



# WE HAVE THE POWER

DIVERT NS 2024-2025 ANNUAL REPORT

## CEO MESSAGE

# USING THE POWER THAT'S IN OUR HANDS



Stacy Breau, CEO

**Through our core programs, Nova Scotians demonstrated their shared commitment to the circular economy by returning 443 million beverage containers and 1.4 million tires for recycling.**

This year has been a pivotal period for Divert NS, marked by reflection, growth, and renewed dedication. As we closed the chapter on our 2020–2025 strategic plan—a period defined by resilience and meaningful progress—we took stock of the strides made in advancing sustainable waste diversion across Nova Scotia. This plan served as a vital compass, guiding our priorities through an evolving environmental and operational landscape, and enabling us to respond effectively to emerging challenges and opportunities.

We spent much of Fiscal 2025 looking ahead and developing our new five-year strategic plan for Fiscal 2026 to Fiscal 2030. Building on the foundation laid by our previous plan, this new roadmap sets bold goals designed to propel Divert NS towards the next decade. Our renewed and expanded focus reflects both continuity and growth, with clear commitments to deepen our environmental impact, strengthen our team and operations, and enhance our partnerships. It is this strategic direction that will guide us as we continue to serve and inspire Nova Scotians toward greater sustainability.

Building on this momentum, we successfully developed and launched a province-wide awareness campaign to revitalize beverage container recycling in Nova Scotia—an initiative that fills us with pride and has already made an impact across our communities. The campaign’s central message, “The Power Is in Your Hands,” highlights the vital role that every individual plays in returning their beverage containers to one of Nova Scotia’s 77 Enviro-Depots so they can be recycled. This simple yet powerful action transforms ordinary citizens into heroes and recycling champions.

This year’s annual theme, “We have the power,” aligns with the message of the campaign, reaffirming our individual and collective power. This power grows stronger as we deepen our commitment and expand our understanding of sustainable living. At Divert NS, we are inspired by the increasing number of Nova Scotians embracing this responsibility each year. Their united efforts demonstrate that meaningful change happens when individuals come together with a shared purpose. This spirit of community and stewardship fuels our optimism for the future and strengthens our resolve to support and amplify positive environmental actions across the province.

## CEO MESSAGE

# USING THE POWER THAT'S IN OUR HANDS

**Through our core programs, Nova Scotians demonstrated their shared commitment to the circular economy by returning 443 million beverage containers and 1.4 million tires for recycling.**

This past year also reinforced how our everyday actions—when supported by effective programs and systems—can power real environmental impact. Through our core programs, Nova Scotians demonstrated their shared commitment to the circular economy by returning 443 million beverage containers and 1.4 million tires for recycling. These materials were not only diverted from landfill, but repurposed into new products, keeping valuable resources in the circular economy. It's a powerful example of what we can achieve together when individuals embrace their role in recycling, small actions add up to big change.

I want to take a moment to sincerely acknowledge that our achievements over the past year would not have been possible without the unwavering commitment, hard work, and engagement of our dedicated staff, board members, and valued partners. Their passion, expertise, and cooperative spirit have been the driving force behind our success, enabling us to make meaningful progress to our goals. I am deeply grateful for their contributions and the positive impact they continue to have on our organization and the communities we serve. Looking ahead, I also want to express my gratitude in advance for their ongoing dedication as we embark on the next chapter. Together, I am confident that we will continue to build on our momentum and accomplish even greater things in the year to come.

I'm pleased to present the annual report for the fiscal year ending March 31, 2025. The stories within these pages reflect our deep commitment to embracing the power we hold, and the need to continue leveraging it effectively to advance our mission.

Stacy Breau,  
CEO, Divert NS

## ABOUT US

# THE POWER OF DIVERT NS



### OUR MISSION:

**Working with Nova Scotians to improve our environment, economy, and quality of life by reducing, reusing, recycling and recovering resources.**

### OUR VISION:

**Leading Nova Scotia to a sustainable, wasteless future.**

### OUR PILLARS

1. **Stewardship:** foster industry stewardship to reduce or divert waste from landfill and encourage Nova Scotia's culture of refusing to waste.
2. **Innovation:** enable new opportunities and approaches to waste diversion and reduction.
3. **Catalyst for change:** create relationships built on trust, lead by example, and bring together environmental change-makers.

For almost 30 years, Divert NS has helped drive the culture of recycling in Nova Scotia. We operate recycling programs for beverage containers and used tires, provide oversight for the Extended Producer Responsibility program for packaging, paper products, and packaging-like products; and work in partnership with businesses, like-minded environmental organizations, government, and academia to foster stewardship, fund innovation, educate Nova Scotians, and support municipal waste programs provincewide.

### THE POWER IS OURS

Every once in a while, and now perhaps more than ever before, it's important to remind ourselves that the key to a better future is in our hands. While it's easy to feel like our personal impact is limited, it is crucial to keep in mind that our collective one is boundless. Our tremendous successes of the last 29 years stem not from a handful of individuals but from province-wide efforts: research, innovation, education, communication, and daily actions by hundreds of thousands of Nova Scotians, united by a desire for a sustainable future for themselves and the following generations. We—every single one of us—have the power to foster change, and we'll continue exercising that tremendous collective power to tackle every challenge ahead.

### OUR MANDATES

- Develop and implement industry stewardship programs
- Fund municipal or regional diversion programs
- Develop and operate a deposit-refund system for beverage containers
- Develop education and awareness of source reduction, reuse, recycling and composting
- Promote the development of value-added manufacturing in the province
- Act as the oversight authority for the Extended Producer Responsibility program for Packaging, Paper products, and Packaging-like products (EPR for PPP).



Divert NS Staff (from left to right): Spencer MacLean (Summer Warehouse Worker), Adolfo Vargas (Operations and Procurement Specialist), Laura Bonga (EPR Compliance Officer), and Sarah Ingraham (Summer Intern and NSCC Bursary Winner)

## STRATEGIC PLAN OVERVIEW

# THE POWER OF DIRECTION

**Every organization needs a clear destination and a roadmap to reach it. Over the past five years, Divert NS has followed a strategic plan that guided our priorities and helped us navigate a changing landscape.**

**Now, as we close one chapter and begin another, we're proud to launch our new five-year strategic plan, spanning Fiscal 2026 to 2030. This refreshed plan builds on past successes while setting bold, forward-looking goals to drive our focus in the next decade.**

## IMPACT

Drive meaningful improvements across environmental, economic, and social contributions, positioning Divert NS as a national leader in sustainable diversion programs.

## OUR TEAM

Build a healthy and strong team environment through professional development, employee wellbeing, and a commitment to accessibility and support.

## PARTNERSHIPS

Cultivate strategic relationships with key partners to foster collaboration and enhance alignment on shared goals.

## ORGANIZATIONAL RESILIENCE

Strengthen operational and financial frameworks to support continued success and longevity in a dynamic landscape.

## ISSUE LEADERSHIP

Initiate the advancement of evidence-based research and dialogue on current issues facing the waste management industry.

OUR ACCOMPLISHMENTS

# THE POWER OF NUMBERS

**\$9.7M**

in total funding to support municipal recycling and composting programs/facilities, fund regional educators and enforcement officers, and support other diversion programs for household hazardous waste, construction waste, and more.

**\$455.8K**

approved for new research projects that support entrepreneurs and encourage innovation in waste reduction.

**\$2.4M**

to educate Nova Scotians and build ongoing support for environmental action.

## BEVERAGE CONTAINER PROGRAM THE POWER OF COLLECTIVE ACTION

Divert NS collects and recycles beverage containers through a network of 77 Enviro-Depots and mobile service locations throughout the province. This comprehensive system plays a vital role in advancing a circular economy, promoting a cleaner environment, and reducing greenhouse gas emissions across the province.



