2023 Annual Report



MARRC MANITOBA ASSOCIATION FOR RESOURCE RECOVERY CORP.

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WHO IS MARRC?

The Manitoba Association for Resource Recovery Corp. (MARRC) is a non-profit corporation established in 1997 by manufacturers and marketers of lubricating products in Manitoba. MARRC's mandates is to develop, implement and administer a costeffective, sustainable, user financed, stewardship program for used oil, used oil filters, used antifreeze and used oil & antifreeze containers for all Manitobans.

MARRC was incorporated under The Corporations Act of Manitoba on April 1, 1997. MARRC submitted Applications for renewal for both the Used Oil and Antifreeze Stewardship Programs in December 2022 and has received approval of these Applications from the Minister of Environmentment and Climate on July 28, 2023 through June 30, 2028 with Diesel Exhaust Fluid containers included in the approval.

MARRC is managed by a five person Board of Directors drawn from MARRC Member companies, other stakeholder organizations and the public at large.

DID YOU KNOW...

Used motor oil is insoluble, persistent, and can contain toxic chemicals and heavy metals. It's slow to degrade. It sticks to everything from beach sand to bird feathers. It's a major source of oil contamination of waterways and can result in pollution of drinking water sources. Motor oil does not wear out, it just gets dirty, so recycling it saves a valuable resource. Less energy is required to produce a litre of rerefined base stock than a base stock from crude oil.

BY THE NUMBERS...

1.6 Litres of used motor oil provides the same 1 Litre of lubricating oil as 67 litres of crude oil.

Re-refined oil—must meet the same stringent refining, compounding, and performance standards as virgin oil for use in automotive, heavy-duty diesel, and other internal combustion engines. Extensive laboratory testing and field studies conclude that re-refined oil is equivalent to virgin oil—it passes all prescribed tests and, in some situations, even outperforms virgin oil.

MARRC provides incentives to government licensed collectors of these products to help recycle them throughout the province. These incentives increase incrementally by distance to ensure all areas in Manitoba are serviced. The products are delivered to MARRC registered processors where they are then recycled, reused or converted into energy products.

MARRC also provides the convenience for all Manitobans to recycle these products by supporting a network of 111 EcoCentre and collection facilities across the province through funding, advertising, training, supplies, promotional materials and our new website which conveniently directs users from their current location to their nearest facility.





MINISTER OF ENVIRONMENT AND CLIMATE

Room 344 Legislative Building Winnipeg, Manitoba R3C 0V8 CANADA

JUL 2 8 2023

Aaron Strub Executive Director Manitoba Association for Resource Recovery Corp. Manitoba's Used Oil & Antifreeze Recycling Program 35-1313 Border Street Winnipeg MB R3H 0X4 marrc@mts.net

Dear Aaron Strub:

I approve your Used Oil & Antifreeze Stewardship Program Plan effective July 1, 2023. This Approval marks twenty-five successful years of the program's operations in Manitoba and recognizes the Manitoba Association for Resource Recovery Corporation's continued dedication to protecting the environment. This Approval will expire June 30, 2028, pursuant to Section 7(4) of the Regulation under the Waste Reduction and Prevention Act unless otherwise noted.

This Approval is issued to the Manitoba Association for Resource Recovery Corporation under Section 7(2) of Used Oil, Oil Filters and Containers Stewardship Regulation, 1997; the Household Hazardous Material and Prescribed Material Stewardship Regulation, 2010; and the Packaging and Printed Paper Stewardship Regulation, 2008, (Regulations), and is subject to the Manitoba Association for Resource Recovery Corporation meeting the conditions as set forth in "Attachment A" of this letter, which forms part of this Approval.

Increasing waste diversion from landfills and advancing a circular economy are priorities for my department. I am pleased to see that your program met its recovery target of 75% for used oil and filters. As we work to modernize Manitoba's waste diversion and recycling framework, I expect you to continue to explore opportunities to promote a circular economy in the province.

Your program has an important role in providing waste diversion services to Manitobans. I commend your program's extensive network of collection depots across Manitoba. Thank you for participating in the Winter Roads backhaul program providing coverage to several First Nations communities.

Manitobans suggested opportunities for increasing awareness of waste diversion and recycling programs through more engagement. I expect you to continue exploring engagement strategies to reach all Manitobans, including Indigenous peoples and youth.

Going forward, my department will meet with you or your designated representative on an annual basis as an opportunity for you to share your program's progress and to discuss continuous improvement.

The Manitoba Association for Resource Recovery Corporation should submit its next application for renewal of this Approval by October 31, 2027 to allow adequate time for review and public consultations. However, you may apply for approval of an amendment to your stewardship program plan at any time, under Section 13(1) of the Regulation.

I look forward to our continued collaboration on this program. If you have any additional questions or would like to discuss this matter further, please contact Kelly Kuryk, Acting Senior Manager, Environmental Policy and Delivery Unit, at <u>Kelly.Kuryk@gov.mb.ca</u> or 431-374-9424.

Kind regards.

Honourable Kevin Klein Minister of Environment and Climate

Attachment

- c. Kelly Kuryk
 - Joe Casciano, Chair, Board of Directors (ja.casciano@hotmail.com)

ATTACHMENT A Conditions of Approval

Manitoba Association for Resource Recovery Corporation

The conditions set forth below form part of the Ministerial approval for the Used Oil & Antifreeze Stewardship Program (Program) Plan, pursuant to the Used Oil, Oil Filters and Containers Stewardship Regulation, 1997; the Household Hazardous Material and Prescribed Material Stewardship Regulation, 2010; and the Packaging and Printed Paper Stewardship Regulation, 2008 (Regulations).

Under Section 11(1) of the Regulations, the Minister has the authority to suspend or cancel the Approval of the Program at any time if there is a breach or contravention by the Manitoba Association for Resource Recovery Corporation as the operator of the Program, of either The Waste Reduction and Prevention Act or the Regulations or the conditions set forth in this Approval and, if applicable, subsequent amendments of this Approval.

If the Minister is not assured that the Manitoba Association for Resource Recovery Corporation is implementing or operating the Program substantially in accordance with its intent, or where the Minister or department have concluded, based on relevant circumstances, that the Program or terms of this Approval, including "Attachment A: Conditions of Approval" should be reviewed, then pursuant to Section 8 of the Regulations (7.1 of the Used Oil, Oil Filters and Containers Stewardship Regulations) new or additional conditions may be imposed as deemed appropriate so as to ensure that the environmental outcomes and regulatory requirements are fulfilled.

Any notices to be provided to the department pursuant to this approval are to be submitted in writing to: Senior Manager, Environmental Policy and Delivery Unit, Manitoba Environment and Climate, Box 37 - 14 Fultz Boulevard, Winnipeg, Manitoba, R3Y 0L6.

