2025 ANNUAL REPORT

REINFORCING STABILITY & DEFINING THE PATH FORWARD

November 2026

encorp re RECYCLE

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TERMINOLOGY

ANBL	Alcool NB Liquor
BCP (or "**Program**")	Beverage Containers Program
BCRNC	Beverage Container Recycling Network of Canada
brand owners	Beverage product manufacturers, distributors, owners/licensees of registered trademarks, retailers and any other entities required to register with Recycle NB as brand owners under the 2008-54 *Designated Materials Regulation* (*Clean Environment Act*). These brand owners can designate Encorp as their agent/producer responsibility organization for New Brunswick's Extended Producer Responsibility BCP.
CRF	container recycling fee
deposit	Refundable amount charged on top of the price of a beverage product at point-of-purchase (retail) as an incentive for consumers to return the empty container for recycling at designated return facilities, known as "redemption centres". The *Designated Materials Regulation* requires that retailers collect a deposit from consumers at the time of sale, in the amount specified in the Beverage Containers Stewardship Plan and that the refund for an empty beverage container must equal the deposit amount originally collected.
deposit-bearing beverage containers	Sealed containers 5 L or less for ready-to-drink beverage products subject to a deposit in New Brunswick. Note that the official definition of "beverage" in the *Designated Materials Regulation* excludes the following beverages: *milk, plant-based milk product alternatives that are fortified and a source of protein, unprocessed apple cider, concentrated drinks, infant formula, meal replacements and formulated liquid diets.*
Encorp	Encorp Atlantic/Encorp Atlantique, a non-profit producer responsibility organization created in 2023 in response to amendments to the *Designated Materials Regulation.*
EPR	Extended Producer Responsibility
KPI	key performance indicators

TERMINOLOGY

NB	New Brunswick
NPO	non-profit organization
POS	point-of-sale
PRO	producer responsibility organization
QA/QC	quality assurance/quality control
RC	redemption centre
Regulation	*Designated Materials Regulation* under the *Clean Environment Act*, the piece of legislation responsible for the EPR BCP and all other EPR programs in New Brunswick.
RNB	Recycle NB
RSC	Regional Service Commission
UBC	used beverage container (whenever mentioned in this document, all UBCs are assumed to be deposit-bearing).

EXECUTIVE SUMMARY



MESSAGE FROM THE CHAIR OF THE BOARD OF DIRECTORS

2025 was a year of purposeful transition and long-term positioning for Encorp Atlantic/Encorp Atlantique ("Encorp"). As the organization continued to strengthen its role as New Brunswick's (NB's) producer responsibility organization (PRO) for beverage containers, we also focused on building the strategic foundation required to deliver sustained operational, environmental, and organizational performance for years to come.

This year marked an important leadership milestone with the appointment of Gilles Doucette as President & Chief Executive Officer, following the retirement of long-serving CEO Pierre Landry. On behalf of the Board of Directors, I extend our sincere gratitude to Pierre for his dedication and service over the years, and I am pleased to welcome Gilles to his new role. His experience, steady leadership, and collaborative approach are already positioning the organization for continued progress and growth.

A key achievement in 2025 was the submission of the 2026–2030 Stewardship Plan for the New Brunswick Beverage Containers Program (BCP), following updates made by the provincial government to the *Designated Materials Regulation* to align all PROs across the province. The plan was subsequently approved by Recycle NB (RNB). I would like to acknowledge RNB for their guidance throughout this process and for their continued support in ensuring the Program remains aligned with provincial sustainability priorities.

At the same time, Encorp's leadership undertook significant work to strengthen its long-term strategic directions. The development of a *2025-2028 Strategic Roadmap* reflects thoughtful planning and renewed clarity of purpose. The organization's vision, mission, and values have been refined to better align with evolving priorities and stakeholder expectations. Our updated values—sustainability, accountability, collaboration, innovation, and integrity—will anchor decision-making and organizational development moving forward.

The roadmap also introduces three key performance indicators—performance, consumer experience, and organizational maturity—which will help measure progress, guide investments, and ensure transparent reporting on results.

While Encorp remains firmly committed to delivering excellence in NB, this year also brought recognition beyond provincial borders. In 2025, the Government of Prince Edward Island (PEI) selected Encorp as the PRO to manage its Beverage Container Program beginning April 1, 2026. Encorp developed and submitted a stewardship plan to the Minister of Environment, Energy and Climate Action, which was approved in September 2025. Although this work falls outside the NB mandate, the Board views this decision as a testament to Encorp's strong leadership, operational integrity, and proven results since becoming NB's designated PRO in 2024.

As always, the progress of the past year would not have been possible without the dedication and support of our partners. I would like to express the Board's appreciation to redemption centre (RC) operators, beverage brand owners, retailers, service providers, RNB, and the Governments of NB and PEI. Your collaboration and commitment are essential to ensuring the continued success of the beverage container recycling programs.

Finally, I want to recognize the exceptional Encorp team. Their professionalism, adaptability, and commitment to our mission continue to drive our achievements and strengthen public confidence in the system.

Encorp is well-positioned for the future—strategically, operationally, and collaboratively. As we move into 2026 and beyond, we remain focused on building strong, responsive, and environmentally responsible programs that benefit all New Brunswickers and Islanders.

Neil Antymis
Encorp Atlantic Chairperson

EXECUTIVE SUMMARY



MESSAGE FROM THE PRESIDENT & CHIEF EXECUTIVE OFFICER

2025 was a year of meaningful transition and momentum for Encorp. We honoured the legacy of strong leadership built over many years while confidently stepping into a new chapter defined by collaboration, trust, and shared responsibility with the stakeholders who make our programs successful.

In March, I had the privilege of assuming the role of President & Chief Executive Officer following the retirement of our long-serving CEO, Pierre Landry. This transition was both thoughtful and seamless, reflecting the strength of our organization and the dedication of our team. Throughout the year, we also welcomed several accomplished professionals whose expertise is helping position Encorp for the future. New leadership in finance, operations, marketing and communications, along with enhanced executive support, has strengthened our capacity to listen, respond, and deliver value across our stakeholder network. Together, we are building an organization that is resilient, adaptable, and deeply committed to continuous improvement.

A central theme guided our progress this year: the importance of communication and relationship building. Strong programs grow from transparency, responsiveness, and mutual respect. In 2025, we renewed our focus on listening to stakeholders, strengthening dialogue, and implementing change with clarity and care.

This approach was essential as the provincial government introduced updates to New Brunswick's *Designated Materials Regulation*. In response, Encorp submitted a revised 5-year stewardship plan for the New Brunswick EPR Program (covering 2026-2030), which was approved by RNB. We also launched extensive communications to beverage industry members, supporting the transition from "brand owners" to "producers" under the revised Regulation. These updates represent more than regulatory alignment—they reflect our values of accountability and integrity, ensuring that change is managed responsibly and in partnership with those we serve.

At the same time, we used this period of transition to look inward. Our leadership team developed a new *Strategic Roadmap 2025–2028*, approved by our Board of Directors, which reaffirms our vision of a future where all beverage containers are recovered responsibly to protect the environment. It articulates our mission to maximize beverage container recovery in an efficient, cost-effective, and environmentally responsible way, and it grounds our work in values that define who we are: sustainability in how we manage resources and support communities; accountability in our commitment to ownership, excellence, and continuous improvement; collaboration in our approach to problem-solving and partnership; innovation as we design systems and services that keep pace with a changing sector; and integrity in every decision we make.

As we look ahead to 2026, and as we prepare for our expansion into PEI with the launch of EPR, I am confident that this strengthened foundation positions us for long-term success. Our roadmap is more than a plan; it is a commitment to continuous growth and to the people and partners who make our progress possible.

Thank you to our employees, brand owners, RC operators, service providers, government partners, and community stakeholders for your collaboration and trust. Encorp's success is truly shared, and I look forward to continuing this work with you.

Gilles Doucette
Encorp Atlantic President and Chief Executive Officer

EXECUTIVE SUMMARY

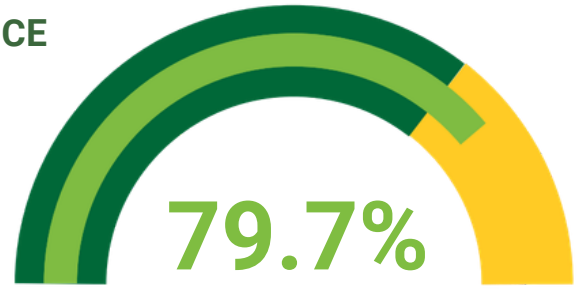
45(1) On or before May 31 in each year, a producer shall submit an annual report to the stewardship board detailing the effectiveness of the stewardship plan during the previous calendar year, which shall include:

(h) an assessment of the effectiveness of its stewardship plan against the performance measures and the targets that were approved or imposed by the stewardship board.

2025 PERFORMANCE AT-A-GLANCE

TOTAL UBC RECOVERY RATE FOR 2025

Percentage of UBCs recovered by units (sales vs. UBCs collected)



Target set in Stewardship Plan: 73%

	Aluminum	PET (Non-Alcohol) & HDPE Translucent	PET (Alcohol)	Non-Refillable Glass	Refillable Glass	Cartons	Steel	Plastics (Other)/ Pouches
2025 Recovery Rate (by Units)	85.1%	74.4%	64.3%	99.5%	83.0%	41.6%	68.0%	163.2%
Target Set in Stewardship Plan	78%	70%	64%	82%	85%	33%	54%	35%

	Packaging (Boxes) for Refillable Glass
2025 Recovery Rate (by Units)	83.0%
Target Set in Stewardship Plan	75%

In 2025, Encorp demonstrated strong performance against the recovery-rate targets established in its approved stewardship plan. The Program achieved an overall recovery rate of 79.7%, surpassing its Stewardship Plan goal of 73%.

Encorp not only exceeded its overall target recovery rate but also surpassed most material-specific recovery targets, with the exception of refillable glass beer bottles. This variance is partially attributable to limitations in available data. The data from curbside recycling does not distinguish between refillable and non-refillable glass, with all quantities recorded as non-refillable glass. As a result, the actual number of recovered refillable glass bottles is likely higher than reported, with a corresponding slight overstatement of non-refillable glass, partially offsetting this discrepancy. Additionally, Encorp has identified potential sorting errors between one-way and refillable glass, which further contributes to the variance. Encorp is actively working to address these sorting issues.

The recovery rate reported for other plastics is also significantly above 100%. Encorp has identified a suspected error in the sales data, whereby some beverage containers were classified as PET (non-alcohol) when they should have been classified as other plastics. If the suspected classification error did occur, although this has not been verified, Encorp estimates that the recovery rate for other plastics would be 96.4%, while the recovery rate for PET would be 74.9%. This issue is not expected to affect future reporting periods.

Despite these limitations, exceeding the overall recovery target highlights the Program's resilience and effectiveness. This performance was driven by strong collaboration with service providers, effective public education and marketing efforts, and stable operations across the RC network. Together, these efforts demonstrate the strength of the EPR Program and its ability to meet regulatory expectations. As Encorp continues to build on this strong foundation, we remain confident in the Program's ongoing effectiveness and its ability to achieve future goals.

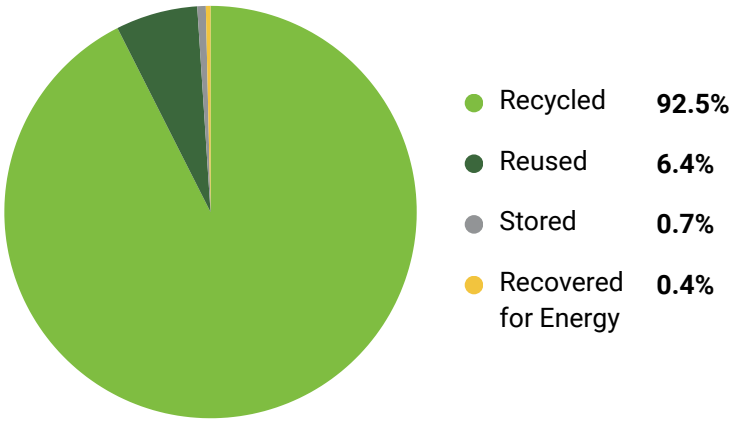
EXECUTIVE SUMMARY

TOTAL WEIGHT OF MATERIALS RECOVERED IN 2025

Total weight of all materials (UBCs + packaging for refillable glass beer bottles) recovered.