Johnny MacLeod, Subway Bottle Exchange in Truro, Nova Scotia

**571M**

containers on which deposits were received. (565 million in F2024)

**443M**

containers returned for recycling. (434 million in F2024)

**492 TONNES**

CO2 reduction in greenhouse gas emissions by compacting beverage containers for collection

**77.6%**

recovery rate. (77% in F2024)

## USED TIRE MANAGEMENT PROGRAM THE POWER OF CIRCULAR SOLUTIONS

Divert NS' Used Tire Management Program is a cornerstone of Nova Scotia's waste diversion strategy, diverting over one million tires from landfills annually. Through partnerships with tire retailers and processors, the program ensures that tires are repurposed into valuable commodities.



**1.6M**

passenger tire equivalents sold. (1.5 million in F2024)

**1.4M**

passenger tire equivalents collected. (1.27 million in F2024)

**87.3%**

recovery rate. (84.7% in F2024)

**9.7K**

bicycle tires and tubes collected. (4,900 in F2024)

## MUNICIPAL & REGIONAL DIVERSION PROGRAMS THE POWER OF WORKING TOGETHER

Divert NS is proud to support waste diversion efforts across Nova Scotia through targeted funding that strengthens local recycling, composting, and other diversion programs. These investments are critical to advancing our provincial goals, fostering innovation, and ensuring communities have the resources they need to reduce waste and protect our environment



*Halifax C & D Recycling/  
Municipal Group of Companies staff*

**\$6.6M**

in diversion credit funding for local recycling, composting, and other diversion programs

**\$1.05M**

for Municipal Approved Program (MAP)

**\$346K**

for Regional Chairs and Coordinators to collaborate on waste management programs and activities

**\$210K**

for household hazardous waste collection

## FUNDING INNOVATION THE POWER OF INVESTING IN THE FUTURE

This year, Divert NS contributed **\$455,820** to many innovative waste-resource management initiatives through our various funding programs, including research and development, value-added manufacturing, and municipal adoption grants.



*Dr. Greg Wanger, Founder and CEO,  
Oberland Agriscience*

**\$54.2K**

for Municipal Adoption Grants

**\$397.2K**

for Research and Development (R&D)

**\$4.3K**

for Value-Added Manufacturing (VAM)

## EDUCATION & AWARENESS THE POWER OF ENVIRONMENTAL LITERACY

Divert NS delivers comprehensive education and awareness programs across Nova Scotia designed to inspire and empower residents to reduce waste, reuse materials, recycle responsibly, and compost effectively. Through these initiatives, we aim to foster a culture of environmental stewardship that supports sustainable living and helps protect our province’s natural resources for future generations.



*Jenny LaPierre (left), Waste Services Coordinator, and Naomi Davison (right), Waste Analyst (Intern), West Hants Regional Municipality*

**\$180K**

to support Clean Foundation, including the Clean Leadership Interns

**\$770K**

distributed towards regional education contracts

**\$65.5K**

to support DIRECTIONS Council Member Associations

**\$22.5K**

awarded in scholarships

**\$21K**

to support 4-H Nova Scotia's Public Speaking competition

## ENFORCEMENT THE POWER OF CHANGING BEHAVIOUR

Divert NS provided \$700,000 in funding to the seven solid waste management regions for enforcement activities.



**1.5K**

illegal dumps sites reported

**5.7K**

inspection & audits, and proactive compliance visits

**664**

offence tickets issued

**37**

court convictions

## EQUITY, DIVERSITY, INCLUSION, AND ACCESSIBILITY

# THE POWER OF PEOPLE

At Divert NS, Equity, Diversity, Inclusion, and Accessibility (EDIA) are foundational to how we engage with communities, design programs, and foster innovation. Over the past year, we've deepened our commitment through impactful initiatives, partnerships, staff and board education, and worked to embed EDIA principles across every aspect of our work—creating a more environmentally responsible future for Nova Scotia.



### ADVANCING EDIA THROUGH STAFF AND BOARD TRAINING

Over the past year, Divert NS staff and board members engaged in a series of EDIA training sessions aimed at fostering a more inclusive workplace culture. One of the cornerstone sessions, Diversity and Inclusion in the Workplace, guided staff through the importance of diverse teams, inclusive workspaces, and recognizing and addressing unconscious bias. In recognition of African Heritage Month, staff also viewed Canada's Forgotten Pioneers, a video that highlights the enduring contributions of African Nova Scotians to Canadian history, deepening cultural awareness and appreciation within the organization.

Further strengthening our commitment to inclusion, staff participated in the Kairos Blanket Exercise Workshop, a powerful experiential learning session grounded in Indigenous methodologies. This workshop explored the shared history between Indigenous and non-Indigenous peoples in Canada, including treaty-making, colonization, and resistance. Additionally, our board members took part in the Disability Confidence for Leaders session designed to equip leadership with practical strategies to promote accessibility and foster a workplace environment where all employees feel supported and valued.

### PARTNERING WITH ISANS TO EMPOWER IMMIGRANT COMMUNITIES

Divert NS, in partnership with the Immigrant Services Association of Nova Scotia (ISANS), launched an initiative to help immigrant entrepreneurs in Nova Scotia integrate sustainable practices into their businesses. Recognizing the challenges small businesses face in adopting environmentally friendly operations, the program provided financial support and resources to reduce single-use plastics, enhance recycling efforts, and minimize various types of waste. This initiative not only empowered entrepreneurs to operate more sustainably but also reinforced ISANS' commitment to fostering environmentally conscious business practices within the immigrant community.

## EQUITY, DIVERSITY, INCLUSION, AND ACCESSIBILITY

# THE POWER OF PEOPLE

Divert NS provided \$50,000 to ISANS to deliver the program through two intakes in November 2024 and January 2025. The response was overwhelmingly positive, with 52 applications submitted by immigrant-owned businesses across the province. After a thorough selection process guided by a structured scoring matrix from Divert NS, 30 businesses were awarded grants ranging from \$1,000 to \$1,500. Of these, 26 businesses are in the Halifax Regional Municipality, while four operate in rural Nova Scotia. Additionally, Divert NS offered a \$1,000 sponsorship of the ISANS Immigrant Entrepreneurship Awards as the award category sponsor of “Sustainable Business of the Year.”

These initiatives demonstrate the tangible benefits of investing in immigrant entrepreneurship and environmental sustainability. By providing direct support to business owners, ISANS and Divert NS helped create practical, lasting changes in waste reduction and resource efficiency. More importantly, this project underscored the role of diversity in building resilient, forward-thinking communities. The success of this initiative highlights how strategic funding, and collaboration can drive both economic and environmental progress, paving the way for a greener, more inclusive future for Nova Scotia.



## REVITALIZING THE DISCOVERY CENTRE'S OCEAN ACTION ZONE EXPERIENCE

In early 2025, Divert NS unveiled a refreshed version of the Ocean Action Zone located in the Discovery Centre's Murphy Ocean Gallery. Originally launched in 2021 for elementary and middle school students, the exhibit was redesigned to engage junior high students and incorporate improved accessibility features and interactive elements.

Divert NS worked closely with the Discovery Centre to enhance the Ocean Action Zone with a strong emphasis on accessibility. This included updating physical elements such as font size, contrast between text and background, and the height and angle of interactive displays to meet established accessibility standards. These improvements ensure that visitors of all abilities can fully engage with and benefit from the exhibit experience.

Visitors can also now engage with a digital game that simulates the role of a student leader working to reduce school waste, exploring authentic shoreline litter to trace its path to the ocean, and discovering stories of local environmental heroes through an inclusive video series. The videos and interactive elements have been thoughtfully designed to represent a diverse range of ages, genders, cultural backgrounds, and communities across both urban and rural Nova Scotia. To further enhance accessibility, all videos now include subtitles.

