:

The Board participates in the Government Money Purchase Pension Plan which is a defined contribution pension plan. The plan is mandatory for all employees, with the exception of the CEO, from date of employment. Employees contribute 5% of regular earnings and the Board matches these contributions. Contributions made prior to January 1, 1997, are fully vested and locked-in after the completion of 10 years of continuous service and the employee has attained the age of 45 or after the completion of 5 years of plan participation. Contributions made on or after January 1, 1997, are fully vested and locked-in after the completion of 2 years of plan participation. Contributions paid and expensed by the Board during the year totaled \$71,009 (2025 - \$62,923).

MULTI-MATERIALS STEWARDSHIP BOARD

Notes to Financial Statements (continued)

Year ended March 31, 2026

11. Commitments:

The Board has entered into the following agreements:

- (a) processing and transportation of beverage containers up to July 2034; and
- (b) operating lease for a vehicle to October 2027

12. Financial risks:

- (a) Market risk:

Market risk is the risk that the fair value of marketable securities or investments will change as a result of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk, and other price risk. The Board is mainly exposed to currency risk and other price risk.

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

Investments are not subject to interest rate risk as they are at fixed interest rates risk. The Board is exposed to other price risk through its sale of by-products. During the fiscal year, the market price for aluminium fluctuated between \$1.04 USD per pound and \$1.52 USD per pound, while the market price for PET ranged from \$0.05 USD per pound to \$0.19 USD per pound.

- (b) Credit risk:

Credit risk is the risk of loss if a customer or counterparty cannot meet its contractual obligations. The carrying amount of financial assets represents the maximum credit exposure. The Board's credit risk is attributable to receivables and cash being held at one financial institution. The accounts receivable represent a large number of small balances owed by its customers, and no one customer or group of customers represents a significant risk. Management reviews receivables on a case by case basis to determine if an allowance is necessary to reflect impairment in collectability. The credit risk has increase from last year due to a increase in accounts receivable.

MULTI-MATERIALS STEWARDSHIP BOARD

Notes to Financial Statements (continued)

Year ended March 31, 2026

12. Financial risks: (continued):

(b) Credit risk (continued):

At year end, the amounts outstanding for the Board's accounts receivable are as follows:

	Accounts receivable	Note receivable	Less: Impairment Allowance	2026 Total
Current	\$ 2,370,293	\$ 54,039	\$ -	\$ 2,424,332
31 to 60 days	106,301	-	-	106,301
61 to 90 days	694,494	-	-	694,494
Over 90 days	1,440,533	-	(51,729)	1,388,804
	\$ 4,611,621	\$ 54,039	\$ (51,729)	\$ 4,613,931

	Accounts receivable	Note receivable	Less: Impairment Allowance	2025 Total
Current	\$ 1,488,541	\$ 59,173	\$ -	\$ 1,547,714
31 to 60 days	390,459	-	-	390,459
61 to 90 days	81,843	-	-	81,843
Over 90 days	827,071	-	(51,729)	775,342
	\$ 2,787,914	\$ 59,173	\$ (51,729)	\$ 2,795,358

MULTI-MATERIALS STEWARDSHIP BOARD

Notes to Financial Statements (continued)

Year ended March 31, 2026

12. Financial risks: (continued):

(c) Liquidity risk:

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Board is exposed to this risk mainly in respect of its payables and accruals. The Board reduces its exposure to liquidity risk by monitoring its cash flows and ensuring that it has sufficient cash available to meet its obligations and liabilities. In the opinion of management the liquidity risk exposure to the Board is low.

There is minimal liquidity risk associated with the bonds payable as they are held in guaranteed investment certificates with a stated interest rate.

The following table sets out the contractual maturities of financial liabilities:

2026	Within 6 months	6 months to 1 year	1 to 5 years	Over 5 years
Accounts payable	\$ 689,590	\$ -	\$ -	\$ -
Other payables and accrued liabilities	2,621,634	-	-	-
Grants payable	164,925	291,858	28,758	-
Performance bond payable	-	-	-	1,629,795
	\$ 3,476,149	\$ 291,858	\$ 28,758	\$ 1,629,795
2025	Within 6 months	6 months to 1 year	1 to 5 years	Over 5 years
Accounts payable	\$ 1,232,240	\$ -	\$ -	\$ -
Other payables and accrued liabilities	1,923,824	-	-	-
Grants payable	464,908	221,931	78,305	-
Performance bond payable	-	-	-	1,647,241
	\$ 3,620,972	\$ 221,931	\$ 78,305	\$ 1,647,241

MULTI-MATERIALS STEWARDSHIP BOARD

Notes to Financial Statements (continued)

Year ended March 31, 2026

13. Correction of an error:

During the audit of the 2026 fiscal year, the Board discovered errors pertaining to revenue from the 2025 fiscal year. As a consequence, 2025 accounts receivable and revenue were understated by \$926,411 due to the Board recording this revenue in the 2026 fiscal year instead of the 2025 fiscal year in which it was earned. The errors have been corrected by restating each of the affected financial statement line items for prior period. The following tables summarize the impacts on the Board's financial statements as it relates to these balances in 2025.