The conditions of this approval are:

THAT the Manitoba Association for Resource Recovery Corporation:

- Implement and operate the program substantially in accordance with the submitted program plan's intent, consistent with the requirements of The Waste Reduction and Prevention Act, the regulations listed above and their guidelines, and these Conditions of Approval, as approved and amended from time to time.
- 2. Identify a senior official with the Manitoba Association for Resource Recovery Corporation as a contact person to work with my officials to provide such assistance or any information (including both financial and non-financial information) that may be deemed necessary in a timely manner to enable them to provide me with information to assess whether the Manitoba Association for Resource Recovery Corporation has implemented the Program and it is operating substantially in accordance with its intent and the Conditions of Approval and, if applicable, subsequent amendments to this Approval.
- Retained earnings shown on the Manitoba Association for Resource Recovery Corporation's financial statement for the Manitoba program (total revenues less total expenditures), as determined by an external auditor, shall not at any time during the term of this approval, exceed an amount equal to one year's program revenue.
- Submit annual reports to the department's senior manager who administers The Waste Reduction and Prevention Act, per the applicable regulations and guidelines.
- 5. Provide meaningful opportunity for input at strategic points (amendment of program plan, annual reporting, continuous review of operations) from government, service delivery agencies, relevant external agencies, and the public, per the applicable regulation and guidelines.
- Maintain its status as a body corporate and registration under The Corporations Act, C.C.S.M. c. C225 (Manitoba) while operating the program.
- 7. Over the next year, work with the department to identify key performance indicators that will contribute to an evaluation framework measuring the performance of stewardship programs in Manitoba. You will be required to report on these key performance indicators in your annual reports to show that the program is working towards incremental, improved outcomes.
- 8. Maintain a recovery rate of 80% for used oil and filters.
- Determine baseline recovery rates on all designated program containers over the next year. Propose targets to increase those rates, including a minimum 5% increase from baseline recovery rates, to be achieved by 2028.
- 10. Increase program coverage to northern and remote communities.
- 11. Determine baseline, Manitoba-wide consumer awareness of the program and develop a plan for continuous improvement of program awareness within the next year, and increase baseline awareness by 2% by 2027.

2023 saw the expansion of MARRC's flagship Ambassador Program which had us participate in 22 various tradeshows and exhibitions in Manitoba for the purpose of enhancing awareness towards improving the recovery of used oil and antifreeze products. Here is the listing of events we participated in:

World of Wheels Rodorama Transcona Hi Neighbour St. Andrews Open House Brandon Exhibition Niverville Fair Steinbach Summer in the City Red River Exhibition Assiniboine Downs Canada Day Portage Exhibition Gimli Open Market Gimli Auto Show Gimli Icelandic Festival Selkirk Triple S Fair & Rodeo Carman Fair Kids Fringe Festival Morris Stampede Austin Thresherman's Reunion

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Altona Sunflower Festival Winkler Harvest Festival Stonewall Quarry Days Morden Corn & Apple



The participants also entered for a chance to win a \$50 Canadian Tire gift card.



The participants then spun our Wheel of Fortune for a chance to win some great prizes. Our Ambassadors engaged with visitors by having them respond to our survey which asked:

Do you change your own oil or take your vehicle in for service

Where do you take your used oil products?

Did you know you can take your used oil and antifreeze products at the (location of local EcoCentre in town)

Are you aware that the Environmental Handling Charges on oil and antifreeze products covers the cost of an EcoCentre in your area?

WE HAD A RECORD NUMBER OF PEOPLE APPROACH OUR BOOTH WITH 11,038 PARTICIPANTS COMPLETING OUR SURVEY! SOME of the results obtained from the survey are:

4



The results showed that just over 35% of respondents changed their own oil.

The Dealer/Fast Lube locations represent the largest percentage of where the products are being recyled.

50% of those from Winnipeg and 44% rural respondents were aware that there was an EcoCentre in their area

54% were aware that the Environmental Handling Charges covers most of the costs of all EcoCentres in Manitoba



Bookmarks

MARRC continued its use of our popular LED lit Kornhole game this year for people to participate in at our booth. The game features a graphic of our EcoCentre building which illustrates the goal of bringing in your used oil and antifreeze products to any of our 110 collection locations in Manitoba.

BROCHURES

The Ambassadors also distributed brochures which detail important information about the MARRC Stewardship Program such as what happens to the products once they are collected; where people can take the products throughout Manitoba; our collection progress to date as well as advising that your mobile phone can now show you where your closest collection centre is. MARRC utilized a flashing Wheel of Fortune to generate excitement at the Ambassador booth. After visitors completed the used oil recyling survey, they could spin the wheel to determine what prizes they had won. Participation at the MARRC booth was very high with longline-ups at the booth in many cases. All prizes featured used oil recycling branding and were very well received. Bookmarks, wristbands and brochures were all distributed at the tradeshows, exhibitions and parades as well.



MARRC also distributed the City of Winnipeg and rural Manitoba fridge magnets detailing where used oil and antifreeze collection facilities are located around the Province.

Prizes distributed from both the Kornhole game as well as the Wheel of Fortune were helpful in generating excitement for our booth.



Insulated Cooler Bags





Mr. & Mrs. Oil Drop Tattoos



Mr. Oil Drop Beanie Babies



Tape Measures



Notebooks



Winnipeg's Licensed Collection Depots for Used Oil & Antifreeze



🕤 Unicity - 3615 Portage Avenue St. Boniface - Fermor & Beaverhill Grant Park - 1080 Grant Avenue -Transcona - 1519 Regent Avenue Fort Garry - McGillivray & Kenaston 💎 Polo Park - 750 St. James Street 1120 Pacific Avenue 429 Panet Road 🕘 Brady Road Landfill A-1 Environmental - 1447 Dugald Road Green for Life - 1090 Kenaston Blvd. **EK** Import Auto Service - 1043 Springfield Road IM Frank Motors - 575 Notre Dame Ave 995 Goulet Street



Mr. & Mrs Oil Drop in a parade



Mr. Oil Drop at the Portage Exhibition



Mr. & Mrs. Oil Drop at Assiniboine Downs on Canada Day



MARRC's booth at the Rodorama Car Show

Association of Manitoba Municipalities (AMM) Trade Shows - Winnipeg Convention Centre April 4 & 5 & at the Keystone

The AMM helps Manitoba Municipalities speak with one

on skill building, professional development topics and

voice. They host 2 trade shows annually and include sessions

Centre in Brandon November 27 & 28.

emerging municipal policy issues.



Mr. & Mrs Oil Drop at the Gimli Icelandic Festival parade

ADDITIONAL EVENTS

MARRC attended several additional events during the year to help spread the message about environmental conservation and to encourage new communities to participate in our program with their own collection facility.

O MARR

Manitoba Association of Regional Recyclers (MARR) Forum October 24 & 25 Viscount Gort.

MARR's underlying vision is to maximize waste diversion and recycling and to develop more sustainable and responsible waste management practices in communities in all regions of the province of Manitoba.

This year, special information and training on waste management practices including used oil in First Nations, Indigenous, northern remote and small rural communities, was offered.





Northern Association of Community Councils (NACC) Trade Show - Held at Canad Inns Polo Park August 22 & 23. The NACC strives to make both provincial and federal governments recognize and create awareness regarding the needs of their communities.



Take Pride Winnipeg - Eco-Awareness Day - Held at Polo Park on May 5. This saw students from various schools as well as passing shoppers engage our booth spreading awareness of recycling used oil products.

AMBASSADOR PROGRAM OUR PARTNERS IN PROGRESS!