The refreshed exhibit continues to highlight the Tower of Trash, featuring new items and showcasing the impactful work of shoreline cleaner and Mobius Hall of Fame winner, Karen Jenner. This revitalization underscores Divert NS' commitment to fostering environmental stewardship among youth and the broader community.



**The exhibit includes hands-on activities such as a new digital game where visitors are put in the role of a student leader at a local high school, tasked with reducing the school's ocean-bound plastic and textile waste.**

CATALYSTS FOR CHANGE

# THE POWER OF CHANGE-MAKERS



## CELEBRATING THE 2024 MOBIUS AWARDS OF ENVIRONMENTAL EXCELLENCE WINNERS

On November 13, 2024, Divert NS hosted the 24th annual Mobius Awards of Environmental Excellence Gala at the Halifax Convention Centre, bringing together over 150 leaders from across Nova Scotia’s environmental sector. This prestigious event recognized and celebrated the achievements of individuals, organizations, and businesses that have demonstrated outstanding commitment to environmental sustainability and waste reduction.

The evening featured emcee Jeff Douglas of CBC’s Mainstreet and a keynote address by Dr. Jiaying Zhao, a leading behavioral researcher at the University of British Columbia and Canada Research Chair in Behavioral Sustainability. Dr. Zhao’s insights into behavioral science and sustainability inspired attendees and highlighted the importance of understanding human behavior in driving environmental change.

The Mobius Awards Gala not only celebrated the remarkable achievements of Nova Scotians sustainability champions but also served as a platform for fostering collaboration and inspiring continued innovation in environmental stewardship across Nova Scotia.

*Pictured above (from left to right): Rashmi Prakash (Aruna Revolution), Eric Ferraro (Benjamin Bridge), Andrew Marshall (North Shore Ballast & Concrete Works), Justin Green (Feed Nova Scotia), Bev Connell and Chris Van der Reit (Halifax C&D Recycling), and Kari Riddell (Clean Foundation)*



## YOUTH LEADERSHIP IN ACTION: 2024 CHAMPIONS OF THE ENVIRONMENT

In 2024, Divert NS proudly awarded the Champion of the Environment Scholarship to eight exceptional Grade 12 students from across Nova Scotia. These scholarship recipients—each honored with a \$2,500 award—demonstrated outstanding dedication to environmental stewardship through their community initiatives, leadership roles, and academic achievements.

Each recipient’s award-winning essay, reflecting their passion and commitment to environmental issues, was published on the Divert NS website, showcasing the diverse perspectives and innovative ideas of Nova Scotia’s youth. These scholarships not only support their post-secondary education but also encourage the continued growth of environmental leadership across the province.

*Pictured above: Sara El Amouri, 2024 French Scholarship Recipient*

## CATALYSTS FOR CHANGE

# THE POWER OF CHANGE-MAKERS



### INVESTING IN EDUCATION: NSCC BURSARY WINNER

For the third consecutive year, Divert NS has proudly sponsored the NSCC Foundation’s “Sponsor-a-Student” bursary program and we are happy to announce Sarah Ingraham (pictured above) as this year’s winner. Sarah is completing her second year of the Environmental Engineering Technology Diploma Program at the NSCC Ivany Campus in Dartmouth.

As a recipient of the award, Sarah will complete a paid co-op term in Spring 2025 with Divert NS and receive a \$2,500 bursary. During the work placement, Sarah will help develop support material for Divert NS educational resources, facilitate Divert NS’ spring litter cleanup, and assist with the administration of a beverage container bin pilot and the litter prevention funding program. Sarah will participate in waste facility tours, meetings, and training to facilitate the completion of work duties.



### EMPOWERING YOUTH THROUGH THE CLEAN LEADERSHIP SUMMER INTERNSHIP PROGRAM

In 2024, Divert NS continued its commitment to fostering the next generation of environmental leaders by partnering with the Clean Foundation to support their Clean Leadership Summer Internship Program. This initiative provides paid employment opportunities for youth aged 15–30, offering them hands-on experience in Nova Scotia’s growing clean economy. Divert NS funded 11 internship positions within the waste management sector, enabling young individuals to engage in meaningful projects that promote sustainability and waste reduction across the province.

Interns were placed with various host organizations, including Waste Check in Yarmouth, Cape Breton University, and the Municipality of the County of Inverness. Their roles encompassed tasks such as community outreach, waste audits, and research on biochar production from food waste. These experiences not only provided valuable skills and professional development but also inspired many interns to pursue further education and careers in environmental fields.

*Pictured above (from left to right): Ishamar Senior Gentles, Environmental and Education Officer, and Alejandro Quezada, Municipality of Colchester.*

## CATALYSTS FOR CHANGE

# THE POWER OF CHANGE-MAKERS

### INSPIRING THE NEXT GENERATION: 4-H PUBLIC SPEAKING COMPETITION

Divert NS has continued its partnership with 4-H Nova Scotia, supporting both a Divert NS category within the 4-H Speaking Competition and sponsoring the 4-H Recycling Competition. This year, the Divert NS speaking competition stream was open to 4-H NS senior members (ages 16-21). Senior members had the option to deliver a speech on one of five Divert NS approved topics that combined agricultural and environmental themes to align within the 4-H Environment and Healthy Living Leadership pillar. In total, 10 members chose Divert NS topics and competed at their club, county, and regional levels.

In May 2024, Divert NS staff and board members attended the 4-H Provincial Rally to judge the Divert NS Senior Speaking Competition. Cash prizes of \$500, \$300, and \$100 were awarded to the first, second, and third place speakers in the Divert NS category. Sara Henderson (pictured to the left) from the Eastern Region placed first with her speech titled “Defusing the Bomb” on the topic of the connection between waste and climate change and how individuals can take action by reducing waste to address climate change. Carlie Ashton (Central Region) and Grace Coe (South West Region) placed second and third respectively.



**Our heartfelt thanks go to 4-H Nova Scotia for making this event a success and your dedication to developing responsible, young Canadians.**

## STORIES OF STEWARDSHIP

# THE POWER OF COMMUNITY

### REVITALIZING BEVERAGE CONTAINER RECYCLING

In 2024, Divert NS set a goal to increase waste diversion in Nova Scotia through the revitalization of beverage container recycling awareness and education. With data showing a slight decline in Nova Scotia's beverage container return rates in recent years, Divert NS launched a bold new campaign that repositions recycling as both a personal responsibility and a heroic act, while reinforcing Enviro-Depots as the go-to destination for returns.

After a period of market research in which we learned that young people (18-35) and new Nova Scotians needed to be important sub-targets of this awareness effort, Divert NS launched "the Power is in Your Hands" campaign in August 2024. This campaign ran across digital, social, radio, and TV channels, supported by targeted outreach such as creative placements at Access Nova Scotia locations and university campuses, and in-gym digital screens. The campaign also focused on reaching young adults, particularly through platforms like TikTok, Twitch, and Snapchat.

Early results have been promising: awareness of Divert NS rose by 27%, awareness of our key activities increased by 127%, and the frequency of reported recycling at Enviro-Depots grew by 28%. Beverage container collections also rose by 2% or 9 million containers in the fiscal year. Encouraged by this success, we will be extending the campaign into Fiscal 2026 to continue driving impact and build on this momentum.

**Awareness of Divert NS increased by 27%**

**The frequency of reported recycling at Enviro-Depots increased by 28%**



## STORIES OF STEWARDSHIP

# THE POWER OF COMMUNITY



### COMMUNITY HEROES: ENGAGING YOUTH THROUGH BOTTLE DRIVE CONTEST

In fiscal 2025, Divert NS launched the first annual Community Heroes Bottle Drive Contest to engage Nova Scotia's youth in environmental stewardship through community-led recycling initiatives. The contest encouraged students and schools to organize bottle drives in their communities, promoting responsible recycling while raising funds for their institutions. The response was remarkable, with participants collecting and returning a total of 187,103 beverage containers, which amounted to nearly \$15,000 in refunds and prizes to eight schools throughout the province.