19,261,710 kg





FATE OF COLLECTED MATERIALS FOR 2025

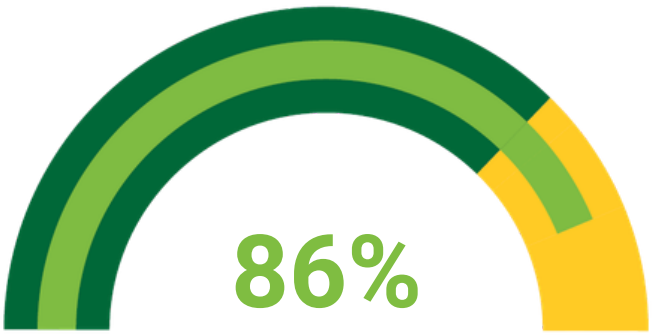
Percentage breakdown of the fate of UBCs recovered in 2025 by weight

In 2025, Encorp recovered a total of 19,261,710 kilograms of UBC materials through its provincial collection network. The vast majority of this material—19,163,807 kilograms, representing 98.9% of all recovered materials—was sent to end markets for recycling and reuse. These outcomes demonstrate the continued effectiveness of the Program in diverting valuable materials from landfills and supporting a circular economy in NB.

A small portion of the recovered material—70,717 kilograms or 0.4%—was directed to energy recovery due to limited end-market options for certain material types. Encorp continues to monitor market conditions and work toward identifying more sustainable recycling and pathways for these materials. As additional markets develop, the Program remains committed to maximizing material value and further reducing reliance on energy recovery.

CONSUMER AWARENESS OF BEVERAGE CONTAINERS PROGRAM

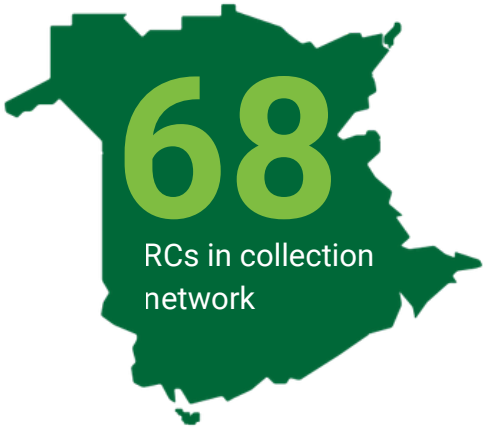
Awareness of both deposit on beverage products and ability to receive deposit refund when returning empty container for recycling at RCs.



Target set in Stewardship Plan: 78%

Consumer awareness is a key driver of higher UBC recovery rates across the province. Before the launch of the new EPR Program, awareness stood at 75%. Following the introduction of full deposit refunds, it rose to 88% in 2024 and stabilized at 86% in 2025 after the initial surge, well above the Stewardship Plan target. This strong level of awareness in 2025 highlights Encorp's consumer education & outreach initiatives, including four major advertising campaigns and promotions for *Recycling Hero* programs. Together, these efforts generated an estimated 17 million impressions across digital and traditional media, along with more than 66 thousand website visits and over 744 thousand interactions/engagements with social media and other digital content.

EXECUTIVE SUMMARY



New Brunswick's RC network remained strong and reliable throughout the year. In 2025, overall consumer access improved with the transition of one satellite RC into a full-service facility: *Hampton Recycling Centre*. This upgrade enables the centre to better meet the needs of residents in the Hampton area.

With this addition, Encorp's collection network grew to 68 full-service RCs in 2025, up from 67 in 2024. The ongoing strength of the collection network played an important role in supporting recovery performance and maintaining convenient access points for consumers across the province.



RECYCLING HERO COMMUNITY CLEANUP GRANTS

40 grants awarded | 31 schools + 9 community groups / NPOs

In 2025, Encorp expanded its *Recycling Hero Community Cleanup Grants* program once again, awarding 40 grants, up from 30 in 2024. This growth strengthened community engagement across the province and helped promote anti-litter awareness while encouraging positive recycling habits among youth.

RECYCLING HERO COMMUNITY EVENT SPONSORSHIPS

7 RCs supplied with event recycling resources

In 2025, Encorp strengthened its *Recycling Hero Community Event Sponsorships* by shifting from primarily supplying individual event organizers to equipping RCs province-wide with dedicated event-recycling resources. This transition makes it easier for communities across NB to obtain recycling supplies for local events, thus enhancing access to UBC recycling in public spaces.





RECYCLING HEROES IN SCHOOL PROGRAM

100 schools enrolled

In 2025, Encorp expanded its *Recycling Heroes in School* program to 100 participating schools, increasing access to UBC collection and recycling education for students across NB. Encorp also partnered with The Gaia Project to develop *Refundamentals*, a lesson plan designed to support educators in teaching students about the environmental importance of UBC recycling. Together, these initiatives reinforced Encorp's commitment to building lifelong recycling habits in youth throughout the province.

EXECUTIVE SUMMARY

TIMELINE

FIRST QUARTER (JANUARY - MARCH)

Encorp appoints new President & CEO following the retirement of its previous President & CEO.

Encorp launches new ads for "*Recycling Matters. Full Refunds Add Up*" & "*Saturday Is Recycling Day in NB*" campaigns.

Encorp launches "*Support Our Recycling Heroes*" ad campaign.

Encorp participates in a collaborative consumer education marketing campaign focused on plastic, aluminum and carton container recycling with the Beverage Container Recycling Network of Canada (BCRNC).

SECOND QUARTER (APRIL - JUNE)

CRF rates adjusted on April 1, 2025.

Encorp submits *2026 – 2030 Stewardship Plan – New Brunswick Beverage Containers Program* to RNB as required by the updated Regulation 2024-37 for June 30, 2025.

Encorp issues communications to beverage industry members, beginning the process of updating agreements and transitioning from "brand owners" to "producers" to meet the requirements of the Regulation 2024-37.

Encorp holds its Annual General Meeting in Moncton, NB.

Encorp's leadership team begins developing *Strategic Roadmap 2025-2028*.

Encorp awards *Recycling Hero Community Cleanup Grants* to 40 recipients (schools/community groups).

Encorp rewards the top 5 schools in its *Recycling Heroes in School* program at the end of the school year.

Encorp begins giving RCs UBC collection tools and supplies to provide NB community events with easy access to beverage container recycling.

Encorp launches two 30-second "*Recycling Matters. Full Refunds Add Up.*" video ads on social media and connected TV.

EXECUTIVE SUMMARY

THIRD QUARTER (JULY - SEPTEMBER)

Encorp publishes *2024 Annual Report: Transition & First Year of Extended Producer Responsibility.*

Third year of Encorp's *Recycling Heroes in School* program begins.

Encorp submits finalized *2026 – 2030 Stewardship Plan – New Brunswick Beverage Containers Program* to RNB.

FOURTH QUARTER (OCTOBER - DECEMBER)

The Gaia Project launches lesson plan *Refundamentals*, developed in partnership with Encorp, to provide NB schools with beverage container recycling education. Encorp launches complimentary educational video *A Container's Journey*.

Encorp announces CRF rates for April 1, 2026.

Encorp Board of Directors approves *Strategic Roadmap 2025-2028*, updating Encorp's vision, mission, and values.

Satellite RC in Hampton becomes full-service RC, *Hampton Recycling Centre*.

RNB approves Encorp's *2026 – 2030 Stewardship Plan – New Brunswick Beverage Containers Program*.

Encorp submits its *2026 Communications Plan* to RNB.

GOVERNANCE

MEMBER ASSOCIATIONS

Located in Moncton, NB, Encorp is a federally incorporated, non-profit product stewardship association. The following organizations form Encorp and are its governing members.

- BEER CANADA;
- CANADIAN BEVERAGE ASSOCIATION;
- CRAFT ALCOHOL NB;
- RETAIL COUNCIL OF CANADA;
- SPIRITS CANADA; AND
- WINE GROWERS CANADA.

BOARD OF DIRECTORS

Throughout 2025, Encorp's Board of Directors included the following individuals nominated by its member associations.

Neil Antymis - *Chair Person*
(Canadian Beverage Association)

Megan Boyle (December 2025+)
(Canadian Beverage Association)

Emma Breen
(Beer Canada)

Cal Bricker
(Spirits Canada)

Lloyd Chambers (January - May 2025)
(Craft Alcohol NB)

Jim Cormier
(Retail Council of Canada)

Isabelle Faucher (May 2025+)
(Canadian Beverage Association)

Caroline Henderson
(Wine Growers Canada)

Jennifer Kerr (January - March 2025)
(Canadian Beverage Association)

Richard Linley (March 2025+)
(Canadian Beverage Association)

Gerald MacCallum (January - December 2025)
(Canadian Beverage Association)

Doug Mander
(Beer Canada)

Marion Organ (January - May 2025)
(Canadian Beverage Association)

PROGRAM SCOPE

PRODUCER RESPONSIBILITY

Producer responsibility is a regulatory approach that requires brand owners to manage the full lifecycle of their products, including post-consumer waste. In NB, EPR programs fell under the Regulation 2008-54 in 2025, with RNB acting as an arm's-length government agency overseeing and ensuring compliance with regulatory requirements.

Encorp has served as the PRO for the EPR Program since its launch on April 1, 2024. Throughout 2025, Encorp continued to build on the foundational work initiated during the Program's first year, strengthening operations and supporting brand owners in meeting their regulatory obligations. Much of the focus during the year involved consolidating these early efforts while also preparing for regulatory changes scheduled to take effect in 2026.

A complete list of beverage product brand owners that had Encorp as their PRO in 2025 to manage the recycling of their beverage containers is provided in Appendix A.

STEWARDSHIP PLAN

Much of 2025 was spent preparing a revised stewardship plan to meet the requirements of the amended Regulation 2024-37. The new *2026 – 2030 Stewardship Plan – New Brunswick Beverage Containers Program* was finalized on September 15, 2025 and is available on Recycle NB's website, with a link also available on Encorp's website.

As this Annual Report reflects 2025 activities, it will report on Encorp's performance against the key performance indicators (KPIs) set out in Encorp's previous stewardship plan, which was in effect from April 1, 2024, to December 31, 2025.

PRODUCTS COVERED

The Regulation mandates that all ready-to-drink beverages in sealed containers (up to a maximum of 5 L) sold in NB must have a deposit paid by consumers at the point of purchase. Containers for products not meeting the Regulation's definition of "beverage" are exempt from deposits. Consumers can redeem deposits by returning empty containers in acceptable condition to designated UBC return facilities.

PROGRAM SCOPE

DEPOSITS & CRFS

DEPOSIT AMOUNTS

The deposits that were in effect on beverage containers throughout 2025 are detailed in the table below.

CONTAINER TYPE*	DEPOSIT
All container types except non-refillable glass alcohol containers over 500ml	10 cents
Non-refillable glass alcohol containers over 500 ml	20 cents
Refillable glass (beer bottles)	10 cents

**Applies to all beverage containers 5 L and under for products that fit the Regulation's definition of "beverage".*

CONTAINER RECYCLING FEE (CRF) RATES

CRFs cover the estimated net costs of recycling beverage containers after accounting for unredeemed deposits and revenue from materials sold. Encorp sets CRFs annually by material types to ensure the costs of administration, collection, transportation, and recycling are covered efficiently, and each material stream pays its fair share. The CRFs that were in effect on beverage containers throughout 2025 are detailed in the table below.

CONTAINER TYPE*	CRF (April 1, 2024 – March 31, 2025)	CRF (April 1, 2025 – March 31, 2026)
Aluminum non-alcohol	1 cent	2 cents
Aluminum alcohol	2 cents	2 cents
PET/HDPE non-alcohol	3 cents	4 cents
PET/HDPE alcohol	1 cent	1 cent
All other plastics	1 cent	1 cent
Non-refillable glass	11 cents	10 cents
Refillable glass (beer)	0 cents	0 cents
Steel	8 cents	3 cents
Cartons (polycoat containers + wine boxes/bag-in-box)	0 cents	0 cents

**Applies to all beverage containers 5 L and under for products that fit the Regulation's definition of "beverage".*

Encorp charges CRFs directly to brand owners. The Regulation mandates that they be incorporated into the total sale prices of the applicable beverage products for consumers if recovering these costs at retail.

UBC COLLECTION, TRANSPORTATION & PROCESSING

45(1) On or before May 31 in each year, a producer shall submit an annual report to the stewardship board detailing the effectiveness of the stewardship plan during the previous calendar year, which shall include:

(b) a description of collection systems used and the location of return facilities, if any;

(e) the location of any storage, processing or handling facilities for designated material waste.

UBC RETURN FACILITIES: REDEMPTION CENTRES

RCs are key service providers to Encorp, providing locations for consumers to return deposit-bearing UBCs and receive deposit refunds. Encorp pays RC operators service fees for counting, sorting, storing and preparing UBCs for shipment, and reimburses them the deposit refunds given to consumers. Electronic payments are made via *EnSys*, Encorp's proprietary information management system.