The main focus of our Ambassador Program was to engage with visitors by highlighting the importance of recycling. Visitors received information on recycling used oil and antifreeze products as well as valuable prize giveaways. MARRC added another partner this year bringing us to 3 Producer Responsible Organization (PRO) partners and distributed their brochures and information as well.

call 2 recycle

This program is a free and easy way for people to dispose of old batteries and cell phones safely and reliably, diverting them away from landfills.

cleanfarms

Cleanfarms is a national agricultural industry stewardship organization that contributes to a healthier environment and a sustainable future by recovering and recycling agricultural and related industry plastics, packaging and products. It collects materials for recycling and safe disposal through a network of some 1,500 ag retail and municipal partners. It is funded by its members in the crop protection, fertilizer, seed, animal health medication, and ag plastics industries. It has staff located in Lethbridge, Alberta; Moose Jaw, Saskatchewan; Winnipeg, Manitoba; Etobicoke, Ontario; and St-Bruno, Quebec.



HEALTH PRODUCTS STEWARDSHIP ASSOCIATION

The Health Products Stewardship Association supports the preservation of our environment and the protection of communities by managing take-back programs for unwanted medications and used medical sharps.





MARRC rented 2 minivans for the Ambassadors which were both wrapped with a colourful advertising for used oil & antifreeze recycling and included our 3 partners' logos on 3 sides of each vehicle. The vehicles were very well received at each trade show, exhibition and parade.

BILLBOARD & TELEVISION Advertising



Over 6.8 million times our ad was seen by motorists over the course of the summer. This does not include many more possible impressions from additional people in those vehicles as well as buses.

This kind of repitition builds brand awareness and further enhances the likelihood that the public will retain the information and imagery displayed.

GLOBAL TV COMMERCIALS

MARRC advertised with 260 - fifteen second ads promoting our 4 - sixty second "Recycling Minute" segments which all aired on Global TV. The sixty second segments highlighted the need to recycle used oil products and aired during the 10 o'clock news as well as the 6 o'clock news and the morning news.

CTV WEATHER SNIPES

From May 9 to September 22, MARRC advertised during the CTV Morning Live Weather presentation with snipes that were displayed at the bottom of the screen. Our logo + tagline is a consistent reminder to viewers on the screen during the Weather forecast, and alternated various hours each week during the morning (6a/7a/8a). We reached our audience of almost 12,000 viewers across Manitoba (city & rural) during each morning and were associated with a topic viewers were very interested in...the day's weather!

BILLBOARDS

MARRC continues to expand the methods it uses to promote the recycling of Used Oil & Antifreeze products by capitalizing on the effectiveness of Out-Of-Home advertising such as billboard display ads.

Billboards promoting the recycling of our products included our toll free line and website and were displayed at some of the busiest intersections in the City of Winnipeg during the summer namely:

C	ARS PASSING BY EACH DAY	IMPRESSIONS
Notre Dame & Wall St North Side	48,900 x 34 days =	1,662,600
Portage Ave. & Broadway Ave North East Corr	ner 45,400 x 73 days =	3,314,200
Main Street & Alexander Ave East Side	44,700 x 28 days =	1,251,600
Disraeli Frwy & Higgens Ave. East Side	45,900 x 13 days =	596,700
		6 825 100





SOCIAL MEDIA ADVERTISING

Graphical ads or video ads are targeted to users based on their location, demographic, and/or profile information, that when clicked, brings the user to MARRC's website.



FACEBOOK ADS & BOOSTED POSTS:

Every 2 weeks we updated our ads with fresh and interesting content including the promotion of our summertime Ambassador Program. We received quarterly updates on what was generating the most amount of interest through interactions (clicks), likes, impressions and number of people reached.

FACEBOOK LIKE CAMPAIGN

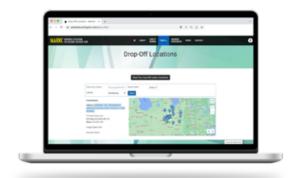
Graphical ads targeted to users based on their location, demographic, and/or profile information that when Liked, grows our Facebook audience/following.







MARRC targeted those indivudauls who would most likely find our ads relevant such as those with interests in ATVs automobiles, Motorcycles, CarGurus, Mechanics, Boating, Farming, RVs etc.



GOOGLE ADS COST PER CLICK(CPC)

Text ads in Google search results are triggered when an individual searching within the right geographical area searches for something related to 15 keywords and or phrases that we target such as: Used oil, collection depots, used oil filters, antifreeze, used oil containers, motor oil disposal, recycling, ecocentres etc.

Our quarterly report advised how we fared for number of impressions for each key word, as well as number of clicks on our display ad. Changes can be made to more popular keywords if needed. Clicking on our ad directed the user to our collection depot drop-off location map where that person's nearest location could easily be found.

DISPLAY ADVERTISING IN THE GOOGLE DISPLAY NETWORK:

Graphical ads on select topics of websites that are part of the Google Display Network, shown when a person in the right geographical area visits.

January 1 to December 31 Metrics: Totals over 9,218,000 impressions (total number of times our content was displayed) and over 12,700 interactions (clicks)

11

PARTNERSHIP PROMOTION VIP LUBE 1089 ELLICE TO ENHANCE CONSUMER AWARENESS



We enhanced our Facebook Awareness Campaign this summer by partnering with our newest Winnipeg collection facility; VIP Lube 1089 Ellice Ave. Similar to our Facebook ad campaign, we targeted those indivudauls who would most likely find our ads relevant and promoted that this was a chance to win one of 20 free oil changes worth \$100 each.

Just a quick 2 question survey needed to be filled out to be entered into a draw for one of the free oil changes.

THE QUESTIONS ASKED:

Do you change your own oil and antifreeze or do you take your vehicle in for service?

126 of 740 or 17% of respondents advised they do it themselves.

Did you know that you can recycle your used oil and antifreeze products at VIP Lube 1089 Ellice Ave. or at any one of the City of Winnipeg's 4R Depots: Brady Rd., 1120 Pacific Ave. & 429 Panet Rd.?

444 of 740 or 60% of respondents advised that they knew they could recycle their used oil products at these locations.

Winnipeg Residents: Fill out survey for a chance t	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
Fill out the short survey below for a chance to changes to VIP Lube on 1089 Ellice Ave. in W	
Be pell trange para men al la transferato e si la para tera peru della d'internet. El face e quali El face de sentes Ma success tera para conseguir que una al el con ambiente product al VII. de 100 Mars for, es as	
ang ana at tao Cay at tinong ng Katilagang tinong Mul. 1122 taoka kana katil taona katilatan ang Ci Ya Ci Ya	
New Action	
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As a result of this initiative, traffic to MARRC's website increased by 33% with dramatic increases taking place over the course the promotion which reached over 94,000 people and garnered 3,400 link clicks.



PARTNERSHIP WITH TAKE PRIDE WINNIPEG TO ENHANCE AWARENESS WITH STUDENTS IN SCHOOLS



MARRC Partnered with Take Pride Winnipeg to give 65 presentations in 41 different schools around Manitoba teaching an estimated 6,500 students about the merits of recycling used oil products. MARRC branded bookmarks and wristbands were also distributed to all.

RADIO MEDIA PARTNERSHIPS





CJOB AM and Power 97 FM, Winnipeg radio stations aired over 700 ads promoting each specific local Ambassador event during the summer.

9 Manitoba rural radio stations aired over 600 ads promoting each specific local Ambassador event during the summer as well.



BURSARIES AWARDED FOR A TWENTIETH YEAR

Bursaries were awarded to students (\$1,500 each) qualifying in Environmental Studies at the University of Manitoba, University of Brandon, the University of Winnipeg and Red River Community College. Students awarded were required to provide a brief explanation as to why oil product collection and recycling in Manitoba is important to them. MARRC later increased the amount of each bursary to \$2,000 during the middle of the year.