This initiative not only supported schools financially but also reinforced the importance of environmental responsibility among the youth of Nova Scotia. By partnering with locally owned Enviro-Depots, the program ensured that collected containers were responsibly recycled, contributing to the province's circular economy and reducing greenhouse gas emissions.

*Pictured: Oceanview Christian Academy, South Shore-West Hants Regional Winner*

**Primary and secondary schools in Nova Scotia earned nearly \$15,000 in refunds and prizes for organizing a bottle drive in their community.**



### WASTE REDUCTION WEEK: PRESERVING OUR SHARED FUTURE

For over 20 years, Divert NS has been celebrating Waste Reduction Week, which takes place in October during Circular Economy Month. This initiative encourages Nova Scotians to extend the life of products and materials through swapping, sharing, thrifting, and repairing, thereby reducing waste sent to landfills and promoting a circular economy.

Divert NS' theme for this year's Waste Reduction Week was "Preserving Our Shared Future," which highlighted how exchanging knowledge and resources plays a vital role in protecting our environment and preserving it for future generations. Whether it's sharing clothing, tools, household goods, or traditional skills, these acts support waste reduction and foster strong community connections.

*Pictured: "Textile Tune Up" Waste Reduction Week event held by Valley Waste Resource Management at the Kentville Library.*

## STORIES OF STEWARDSHIP

# THE POWER OF COMMUNITY



### ADVANCING SOLUTIONS: THE “CLIMATE CHANGE: NO TIME TO WASTE” SUMMIT

On March 20–21, 2025, Divert NS hosted the “Climate Change: No Time to Waste” summit, a follow-up to the 2024 “Waste and the Climate: A Strategic Conversation” summit. This event aimed to deepen the dialogue between the waste and climate sectors, providing practical tools and strategies to bridge the gap between these two critical areas.

Over 70 participants—from municipalities, government, academia, and industry—gathered to learn from experts in landfill emissions, disaster waste management, and circular economy strategies. The summit also featured facilitated sessions to identify local and provincial priorities, helping drive meaningful progress at the intersection of waste and climate policy.

*Pictured above: Athar Omid, FluxLab*



### LEADING THE WAY: 2024 ENVIRO-DEPOT™ OF THE YEAR RECIPIENTS

Each year, Divert NS recognizes Enviro-Depots™ across Nova Scotia that exemplify excellence in customer service, employee recognition, community engagement, and participation in Divert NS initiatives. The awards are presented in two categories: Large Enviro-Depot of the Year, which was awarded to W. O’Leary’s Recycling Depot, Garland’s Crossing near Windsor, and Small Enviro-Depot™ of the Year, which was given to Carleton Road Bottle Exchange, Lawrencetown in the Annapolis Valley.

These awards highlight the dedication and hard work of Nova Scotia’s Enviro-Depots™ in promoting sustainability, the circular economy, and community involvement. Divert NS is proud to celebrate their achievements and looks forward to continuing to support these vital civic enterprises in the years to come.

*Pictured above (from left to right): Stacy Breau, CEO (Divert NS), Greg O’Leary, recipient of the 2024 Large Enviro-Depot™ of the Year Award, and Dale Lyon, Director of Operations (Divert NS)*

## STORIES OF INNOVATION

# THE POWER OF INVENTION



### ADVANCING MARINE PLASTIC SOLUTIONS: SUPPORTING THE OCEAN LEGACY INITIATIVE

Divert NS is proud to support a groundbreaking initiative led by the Ocean Legacy Foundation to establish marine plastic processing capacity in Nova Scotia—the first of its kind in Atlantic Canada. As part of a broader five-year national effort, this pilot project aims to process marine polyethylene and polypropylene rope waste by shredding and eventually pelletizing the material for reuse in local manufacturing.

With a contribution of \$141,631, Divert NS is funding key components such as labour, equipment maintenance, and transportation of marine rope. The project is being delivered in partnership with local processors who will shred marine rope collected from coastal depots and industry partners. The shredded material will then be used by local manufacturers to develop new plastic products showcasing the potential of post-consumer recycled (PCR) plastic.

By diverting up to 1,300 metric tonnes of marine rope annually from landfills and transforming it into durable, recyclable products, this initiative contributes meaningfully to a circular economy. It also drives innovation, fosters green job creation, and helps build local expertise in sustainable manufacturing. Divert NS' investment plays a crucial role in advancing this pioneering solution to marine plastic pollution in the Maritimes.



**Diverting up to 1,300 metric tonnes of marine rope annually from landfills by transforming it into recyclable products.**

## STORIES OF INNOVATION

# THE POWER OF INVENTION



### **REDUCING WASTE, ENHANCING DATA: THE COLIBRI SOFTWARE MOBILE APP PILOT**

Divert NS is proud to support Less Waste, More Data—an innovative digital project led by Colibri Software that reduces waste and promotes reuse in the Annapolis Valley. With a contribution of \$45,098, Divert NS helped fund the development of a mobile app designed to connect residents with usable items discarded at the curb during municipal cleanups, thereby encouraging reuse and reducing the volume of bulky waste sent to landfill.

Leveraging Colibri’s existing community mapping platform, the app provides a searchable map of available reusable items and is designed to lower barriers to participation, offering a more accessible alternative to traditional resale platforms. In addition to fostering a culture of reuse, the tool will generate valuable data on disposal and recovery, which municipalities can use to shape policies and refine public education initiatives.

The pilot was rolled out in collaboration with Valley Waste-Resource Management during the Fall 2024 cleanup. The app has the potential for province-wide adoption and several stakeholders have expressed interest in future collaboration.

## STORIES OF INNOVATION

# THE POWER OF INVENTION



### GIVING MATERIALS A SECOND LIFE: NEW REUSE CENTRE IN YARMOUTH COUNTY

In partnership with Waste Check and local municipalities, Divert NS has supported the development of a new on-site reuse centre at the Yarmouth County Solid Waste Park—the first in the region and only the third of its kind in Nova Scotia. The initiative addresses a strong community interest in reducing waste and promoting a culture of reuse over disposal. The centre will be built using three retrofitted shipping containers that provide safe, secure, and organized space to divert usable materials from landfill and make them accessible to the public.

The project aims to initially divert two to three metric tonnes of waste per month, scaling to approximately 50 metric tonnes annually by its third year. It will also collect valuable data on the types and volumes of reusable materials discarded prematurely, helping to inform future waste management policies and education initiatives. During construction of the reuse centre, 2,500 metric tonnes of chipped shingles will be repurposed, further contributing to the circular economy.

Beyond waste diversion, the reuse centre will benefit local charities and community organizations by facilitating access to needed items for residents, including newcomers. It reflects a strong regional collaboration and sets precedent for similar initiatives across the province, directly supporting Nova Scotia's goal of reducing disposal rates.

*Pictured (from left to right): Jason George, Glendon Ring, and Gus Green of the Yarmouth Reuse Centre*

**The project aims to initially divert 2-3 metric tonnes of waste per month, scaling to approximately 50 metric tonnes annually by its third year.**

## OVERSIGHT OF EPR FOR PPP

# THE POWER OF PRODUCER RESPONSIBILITY

In fiscal 2025, Divert NS advanced its role as the Administrator of Nova Scotia's Extended Producer Responsibility (EPR) for Packaging, Paper Products, and Packaging-Like Products (PPP) Regulations. To effectively manage the EPR program, Divert NS established a dedicated EPR division led by an Executive Director, and supported by a Manager of EPR Compliance and two Compliance Officers. Utilizing a shared services model, the division leverages resources from Human Resources, Finance, IT, and Communications to enhance efficiency and reduce operational costs.