A handy map locator on Encorp's website indicates RC locations and hours of operation for consumers. A detailed list of RCs which were part of Encorp's collection network in 2025 is also available in Appendix B.

CURBSIDE RECYCLING: REGIONAL SERVICE COMMISSIONS/CIRCULAR MATERIALS

Since November 1, 2023, New Brunswick's EPR Packaging and Paper Products Program, led by its designated PRO, Circular Materials, has been supporting curbside recycling across the province. Although no deposit refunds are offered on UBCs placed at curbside, it remains essential for Encorp to track these deposit-bearing beverage containers under EPR and to collaborate with Circular Materials to facilitate proper recovery.

Previously, Encorp collaborated with Regional Service Commissions (RSCs), which were equipped to sort deposit-bearing beverage containers from curbside recycling streams. Through these partnerships, UBCs collected at curbside could be recovered and credited to the appropriate authority. In 2024, Encorp shifted its approach from working with individual RSCs and sought to develop a collaborative framework with Circular Materials in order to improve the accuracy and consistency of UBC recovery data from curbside collection.

Encorp continued discussions with Circular Materials throughout 2025 to establish an agreement on the reporting and recovery of deposit-bearing beverage containers collected through curbside recycling. While an agreement was not finalized during the year, Encorp successfully reached an arrangement with Circular Materials in early 2026, securing access to 2025 curbside recycling data for UBCs. As a result, the recovery data presented in this annual report includes all containers collected through both RCs and curbside recycling.

UBC COLLECTION, TRANSPORTATION & PROCESSING

LOGISTICS: COLLECTION, TRANSPORTATION & PROCESSING

Throughout 2025, Encorp used service providers to collect UBCs from RCs and transport them to facilities for further processing and shipment to end markets.

- **Non-refillable UBCs**: Hebert's Recycling in Miramichi, NB, handled the transportation, storage, processing, and quality assurance/quality control (QA/QC) of all UBC material types except glass. Glass was handled by Rayan Environmental Solutions in Moncton, NB.

- **Refillable UBCs**: O. C. Maillet Transport (Bouctouche, NB) and Armour Transportation Systems (Moncton, NB) handled the unique transportation, storage, and processing needs of refillable glass beer bottles, which are reused by brewers. Through its agreements with Beer Canada member brewers that use refillable containers, Encorp serves as the PRO and oversees the administration of refillable glass beer containers. The collection, transportation, and processing of these containers remained independently managed by the brewers through a coordinated effort led by Labatt Breweries of Canada, Molson Coors Canada, and Moosehead Breweries.

Furthermore, Encorp strives to maintain accuracy and integrity within the UBC collection system through third-party audits and QA/QC procedures. These are designed to minimize revenue losses and encourage reliable reporting. Hebert's Recycling in Miramichi, NB and Rayan Environmental Solutions in Moncton, NB, were responsible for conducting recounts of bulk bags/tubs received from RCs as part of Encorp's QA/QC program. Encorp also collaborated with Atlantic Statistical Analysis Inc. to uphold the precision of its QA/QC sampling and blind recounts model.

The complete list of contracted service providers Encorp worked with in 2025 can be found in Appendix C.

OPERATIONAL STABILITY & INNOVATION

Operations in 2025 were carried out in a complex and evolving external environment, shaped in part by shifting trade dynamics in North America. The introduction of a new administration in the United States created a period of uncertainty for recycling end markets, particularly due to the inconsistent nature of proposed and implemented tariffs.

Despite these challenges, Encorp prioritized stability, adaptability, and service continuity for RCs across NB. Ensuring uninterrupted collection and material movement remained paramount, allowing consumers to continue using the provincial UBC recycling system with confidence. Close coordination with service providers and RCs helped mitigate external volatility and supported Program resilience.

Collection and processing activities ran smoothly throughout the year with no significant operational disruptions. Material flows were managed efficiently, and contractual relationships and logistics processes proved capable of absorbing market fluctuations without affecting front-line service delivery. This operational steadiness was a critical factor in sustaining Program performance during a period of heightened uncertainty.

UBC COLLECTION, TRANSPORTATION & PROCESSING

In order to strengthen long-term operational efficiency and support greater system stability, Encorp also took part in a collaborative pilot project with other beverage container PROs across Canada to explore the use of AI-assisted counting technology for UBCs. Over the course of the initiative, a preliminary model was developed and tested in the field, showing encouraging results. While still in the exploratory stage, this work positions Encorp to better understand the potential operational benefits of AI and how such tools might support more consistent, efficient service delivery in the years ahead. Encorp will continue to monitor advancements in this area and assess how these innovations could be applied within the industry.

In parallel, 2025 marked a renewed internal focus on re-aligning operations with Encorp's mission, vision, and values, as developed by the organization's leadership team. Operational practices and decision-making frameworks were reviewed to ensure alignment with the organization's strategic directions, reinforcing accountability, collaboration, and long-term sustainability. This work lays a strong foundation for future operational improvements and positions the organization to respond effectively to both market changes and evolving stakeholder expectations.

UBC RECOVERY DATA

45(1) On or before May 31 in each year, a producer shall submit an annual report to the stewardship board detailing the effectiveness of the stewardship plan during the previous calendar year, which shall include:

(a) the total amount of designated material waste, by category of material, collected

(i) in the Province, or

(ii) in the geographical areas specified in the stewardship plan.

45(2) Subject to subsection (3), at the same time a producer submits its annual report, the producer shall provide to the stewardship board a statement in writing specifying the total amount of designated materials, by category of material, distributed by the producer during the previous calendar year or during the period approved by the stewardship board.

45(3) When an annual report or a written statement is submitted by a producer responsibility organization, the document shall report only the aggregate information of all of the producers represented by the organization.

RECOVERY PROVINCE-WIDE

January 1, 2025 - December 31, 2025		**Units**			
Materials Sort List	**Product Mix (Recovered)**	**Sales**	**Recovered**	**Recovery Rate**	**Target (Stewardship Plan)**
Aluminum	59.0%	266,585,369	226,991,276	85.1%	**78%**
PET (Non-Alcohol) & HDPE Translucent, Including Lids/Caps	31.2%	166,260,793	123,671,482	74.4%	**70%**
PET (Alcohol), Including Lids/Caps	0.7%	4,315,843	2,774,125	64.3%	**64%**
Non-Refillable Glass (Green, Clear and Brown)	3.8%	14,487,263	14,419,208	99.5%	**82%**
Refillable Glass (Beer)	2.0%	8,833,485	7,331,976	83.0%	**85%**
Cartons (Polycoat Containers & Wine Boxes), Including Lids/Caps	2.3%	25,036,654	10,413,485	41.6%	**33%**
Steel	0.1%	805,396	547,465	68.0%	**54%**
Plastics (Other)/Pouches, Including Lids/Caps	0.7%	1,732,422	2,827,328	163.2%	**35%**
Total	**99.8%**	**488,057,225**	**388,976,345**	**79.7%**	**73%**

January 1, 2025 - December 31, 2025					
Packaging (Boxes) for Refillable Glass	0.2%	736,124	610,998	83.0%	**75%**
Total	**100%**				

UBC RECOVERY DATA

January 1, 2025 - December 31, 2025		Weight (Kilograms)			
Materials Sort List	**Product Mix (Recovered)**	**Approx. Weight Containers Sold**	**Approx. Weight Containers Recovered**	**Approx. Recovery Rate**	**Target (Stewardship Plan)**
Aluminum	59.0%	3,609,585	3,073,478	85.1%	**78%**
PET (Non-Alcohol) & HDPE Translucent, Including Lids/Caps	31.2%	3,927,845	2,921,690	74.4%	**70%**
PET (Alcohol), Including Lids/Caps	0.7%	101,960	65,538	64.3%	**65%**
Non-Refillable Glass (Green, Clear and Brown)	3.8%	11,614,163	11,559,604	99.5%	**82%**
Refillable Glass (Beer)	2.0%	1,498,544	1,243,823	83.0%	**85%**
Cartons (Polycoat Containers & Wine Boxes), Including Lids/Caps	2.3%	630,913	262,415	41.6%	**33%**
Steel	0.1%	73,064	49,665	68.0%	**54%**
Plastics (Other)/Pouches, Including Lids/Caps	0.7%	52,388	85,497	163.2%	**35%**
Total	**99.8%**	**21,508,462**	**19,261,710**	**89.6%**	**77%**

January 1, 2025 - December 31, 2025					
Packaging (Boxes) for Refillable Glass	0.2%	122,687	101,833	83.0%	**75%**
Total	**100%**				

ENVIRONMENTAL IMPACT

45(1) On or before May 31 in each year, a producer shall submit an annual report to the stewardship board detailing the effectiveness of the stewardship plan during the previous calendar year, which shall include:

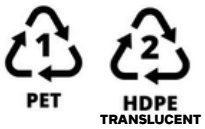
(c) the amount of designated material waste, by category of material, that was reused, recycled, composted, recovered for the purposes of energy, stored, processed, disposed of or otherwise handled;

(d) a description of the types of processes used to reuse, recycle, compost, recover energy from, store, process, dispose of or otherwise handle designated material waste, by category of material;

(f) a description of the efforts to redesign designated materials to improve opportunities for reuse and recycling, by category of material.

MATERIALS PROCESSING & END MARKETS

The following table summarizes each material's fate in 2025.

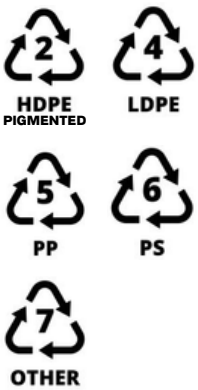
MATERIAL TYPE	FATE (January 1, 2025 - December 31, 2025)
Aluminum	**RECYCLED** Aluminum cans collected by Encorp were sent to Miramichi, NB, where they were crushed, baled, and then shipped to designated recycling facilities in line with Encorp's approved end markets for this material type. Encorp pooled its aluminum cans with other recycling affiliates across Canada. These containers were sold to a USA-based broker with connections to an aluminum smelter, where the material could be turned into sheet stock for new cans.
PET (Non-Alcohol) & HDPE Translucent, Including Lids/Caps 	**RECYCLED** PET non-alcohol and HDPE (translucent) containers collected by Encorp were sent to Miramichi, NB, where they were crushed, baled, and then shipped to designated recycling facilities in line with Encorp's approved end markets for this material type. Encorp sold its PET non-alcohol and HDPE (translucent) containers to a recycling facility in Amherst, NS. At this facility, containers were flaked and shipped to a wash facility in upstate New York to become raw materials for manufacturers of various plastic products, including new beverage containers, automotive components, strapping material, and fibers.

ENVIRONMENTAL IMPACT

MATERIAL TYPE	FATE (2025)
PET (Alcohol), Including Lids/Caps  	**RECYCLED** PET alcohol containers collected by Encorp were sent to Miramichi, NB, where they were crushed, baled, and then shipped to designated recycling facilities in line with Encorp's approved end markets for this material type. Encorp sold its PET alcohol containers to the same recycling facility in Amherst, NS, that processes its PET non-alcohol and HDPE. This recycler required Encorp to separate PET used for alcohol beverage containers from PET used for non-alcohol beverage containers due to the different grades of plastic used (PET containers for alcohol beverages are thicker) – which is why data was kept separately by Encorp for each stream.
Non-Refillable Glass (Green, Clear and Brown)	**RECYCLED** Encorp sold its non-refillable glass containers to the same recycler contracted as its collection, transportation and processing service provider for this material type. Non-refillable glass containers collected by Encorp were thus transported directly to an approved end market in Moncton, NB. The glass containers were granulated into a near sand-like material (cullet) at this service provider's facility in Moncton, NB. Cullet can be used to make new bottles or related products like fiberglass (home insulation) or can be mixed in aggregate materials used in road bedding or drainage material in septic-field applications.
Refillable Glass (Beer)	**REUSED & RECYCLED** Encorp asked RCs to segregate refillable glass containers for beer products from non-refillable glass containers so that they could be collected and sent directly by service providers for collection & transportation of refillable beer containers to various facilities in the Maritimes, Ontario and Quebec for washing, sterilization and redistribution among participating Beer Canada member brewers. Beer Canada manages an industry-standard bottle agreement which allows brewers to access the pool of industry-standard bottles (ISBs) for utilization. The availability of the ISB makes utilization of a refillable container more economical, especially for smaller brewers, who can access ISB containers at reasonable costs compared to purchasing their own refillable containers. Unless chipped or broken, refillable glass beer containers in Canada are typically reused on average up to 15 times* after which they can be sent to appropriate end markets for recycling.