NEWSPAPER & MAGAZINE PARTNERSHIPS



WINNIPEG FREE PRESS COMMUNITY REVIEW EAST & WEST NEWSPAPERS

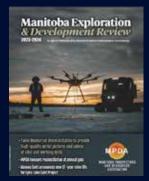
Winnipeg Free Press Community Review East & West Newspapers - have a combined circulation of over 230,000 in the City of Winnipeg and Headingley. MARRC advertised with 2 ads on the front page.

APRIL EARTH DAY ADS:



OCTOBER WASTE REDUCTION WEEK ADS:





MANITOBA MINING REVIEW

Manitoba Mining Review is distributed to association members, all pertinent government officials and to all companies with an interest in mining.



THE LEAF & STREETS NEWSPAPERS

The Leaf is distributed to 4,100 people in the Wolseley, Armstrong Point and South Broadway areas while the Streets is delivered to all those in Winnipeg's West End.







The Manitoba Association for Resource Recovery Corp. (MARRC) manages the Used Oil & Antifreeze Recycling Programs.

We are very much interested in assisting communities in the north with recycling used oil, filters, containers as well as antifreeze and its containers.

FIRST NATIONS VOICE

First Nations Voice is a privately owned newspaper with a distribution of over 100,000 that provides an educational and information-sharing vehicle for both First Nations / Aboriginal communities and non-Aboriginal communities in Manitoba. The purpose is to educate, inspire and inform the general public from a First Nations / Aboriginal perspective

MAAC GUIDE (MANITOBA Association of Auto Clubs) -Circulation 50,000

MAAC is a non-profit Association for the promotion and protection of the antique and specialty vehicle hobby in Manitoba.



NORTHERN REMOTE & FIRST NATIONS COMMUNITIES COLLECTIONS

Producer Responsible Organizations (PROs) continue to sponsor the Backhaul Project which is aimed at removing stewardship and non-stewardship materials from participating First Nations Communities.

This year the following communities were involved Bunibonibee, St. Theresa Point, Wasagamack, and Lac Brochet with the following communities having used oil products removed:

BUNIBONIBEE

16 pallets of pails.

ST. THERESA POINT

1 drum of used oil filters, 1 drum of pail lids.

WASAGAMACK

2 pallets of pails & 2 totes of used oil containers

LAC BROCHET(*non-stewardship material) *98 pieces of appliances removed

The following communities had supplies shipped to them: **MANTO SIPI**

Currently upgrading their waste management / diversion infrastructure. 1 pallet of empty drums to hold used oil/filters.

GOD'S LAKE

1 pallet of empty drums was also shipped to God's Lake.

The success of the project in 2022/23 is in large part due to a continued collaborative process with the PROs, community operators, transporters, and processors.



COLLABORATION PARTNERSHIPS

10 participating PROs included the Canadian Battery Association, Call2Recycle, Electronic Products Recycling Association, Heating Refrigeration and Air Conditioning Institute of Canada, Health Products Stewardship Association, Manitoba Association for Resource Recovery Corp., Multi-Material Stewardship Manitoba Inc., Product Care Association of Canada, Recycle My Cell & Tire Stewardship Manitoba. In total, 10 semi-trailer loads of material were removed from 4 communities, representing 6 PROs comprised of nonstewardship and stewardship material.

KEY OUTCOMES

We are continuously fine-tuning our program delivery model that considers the full transportation cycle of products being delivered into communities, backhaul of diverted material out of communities on the same trucks and receiving and processing the material in Winnipeg.

The costs have been identified in detail and areas for efficiencies continue to be refined. The need to support community waste diversion workers including training, proper equipment to safely do their jobs and supplies to safely pack the material has been reinforced. Ideally this would involve periodic community visits to advise and train workers as well as provision of proper equipment and supplies. Through discussions with stakeholders in Manitoba's waste management and recycling sector, a need has been identified to address these gaps in the training and skill development of workers employed in waste management sites in communities across Manitoba. MARRC has joined an Advisory Council that will play an ongoing role in establishing and overseeing the overall vision, strategy and shared investment towards training and developing waste management and recycling workers for Manitoba.

There is a need for communities to have adequate budgets to support worker wages, training, consumable supplies and costs for transport and handling of non-stewardship material. The cost/benefit of including all diverted material including stewardship and non-stewardship in backhaul transport trucks has been recognized. There is also a need for infrastructure and equipment to store diverted material and safely load it onto backhaul trucks including weather protected areas for material storage, loading equipment, and lights for loading at night. Continued collaboration amongst the PROs is essential for any future northern backhaul collection program.

WINNIPEG COLLECTION DEPOT NETWORK

Winnipeg GFC FRANKMOTORS We promise to know you better



FAVIRONMENTA

IIIRE

Unicity - 3615 Portage Ave. Grant Park - 1080 Grant Ave. Transcona - 1519 Regent Ave. Fort Garry - McGillivray & Kenaston Polo Park - 750 St. James St. VIP Lube - 1089 Ellice Ave. VIP Lube - 395 Goulet St. Green for Life - 1090 Kenaston Blvd. A-1 Environmental - 1447 Dugald Rd. Frank Motors - 575 Notre Dame Ave. EK Import Auto Service - 1043 Springfield Rd. *City of Winnipeg Depots Brady Road Landfill 1120 Pacific Ave. 429 Panet Rd.*



ECOCENTRES

LO	CATION	OWNER/OPERATOR
1	75 Steinbach	City of Steinbach
2	Carman	Town of Carman
3	Melita	S K L Enterprises Ltd.
4	Altona	Town of Altona / Municipality of Rhineland
5	Neepawa	50 Town of Neepawa
6	Selkirk	City of Selkirk
7	Russell	Municipality of Russell-Binscarth /
		RM Riding Mountain West
8	Glenboro	Muncipality of Glenboro South Cypress
9	Minto	Municipality of Grassland
10	Pilot Mound	Louise Integrated Waste Managament
11	Baldur	RM of Argyle
12	Swan River	Town of Swan River
13	Hamiota	Hamiota Municipality
14	Inwood	RM of Armstrong
15	Chatfield	RM of Armstrong
16	Firdale Meleb	RM of Armstrong
17	Virden	RM of Wallace-Woodworth
18	Arborg Austin MacGr	BAR Waste Authority Co-op Inc.
19	Gladstone	Municipality of Westlake-Gladstone
20	Rossburn	Rossburn Municipality
21	Portage la Prairie	Portage & District Recycling Inc.
22	Teulon	Town of Teulon & RM of Rockwood
23	Brandon	Dakota Plank City of Brandon
24	Earl Grey	RM of St. Andrews
25	Langruth	Municipality of Westlake-Gladstone
26	Elm Creek	RM of Grey
27	The Pas	Iowii of file fas

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Souris

Birtle

LOCATION City of Winkler Winkler Morris Town of Morris RM of Alexander Town of Powerview-Pinefalls St. Georges Traverse Bay RM of Alexander & RM of Victoria Beach Clandeboye RM of St. Andrews Vita **RM of Stuartburn** Lac du Bonnet RM of Lac du Bonnet Waskada Municipality of Brenda-Waskada Carberry RM of North Cypress-Langford Thompson **Thompson Recycling Centre** St. Laurent RM of St. Laurent Erickson Muncipality of Clanwilliam-Erickson C.E.W.D.G. Board Eriksdale Flin Flon **City of Flin Flon** Dunrea **RM of Prairie Lakes** MacGregor Municipality of North Norfolk Municipality of Hillsburg-Roblin-Shell River Roblin Onanole **Municipality of Harrison Park** Whitemouth Whitemouth-Reynolds-North Whiteshell Gimli Arnes St. Lazare **RM of Ellice-Archie** St. Pierre RM of De Salaberry Lorette RM of Taché





OWNER/OPERATOR

RM of Gimli

RM of Gimli

Municipality of Souris-Glenwood

Municipality of Prairie View

OTHER LICENSED COLLECTION FACILITIES

MARRC added 8 more Collection Facilities in 2023 with the following locations coming on board: VIP Lube Ellice Ave., Winnipegosis, Strathclair, Pinawa, St.François Xavier, Boissevain, Inglis as well as the Northern Remote Location of Wasagamack.