### FEE CONSULTATION

The EPR for PPP Regulations authorize the Administrator to recover its costs for oversight. A key focus for the EPR Oversight Division was developing a transparent and equitable methodology for cost recovery. This process included hosting a Fee Consultation Webinar in March 2025, to inform producers about the proposed fee structure and rates. An online feedback survey was distributed, allowing producers to provide input until May 2025. A Consultation Summary Report and final fee rates will be published on the Divert NS website in July 2025.

### PROGRAM IMPLEMENTATION

The transition to EPR progressed with Circular Materials, the sole Producer Responsibility Organization (PRO) registered in Nova Scotia, submitting a comprehensive Readiness Report in October 2024. This report outlined their strategy for implementing an industry-led recycling program, covering areas such as collection, material management, and public education. Divert NS acknowledged the report in November 2024 and has been monitoring Circular Materials' progress as they negotiate collection service agreements with municipalities, develop a registry for participating facilities, and draft a promotion and education plan. The implementation date for the program is December 1, 2025.

### SUPPLY REPORTING

In F2025, Divert NS developed resources to support producers with submitting their initial supply report on October 1. Producers, or the PRO on their behalf, submitted the total weight of designated materials supplied to Nova Scotia consumers in five categories, including: paper, flexible plastic, rigid plastic, glass and metal.

By March 31, 2025, 94% of registered producers had submitted their supply reports, accounting for almost 53 million kilograms of designated material. These reports, submitted annually, help create a level playing field for all producers and inform future policy decisions.

## ACHIEVEMENTS:

**94% of registered producers submitted their initial supply report**

**Release 2 of the EPR Portal/Registry completed in July 2024**

**Fee Setting Policy approved in May 2024**

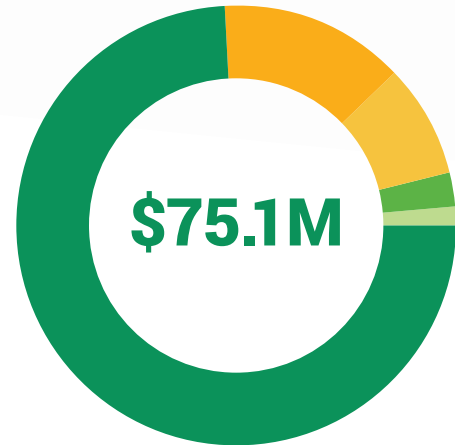
## THE FINANCIALS

# 2024-25 REVENUE AND EXPENDITURES

Below is the financial overview report of the organization as at March 31, 2025.

### DIVERT NS REVENUE \$75,138,705 Total Revenues

- \$55,744,532 deposits
- \$10,314,334 sales of recyclable materials
- \$6,201,757 tire program
- \$1,860,169 rental, investment and other income
- \$1,017,913 EPR oversight



### TOTAL OPERATIONAL AND PROGRAM EXPENDITURES \$74,056,119 Total Expenditures

- \$57,651,072 operating cost
- \$11,279,407 program expenditures
- \$2,120,129 administration
- \$1,987,598 Other expenditures and funding
- \$1,017,913 EPR oversight



### PROGRAM EXPENDITURES DETAILS \$11,279,407 Total Expenditures

- \$9,702,321 municipal funding
- \$1,577,086 Nova Scotia environment



## **To the Board of Directors of the Resource Recovery Fund Board Inc. and Resource Recovery Fund (operating as Divert NS)**

### **Opinion**

We have audited the accompanying combined financial statements of the Resource Recovery Fund Board Inc. and Resource Recovery Fund (operating as Divert NS) (the "Organization"), which comprise the combined statement of financial position as at March 31, 2025, the combined statements of operations, changes in net financial resources, remeasurement gains and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying combined financial statements present fairly in all material respects, the financial position of the Organization as at March 31, 2025, and its results of operations, changes in net financial resources, remeasurement gains and 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 Combined Financial Statements section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the combined 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.

### **Other matter**

Our audit was conducted for the purpose of forming an opinion on the combined financial statements taken as a whole. The schedules included on Page 16 and 17 are presented for purposes of additional information and are not a required part of the combined financial statements. Such supplementary information has been subjected to the auditing procedures applied only to the extent necessary to express an opinion in the audit of the combined financial statements taken as a whole.

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

Management is responsible for the preparation and fair presentation of these combined 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 combined financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the combined financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters related to a going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

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

# Financial Statements

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## Auditor's Responsibilities for the Audit of the Combined Financial Statements

Our objectives are to obtain reasonable assurance about whether the combined 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 combined 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 combined 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 Organization'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 Organization'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 combined 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 Organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the combined financial statements, including the disclosures, and whether the combined 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.

*Doane Grant Thornton LLP*

Chartered Professional Accountants  
Halifax, Canada  
May 22, 2025

## Financial Statements

### Combined Statement of Operations

Year ended March 31

	Budget 2025 (Note 10)	2025	2024
<b>Revenues</b>			
Deposits	\$ 54,452,000	\$ 55,744,532	\$ 54,926,053
Sales of recyclable materials	8,187,000	10,314,334	7,372,154
Tire program	6,124,000	6,201,757	6,019,328
Extended producer responsibility oversight (Page 16)	1,186,000	1,017,913	580,500
Investment and other income	968,000	1,552,243	998,706
Rental income	308,000	307,926	303,375
<b>Total revenues</b>	<b>71,225,000</b>	<b>75,138,705</b>	<b>70,200,116</b>
<b>Expenses</b>			
Operating (Page 14)	58,007,000	57,651,072	54,562,743
Administrative (Page 15)	2,401,000	2,120,129	1,784,637
Extended producer responsibility oversight (Page 16)	1,186,000	1,017,913	580,500
Other expenditures and funding:			
Approved program grants	1,250,000	1,172,811	1,107,892
Education and communication	2,466,000	2,393,431	2,150,568
Household hazardous waste program	210,000	210,000	140,000
Municipal enforcement program funding	700,000	700,000	700,000
Programs, development and other funding	410,000	243,356	239,246
Regional chairs and coordinators	346,000	330,093	330,619
	66,976,000	65,838,805	61,596,205
Excess of revenues over expenses before allocations	4,249,000	9,299,900	8,603,911
Municipal solid waste diversion credits (Note 7)	2,974,300	6,640,228	6,136,783
Nova Scotia Environment and Climate Change (Note 7 and Note 8)	849,800	1,577,086	724,014
Excess of revenue over expenditures	424,900	1,082,586	1,743,114
Accumulated annual net resources, beginning of year	14,722,204	14,722,204	12,979,090
Accumulated annual net resources, end of year (Note 9)	\$ 15,147,104	\$ 15,804,790	\$ 14,722,204

See accompanying notes to the combined financial statements

# Financial Statements

## Combined Statement of Financial Position

March 31

	2025	2024
<b>Financial assets</b>		
Cash and cash equivalents	\$ 12,768,957	\$ 5,096,014
Receivables	7,475,493	6,521,059
Accrued receivables	2,811,975	1,829,659
Notes receivable (Note 3)	700,139	674,033
Investments (Note 4)	26,075,061	32,622,871
Inventory	176,096	171,948
	50,007,721	46,915,584
<b>Financial liabilities</b>		
Bank indebtedness (Note 6)	2,389,810	1,022,377
Payables and accruals	4,551,579	4,656,120
Municipal solid waste diversion credits payable	10,454,202	10,413,974
Payable to Nova Scotia Environment and Climate Change (Note 7 and Note 8)	1,897,208	1,753,367
Unearned revenue	23,779,200	23,096,600
	43,071,999	40,942,438
<b>Net financial resources</b> (Page 5)	6,935,722	5,973,146
<b>Non-financial assets</b>		
Prepays	26,470	13,632
Deposits on tangible capital assets	1,339,252	1,397,381
Tangible capital assets (Note 5)	7,852,411	7,500,965
	9,218,133	8,911,978
Accumulated net resources (Note 9)	\$ 16,153,855	\$ 14,885,124