* *CM Consulting "Who Pays What 2018: An Analysis of Beverage Container Collection & Costs in Canada." 2018.*

ENVIRONMENTAL IMPACT

MATERIAL TYPE	FATE (2025)
Cartons (Polycoat Containers & Wine Boxes), Including Lids/Caps	**RECYCLED** Carton containers collected by Encorp were sent to Miramichi, NB, where they were crushed, baled, and then shipped to designated recycling facilities in line with Encorp's approved end markets for this material type. Encorp sold its carton containers to a recycler in Dartmouth, NS, to be recycled into paper products, such as paper towels, tissue, and office paper.
Steel	**RECYCLED** Steel containers collected by Encorp were sent to Miramichi, NB, where they were crushed, baled, and then shipped to designated recycling facilities in line with Encorp's approved end markets for this material type. Encorp sold its steel containers, including bi-metal containers, to a scrap metal dealer in Dartmouth, NS, for metal recovery.
Plastics (Other) / Pouches, Including Lids/Caps 	**ENERGY RECOVERY** Plastic containers of these types collected by Encorp were sent to Miramichi, NB, where they were crushed, baled, and then shipped to designated facilities in line with Encorp's approved end markets for this material type. Encorp sold containers made from these types of plastics that are more difficult to recycle due to lack of end market demand to the same recycler it sells PET/HDPE containers in Amherst, NS. These containers were incinerated for waste-to-energy production. Volumes of containers made with these types of plastics sold in New Brunswick were low in 2025 and Encorp intends to keep exploring market opportunities to be able to recycle these plastics.

ENVIRONMENTAL IMPACT

MATERIAL TYPE	FATE (2025)
Packaging (Boxes) for Refillable Glass	**RECYCLED** Consumers often return refillable beer bottles in the cardboard or boxboard cases in which they are sold. RCs use these to pack and palletize empty refillable beer bottles. Upon being collected and transported along with the refillable beer bottles to the same facilities as the refillable beer bottles, this packaging was sent to carton and paper packing recycling facilities in Moncton, NB, Kentville, NS, Saint-Jean-sur-Richelieu, QC and Milton, ON, where they could be recycled into new corrugated boxes and boxboard boxes.

FATE OF COLLECTED MATERIALS BY WEIGHT (KG) FOR 2025

	Recycled	Stored (as of December 31, 2025)	Reused	Recovered for Energy	Total
Aluminum	3,053,457	20,021	-	-	**3,073,478**
PET (Non-Alcohol) & HDPE Translucent, Including Lids/Caps	2,887,247	34,443	-	-	**2,921,690**
PET (Alcohol), Including Lids/Caps	53,462	12,076	-	-	**65,538**
Non-Refillable Glass (Green, Clear and Brown)	11,559,604	-	-	-	**11,559,604**
Refillable Glass (Beer)	-	-	1,243,823	-	**1,243,823**
Cartons (Polycoat Containers & Wine Boxes), Including Lids/Caps	231,487	30,928	-	-	**262,415**
Steel	32,894	16,771	-	-	**49,665**
Plastics (Other)/Pouches, Including Lids/Caps	-	14,780	-	70,717	**85,497**
Packaging (Boxes) for Refillable Glass	101,833	-	-	-	**101,833**
Total	**17,919,984**	**129,019**	**1,243,823**	**70,717**	**19,363,543**

"Recycled" and "Reused" are defined as shipped to end markets for recycling or—in case of refillable beer bottles—collected for shipment to rewash facilities for reuse/distribution among participating brewers. "Stored" is defined as processed and ready to be shipped to end markets. Encorp did not manage materials for compost or disposal.

ENVIRONMENTAL IMPACT

FATE OF COLLECTED MATERIALS BY PERCENTAGE FOR 2025

	Recycled	Stored (as of December 31, 2025)	Reused	Recovered for Energy	Total
Aluminum	99.3%	0.7%	-	-	**100%**
PET (Non-Alcohol) & HDPE Translucent, Including Lids/Caps	98.8%	1.2%	-	-	**100%**
PET (Alcohol), Including Lids/Caps	81.6%	18.4%	-	-	**100%**
Non-Refillable Glass (Green, Clear and Brown)	100%	-	-	-	**100%**
Refillable Glass (Beer)	-	-	100%	-	**100%**
Cartons (Polycoat Containers & Wine Boxes), Including Lids/Caps	88.2%	11.8%	-	-	**100%**
Steel	66.2%	33.8%	-	-	**100%**
Plastics (Other)/Pouches, Including Lids/Caps	-	17.3%	-	82.7%	**100%**
Packaging (Boxes) for Refillable Glass	100%	-	-	-	**100%**
Total	**92.5%**	**0.7%**	**6.4%**	**0.4%**	**100%**

"Recycled" and "Reused" are defined as shipped to end markets for recycling or—in case of refillable beer bottles—collected for shipment to rewash facilities for reuse/distribution among participating brewers. "Stored" is defined as processed and ready to be shipped to end markets. Encorp did not manage materials for compost or disposal.

REUSABILITY AND RECYCLABILITY OF BEVERAGE CONTAINERS

In 2025, Encorp was able to send 99% of all materials collected to end markets for recycling or reuse, with only a very small fraction (0.4%) being sent for waste-to-energy recovery.

To support the reusability and recyclability of beverage containers, Encorp establishes packaging requirements for all registered brand owners through its agreements. Brand owners are encouraged to use materials listed in Encorp's Sort List to ensure proper handling and recovery within the Program. If encountering containers sold in NB using materials not currently on the Sort List, Encorp works with the brand owner to identify solutions and improve alignment as quickly as possible, minimizing the risk of rejection from dedicated material streams.

Additional guidance provided by Encorp to brand owners meant to protect the viability of each material stream includes:

- Hybrid containers (e.g., PET bodies with aluminum tops), which pose recyclability challenges, should be avoided where possible.
- Plastic sleeves on aluminum or steel cans are discouraged but may be acceptable in limited quantities, particularly for craft brewers.

Brand owners are also asked by Encorp yearly to report industry innovations/improvements to their container designs and/or materials used, including related packaging. The following are reported improvements from 2025.

ENVIRONMENTAL IMPACT

MATERIAL TYPE	IMPROVEMENT	REFERENCE
Aluminum	**Primo Brands (Aquaterra):** Introduced additional recyclable aluminum beverage formats, including bottles made with recycled aluminum, supporting circular material use. As aluminum is easier to recycle than plastic, increasing the use of aluminum in beverage container designs can contribute to improved overall beverage container recyclability.	**Primo Brands (Aquaterra):** *Delivering healthy hydration*, Primo Brands Sustainability Report 2024.
PET, HDPE & Other Plastics/ Pouches	**Primo Brands (Aquaterra):** Achieved an average of ~35% recycled or renewable content across beverage packaging, driven primarily by expanded use of post-consumer recycled PET in single-serve bottles, reducing the need for new raw materials in container production.	**Primo Brands (Aquaterra):** *Delivering healthy hydration*, Primo Brands Sustainability Report 2024.
Non-Refillable Glass	**Bacardi:** Glass bottle weight reduction on some items in their portfolio, reducing the need for new raw materials in container production and lowering the energy required to transport used bottles for recycling. **Corby Spirit & Wine:** Lamb's 1.14L – transitioned to new 70g bottle (was 79.2g) with 50% post-consumer recycled content (was 30%), reducing the need for new raw materials in container production and lowering the energy required to transport used bottles for recycling. Corby Spirit & Wine's Cabot Trail Coureur des Bois bottle transitioned to clear glass bottle for easier recyclability. Clear glass is more readily accepted in recycling markets and can be used to manufacture a broader range of new glass containers, increasing its recycling value and potential end uses.	**Bacardi:** Bacardi Limited website, *Planet* web page. **Corby Spirit & Wine:** Reported to Encorp by member association Spirits Canada.
Refillable Glass (Beer)	**Moosehead Breweries:** Initiated switch from glass to aluminum cans for its beer products. While refillable glass bottles can be reused multiple times, they must eventually be recycled at end of life. Aluminum is easier to recycle than glass and is lighter, lowering the energy required to transport used containers for recycling.	**Moosehead Breweries:** *Moosehead Breweries will no longer sell beer in bottles*, CTV News, Natalie Lombard.

ENVIRONMENTAL IMPACT

MATERIAL TYPE	IMPROVEMENT	REFERENCE
Cartons	Encorp closely followed developments from food and beverage packaging manufacturers, as such containers may have been or would likely soon be integrated/used by producers for their beverage products in the NB market. SIG, Elopak, and Tetra Pak announced partnerships for the development and/or started testing the use of fibre-based closures for carton containers. Applying these closures to carton containers is hoped to help reduce their plastic content and overall carbon footprint. SIG also launched an "industry first" aluminum-layer-free full-barrier packaging material for multi-serve aseptic cartons. The "SIG Terra Alu-free + Full barrier" material is made of more than 80% paper. While the ultra-thin aluminum layer only makes about 5% of the weight of a standard aseptic carton, it is responsible for about 25% of its carbon footprint. By removing the aluminum layer in SIG's standard aseptic carton structure, it is reducing the carbon footprint of SIG multi-serve cartons. KinsBrae Packaging started manufacturing and marketing its KB Bottles - the world's first commercially available paper bottle designed for non-carbonated beverages and oils. Made from 100% recycled paperboard, they are five times lighter than a normal glass bottle; weighing just 83g. KB Bottles have a carbon footprint up to six times lower than a glass bottle; they use 77% less plastic than a plastic bottle, and their water footprint is four times lower than a typical glass bottle.	*Elopak to sell fibre-based carton caps as new co-owner of Blue Ocean Closures*, Packaging Europe. *Could a new paper-based cap point to the future? Here's how the shift towards paper-based packaging is inspiring innovation.*, Tetra Pak. SIG website, *Carton Solutions* web page. *SIG and PulPac enter strategic partnership to unlock the potential of Dry Molded Fiber for large-scale production of paper-based closures*, SIG. Kinsbrae Packaging website, *Paper KB Bottles* web page. *Why Brands Are Making the Switch to Paper Bottles*, Kinsbrae Packaging.

ENVIRONMENTAL IMPACT

MATERIAL TYPE	IMPROVEMENT	REFERENCE
Steel	No material-specific recyclability improvements for steel beverage containers were reported during the year. However, steel containers remain highly recyclable and continue to be effectively recovered through the Program. Steel accounts for less than 1% of the beverage container market, and their overall contribution to the system remains relatively small.	
Packaging (Boxes) for Refillable Glass	No material-specific recyclability improvements for cardboard packaging used with refillable glass containers were reported during the year. However, cardboard packaging continues to support the refillable system by protecting bottles during transportation and handling, while remaining readily recyclable at end of life.	

GREENHOUSE GAS EMISSIONS

In 2025, Encorp began preliminary work toward the greenhouse gas (GHG) emissions benchmarking commitments outlined in its Stewardship Plan. Encorp initiated early background work and will continue exploring the tools, data needs, and methodologies required to support future GHG reporting. This foundational work will continue throughout 2026 as Encorp progresses toward its target of completing the benchmarking exercise by the end of 2026 and beginning full GHG data collection and reporting in 2027.

COMMUNICATIONS

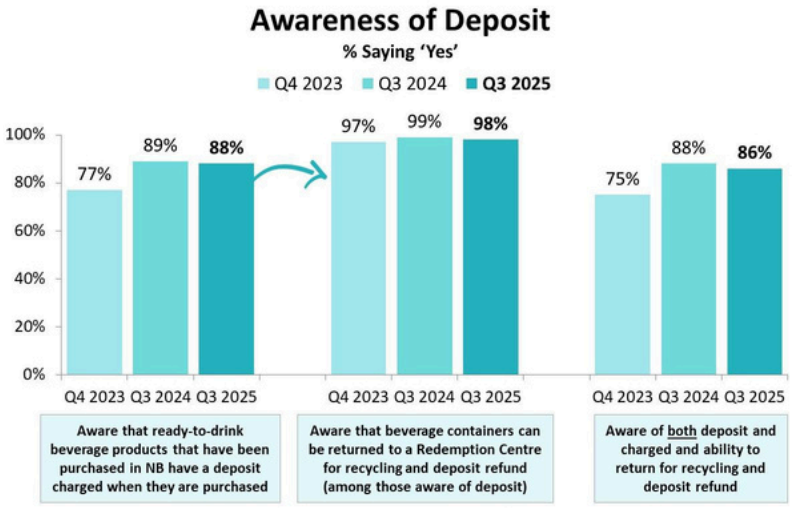
45(1) On or before May 31 in each year, a producer shall submit an annual report to the stewardship board detailing the effectiveness of the stewardship plan during the previous calendar year, which shall include:

(g) the types of consumer information, educational materials and strategies adopted by the producer.