LOCATION

OWNER/OPERATOR

LOCATION

Ashe

Daup

Beaus

Hillsid

Oakw

Stein Wink

Portag

Brand

Mono

Shoal

Minne

Plum

West

Eden

Kelw

Coca

Dunn

Clark

Libau

St.Fra

Pinaw

Boiss

Strat

Winni

Inglis

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OWNER/OPERATOR

OWNER/OPERATOR

1		Environmental Services, 1447 Dugald Rd.
2		GFL Green For Life, 1090 Kenaston Blvd.
3	Winnipeg	Frank Motors, 575 Notre Dame Ave.
4		ort Auto Service Ltd., 1043 Springfield Rd.
5		anadian Tire Grant Park, 1080 Grant Ave.
6	Winnipeg Canad	lian Tire East Kildonan, 1519 Regent Ave.
7	Winnipeg C	Canadian Tire Polo Park, 750 St. James St.
8	Winnipeg Canadia	n Tire Fort Garry, McGillivray & Kenaston
9	Winnipeg	Canadian Tire Unicity, 3615 Portage Ave.
10	Winnipeg	VIP Lube, 1089 Ellice Ave.
11	Winnipeg	VIP Lube, 395 Goulet Street
12	Winnipeg	4R, Brady Road Landfill
13	Winnipeg	4R, 1120 Pacific Avenue
14	Winnipeg	4R, 429 Panet Road
15	Headingley	Recycle West, 6 Sabrina Way
16	Stonewall	RM of Rockwood
17	Notre Dame	Jean Farms Ltd.
18	Hartney	Southwest Recycling
19	Grand Rapids	ET Development Ltd.
20	Killarney	Town of Killarney
21	Dunnottar	Village of Dunnottar
22	Cranberry Portage	Cranberry Portage LUD
23	Rorketon	RM of Lakeshore
24	Deloraine	Muncipality of Deloraine-Winchester
25	Fisher Branch	RM of Fisher
26	Moosehorn	RM of Grahamdale

	CHILEN OF ERATOR
rn	Muncipality of West Interlake
hin	RM of Dauphin
sejour	Beausejour Tire, 51 Park Ave.
de	RM of Springfield
vood	RM of Springfield
bach	Great Canadian Oil Change, 41 Hwy 12 North
ler	Great Canadian Oil Change, 611 Main Street
je la Prairie	Great Canadian Oil Change,1040 Saskatchewan Ave W
don	Great Canadian Oil Change, 827 18th St
ominto	RM of Taché
Lake	RM of Yellowhead
edosa	Evergreen Enviromental Technologies
as	Municipality of Westlake-Gladstone
bourne	Municipality of Westlake-Gladstone
	Municipality of Rosedale
ood	Municipality of Rosedale
Cola Falls	RM of Alexander
ing	RM of St. Clements
е	RM of St. Clements
l	RM of St. Clements
ançois Xa	vier RM of St.François Xavier
va	LGD of Pinawa
evain	Municipality of Boissevain Morton
hclair	RM of Yellowhead
ipegosis	Municipality of Mossey River
	RM of Riding Mountain West

NORTHERN REMOTE COMMUNITIES

LOCATION

- 1 St. Theresa Point
- 2 St. Theresa Point 3
- Churchill
- 4 **Hollow Water** 5 Bloodvein
- 6 Wasagamack

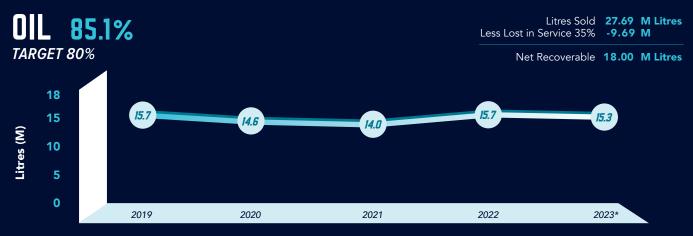
St. Theresa Point First Nation - Fire Station St. Theresa Point First Nation - End of Life Vehicle Garage The Town of Churchill Manitoba Aboriginal and Northern Affairs **Bloodvein First Nation** Wasagamack First Nation

MARRC SUPPORTS ITS ECOCENTRE NETWORK

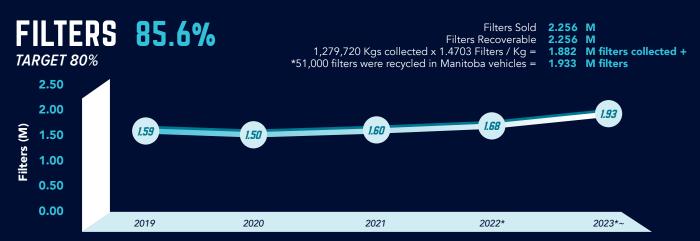
As our used oil recycling program continues to grow, we strive to inform and educate as many Manitobans as possible. MARRC provides free initial and recurrent training for management and staff. The training and follow-up audits are designed to promote safe operation and compliance within provincial regulations on the handling of used oil products. We also provide funding of over \$350,000 to our existing network of collection facility drop-off locations which are all conveniently located across the province. This funding helps each owner/operator with costs for things like supplies, insurance, labour and advertising to aid in the smooth operation of the facility.

Often times, prizes such as shop towels, windshield washer fluid or even new oil are distributed for free to those who recycle at these locations in order to encourage and sustain good recycling habits and help spread the word about drop off locations in the local community.

COLLECTION ACTIVITY

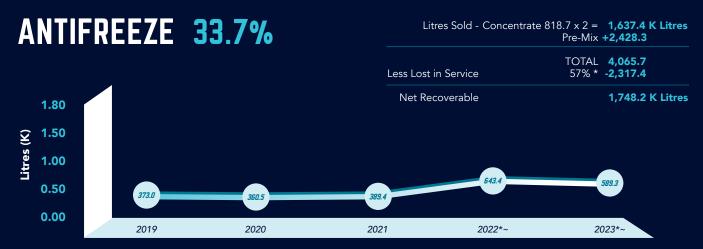


* 15.44M litres were collected in 2023. In a 2022 MARRC study, 1.8 M litres of used oil was analyzed and 0.75% was found to be used Antifreeze or 118.8 K litres. This leaves 15.32 M litres of Used Oil collected.



~ MARRC utilized studies from 2007, 2022 & 2023 that saw the number of filters per drum increase while the average weight per drum decreased due to the smaller and lighter cartridge style filters becoming more prevalent.