Commitments (Note 12)

On Behalf of the Board



Director  
Angus Bonnyman,  
Audit Committee Chair



Director  
Dwight Whynot,  
Chair of Board

See accompanying notes to the combined financial statements

## Financial Statements

### Combined Statement of Changes in Net Financial Resources

March 31

	Budget 2025 (Note 10)	2025	2024
Excess of revenue over expenditures	\$ 424,900	\$ 1,082,586	\$ 1,743,114
Net remeasurement gain (Page 5)	-	186,145	162,920
Deposits on tangible capital assets	-	58,129	(1,397,381)
Purchase of tangible capital assets	(1,835,000)	(1,494,187)	(903,600)
Amortization of tangible capital assets	1,454,000	1,142,281	736,047
Proceeds on disposal of tangible capital assets	-	1,739	12,023
Gain on disposal of tangible capital assets	-	(1,279)	(12,023)
	(381,000)	(107,172)	(1,402,014)
Acquisition of prepaids, net	(12,838)	(12,838)	(11,132)
<b>Increase in net financial resources</b>	\$ 31,062	\$ 962,576	\$ 329,968
Net financial resources, beginning of year		\$ 5,973,146	\$ 5,643,178
Increase in financial resources		962,576	329,968
Net financial resources, end of year		\$ 6,935,722	\$ 5,973,146

### Combined Statement of Remeasurement Gains

Year ended March 31

	2025	2024
<b>Accumulated remeasurement gains, beginning of year</b>	\$ 162,920	\$ -
Unrealized gain attributable to portfolio investments (Note 9)	186,145	162,920
<b>Accumulated remeasurement gains, end of year</b>	\$ 349,065	\$ 162,920

See accompanying notes to the combined financial statements

# Financial Statements

## Combined Statement of Cash Flows

Year ended March 31

	2025	2024
Increase (decrease) in cash and cash equivalents:		
<b>Operating</b>		
Excess of revenue over expenditures	\$ 1,082,586	\$ 1,743,114
Amortization	1,142,281	736,047
Realized gains on investments	(625,511)	-
Gain on disposal of tangible capital assets	(1,279)	(12,023)
	1,598,077	2,467,138
Change in non-cash operating working capital		
Receivables	(1,936,750)	(834,763)
Inventory	(4,148)	(76,502)
Prepays	(12,838)	(11,132)
Payables and accruals	79,528	(2,256,567)
Unearned revenue	682,600	199,400
	406,469	(512,426)
<b>Financing</b>		
Proceeds from bank indebtedness	1,367,433	1,022,377
<b>Capital</b>		
Proceeds on disposal of tangible capital assets	1,739	12,023
Deposits on tangible capital assets	58,129	(1,397,381)
Purchase of tangible capital assets	(1,494,187)	(903,600)
	(1,434,319)	(2,288,958)
<b>Investing</b>		
Proceeds from sale of investments	12,857,515	4,000,000
Purchase of investments	(5,500,000)	(5,000,000)
Interest in joint venture	1,951	5,173
Issue of notes receivable	(136,650)	(216,687)
Repayment of notes receivable	110,544	157,880
	7,333,360	(1,053,634)
Net increase (decrease) in cash and cash equivalents	7,672,943	(2,832,641)
Cash and cash equivalents, beginning of year	5,096,014	7,928,655
Cash and cash equivalents, end of year	\$ 12,768,957	\$ 5,096,014

See accompanying notes to the combined financial statements

## 1. Nature of operations

The Resource Recovery Fund Board Inc., operating as Divert NS (“Resource Recovery Fund”), is a not-for-profit organization established by the Nova Scotia government to develop and administer industry stewardship programs that increase waste diversion; enable the establishment of new industries based on the processing of materials diverted from the waste stream; administer and oversee the Extended Producer Responsibility for Packaging, Paper Products, and Packaging-like Products program; and work in partnership with Nova Scotians to improve the province’s environment, economy and quality of life by reducing, reusing, recycling and recovering resources.

Under regulation, all revenues earned are deposited to the Resource Recovery Fund, which is the property of the Province of Nova Scotia. All expenditures incurred by the Resource Recovery Fund Board Inc. to operate, administer and fulfil the mandates of the Province of Nova Scotia Solid Waste Management Strategy are expenditures of the Resource Recovery Fund. Accordingly, all assets, liabilities and net resources reported in these financial statements are the property of the Resource Recovery Fund and are held on behalf of the Province of Nova Scotia by the Resource Recovery Fund Board Inc.

## 2. Summary of significant accounting policies

### Basis of presentation

The combined financial statements include the accounts of the Resource Recovery Fund Board Inc. and the Resource Recovery Fund. Significant inter-entity loans and transactions have been eliminated in these combined financial statements. These combined financial statements are the representations of management prepared in accordance with generally accepted accounting principles for accounting in the public sector as established by the Canadian Public Sector Accounting Board (PSAB) of Chartered Professional Accountants (CPA) Canada.

### Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires the Resource Recovery Fund’s management to make estimates and assumptions that affect the amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and reported amounts of revenue and expenditures during the year. Certain of these estimates require subjective or complex judgements by management that may be uncertain. Some of these items include allowance for doubtful accounts, estimated useful life of tangible capital assets in addition to estimated rates and basis of amortization and unearned revenue. Actual results could differ from those reported.

### Revenue recognition

Revenues earned from transactions with performance obligations are recognized when the performance obligation is satisfied by providing the promised goods and/or services to the payor. Revenue from transactions with no performance obligations are recognized when the Resource Recovery Fund has the authority to claim or retain the revenue and identifies a past transaction or event that gives rise to an asset. To the extent funds are collected and relate to unfulfilled performance obligations, the revenue is deferred until the performance obligation is satisfied. Interest income is recognized as it is earned.

### Tangible capital assets

Tangible capital assets are recorded at cost. Rates and bases of amortization applied to write-off the cost of tangible capital assets over their estimated lives are as follows:

Buildings	5%, straight-line
Paving	8%, straight-line
Field equipment	20%, straight-line
Processing equipment	12.5%, 20%, straight-line
Leasehold improvements	10%, straight-line
Office and warehouse equipment	20%, straight-line
Computer software and hardware	14.3%, 20%, 33 1/3%, straight-line
Containers	
• Bags	33 1/3%, straight-line
• Tubs	10%, straight-line
Vehicles	33 1/3%, straight-line
Trailers	14.3%, straight-line

When conditions indicate that a tangible capital asset no longer contributes to the Resource Recovery Fund's ability to provide goods and services, or that the value of future economic benefits associated with the tangible capital asset is less than its net book value, the cost of the tangible capital asset is reduced to reflect the decline in the asset's value. Write-downs are not reversed.

### Inventory

Inventory is valued at the lower of cost and net realizable value.

### Forgivable loans

The Resource Recovery Fund accounts for forgivable loans as conditional grants. The forgivable loans are non-interest bearing and are advanced with repayment not to be expected unless certain conditions are not met.

### Unearned revenue and measurement uncertainty

Unearned revenue represents deposits received for beverage containers that have not been returned for redemption and fees received for tires which will be returned for disposal at a future date. Unearned beverage revenue is sixty (60) days' worth of revenue calculated on the last twelve (12) months' average daily revenue adjusted by the current year's return rate. Unearned tire revenue is calculated on the last three (3) years of tire revenue adjusted by the past six (6) years' average return rate. The actual revenue the Resource Recovery Fund may collect compared to the unearned revenue calculation is uncertain as the calculation is affected by the above management assumptions. However, in the past, the unearned revenue has remained consistent even with updated inputs for the calculation for each fiscal year. As a result, it is expected that the range of uncertainty for the unearned revenue is not significant.