Encorp's *2025 Communications Plan*, informed by market research on consumer UBC habits, outlined goals, strategies, audiences, tactics, timelines, and metrics aimed at boosting public awareness and participation in UBC recycling.

These efforts helped Encorp exceed its Stewardship Plan target of 78%+ public awareness. Narrative Research surveys—tracking awareness via two key questions (beverage product deposits and the ability to return empty beverage containers to RCs for refunds)—showed awareness holding steady at 86% in 2025, following the significant increase seen between 2023 and 2024.

Source: Narrative Research, Online Omnibus, Commissioned questions for Encorp Atlantic, Summer 2025. (Sample size: 400. Margin of error: ±4.9 percentage points, 19 times out of 20.)

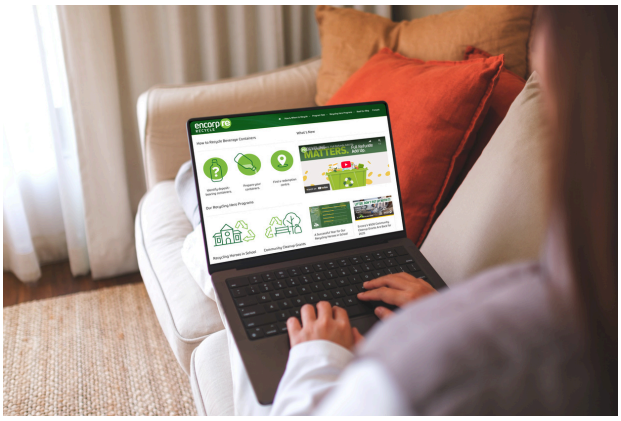


Q.EA2: Prior to today, were you aware that ready-to-drink beverage products that have been purchased in New Brunswick have a deposit charged on them when they are purchased? | Q.EA3: [FULL BASE] And prior to today, were you aware that beverage containers on which a deposit is paid can be returned to a redemption centre for recycling and a deposit refund? (n=400) *Note: Slight change of question wording from Q4 2023. Telephone results.*

EDUCATION ON BEVERAGE CONTAINER RECYCLING

WEBSITE & SOCIAL MEDIA

Encorp's website includes a dedicated section for consumers (encorpatl.ca/recycle), with an interactive map of UBC return locations (synced with RNB's map), container eligibility and deposit/refund details, preparation instructions, Program performance data, and details on *Recycling Hero* special programming.



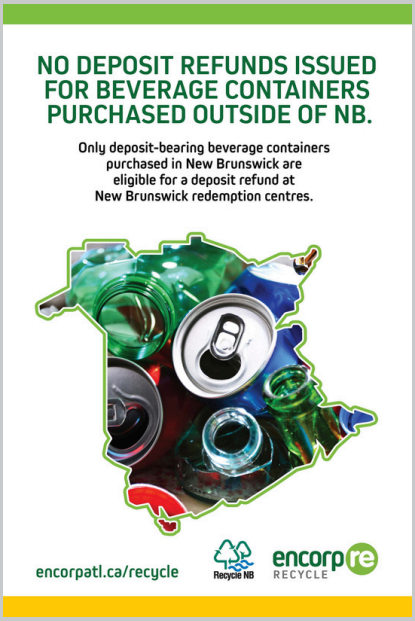
Throughout 2025, Encorp used its social media channels—Facebook, Instagram, LinkedIn, and YouTube—to share ads and educational content, as well as drive users to its website through a mix of images, animations, and videos.

COMMUNICATIONS

CONSUMER-FACING MATERIALS IN UBC RETURN FACILITIES

Since the EPR BCP's inception, RCs have been required to display Encorp-developed consumer education posters and handouts with information on deposits, container eligibility, and preparation tips. Encorp continued to replenish supplies as needed. Consumer education on RCs' right to refuse out-of-province containers also increased in 2025, with sandwich board posters provided to border RCs and related messaging launched on social media.











COMMUNICATIONS

CONSUMER INFORMATION AT RETAIL

Encorp maintains a *Retail Promotions Toolkit* that includes shelf signage to help inform consumers about UBC recycling. While use of the toolkit is voluntary, it continued to be available to retailers in 2025. In addition, Encorp maintained a strong in-store presence throughout the year with retail audio advertising at Walmart, Superstore, Dollarama, Jean Coutu, and Familiprix locations across NB.



CONSUMER SUPPORT

Encorp provides a toll-free 1-800 number, an email inbox, and an online incident report form for consumer inquiries. Throughout the year, the communications team handled questions on deposits, accepted containers, and *Recycling Hero* programs, while the operations team addressed return facility concerns. Reported deposit discrepancies or incorrectly applied CRFs were investigated through retail audits, with corrective notices issued when needed.

AD CAMPAIGNS

"RECYCLING MATTERS. FULL REFUNDS ADD UP."

From January to December 2025, Encorp continued its "*Recycling Matters. Full Refunds Add Up*" campaign promoting full deposit refunds. The 2025 rollout featured four new static ads, 14 container-focused ads highlighting refund values, and two 30-second animated videos. Ads appeared on digital platforms (web, social media, connected TV), print (newspapers), outdoor billboards, city transit (bus sides and interiors), retail PA systems, and local radio.



View the video ads via *Encorp's YouTube channel*.





COMMUNICATIONS

"SATURDAY IS RECYCLING DAY IN NB"

Encorp continued its "*Saturday Is Recycling Day in NB*" campaign throughout 2025, promoting year-round Saturday RC hours of at least six hours for added convenience. The campaign ran online, on social media, and in newspapers.



"SUPPORT OUR RECYCLING HEROES"

Launched in February 2025, Encorp's "*Support Our Recycling Heroes*" campaign encourages UBC donations to schools enrolled in Encorp's *Recycling Heroes in School* program through social media ads. The campaign is meant to support direct donations of UBCs at RCs and school bottle drives, linking to donation instructions and a list of participating schools with their partner RCs on Encorp's website.

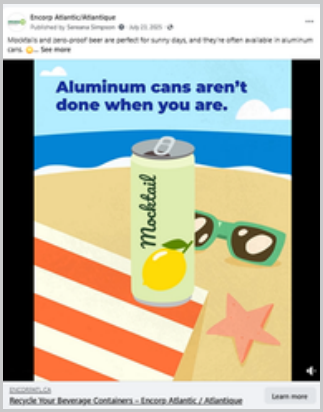


BCRNC NATIONAL CAMPAIGN

Encorp is part of the BCRNC, which unites recycling affiliates across Canada. The network's communications committee collaborates on national marketing campaigns to address key recycling issues through public education. In 2025, Encorp shared a mix of BCRNC-created ads debunking plastic recycling myths and new content promoting aluminum and carton recycling.







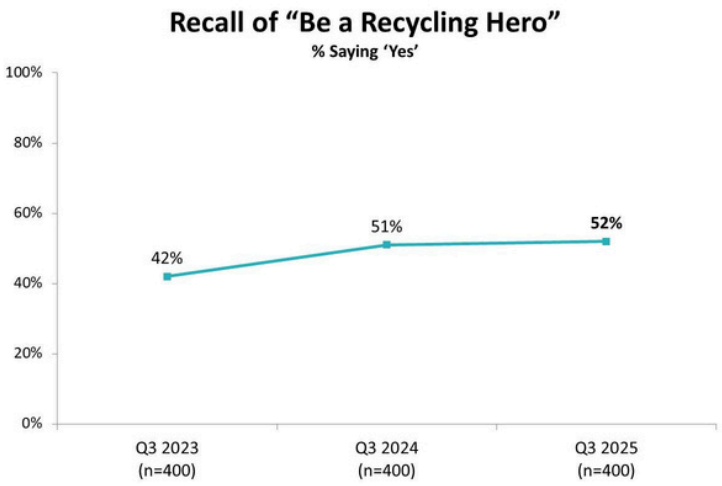
COMMUNICATIONS

RECYCLING HERO SPECIAL PROGRAMMING

"*Recycling Hero*" is a public outreach and education strategy Encorp uses with the intent of improving UBC recovery rates in NB by encouraging pro-recycling and anti-littering behaviour in public spaces.

Throughout the spring, summer and fall of 2025, *Recycling Hero* ads and related social media content generated more than 2.3 million digital impressions and over 32 thousand engagements (1.4% engagement rate).

Research conducted by Narrative Research shows *Recycling Hero* messaging achieved 52% awareness, increased from 51% in 2024.



Q.EA1: In the past year, do you recall seeing or hearing any advertisements, activities or events that promote the recycling of beverage containers instead of discarding them as litter? These would have encouraged you to "Be a Recycling Hero."
Note: Slight change of question wording from Q3 2023. Telephone results.

RECYCLING HERO ADS

Encorp ran *Recycling Hero* ads on social media during the spring and summer of 2025 to remind NBers to keep the province's beautiful outdoor spaces litter-free and recycle empty beverage containers while out and about.





COMMUNITY CLEANUP GRANTS

Each spring, Encorp offers community cleanup grants to *Recycling Heroes*, which include schools and community groups. These grants support the organization of beach sweeps, park cleanups, and other public outdoor space cleanups. Encorp connects each grant recipient with a local RC to ensure that deposit-bearing beverage containers collected during the event are returned for recycling. In 2025, Encorp awarded community cleanup grants to 40 recipients (a full list of recipients can be found on Encorp's website).



COMMUNICATIONS

RECYCLING HEROES IN SCHOOL PROGRAM

Encorp's *Recycling Heroes in School* program partners public schools in NB with local RCs to help them collect and return deposit-bearing beverage containers for recycling. Schools receive some funding, recycling bins, educational posters, and fun *Recycling Hero* promotional items for students. At the end of each school year, top-performing schools are rewarded to encourage competition and motivate schools to collect and return as many UBCs as possible, including through community bottle drives.

At the start of 2025, there were 82 schools participating in the program. Throughout the winter semester (January – June 2025), 13 schools joined the program, resulting in 95 schools participating in the program by the end of the 2024-2025 school year.

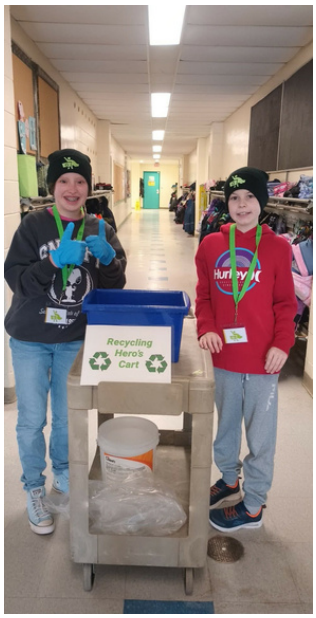
In the fall of 2025, the *Recycling Heroes in School* program entered its third year. Most participating schools continued to be involved, and Encorp enrolled 22 new schools. By the end of 2025, 100 schools were active participants in the program.

To help boost recruitment, Encorp partnered with The Gaia Project to promote the program as a resource for schools that wish to reduce waste. For example, schools participating in The Gaia Project's *Trash Trackers* initiative are encouraged to contact Encorp to set up beverage container recycling if they wish to use it to reduce their overall waste. During the first half of 2025, Encorp also worked with The Gaia Project to create a joint classroom lesson plan on beverage container recycling. This lesson plan launched in October 2025, and was downloaded by 20 schools, reaching over 800 students in NB.

While Encorp's school program is intended to help boost UBC collection all over the province, it can be particularly useful in boosting UBC collection in remote and rural areas. Each participating school receives a $300 annual stipend to help cover costs like recycling supplies (gloves, bags, etc.) or transportation to the nearest RC, reducing barriers to recycling for all schools, but especially those that are further away from RCs.









COMMUNICATIONS

RECYCLING HERO COMMUNITY EVENTS SPONSORSHIPS

As part of an events sponsorship program, Encorp is able to provide UBC collection tools and supplies directly to event organizers across the province who want to be *Recycling Heroes* by ensuring that beverage containers from their events are collected on-site. Available supplies include “Re-Bins” (large outdoor UBC collection bins) and large a-frame signs.

In 2025, Encorp began supplying RCs across the province with these UBC collection supplies so that they may store these at their facilities and lend them to event organizers in their respective communities. A handout was developed and provided to RCs to give to event organizers when lending supplies.







APPENDIX A

BRAND OWNERS

In 2025, Encorp was the designated PRO to 269 beverage industry brand owners for the EPR BCP.