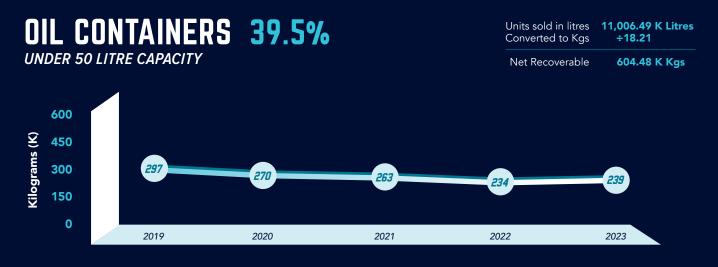
* 6% of the Canadian Auto Fleet is retired and then shredded each year resulting in 51K filters being added to these years' totals. Filters are not removed by auto shredders as they are recycled with the vehicle.



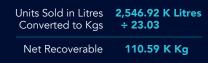
* Result of National Antifreeze Recoverable Rate Study by Chamard Environmental Strategies

~ MARRC analyzed 1.84 Million litres of used oil in 2022 and discovered that 0.75% of all used oil collected is in fact used antifreeze. This is fairly consistent with other studies done across Canada. 15,435,663 L of used oil collected x 0.75% = 115,767 of pure Antifreeze x 2 conversion to pre mix is an extra 231,535 collected.

COLLECTION ACTIVITY

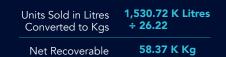


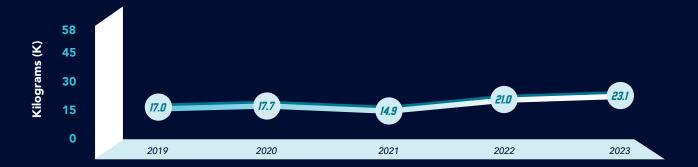
ANTIFREEZE CONTAINERS 39.5%





DEF CONTAINERS 39.5%





MARRC MEMBERS PAGE

49 North Lubricants Ltd. 10046880 Manitoba Ltd. (Oil Source) 12317541 Canada Inc. (Catalys Lubricants West) A & I Products Canada Inc. AGCO Corporation AGS Company Automotive Solutions AMSOIL Inc. Acklands-Grainger Inc. Aevitas Inc. Agricity Crop & Nutrition Ltd. **Applied Industrial Technologies Lp** April Super Flo Inc. Atlas Copco Compressors Canada BASE Canada Inc. BMW Canada Inc. **BOSS** Lubricants **BP** Lubricants USA Inc. Baldwin Filters, Inc. Beck/Arnley Worldparts, Inc. **BestBuy Distributors Limited** Blue Streak - Hygrade Motor Products Boeing Distribution Canada Ltd. Bombardier Recreational Products Inc. Bosch Rexroth Canada Corp. Brandt Tractor Ltd. Bridgeview Fluid Solutions Inc. Buhler Versatile Inc. CG Power Systems Canada Inc. CLAAS of America Inc. CNH Industrial Canada Ltd. CORE-MARK International Inc. CPT Canada Power Technology Limited Cabela's Retail Canada Inc. CanAgro Exports Inc. Canadian Kawasaki Motors Inc. Canadian Pacific Railway Canadian Tire Corporation, Limited Canadian Tire Petroleum **Cervus Equipment Corporation** Champion Laboratories, Inc. **Chevron Canada Limited Cleanair Filter Service** Club Car LLC - Ingersoll Rand Comairco Ltd. Costco Wholesale Canada Ltd. Crestline Coach Ltd. Cummins Canada ULC **Cummins Filtration** DAS Distributors Inc.

Daimler Trucks Canada Ltd. Ducati Canada Inc. Davanac Inc. Dubois Chemicals Canada Inc. Echo Power Equipment (Canada) Excel Energy FCA Canada Inc. FHC Enterprises Inc. FRAM Group Canada Inc. Fastenal Canada Ltd. Federated Co-operatives Limited Ford Motor Company of Canada Ltd. Forest River Inc. Fort Garry Industries Ltd. Fuchs Lubricants Canada Ltd. Fuelex Energy Ltd. Full-Bore Marketing Ltd. G.F. Thompson Company Limited G.K. Industries Ltd. GEA Farm Technologies Canada Inc. **GFL Environmental Services Inc.** Gamma Sales Inc. General Motors of Canada Limited Harley-Davidson Canada L.P. Hastings Filters Henkel Canada Corporation Hino Motors Canada Ltd. Hitachi Energy Canada Inc. Home Depot of Canada Inc. Home Hardware Stores Limited Honda Canada Inc. Husky Energy Inc. Husqvarna Canada Corp. Hyundai Auto Canada Corp. **ITW Permatex Canada** Imperial Oil Ltd. Importations Thibault Ltée Industrial Truck Service Ltd. Irving Blending & Packaging Isuzu Commercial Truck of Canada Inc. Jaguar Land Rover Group Canada Inc. John Deere Canada ULC **KLONDIKE Lubricants Corporation** KTM Canada Inc. Kadex Aero Suppply Ltd. Kaeser Compressors Canada Inc. Kalmar USA Inc. Kia Canada Inc.

Kimpex Inc.

King-O-Matic Industries Limited Kleen-Flo Tumbler Industries Limited Krone North America Kubota Canada Ltd. LCT Lubricants Inc. Lasitkon Oil Larry Penner Enterprises Inc. Liebherr Canada Ltd. Loblaw Inc. Lubeworx of BC Lubricon Industries Canada Limited Lucas Oil Products (Canada) Company MANN & HUMMEL Filtration Technology US ULC MANN & HUMMEL Purolator Filters LLC MFTA Canada Inc. Macdon Industries Ltd. Mack Trucks and Volvo Trucks Canada Machinerie R. Gagnon Inc. Mahle Aftermarket Inc. Manitoba Hvdro Marsollier Petroleum Ltd. Maryn international Ltd. Maxim Transportation Services Inc. Mazda Canada Inc. Mercedes-Benz Canada Inc. Mid-Canada Filtration Solutions Midwest Sales Miller Supply Ltd. Mitsubishi Motor Sales of Canada, Inc. Modern Sales Co-op Mopac Auto Supply (Alberta) Ltd. Mopac Auto Supply Ltd. Motion Industries (Canada) Inc. Motor Coach Industries Limited Motosel Industrial Group Inc. Motovan Corporation Motovan Inc. NCH Canada Inc. **NLS** Products National Energy Equipment Inc. Navistar Canada Inc. NemCo Resources Ltd. New Flyer Industries Ltd. Nissan Canada Inc. Norcan Fluid Power Ltd. Nynas Inc. **Oil Depot Limited Oil Mart Limited**

OBR Oil and Marine Inc. PACCAR of Canada, Ltd. Parts Division PSC-Power Source Canada Ltd. PTI Transformers Inc. Parker Hannifin Canada Parkland Corporation (Bluewave Energy) Partner Technologies Inc. Parts Canada PartsSource Inc. Peavey Industries Limited Peerless Engineering Sales Ltd. Petro-Canada Lubricants Inc. Pieces D'Auto Transit Inc. Phillips 66 Canada Ltd. Polaris Industries Inc. Porsche Cars Canada Inc. Prestone Canada Prévost, a Division of Volvo Group Canada Inc. Princess Auto Ltd. PONA Inc Radiator Specialty Company of Canada Ltd. Recochem Inc Reesink Canada Wholesale Inc. **Revolution ORS LP (DBA Terrapure)** Robco Inc. Robert Bosch Inc. SC CLS Holding ULC SMS Equipment Inc. Safety-Kleen Canada Inc. 7-11 Canada Shell Canada Products Ltd. Sherwin Williams Canada Inc. Southwestern Petroleum Lubricants LLC Spectrum Brands Canada Inc. Stihl Limited Subaru Canada Inc. Suzuki Canada Inc. TVH Canada Ltd. Teklub Canada Ltée Texas Refinery Corp. of Canada Limited Textron Off Road The North West Company Inc. Toromont Industries Ltd. Total Energies Marketing Canada Inc. Tovota Canada Inc. Triumph Motorcycles America UAP Inc. Ultra Clear Engine Fluids Inc. Uni-Sélect Canada Inc.