### Cash and cash equivalents

Cash and cash equivalents include cash on hand, balances with banks and short-term investments with maturity dates of 90 days or less. Bank borrowings are considered to be financing activities.

**Foreign currency translation**

The Resource Recovery Fund does not enter into foreign currency futures and forward contracts to reduce its exposure to foreign currency fluctuations. Monetary assets and liabilities denominated in foreign currencies are translated at the period end exchange rate. Revenue and expenditures denominated in foreign currencies are translated at the exchange rate prevailing at the time of the transaction. Translation gains or losses are recognized in the period in which they occur.

**Financial instruments**

Financial instruments include cash and cash equivalents, receivables, accrued receivables, notes receivable, investments, payables and accruals, payable to Nova Scotia Environment and Climate Change, and municipal solid waste diversion credits payable. They are initially recognized at cost, except for portfolio investments, and subsequently carried at amortized cost using the effective interest rate method, less any impairment losses on financial assets. Portfolio investments with underlying assets quoted in active markets are measured at fair value.

Management assesses each financial instrument to determine whether there are any impairment losses, if there are, they are reported in the statement of operations.

Transaction costs related to financial instruments in the amortized cost category are added to the carrying value of the instrument.

Unrealized gains or losses are reported on the statement of remeasurement gains and losses. The realized gain or loss upon derecognition of a financial instrument measured at fair value is recognized in the statement of operations.

**Income taxes**

The Resource Recovery Fund is exempt from income taxes under Section 149(1)(d) of the *Canadian Income Tax Act*.

<b>3. Notes receivable</b>	2025	2024
Non-interest bearing notes with variable payments, maturing between fiscal 2026 and 2031.	\$ 700,139	\$ 674,033

<b>4. Investments</b>	2025	2024
Investments consist of the following:		
i) Promissory note from the Province of Nova Scotia Department of Finance. This note is issued at an interest rate of 2.03% and matures in 2027.	\$ 3,000,000	\$ 9,000,000
ii) Fixed GICs with Scotiabank. These GICs are issued at rates ranging from 3.85% to 5.23% and mature as follows: \$5.0 million maturing in 2026, \$2.0 million maturing in 2027, and \$2.5 million maturing in 2028.	9,500,000	5,000,000
iii) Principal protected notes held with CIBC, initially measured at cost, subsequently recorded at the higher of cost and fair value, maturing as follows: \$2.0 million maturing in 2026, \$2.0 million maturing in 2027, \$2.0 million maturing in 2028, \$6.2 million maturing in 2029 and \$1.0 maturing in 2030. These notes are subject to variable interest, to be paid on the maturity date.	13,575,061	18,620,920
iv) Joint venture with Canadian Association of Tire Recycling Agencies (CATRA).	-	1,951
<b>Total investments</b>	<b>\$ 26,075,061</b>	<b>\$ 32,622,871</b>

<b>5. Tangible capital assets</b>			2025	2024
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Land	\$ 294,100	\$ -	\$ 294,100	\$ 294,100
Field equipment	121,546	34,216	87,330	113,331
Processing equipment	1,156,246	414,265	741,981	805,696
Buildings	4,981,604	2,578,806	2,402,798	2,570,539
Paving	605,845	249,462	356,383	333,788
Office and warehouse equipment	355,428	312,834	42,594	17,366
Containers	795,334	434,384	360,950	433,534
Leasehold improvements	26,648	12,936	13,712	15,997
Computer hardware and software	1,839,890	631,216	1,208,674	521,906
Vehicles	89,714	72,851	16,863	35,814
Trailers	5,101,946	2,774,920	2,327,026	2,358,894
	<b>\$ 15,368,301</b>	<b>\$ 7,515,890</b>	<b>\$ 7,852,411</b>	<b>\$ 7,500,965</b>

## 6. Bank indebtedness

The Resource Recovery Fund has an operating credit facility of \$8,000,000 of which \$2,389,810 is used at March 31, 2025 (2024 – \$1,022,377). Interest is calculated at prime minus 0.5%.

## 7. Allocations

As stipulated in the agreement with the Nova Scotia Department of Environment and Climate Change:

- a) the Board shall reimburse the Department up to a maximum of 20% of the net revenue of the Fund for all reasonable services performed and related expenses incurred by the Department; and
- b) the Board shall pay up to 70% of the net revenue of the fund to be divided among municipalities in each region based on the solid waste diverted by the municipality or region.

The allocations as presented on the combined statement of operations are determined as follows:

	2025	2024
Excess of revenues over expenses before allocations	\$ 9,299,900	\$ 8,603,911
Net remeasurement gain	186,145	162,920
Net revenue	\$ 9,486,045	\$ 8,766,831
Nova Scotia Environment and Climate Change (20%)	\$ 1,897,208	\$ 1,753,367
Municipal solid waste diversion credits (70%)	\$ 6,640,228	\$ 6,136,783

The Nova Scotia Environment and Climate Change reimbursement expense was credited \$320,122 (2024 - \$1,029,353) in the current year for the unused portion of the prior year payable.

## 8. Related party transactions

Included in the financial statements are transactions with the Province of Nova Scotia and various provincial Crown Corporations, agencies, boards and commissions. The parties are deemed to be related due to common control or ownership by the Province of Nova Scotia. These transactions include the following:

- a) Deposit revenues received from entities under common control totalling \$17,684,394 (2024 - \$17,665,588).
- b) Included in accounts receivable are amounts owed from the Province of Nova Scotia and provincially controlled entities in the amount of \$2,393,977 (2024 - \$2,386,991).
- c) The Resource Recovery Fund reimburses Nova Scotia Environment and Climate Change (as noted above) up to a maximum of 20% of the net revenues of the Fund for services and expenses incurred on the Resource Recovery Fund's behalf. During the year, a reimbursement expense of \$1,577,086 (2024 - \$724,014) was recorded. The total liability at the end of 2025 is \$1,897,208 (2024 - \$1,753,367).

All transactions with related parties are in the normal course of operations and are transacted at the exchange amount agreed to by related parties.

**9. Accumulated net resources**

				2025	2024
	Invested in Capital Assets	Restricted	Unrestricted	Total	Total
Balance, beginning of year	\$ 7,500,965	\$ 3,193,291	\$ 4,190,868	\$ 14,885,124	\$ 12,979,090
Excess (deficiency) of revenues over expenditures	(1,141,002)	(358,153)	2,581,741	1,082,586	1,743,114
Net remeasurement gain	-	-	186,145	186,145	162,920
Transfers	1,492,448	529,222	(2,021,670)	-	-
Balance, end of year	\$ 7,852,411	\$ 3,364,360	\$ 4,937,084	\$ 16,153,855	\$ 14,885,124
Restricted funds represented by:					
Committed funds (Note 12)		\$ 322,616			
Future projects		3,041,744			
		\$ 3,364,360			
Accumulated net resources represented by:					
Accumulated annual net resources				\$ 15,804,790	\$ 14,722,204
Accumulated remeasurement gain				349,065	162,920
				\$ 16,153,855	\$ 14,885,124

Net resources under the Resource Recovery Fund restricted for future projects, represents funds committed to approved programs and funds internally restricted for funding various future projects as approved and in accordance with the goals and objectives of the Resource Recovery Fund (Divert NS).

**10. Budget figures**

The budgeted figures presented are approved annually by the Board and represent planned revenues and expenses for entity wide operations. The budgeted figures presented are consistent with Public Sector Accounting Standards ("PSAS"). The fiscal 2025 budget was approved by the Board on January 11, 2024.