Acecord Food Group (Legends Haul)
Acklands-Grainger Inc.
Agropur Cooperative
Amazon.com.ca ULC
Amway Canada Corp.
ANBL
Andrew Peller Ltd.
Anne of Green Gables Chocolates Inc.
Aphria Inc.
APO Products Ltd.
AppleManFarms Ltd.
Aquaterra Corp.
Artisan Brewing Co.
Athletic Brewing Co. Canada ULC
Atlantique Nord Innovation Inc.
Aura Whole Foods
Bacardi Canada Inc.
Bagtown Brewing Co. Inc.
Bass Pro Shops Canada ULC
Beam Suntory Canada
Beverage World Inc.
Big 8 Beverages Ltd.
Big Axe Brewery Inc.
Big Fiddle Still
Big Sky Ventures Inc.
Big Spruce Brewing
Big Tide Brewing Co.
Black Fly Beverage Inc.
Black Galley Distilling
Blue Roof Distillers Ltd.
BM Canada Beverage Co. Inc.
Boxing Rock Brewing Co. Ltd.
Brasserie Retro Brewing Inc.
Brasseux d'la Côte
Breakthru Beverages Canada
Brittmar Distributing Inc.
Broue du Païen Inc.
Brust Beverage Co. Ltd.
Bulk Barn Foods Ltd.
Burnside Brewing Co. Ltd.
C. B. Powell Ltd.
C. L. Comeau Co. Ltd.
Campbell Company of Canada
Canada Dry Motts Inc.
Canadian Iceburg Vodka Corp.
Canadian Tire Corp. Ltd.
Canopy Growth Corp.
Capital Foodservice Ltd.
Carroll's Distillery
Cask & Vine Distributors Inc.
Casseroles Cora Inc.
Cave Spring Cellars Partnership Ltd.
Cavok Brewing Co. Ltd.
CDC Foods Inc.
Celtic Knot Brewing
Charton Hobbs Inc.
Christopher Stewart Wine & Spirits Inc.
Cizzle Brands Inc.
Clearly Food & Beverage Co. ULC
Coca-Cola Canada Bottling Ltd.
Coldhaus Direct Inc.
Coldstream Clear Distillery Ltd.
Coopérative Forestière du Nord-Ouest Ltée
Corby Spirit and Wine
Costco Wholesale Canada
Couche-Tard Inc. (Circle K)
Covered Bridge Chips Co. Inc.
Crooked River Distillery Inc.
Cross Creek Brewing Ltd.
Crow and Vine Vineyard Inc.
Danone Inc.
DAVIDs TEA Inc.
Deutsch Family Wine and Spirits
Devil's Keep Distillery
Diageo Canada Inc.
Diamond Estates Wines & Spirits
Distillerie Fils du Roy Inc.
Distribution Missum Inc.
Dole Foods of Canada Co.
Dollar Tree Stores Canada, Inc.
Dollarama L.P.
Downriver Beverage Corp.
Drifter Brew Co. Inc.
Earth's Own Foods Inc.
East Coast Collective Ltd.
Eau de Source Naturelle 83 PPM Inc. / 83PPM Natural
Edelweiss Imports Ltd.
Érablière Denis Côté Inc.
First Light Distillery Inc.
Five Continents International Ltd.
Flying Boats Brewing Co. (Brule Brewing Co.)
Foghorn Brewing Co. Ltd.
Food by Fatou Inc.
Forty Creek Distillery Ltd.
Four Rivers Brewing Co. Ltd.
Franklin Imports Inc.
Gagetown Food & Frementation Inc. (Gagetown Distillery)
Garrison Brewing Co.
General Mills Canada Corp.
Georgian Bay Spirit Co.
Giant Tiger Stores Ltd.
Globefill Inc.
Golden Nest Canada Inc.
Golden Ventures Ltd.
Gordon Food Service Canada Ltd.
Grand Falls Brewing Co. Ltd.
Grand Manan Brewing Co.
Granite Town Farms (2015) Ltd.
Graystone Brewing
Great Canadian Water Co. Ltd.
Greentone Enterprises Inc. (Tidal Health Solutions)
Grimross Brewing Corp.
Groupe Colabor Inc.
Gutsy Carbonated and Fremented Drinks Inc.
Half Cut Brewing Co. Ltd.
Hampton Brewing Co.
Happy Craft Brewing
Happy Knight Wines
Haskap Highland Orchards Ltd.
High Park Holdings Ltd.
Hilary's Salesmaster Inc.
Holy Whale Brewing Corp.
Hop To It Brewing Inc.
I C Shore Halifax Distilling Co.
I-D Foods Corp.
Ideal Protein Co. Inc.
Imperial Dade Canada Inc.
Innovative Beverages Inc.
Johnny Jacks Brewery
Jost Vineyards Ltd.
Karic Sales Ltd.
King West Brewing Co.

APPENDIX A

Kingston Creek Cider
Korea Food Trading Ltd.
Kraft Heinz Canada ULC
Labatt Brewing Co. Ltd.
Lactalis Canada Inc.
Le Groupe Jean Coutu (PJC) Inc.
Les Brasseurs du Petit-Sault Inc.
Les Eaux Naya
Loblaw Inc.
Loose Wire Winery
Luckett Farms Ltd.
Magnetic Hill Winery
Magnotta Winery Corp.
Maison des Futailles (Station 22)
Mama's Brew Pub
Marchands des Ameriques Inc.
Maritime Good Food Inc.
Mark Anthony Group Inc.
Martin Brower of Canada Co.
Matchstick Beer Factory (Gridiron Brewing)
Matt & Steve Tasty Beverage Co.
Maybee Brewing Co. Inc.
McClelland Premium Imports
McConnell-Gordon Estates Ltd.
McKesson Canada Corp.
Mead Johnson Nutrition (Canada) Co.
Metro Richelieu Inc.
Michael Rossy Ltée
Microbrasserie Ateepic
Microbrasserie Houblon-Pêcheur
Molson Canada 2005
Moosehead Breweries Ltd.
Morinda Canada, Co.
MultiBulles Inc.
Murphy Investments Ltd. (PEI Brewing Co.)
MXM Beverages Ltd. (Nude Beverages)
Nestle Canada Inc.
New Maritime Beer Co.
Nikol Poulin Inc. (NPI Group)
Nine Locks Brewing
Northampton Brewing Co. Ltd.
Noteworthy Brewing Co. Inc.
Novum Boreas Microbrasserie Inc.
O.G. Ales Inc.
Oak Bay Investments Ltd (Tuddenham Farms Ltd.)
Ocean Spray International Inc.
O'Creek Brewing Co.
Ole Foggy Distillery Ltd.
Peak Processing Solutions
Pelee Island Winery & Vineyards Inc.
Petar Vasilev
Pharmasave Drugs (National) Ltd.
PMA Canada
Premier Brands, Ltd.
Premium Near Beer Ltd. (Partake Brewing)
Pump House Brewery Ltd.
Puresource Corp.
Quails' Gate Vineyards Estate Winery Ltd.
Red Apple Stores ULC
Red Bank Whiskey
Red Rover Brewing Co. Ltd.
Remedy Drinks Canada Inc.
Richibucto River Wine Estates
Rivers Edge Lemonade
Rona Inc.
Rose Life Science Inc.
Rviita Inc.
Saint Andrews Brewing Co. Inc.
Saputo Produits Laitiers Canada s.e.n.c
Sazerac Distillers of Canada, Inc.
Scoop & Save Ltd.
Select Wine Merchants Ltd.
Shoppers Drug Mart
Sleemans Breweries
Snowfox Vodka
Sobeys Capital Inc.
Southern Glazer's Wine and Spirits of Canada, LLC
Springbrook Cranberry Inc.
Star Marketing East Ltd.
Steam Whistle Brewing Inc.
Sunset Heights Meadery
Sussex Ale Works Inc.
Sussex Craft Distillery
Sysco Atlantic
Tambucha
Tatamagouche Brewing Co.
Temple Lifestyle
TFB & Associates Ltd.
Thai Indochine Trading Inc.
The Brew D'La Baie
The Cap
The John Allen Brewing Co. Ltd. (The Propeller Brewing Co.)
The Minute Maid Company Canada Inc.
The Pepsi Bottling Group (Canada), ULC
The TDL Group Corp.
Thomas, Large & Singer Inc.
Three Dog Distilling Co. Ltd.
Three Sons Brewing Inc.
Tide & Boar Brewing Inc.
Tiffany's Table Inc.
Timber Ship Brewing
Tire Shack Brewing
Tobique River Trading Co.
Trailway Brewing Co. Inc.
Tree of Life Canada
Triton Water Canada Holdings, Inc.
Tropicana Beverages Canada ULC
Twin Harbour Brewing
Underground Brews Ltd.
UNFI Canada
Union Brewing
Verger Belliveau Orchard Ltd.
Victoria Distillers Inc.
Vinerie DesFruits Winery
Vins Arterra Canada Inc.
Walmart Canada Corp.
Ward Foods Ltd.
Wasted Day Brewing Inc.
Waterside Farms Cottage Winery
Wellness Natural Inc.
West Coast Wine Partners LLC
Winegarden Estates Ltd.
Wm. Bolthouse Farms, Inc.
Work Water Inc.
Wrought Iron Brewing Co. (Good Robot Brewing Co.)
Yip Cider Inc.
Yoplait Liberte Canada Co.
York Country Cider Corp.
Young and Young Trading Co. Ltd.
Young Living Canada ULC
ZOA Energy Canada Corp.

APPENDIX A

BRAND OWNERS WITH DEPOSIT-BEARING BEVERAGE PRODUCTS PACKAGED IN REFILLABLE GLASS CONTAINERS

Encorp's agreements with the following brand owners (6 in total) to act as their designated PRO for the EPR BCP include details related to treating their industry standard bottles (ISBs) or proprietary bottles as refillables. The collection, transportation and processing of all refillable beer bottles in NB was managed under Encorp by these Beer Canada member brewers through a collaborative effort led by Labatt Brewing Company, Molson Coors and Moosehead Breweries.



INDUSTRY STANDARD BOTTLE (ISB)

GARRISON BREWING CO.
- Irish Red
- Tall Ship

LABATT BREWING CO.
- Budweiser
- Bud Light
- Keiths
- Labatt Blue
- Michelob Ultra
- Oland Schooner

MOLSON COORS
- Coors Light
- Coors Original
- Molson Canadian
- Miller Lite
- Molson Ultra
- Rickard's Red
- Rickard's Taster Pack

MOOSEHEAD BREWERIES LTD.
- Alpine Lager
- James Ready
- Moosehead Lite
- Moosehead Premium Dry

PROPELLER BREWING CO.
- Propeller IPA



PROPRIETARY BOTTLE (GREEN)

MOOSEHEAD BREWERIES LTD.
- Moosehead Lager



PROPRIETARY BOTTLE (CLEAR)

SLEEMAN BREWERIES
- Sleeman Clear

MOLSON COORS
- Miller Genuine Draft

LABATT BREWING CO.
- Corona Extra
- Corona Sunbrew

APPENDIX B

REDEMPTION CENTRES

CENTRE #	NAME	ADDRESS	CITY/TOWN
BC01-04	Dépot Recyclage	276 Industriel St.	Tracadie
BC01-10	Centre de Remboursement Inkerman	1207 Route 113	Inkerman
BC01-11	Recyclage Peninsule Ltée	717 Des Acadiens Blvd.	Bertrand
BC01-12	Centre de remboursement Shippagan les Îles Inc.	4008 Route 113	Savoy-Landing
BC01-13	Recyclage Caraquet	34 Industriel Blvd.	Caraquet
BC02-01	Vail's Bottle Exchange	522 Main St.	Woodstock
BC02-02	Gilbert M. Rioux Et Fils Ltd.	53 Beaulieu St.	Grand Falls
BC02-04	Comm.Ind.Employment Vocational Assoc. (CIEVA)	113 Moffat St. Ind. Park	Woodstock
BC02-06	Mapleview Redemption Centre	184 Route 385	Weaver
BC02-07	Crain's Bottle Depot	332 Main St.	Bath
BC02-09	MCL Redemption Center	36 Gulch Rd	Perth-Andover
BC03-04	Cole's Redemption Center	2770 Route 3	Harvey York
BC03-16	Charlotte County Can & Bottle Ltd.	48 Progress Dr.	St. Stephen
BC03-19	Municipal Solid Waste	9 Curling Club Rd.	Grand Manan
BC03-25	Charlotte County Can & Bottle Ltd.	109 Main St.	St. George
BC04-02	Cocagne Variety Ltd.	4702 Route 134	Cocagne
BC04-07	Savoie's Recycling Centre	7 Corporation St.	Bouctouche
BC04-11	St. Antoine Bottle Exchange	4590 Principale St.	St. Antoine
BC04-12	K & R Bottle Exchange Ltd.	109 Main St.	Rexton
BC04-13	Elsipogtog Redemption Centre	5-35 Big Cove Rd.	Elsipogtog
BC04-14	Beaurivage Recycling	10342 Route 134	Portage St-Louis
BC05-03	Norrad's Bottle Exchange	40 Albert St.	Sussex
BC06-09	Denton's Bottle Exchange	1 Logue Rd.	Minto
BC06-26	Northside Redemption Centre	213 MacFarlane St.	Fredericton
BC06-27	Southside Redemption Centre	70 Timothy Ave.	Hanwell
BC06-28	Tri-R Redemption Centre	16 Lewis St.	Oromocto
BC06-30	Crain's Bottle Depot	78 Rideout Rd.	Lower Brighton
BC06-31	Brooks Redemption Center	496 Campbell Settlement Rd.	Nackawic
BC06-33	Best Metals	320 Wilsey Rd.	Fredericton
BC06-34	Sully's Bottle Depot	264 Bridge St.	Chipman
BC06-35	Lakeland Industries	2270 Route 4	Saint Croix
BC07-13	Fundy Redemption Centre	18 Egbert St.	Saint John
BC07-21	Pub's Bottle Exchange	346 Rothesay Ave.	Saint John
BC07-25	Valley Redemption Centre	1 Market St.	Quispamsis