Statement of Financial Position at March 31, 2025:

	As previously reported	Adjustments	As restated
Accounts receivable, net of allowance for doubtful accounts	\$ 2,736,184	\$ 926,411	\$ 3,662,595
Net financial assets	23,013,344	926,411	23,939,755
Accumulated surplus	24,173,398	926,411	25,099,809

Statement of Operations and Changes in Accumulated Surplus:

	As previously reported	Adjustments	As restated
Used beverage container program deposits	\$ 26,866,314	\$ 861,296	\$ 27,727,610
Used tire management program deposits	3,499,520	65,115	3,564,635
Annual operating surplus	216,246	926,411	1,142,657

Statement of Cash Flows:

	As previously reported	Adjustments	As restated
Annual operating surplus	\$ 216,246	\$ 926,411	\$ 1,142,657
Change in accounts receivable	1,550,329	(926,411)	623,918

MULTI-MATERIALS STEWARDSHIP BOARD

Schedule 1 - Administrative Expenses

Year ended March 31, 2026, with comparative information for 2025

	2026	2025
Wages and benefits	1,913,328	1,737,641
Software support	197,535	195,688
Professional fees	114,833	191,508
Staff travel	68,767	47,269
Board member expenses	34,499	42,170
Amortization	31,374	34,697
Office supplies	24,784	23,283
Subscriptions, memberships and conferences	31,127	17,418
Telecommunications	10,766	14,033
Insurance	11,690	10,117
Training	5,343	8,881
Vehicle	8,827	8,244
Bank charges	10,562	6,198
Rent	-	3,267
	2,463,435	2,340,414

MULTI-MATERIALS STEWARDSHIP BOARD

Schedule 2 - Public Education Expenses

Year ended March 31, 2026, with comparative information for 2025

	2026	2025
Campaigns		
Used beverage container program	93,944	69,980
Used tire program	16,905	10,020
Total campaigns	110,849	80,000
Corporate		
Owned Media	279,781	263,751
Media monitoring	2,160	2,540
Total corporate	281,941	266,291
Public Education Programs	199,949	243,756
Total public education	592,739	590,047

MULTI-MATERIALS STEWARDSHIP BOARD

Schedule 3 - Program Costs

Year ended March 31, 2026, with comparative information for 2025

	Used Beverage Container Recycling Program	Used Tire Recycling Program	Program Operations	2026 Actual	2026 Budget	2025 Actual
Deposits refunded	11,862,330	-	-	11,862,330	11,446,879	11,830,198
Handling fees	12,516,259	-	-	12,516,259	11,623,710	11,856,713
Transportation	2,735,424	1,538,266	-	4,273,690	4,629,105	4,595,055
Processing	2,032,376	1,669,024	-	3,701,400	3,783,446	3,702,822
Depot fees	474,348	-	-	474,348	972,000	412,428
Quality assurance	2,510	19,999	-	22,509	25,000	16,618
Green school program	255,126	-	-	255,126	260,000	244,737
Amortization	72,095	58,251	-	130,346	100,925	124,111
Waste diversion	-	-	11,815	11,815	261,000	115,114
Professional services	-	-	-	-	-	52,211
	29,950,468	3,285,540	11,815	33,247,823	33,102,065	32,950,007

MULTI-MATERIALS STEWARDSHIP BOARD

Schedule 4 - Schedule of Tangible Capital Assets

Year ended March 31, 2026, with comparative information for 2025

	Cost Beginning of Year	Additions	Disposals and Write-downs	Cost End of Year	Accumulated Amortization Beginning of Year	Disposals and Write-downs	Amortization	Accumulated Amortization End of Year	Net Book Value 2026	Net Book Value 2025
Used Beverage Equipment	275,776	5,461	-	281,237	257,818	-	5,250	263,068	18,169	17,959
Office Furniture & Equipment	182,451	-	-	182,451	163,148	-	3,581	166,729	15,722	19,303
Leasehold Improvements	-	-	-	-	-	-	-	-	-	-
Computer Hardware	237,149	2,560	-	239,709	201,119	-	10,263	211,382	28,327	36,030
Computer Software	324,161	-	-	324,161	317,320	-	1,833	319,153	5,008	6,842
CRM Software & Development	523,582	-	-	523,582	360,598	-	15,697	376,295	147,287	162,983
MIS & Development	1,205,868	53,232	-	1,259,100	989,490	-	66,757	1,056,247	202,853	216,375
Bags & Tubs	324,515	-	-	324,515	324,299	-	88	324,387	128	216
Tire Yard Equipment	78,699	-	-	78,699	51,810	-	7,870	59,680	19,019	26,888
Infrastructure Tire Contingency	1,007,625	-	-	1,007,625	411,254	-	50,381	461,635	545,990	596,374
	4,159,826	61,253	-	4,221,079	3,076,856	-	161,720	3,238,576	982,503	1,082,970