Orgill Canada Hardlines ULC

ENVIRONMENTAL HANDLING CHARGE (EHC) AND RETURN INCENTIVE (RI) INCREASES

As MARRC had incurred 5 years of consecutive losses after increasing the Return Incentives for our collectors in 2016, an increase in the EHC was necessary in 2021.



RETURN INCENTIVE (RI) INCREASE

We received letters from 3 of our Collectors, who represent 95% of MARRC's overall collections, requesting a substantial RI increase and providing many legitimate reasons for the request as inflation had affected every aspect of their businesses. To support overall collections, MARRC is distributing the recent EHC increase to collectors by raising the RI rates.

MARRC's RIs were well below our neighboring Province of Saskatchewan who recently increased their own Return Incentive Rates. Harmonization with other provinces is always desired when possible.

Effective July 1, 2022, our RI Rates increased across all products with MARRC spending an additional \$399,000 in 2023. This represents 70% of the overall EHC increase.

CONTINUED EFFORTS TO TRACK USED OIL THROUGH BURNERS IN MANITOBA.

Each year approximately 4 million litres of used oil goes unaccounted for in this province. There are estimated to be over 600 used oil burners (under 500,000 btus) that are burning used oil for heat instead of having a collector pick up the product for processing. Burning used oil is especially convenient for northern locations that are only accessible by fly-in or winter roads. MARRC is offering some initial investment support funding to help these communities in particular become established with a used oil burner if they are interested.

With a renewed focus on identifying these burners in the province, we managed to track 1.59 million litres in 2022 through paying a Return Incentive of \$0.08 per litre burned (this is up from 416k litres burned from the previous year).

We continued with this focus in 2023 and managed to track over 1.14 million litres burned. This will represent an ongoing effort in the future to account for as much used oil in Manitoba as possible.

Financial Statements **December 31, 2023**



Independent auditor's report

To the Members of Manitoba Association for Resource Recovery Corp.

Our opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Manitoba Association for Resource Recovery Corp. (the Corporation) as at December 31, 2023 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

What we have audited

The Corporation's financial statements comprise:

- the balance sheet as at December 31, 2023;
- the statement of operations for the year then ended;
- the statement of changes in net assets for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include significant accounting policies and other explanatory information.

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 report.

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

Independence

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

Responsibilities of management and those charged with governance for the financial statements

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

PricewaterhouseCoopers LLP Richardson Building, 1 Lombard Place, Suite 2300, Winnipeg, Manitoba, Canada R3B oX6 T.: +1 204 926 2400, F.: +1 204 944 1020, Fax to mail: ca_winnipeg_main_fax@pwc.com

"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.



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

Those charged with governance are responsible for overseeing the Corporation'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 these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to
 fraud or error, design and perform audit procedures responsive to those risks, and obtain audit
 evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting
 a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may
 involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation'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 Corporation'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 Corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Pricewaterhouse Coopers LLP

Chartered Professional Accountants

Winnipeg, Manitoba March 22, 2024

Balance Sheet As at December 31, 2023

2023 \$	2022 \$
412,096 257,116 1,548,754 4,378 905 5,000	913,218 1,365,659 3,472 905 36,667
2,228,249	2,319,921
1,298,444	1,496,868
165,931 115,913 50,018 3,576,711	162,683 92,998 69,685 3,886,474
241,194 299,678 540,872	576,694 277,991 854,685
50,018	69,685
2,985,821	2,962,104
3,035,839	3,031,789
3,576,711	3,886,474
	\$ 412,096 257,116 1,548,754 4,378 905 5,000 2,228,249 1,298,444 165,931 115,913 50,018 3,576,711 241,194 299,678 540,872 50,018 2,985,821 3,035,839

Commitments (note 6)

Approved by the Board of Directors

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Director _

hop Sleen and

_ Director

Statement of Operations For the year ended December 31, 2023

	2023 \$	2022 \$
Revenue Environmental handling charges Membership fees	4,942,540 800	5,147,299 2,395
	4,943,340	5,149,694
Expenses Return and processing incentives EcoCentre support costs (note 7) Ambassador program (note 8) Wages, contract and benefits Public relations and promotion (note 9) Computer software support Professional fees Rent Compliance reviews Director fees and expenses Amortization Travel and automobile Office and administration Insurance Meetings Telephone and fax Bursaries Bank charges and interest Container freight and plastic processing costs Antifreeze study	3,862,315 376,015 189,273 156,261 81,206 64,513 53,672 51,727 38,438 25,160 22,915 15,660 14,715 14,901 13,678 10,942 7,000 661	3,615,082 339,748 99,623 142,287 81,574 56,112 89,969 47,984 27,442 18,239 22,888 17,450 13,006 7,193 14,654 10,694 2,500 4,641 2,398 1,783
	4,999,052	4,615,267
(Deficiency) excess of revenue over expenses from operations	(55,712)	534,427
Investment income	59,762	35,092
Excess of revenue over expenses for the year	4,050	569,519

Statement of Changes in Net Assets For the year ended December 31, 2023

	2023 \$	2022 \$
Balance – Beginning of year	3,031,789	2,462,270
Excess of revenue over expenses for the year	4,050	569,519
Balance – End of year	3,035,839	3,031,789

Statement of Cash Flows For the year ended December 31, 2023

	2023 \$	2022 \$
Cash and cash equivalents provided by (used in)		
Operating activities Excess of revenue over expenses for the year	4,050	569,519
Item not affecting cash Amortization	22,915	22,888
Net change in non-cash working capital items	26,965 (466,147)	592,407 (255,294)
	(439,182)	337,113
Investing activities Purchase of capital assets Purchase of investments Proceeds on redemption and sale of investments	(3,248) (58,692) 	(2,492) (977,804) 223,501
	(61,940)	(756,795)
Decrease in cash and cash equivalents during the year	(501,122)	(419,682)
Cash and cash equivalents – Beginning of year	913,218	1,332,900
Cash and cash equivalents – End of year	412,096	913,218

Notes to Financial Statements December 31, 2023

1 Nature of operations

Manitoba Association for Resource Recovery Corp. (the Corporation) was formed by oil and oil filter first sellers in Manitoba to develop, implement and administer a used lubricating products stewardship program in the province and began operation on January 1, 1997. The Corporation was incorporated as a not-for-profit corporation without share capital under The Corporations Act of Manitoba on April 1, 1997. On February 26, 1998, the Corporation received approval to operate its Used Lubricating Products Stewardship Program from the Minister of Environment, Province of Manitoba. On May 1, 2011, the Corporation was also approved to operate its Antifreeze Stewardship Program by the Minister of Conservation, Province of Manitoba. On April 25, 2018, the Corporation was also approved to operate its Other MARRC Designated Materials Program by the Minister of Sustainable Development, Province of Manitoba.