APPENDIX B

CENTRE #	NAME	ADDRESS	CITY/TOWN
BC07-26	Airport General Store	4105 Loch Lomond Rd.	Saint John
BC07-28	Grand Bay Redemption Centre	301 Highland Rd.	Grand Bay - Westfield
BC07-29	Golden Mile Redemption Centre	35 Linton Rd.	Saint John
BC07-31	Hampton Recycling Centre	405 William Bell Dr.	Hampton
BC08-01	Maurice Thibodeau Redemption Centre	13790 Route 144	Rivière-Verte
BC08-02	J & L Warehousing Inc.	500 De L'Acadie Blvd.	Edmundston
BC08-03	Atelier Des Copains Co-Op Ltée.	1710 Route 205 East	St Francois-De-Madawaska
BC09-01	Atlantic Bottle Exchange and Salvage Centre	560 Evangeline Dr.	Bathurst
BC09-05	Recyclage Chaleur	571 De L'industrie St.	Petit Rocher
BC09-07	Miramichi City Surplus	5653 Route 108 Hwy	Derby Junction
BC09-12	AIM Recycling Bathurst	2080 Industrial Dr.	Bathurst
BC09-13	Recyclage Beresford Recycling (2022) Ltée	709 Usine St.	Beresford
BC10-01	Hebert's Bottle Exchange & Scrap Metal Ltd.	293 Wellington St.	Miramichi
BC10-12	Porter's Bottle Exchange	5 Nelson Hollow Dr.	Doaktown
BC10-19	Pai-Can Recyclers	41 South Cains River Rd.	Blackville
BC10-21	Dépaneur Fairisle	1071 Route 445	Fairisle
BC10-23	TD Recycling 2018	451 Eel River Rd.	Baie-Sainte-Anne
BC10-24	Miramichi City Bottle Depot	303 King George Hwy	Miramichi
BC10-25	Centre de recyclage COOP	28 Boucher St.	Rogersville
BC11-13	Billy's Bottle Exchange	524 Darlington Dr.	Dalhousie
BC11-15	Centre de Remboursement SAMJ Inc.	6416 Route 17	Saint-Quentin
BC11-17	Billy's Bottle Exchange	15C Boom Ln.	Atholville
BC12-06	Wheaton's All-In-One	13 Industrial Dr.	Sackville
BC12-08	Gorber's Bottle Exchange Ltd.	216 High St.	Moncton
BC12-22	Riverview Bottle Exchange Inc.	605 Pine Glen Rd.	Riverview
BC12-24	Horsman Bottle Exchange Inc.	3493 NB-106	Salisbury West
BC12-25	Memramcook Redemption Centre	280 Old Shediac Rd.	Memramcook
BC12-26	Valley Glass Recycling Ltd.	665 Babin St.	Dieppe
BC12-30	Valley Redemption Centre Inc.	79 Toombs St.	Moncton
BC12-31	Valley Redemption Centre Inc.	323 Collishaw St.	Moncton
BC12-32	Shediac Redeem Centre & Supplies Ltd.	610 Main St.	Shediac
BC12-34	Acadia Bottle Exchange	2565 Route Acadie Rd.	Cap-Pelé
BC12-37	East Main Market	77 E. Main St.	Port Elgin
BC12-38	Hillsborough Bottle Depot	2995 Main St.	Hillsborough

APPENDIX C

CONTRACTED SERVICE PROVIDERS

COLLECTION, TRANSPORTATION, & PROCESSING
(NON-GLASS MATERIALS)
Hebert's Recycling, Miramichi, NB

COLLECTION, TRANSPORTATION, & PROCESSING
(NON-REFILLABLE GLASS MATERIALS)
Rayan Environmental Solutions, Moncton, NB

COLLECTION, TRANSPORTATION & PROCESSING
(REFILLABLE GLASS MATERIALS & PACKAGING)
O.C. Maillet Transport, Bouctouche, NB
Armour Transportation Systems, Moncton. NB

QA/QC & STATISTICAL MONITORING
Hebert's Recycling, Miramichi, NB
Rayan Environmental Solutions, Moncton, NB
Atlantic Statistical Analysis, Dieppe, NB

FINANCES & AUDITS
KPMG, Moncton, NB

RESEARCH
Narrative Research, Halifax, NS (Branch in NB led by Craig Wight, Managing Director)
AppEco Inc., Montreal, QC

APPENDIX D

END MARKETS

ALUMINUM

Shupan, Kalamazoo, MI

PET (NON-ALCOHOL) / HDPE TRANSLUCENT + PET (ALCOHOL)

Evergreen, Amherst, NS

NON-REFILLABLE GLASS (GREEN, CLEAR & BROWN)

Rayan Environmental Solutions, Moncton, NB

REFILLABLE GLASS (BEER)

Industry-standard bottles (ISBs) were sent for cleaning and reuse to:

- The Moosehead brewery in Saint John, NB
- The Oland brewery in Halifax, NS
- The Molson Coors Canada brewery in Toronto, ON
- The Molson Coors brewery in Montreal, QC

Proprietary Sleeman refillable clear glass bottles were sent to Sleeman's brewery in Guelph, ON.

Proprietary Molson Coors refillable clear glass bottles were sent to Molson Coors Canada's brewery in Toronto, ON.

Proprietary Labatt clear bottles were sent to the Oland Brewery in Halifax, NS.

Proprietary Moosehead green refillable bottles were sent to Moosehead's brewery in Saint John, NB.

Broken glass resulting from or related to the transportation and processing of refillable glass containers was sent to Rayan Environmental Solutions, Moncton, NB or out-of-province glass recycling facilities.

CARTONS (POLYCOAT CONTAINERS & WINE BOXES)

Scotia Recycling, Dartmouth, NS

STEEL

Scotia Recycling, Dartmouth, NS

PLASTICS (OTHER) / POUCHES

Evergreen, Amherst, NS

PACKAGING (BOXES) FOR REFILLABLE GLASS

Scotia Recycling Ltd., Kentville, NS

D R Recycling, Moncton, NB

2M Resources, Saint-Jean-sur-Richelieu, QC

Baleforce, Milton, ON

BULK BAGS (USED)

Fundy Plastics, Pennfield, NB

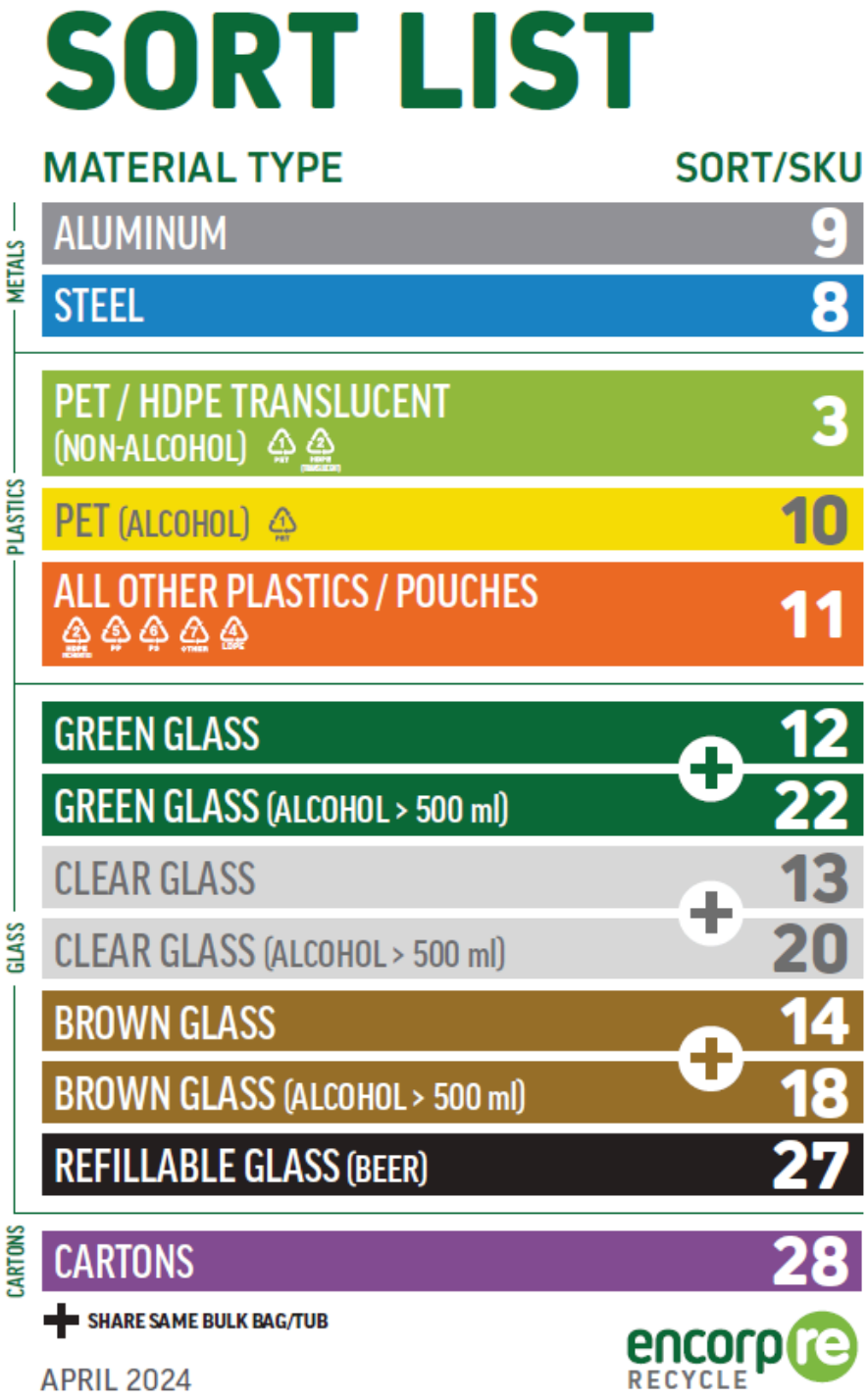
Lafarge, Brookfield, NS

Island Waste, Charlottetown, PEI

APPENDIX E

MATERIALS SORT LIST

Below is the materials Sort List provided by Encorp to RCs instructing them on how to sort returned UBCs.



APPENDIX F

45(1) On or before May 31 in each year, a producer shall submit an annual report to the stewardship board detailing the effectiveness of the stewardship plan during the previous calendar year, which shall include:

(i) the annual financial statements, as prepared by an independent auditor, of the revenues received and the expenditures incurred in connection with the stewardship plan.

AUDITED FINANCIAL STATEMENTS

Financial Statements of

ENCORP ATLANTIC /
ENCORP ATLANTIQUE

And Independent Auditor's Report thereon

Year ended December 31, 2025

KPMG LLP
774 Main Street, Suite 600, PO Box 827
Moncton, NB E1C 8N6
Canada
Telephone 506 856 4400
Fax 506 856 4499

INDEPENDENT AUDITOR'S REPORT

To the Members of Encorp Atlantic / Encorp Atlantique

Opinion

We have audited the financial statements of Encorp Atlantic / Encorp Atlantique (the Entity), which comprise:

- the statement of financial position as at December 31, 2025
- 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 notes to the financial statements, including a summary of significant accounting policies

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

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2025, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the ***"Auditor's Responsibilities for the Audit of the Financial Statements"*** section of our auditor's report.