## 11. Financial instruments risk management

### Credit risk

Credit risk is the risk of financial loss to the Resource Recovery Fund if a debtor fails to make payments when due. The Fund is exposed to this risk relating to its receivables and notes receivable.

Credit risk is mitigated by management's review of aging and collection of receivables, only 8.6% (2024 - 12.1%) of receivables are over 60 days. The Fund recognizes a specific allowance for doubtful accounts when management considers the expected amounts to be recovered is lower than the actual receivable.

The Resource Recovery Fund is exposed to investment credit risk through its investments. The maximum exposure to investment credit risk is outlined in Note 4.

There have been no significant changes from the previous year in exposure to risk or policies, procedures and methods used to measure the risk.

### Liquidity risk

Liquidity risk is the risk that the Resource Recovery Fund will encounter difficulty in meeting the obligations associated with its financial liabilities. The Resource Recovery Fund is exposed to this risk mainly in respect of its payables and accruals and municipal solid waste diversion credits payable. At March 31, 2025, the Resource Recovery Fund has available financial assets to meet these obligations and there was no significant change in exposure from the prior year.

### Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of market factors. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Resource Recovery Fund is mainly exposed to currency and price risk related to its sales of recyclable materials. The Organization is exposed to interest rate risk on its variable rate operating credit facility.

Currency risk is the risk that the fair value of future cash flows will fluctuate as a result of changes in foreign currency exchange rates. The currency risk is predominately US funds. The average US exchange rate was \$1.3913 for the twelve-month period. As at March 31, 2025 the receivables denominated in US currency were approximately \$1,125,459 (2024 - \$530,013).

Other price risk is the risk that the fair value of future cash flows will fluctuate due to changes in market prices. Price risk is related to fluctuations in commodities. During the year commodity prices for polyethylene terephthalate (PET) and aluminium fluctuated by approximately 22.60%. This fluctuation could result in an increase or decrease of sales by approximately \$2,430,067. The Resource Recovery Fund participates in a national buying group on certain of its commodity sales to minimize the risk.

There have been no significant changes from the previous year in the exposure to risk or policies, procedures and methods used to measure the risk.

## 12. Commitments

The Resource Recovery Fund has entered into agreements with specific organizations and businesses to provide funding for various recycling programs across Nova Scotia. At March 31, 2025, \$322,616 (2024 - \$151,549) of the restricted for approved programs resources has been committed under these agreements.

## Combined Statement of Operating Expenses

Year ended March 31	Budget 2025 (Note 10)	2025	2024
Inventory, beginning of year	\$ 171,948	\$ 171,948	\$ 95,446
Amortization	1,147,000	848,750	535,729
Deposit refunds	22,778,000	22,721,610	22,281,526
Enviro-Depot handling fees	22,644,000	22,827,403	21,664,214
Insurance	249,000	170,530	170,438
Local cartage	3,428,000	3,300,936	3,182,449
Meetings and travel	28,500	31,803	18,634
Non-deposit materials	50,000	44,893	42,387
Other	145,000	216,612	140,592
Postage, delivery and office	15,500	20,404	18,602
Professional fees	30,000	54,154	38,815
Repairs and maintenance			
Equipment	37,500	29,160	22,961
Miscellaneous	117,000	135,034	70,481
Salaries and benefits	1,115,000	1,073,068	969,998
Supplies			
Shipping	138,000	79,905	118,890
Warehouse	40,000	47,452	56,373
Telecommunications	10,000	3,222	5,947
Training	5,000	8,583	3,408
Used tire management program	6,007,000	5,998,050	5,255,427
Utilities	20,000	42,037	40,710
Vehicle	2,500	1,614	1,664
	58,178,948	57,827,168	54,734,691
Inventory, end of year	171,948	176,096	171,948
	\$ 58,007,000	\$ 57,651,072	\$ 54,562,743

## Combined Statement of Administrative Expenses

Year ended March 31	Budget 2025 (Note 10)	2025	2024
Amortization	\$ 164,000	\$ 157,967	\$ 181,640
Bad debt	10,000	19,957	15,885
Bank charges and interest	15,000	16,141	14,028
Board fees and expenses	70,000	53,022	55,925
Building	191,000	131,692	133,614
Dues and fees	28,000	26,995	30,177
EDIA initiatives	100,000	105,726	7,500
Insurance	198,000	203,161	175,038
Meetings and travel	36,000	20,202	18,351
Office	31,000	28,730	37,136
Postage, printing and delivery	4,000	1,132	1,249
Professional development	40,000	24,546	33,352
Professional fees	271,000	231,196	102,843
Public relations	70,000	36,578	49,208
Salaries and benefits	1,012,000	977,822	831,319
Technology support and licensing	130,000	77,618	90,712
Telecommunication	11,000	7,644	6,660
Website development and hosting	20,000	-	-
	\$ 2,401,000	\$ 2,120,129	\$ 1,784,637

## Combined Statement of Extended Producer Responsibility Oversight

Year ended March 31	Budget 2025 (Note 10)	2025	2024
<b>Revenues</b>			
Extended producer responsibility oversight recovery fees	\$ 1,186,000	\$ 1,017,913	\$ 580,500
Total revenues	1,186,000	1,017,913	580,500
<b>Expenses</b>			
Amortization	143,000	135,564	18,678
Bank charges and interest	100,000	98,132	10,717
Computer and IT support	106,000	107,902	27,310
Dues and fees	10,000	7,053	275
Insurance	3,000	3,432	-
Licensing	30,000	32,488	-
Meetings and travel	10,000	4,073	83
Office	5,000	7,709	1,265
Professional development	10,000	6,892	-
Professional fees	246,000	199,763	355,315
Public relations	10,000	-	-
Rent	23,000	21,670	7,918
Salaries and benefits	475,000	391,468	157,478
Telecommunications	5,000	1,767	461
Website development and hosting	10,000	-	1,000
	1,186,000	1,017,913	580,500
Excess of revenues over expenses before allocations	\$ -	\$ -	\$ -

## Supplementary Schedule of Individual and Combined Statements of Operation

Year ended March 31, 2025	Resource Recovery Fund Board Inc.	Resource Recovery Fund	Combined
<b>Revenues</b>			
Administrative <sup>1</sup>	\$ 62,024,455	\$ -	\$ -
Deposits	-	55,744,532	55,744,532
Sales of recyclable materials	-	10,314,334	10,314,334
Tire program	-	6,201,757	6,201,757
Extended producer responsibility oversight	-	1,017,913	1,017,913
Investment and other income	-	1,552,243	1,552,243
Rental income	-	307,926	307,926
<b>Total revenues</b>	<b>62,024,455</b>	<b>75,138,705</b>	<b>75,138,705</b>
<b>Expenses</b>			
Operating	56,806,469	844,603	57,651,072
Administrative <sup>1</sup>	1,942,206	62,202,378	2,120,129
Extended producer responsibility oversight	882,349	135,564	1,017,913
Other expenditures and funding			
Approved program grants	-	1,172,811	1,172,811
Education and communication	2,393,431	-	2,393,431
Household hazardous waste program	-	210,000	210,000
Municipal enforcement program funding	-	700,000	700,000
Programs, development and other funding	-	243,356	243,356
Regionals chairs and coordinators	-	330,093	330,093
	<b>62,024,455</b>	<b>65,838,805</b>	<b>65,838,805</b>
Excess of revenues over expenses before allocations	-	9,299,900	9,299,900
Municipal solid waste diversion credits	-	6,640,228	6,640,228
Nova Scotia Environment and Climate Change	-	1,577,086	1,577,086
Excess of revenues over expenditures	\$ -	\$ 1,082,586	\$ 1,082,586

<sup>1</sup> Administrative revenue and expenses of \$62,024,455 have been eliminated on combination.