On July 28, 2023, the Corporation received approval to continue to operate the Used Lubricating Products Stewardship Program and the Antifreeze Stewardship Program from the Minister of Environment and Climate, Province of Manitoba until June 30, 2028.

As a not-for-profit corporation, no provision for corporate income taxes has been made in these financial statements pursuant to paragraph 149(1)(l) of the Income Tax Act (Canada).

2 Basis of presentation

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

3 Summary of significant accounting policies

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and cash and cash equivalents held at banking institutions.

Inventory

Inventory is valued at the lower of cost and net realizable value. Inventory consists of promotional items on hand for the Ambassador program.

Investments

Investments consist of guaranteed investment certificates (GICs). Investments that are intended to be held or that have maturity dates under a year are deemed to be short-term investments, with all others classified as long-term investments. Realized and unrealized gains and losses are included as investment income in the statement of operations. Purchases and sales are recognized using trade date accounting.

Notes to Financial Statements **December 31, 2023**

Capital assets

Capital assets are carried at acquisition cost less accumulated amortization. Amortization of office furnishings, equipment, leasehold improvements and computer software is calculated on a straight-line basis at an annual rate of 20%, based on the estimated useful lives of these assets. One-half of the annual rates are charged in the year of acquisition.

Revenue recognition

The Corporation follows the deferral method of accounting for revenue. Revenue from environmental handling charges is recognized in the year for which suppliers and end-users assess it, as regulated by the Used Oil, Oil Filters and Containers Stewardship Regulation, the Household Hazardous Material and Prescribed Material Stewardship Regulation and by the Packaging and Printed Paper Stewardship Regulation, all under The Waste Reduction and Prevention Act. The one-time membership fees are recorded as revenue when the participating companies join the Corporation.

Dividend and interest income from investments and cash equivalents is recognized when earned and is recorded as investment income in the statement of operations.

Return and processing incentives

The return and processing incentives are recognized as an expense in the year to which the claim relates.

Use of estimates

The preparation of financial statements in conformity with ASNPO requires management 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 reporting period. Actual amounts could differ from those estimates.

Financial instruments

Financial assets and financial liabilities are initially recognized at fair value and subsequently measured at amortized cost.

Financial assets measured at amortized cost include cash and cash equivalents, investments, environmental handling charges receivable and accrued interest receivable.

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

Financial assets are tested for impairment at the end of each reporting period when there are indications that the assets may be impaired.

Notes to Financial Statements December 31, 2023

4 Investments

	Maturity date	Interest rate %	2023 \$	2022 \$
Short-term investments Access Credit Union GIC	August 22, 2024	2.75	257,116	
Long-term investments Access Credit Union GIC Access Credit Union GIC	August 22, 2024 November 20, 2025 December 23, 2027 December 23, 2027 December 23, 2027 December 23, 2025	2.75 1.80 4.90 4.90 4.90 4.70	290,674 262,250 262,250 262,250 262,250 221,020	250,234 285,535 250,000 250,000 250,000 211,099
			1,298,444	1,496,868
			1,555,560	1,496,868

5 Government remittances

Government remittances consist of amounts required to be paid to government authorities and are recognized when the amounts come due. In respect of government remittances, \$32,461 (2022 - \$53,860) is included in accounts payable and accrued liabilities.

6 Commitments

Operating lease

The minimum rental for leased premises under a lease to February 28, 2028 is as follows:

	\$
Fiscal year ending December 31, 2024	47,780
2025	48,593
2026	48,735
2027	48,735
2028 and thereafter	8,123

EcoCentres

The Corporation has entered into automatic two-year renewal agreements with 99 EcoCentres and licensed collection facilities that were established to provide no-cost drop-off centres for used oil and antifreeze materials.

Notes to Financial Statements December 31, 2023

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As part of its contractual agreement with each EcoCentre owner-operator, the Corporation is committed to provide annual operating support until July 31, 2024. The operating support payments for the EcoCentres currently in operation are estimated to be as follows:

		\$	
	Fiscal year ending December 31, 2024	236,469	
,	EcoCentre support costs		
		2023 \$	2022 \$
	Operating and capital support Remote centres support Operational audits, training and supplies Winter road project	343,090 12,158 10,646 10,121	317,193 7,643 1,495 13,417
		376,015	339,748
;	Ambassador program		
		2023 \$	2022 \$
	Wages Handouts, bookmarks, souvenirs and draw prizes Transportation, meals and accommodation Trade show fees, uniforms, supplies and insurance	65,213 56,968 50,439 16,653	35,304 27,081 30,364 6,874
	_	189,273	99,623
)	Public relations and promotion		
		2023 \$	2022 \$
	Radio Website Marketing, advertising and promotional material Northern region advertising Annual report Commercial	17,612 11,280 28,861 4,379 7,424 11,650	19,096 9,408 30,230 1,939 8,736 12,165

81,574

81,206

Notes to Financial Statements **December 31, 2023**

10 Financial instruments

The Corporation manages risk and risk exposures by applying policies approved by the Board of Directors.

Credit risk

Credit risk arises from the potential that a counterparty will fail to perform its obligations. The Corporation is exposed to credit risk through its environmental handling charges receivable. The risk is minimized due to the large registrant base.

Interest rate risk

Interest rate risk refers to the risk that a financial instrument or cash flows associated with the instrument will fluctuate due to the changes in interest rates. The Corporation's exposure to interest rate risk pertains to interest-bearing, short-term and long-term investments, which are subject to future changes in interest rates.

Liquidity risk

Liquidity risk is the risk that the Corporation will encounter difficulty in meeting its financial obligations associated with financial liabilities in full. A range of alternatives is available to the Corporation including cash flow provided by operations, debt or a combination thereof.

MANITOBA ASSOCIATION OF RESOURCE RECOVERY CORP. MARRC BOARD OF DIRECTORS AND STAFF



BACK ROW: Jennifer Wilken (Project Manager), Lutz Ehrentraut (Secretary-Treasurer), Paul Linchuang (Director), Michael Strub (Administrative Assistant), Linda Weseen (Accounts Receivable).

FRONT ROW: Aaron Strub (Executive Director), Richard Waller (Director), Manny Micklash (Director), Joe Casciano (Chairman).

BOARD OF DIRECTORS

Joe Casciano, Midwest Sales CHAIRMAN

Lutz Ehrentraut, Representing the Public **SECRETARY-TREASURER**

Richard Waller, Imperial Oil **DIRECTOR**

Paul Linchuang, Modern Sales Co-op **DIRECTOR** Manny Micklash, Valvoline Canada Corp.

Manny Micklash, Valvoline Canada Corp DIRECTOR

LEGAL COUNSEL

Fillmore Riley, Barristers & Solicitors

AUDITORS

PricewaterhouseCoopers LLP, Chartered Professional Accountants

STAFF

Aaron Strub **EXECUTIVE DIRECTOR**

Michael Strub ADMINISTRATIVE ASSISTANT

Linda Weseen
ACCOUNTS RECEIVABLE

Jennifer Wilken
PROJECT MANAGER



MARRC

MANITOBA ASSOCIATION FOR RESOURCE RECOVERY CORP.

MARRC OFFICE

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