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

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

KPMG LLP, an Ontario limited liability partnership and member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. KPMG Canada provides services to KPMG LLP.

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.

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

Those charged with governance are responsible for overseeing the Entity’s financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

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

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 Entity'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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Chartered Professional Accountants

Moncton, Canada

May 25, 2026

ENCORP ATLANTIC / ENCORP ATLANTIQUE

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Statement of Operations 2

Statement of Changes in Net Assets 3

Statement of Cash Flows 4

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ENCORP ATLANTIC / ENCORP ATLANTIQUE

Statement of Financial Position

December 31, 2025, with comparative information for 2024

	2025	2024
Assets		
Current assets:		
Cash and cash equivalents	$ 14,898,159	$ 7,636,738
Restricted cash and cash equivalents (note 2)	240,853	240,853
Accounts receivable (note 3)	6,602,876	6,059,900
Inventories	125,261	199,354
Prepaid expenses	238,695	145,361
	22,105,844	14,282,206
Capital assets (note 4)	484,102	814,788
	$ 22,589,946	$ 15,096,994
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities	$ 2,272,255	$ 729,477
Security deposits (note 5)	201,325	205,853
Deferred revenue	8,759,499	9,048,651
	11,233,079	9,983,981
Net assets	11,356,867	5,113,013
Commitments and contingencies (note 7)		
	$ 22,589,946	$ 15,096,994

See accompanying notes to financial statements.

On behalf of the Board:

Neil Antymis, Director

Douglas Mander, Director

ENCORP ATLANTIC / ENCORP ATLANTIQUE

Statement of Operations

Year ended December 31, 2025, with comparative information for 2024

	2025	2024
Revenue:		
Deposits on containers	$ 48,771,127	$ 46,479,507
Container recycling fees	12,490,272	6,710,580
Deposits refunded	(37,429,392)	(33,921,463)
	23,832,007	19,268,624
Sale of recyclable materials	12,545,117	8,302,755
Other income (note 6)	1,359,930	1,568,094
	37,737,054	29,139,473
Operating expenses:		
Service fees	20,826,370	19,043,142
Transportation and processing	5,860,421	5,562,865
Field expenses	372,499	104,585
	27,059,290	24,710,592
Other expenses:		
Administrative	3,063,583	2,950,279
Amortization	403,120	355,058
Business development	335,907	637,093
Recycle NB	631,300	631,300
	31,493,200	29,284,322
Excess (deficiency) of revenue over expenses	$ 6,243,854	$ (144,849)

See accompanying notes to financial statements.

ENCORP ATLANTIC / ENCORP ATLANTIQUE

Statement of Changes in Net Assets

Year ended December 31, 2025, with comparative information for 2024

	Investment in capital assets	Unrestricted	2025	2024
Balance, beginning of year	$ 814,788	$ 4,298,225	$ 5,113,013	$ 5,257,862
Excess (deficiency) of revenue over expenses	(403,120)	6,646,974	6,243,854	(144,849)
Purchase of capital assets	72,434	(72,434)	–	–
Balance, end of year	$ 484,102	$ 10,872,765	$ 11,356,867	$ 5,113,013

See accompanying notes to financial statements.

ENCORP ATLANTIC / ENCORP ATLANTIQUE

Statement of Cash Flows

Year ended December 31, 2025, with comparative information for 2024

	2025	2024
Cash provided by (used in):		
Operating activities:		
Excess (deficiency) of revenue over expenses	$ 6,243,854	$ (144,849)
Item not affecting cash:		
Amortization	403,120	355,058
Loss on disposal of capital assets	–	498
Change in non-cash operating working capital:		
Accounts receivable	(542,976)	(1,193,072)
Inventories	74,093	(117,211)
Prepaid expenses	(93,334)	(66,111)
Accounts payable and accrued liabilities	1,542,778	(375,642)
Security deposits	(4,528)	(208,715)
Deferred revenue	(289,152)	2,226,868
	7,333,855	476,824
Investing activities:		
Restricted cash and cash equivalents	–	208,715
Purchase of capital assets	(72,434)	(153,868)
	(72,434)	54,847
Increase in cash and cash equivalents	7,261,421	531,671
Cash and cash equivalents, beginning of year	7,636,738	7,105,067
Cash and cash equivalents, end of year	$ 14,898,159	$ 7,636,738

See accompanying notes to financial statements.

Encorp Atlantic / Encorp Atlantique (the “Organization”) is incorporated as a not-for-profit under the laws of the Canada Not-for-Profit Act. The Organization is exempt from income taxes provided certain requirements of the Income Tax Act are met and carries on its operations without monetary gain to its members. The Organization operates under the Designated Materials Regulation under the Clean Environment Act as the producer responsibility organization responsible for managing all designated used beverage containers on behalf of brand owners (formerly "beverage distributors"). Recycle New Brunswick approved the Organization's Stewardship Plan in effect as of April 1, 2024.

1. Significant accounting policies:

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations (“ASNPO”). The Organization's significant accounting policies are as follows:

(a) Cash and cash equivalents:

Cash and cash equivalents consist of cash and term deposits which are highly liquid, net of cheques issued and outstanding at the reporting date.

(b) Inventories:

Materials inventories consist of processed beverage containers materials, which are valued at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the normal course of business, less the estimated cost to make the sale. Cost is defined as average cost.

(c) Capital assets:

Capital assets are stated at cost less accumulated amortization. Amortization is assigned when the asset is available for use. Amortization is provided using the following methods and annual rates:

Asset	Basis	Rate
Bulk containers	Straight line	20%
Office equipment	Straight line	20%
Field equipment	Straight line	20%
Computer equipment and software	Straight line	20%
Leasehold improvements	Straight line	20%
Vehicles	Straight line	20%

1. Significant accounting policies (continued):

(c) Capital assets (continued):

Capital assets are tested for recoverability whenever events or changes in circumstances indicate that the asset no longer has any long-term service potential to the Organization. An impairment loss is recognized when the asset's carrying amount is not recoverable and exceeds its fair value.

(d) Deferred revenue:

Deferred revenue consists of deposits and container recycling fees on containers yet to be returned for redemption and recycling. Deposits and container recycling fees are categorized as deferred revenue for a period of sixty days.

(e) Financial instruments:

The Organization’s financial instruments consists of cash and cash equivalents, restricted cash and cash equivalents, accounts receivable, accounts payables and accrued liabilities and security deposits.

Financial instruments are recorded at fair value on initial recognition. Subsequent to initial recognition financial instruments are measured at cost or amortized cost unless management has elected to carry the instruments at fair value. The Organization has not elected to carry any such financial instruments at fair value.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Organization determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying amount of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Organization expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

(f) Revenue recognition:

Deposits and container recycling fees on all non-refillable deposit bearing containers are received from registered brand owners (formerly "beverage distributors") on each container sold in the province of New Brunswick. The Organization records revenue on an accrual basis as services are provided in relation to its obligations under the Stewardship Plan.

The Organization earns management service income from providing management services for the Prince Edward Island and Nova Scotia beverage container programs. Additionally, the Organization manages the refillable beer containers and revenue is recognized in accordance with the terms of these brand owner agreements when services are provided.

1. Significant accounting policies (continued):

(f) Revenue recognition (continued):

Revenues from the sale of materials are recognized when the materials are shipped and the customer takes ownership and assumes risk of loss, collection of the relevant receivable is probable, persuasive evidence of an arrangement exists and the sales price is fixed or determinable.

(g) Foreign currency translation:

Monetary assets and liabilities denominated in foreign currencies are translated at the prevailing rates of exchange at the balance sheet date. Revenue and expenses are translated at the exchange rates prevailing on the transaction date. Realized and unrealized exchange gains and losses are included in earnings.

(h) Cloud computing arrangements:

All expenditures relating to its cloud computing arrangements are treated as a supply of services. During the year, $69,200 (2024 - $21,659) has been expensed in relation to cloud computing arrangements.

(i) Use of estimates:

The preparation of financial statements 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 revenues and expenses during the year. Significant items subject to such estimates and assumptions include the useful lives of depreciable assets and the period for which containers are returned for refund. Actual results could differ from those estimates.

(j) Change in amortization method and rates:

Effective January 1, 2025, the Organization revised the amortization methods and rates used for certain capital assets to better reflect the pattern in which the related service potential is consumed. Previously, some assets were amortized using the declining balance method at various rates; under the revised policy, those assets are amortized on a straight-line basis over their estimated useful lives. Management determined that this change provides more relevant and reliable financial information. The change has been applied prospectively, as it represents a change in accounting estimate arising from improved information, and did not have a material impact on the financial statements.

2. Restricted cash and cash equivalents:

	2025	2024
Restricted cash and cash equivalents consist of (notes 5 and 7):		
Cash	$ 5,853	$ 5,853
Term deposits	235,000	235,000
	$ 240,853	$ 240,853

3. Accounts receivable:

	2025	2024
Deposits and container recycling fees	$ 4,507,059	$ 4,831,177
Trade accounts	798,441	811,890
Harmonized sales taxes recoverable	1,297,376	329,261
Other	–	87,572
	$ 6,602,876	$ 6,059,900

4. Capital assets:

			2025	2024
	Cost	Accumulated amortization	Net book value	Net book value
Bulk containers	$ 24,584	$ 11,171	$ 13,413	$ 72,168
Office equipment	–	–	–	44,186
Field equipment	706,962	307,580	399,382	471,260
Computer equipment and software	–	–	–	113,599
Leasehold improvements	96,493	25,186	71,307	82,584
Vehicles	–	–	–	30,991
	$ 828,039	$ 343,937	$ 484,102	$ 814,788

5. Security deposits:

Distributor:

When former distributors appointed the Organization as their agent, they were required to deposit a predetermined amount with the Organization as security for their performance of all the terms and conditions of the distributor agreement. Upon termination of the agreement and providing that the distributor has met all terms and conditions of the agreement, the security deposit is refundable to the distributor without interest. The security deposits are included in restricted cash and cash equivalents.

Supplier:

As part of the transport and service agreements, the service provider is required to deposit an amount of $200,000 with the Organization as security for their performance of the terms and conditions of the agreements. Upon termination of the agreements and providing the terms and conditions of the agreements have been met, the deposit is refundable with interest earned.

The deposit is held in a term deposit and is included in restricted cash and cash equivalents.

	2025	2024
Distributor	$ 1,325	$ 5,853
Supplier	200,000	200,000
	$ 201,325	$ 205,853

6. Other income:

	2025	2024
Management services	$ 1,140,457	$ 1,086,589
Interest	233,699	379,892
Gain (loss) on exchange	(77,557)	47,520
Other	63,331	54,093
	$ 1,359,930	$ 1,568,094

7. Commitments and contingencies:

The Organization rents premises under an operating lease that expires July 31, 2028. The lease is comprised of a minimum base rent portion (net lease) and an additional rent portion based on allocating a proportionate share of operating expenses.

Annual repayments are as follows:

	Base rent	Additional estimated rent	Total
2026	$ 37,212	$ 30,922	$ 68,134
2027	37,904	31,540	69,444
2028	22,466	18,723	41,189

The Organization has placed cash in a $35,000 term deposit to secure a credit facility for corporate credit cards with its existing financial institution. This amount is included in the restricted cash and cash equivalents.

8. Financial risks:

(a) Foreign currency risk:

The Organization is exposed to financial risks as a result of exchange rate fluctuations and the volatility of these rates. In the normal course of business, the Organization sells materials denominated in U.S. dollars. The Organization does not currently enter forward contracts to mitigate this risk.

(b) Credit risk:

Credit risk refers to the risk that a counterparty may default on its obligations resulting in financial loss. The Organization is exposed to credit risk on its cash and cash equivalents, and accounts receivable. The Organization maintains its cash and cash equivalents with a major, reputable financial institution. Accounts receivable consist of amounts outstanding from distributors and material markets. The Organization mitigates the risk by monitoring the aging of the receivable of the counterparties.

(c) Liquidity risk:

Liquidity risk is the risk that the organization will encounter difficulty in meeting obligations associated with financial liabilities. The Organization is exposed to this risk mainly in respect of its accounts payable and accrued liabilities as of December 31, 2025. The Organization monitors cash balances and cash flow requirements from operations to mitigate this risk.

8. Financial risks (continued):

(d) Market risk:

Market risk arises when changes in an underlying market rate, such as commodity prices, may adversely impact future cash flow. The Organization's sales of materials are derived from the sale of processed beverage containers, which are subject to fluctuations in market prices for aluminum and polyethylene terephthalate (PET).