

2015

ANNUAL REPORT




MMSM
Multi-Material
Stewardship Manitoba
INDUSTRY FUNDING RECYCLING

TABLE OF CONTENTS

| | |
|--------------------------------------|----|
| Who is MMSM | 3 |
| Message from the Chair of the Board | 4 |
| Message from the Executive Director | 5 |
| Municipal Services | 6 |
| Municipal Partners | 9 |
| Continuous Improvement Program | 13 |
| Communications | 14 |
| Promotion and Education | 14 |
| School Programs | 16 |
| Post-Secondary Education Institutes | 17 |
| First Nations and Remote Communities | 18 |
| Plastic Bag Reduction Program | 20 |
| Material Recovery Rates | 24 |
| Steward Services | 25 |
| Steward Compliance | 26 |
| Auditors Report | 28 |
| Audited Financial Statements | 29 |
| Board of Directors | 35 |

MULTI-MATERIAL STEWARDSHIP MANITOBA INC.

Founded in 2010, Multi-Material Stewardship Manitoba Inc. (MMSM) is the not-for-profit, industry-funded organization that develops, implements and operates the province's residential recycling programs for packaging and printed paper.

MMSM works on behalf of the manufacturers, retailers and other organizations that supply packaging and printed paper to Manitobans. These businesses pay fees on the materials to MMSM, which are used to reimburse municipalities for 80% of the net cost of the residential recycling system.

Bringing together the businesses helping to finance recycling services, the consumers that diligently recycle their used items, and municipal partners that collect and process recyclables, MMSM is helping to ensure that as much recyclable waste as possible is captured efficiently and does not end up in landfill.

MMSM continues to work towards its goal of promoting the reduction, reuse and recycling of the materials managed in its program.

Governed by a board of directors of eight industry and two unrelated independent directors, the board provides valuable input and governance to the organization, and consists of representatives from the following sectors:

- Grocers
- Consumer products
- Alcohol and non-alcohol beverages
- Retailers
- Printed paper
- Newspapers
- Restaurants

Industry directors are not compensated by MMSM; the costs associated with their participation on the board are covered by their organizations. The two independent directors are compensated for their time by MMSM.



Message from the Chair of the Board

Neil Antymis



2015 was another great year for printed paper and packaging recycling in Manitoba. The most recent data available, shows that the recovery rate increased by two percentage points to 65%.

Multi-Material Stewardship Manitoba completed its sixth year of operations in 2015. MMSM funds up to 80% of blue box and blue bin recycling throughout Manitoba. But we do much more than simply provide funding to municipalities and I would like to take this opportunity to highlight some of the priorities and accomplishments of MMSM in 2015.

The MMSM Board met in May of 2015 to look at strategic priorities for MMSM over the next three to five years. Three key strategic priorities were adopted. First is a commitment to work with municipalities and other stakeholders to continue to increase the recovery rate of the materials in our program. Second is to work closely with municipalities to provide support and analysis to ensure costs are managed effectively for tax payers and the stewards that fund up to 80% of recycling costs in Manitoba. Third is to continuously improve Board and corporate governance to ensure long term sustainability, integrity and quality of the Multi-Material Stewardship Manitoba program.

MMSM's current program plan, first approved by the Manitoba Government in 2009, expires in 2016. In 2015, MMSM started the groundwork for the process that will take place in 2016. An important part of this process is to gather input from Manitobans, government, municipalities, stewards and other interested stakeholders about the next MMSM program plan.

Fairly allocating the millions of dollars they pay to fund the municipal blue box recycling program is extremely important to stewards. The MMSM Board agreed that the funding formula methodology used since the launch of the program in 2010 needs to be reviewed. MMSM committed to work with other similar programs in Saskatchewan, British Columbia and Ontario, together with Canadian Stewardship Services Alliance our contract service provider, to undertake a comprehensive review of the funding formula. A new methodology and funding formula is expected to be implemented for 2017.

Manitobans can be proud of our collective accomplishments since 2010. Together, we have significantly increased blue box recycling, reduced the number of "single-use" plastic bags and are helping to create a better environment for Manitobans. I look forward to working with the MMSM Board, management, municipalities, government and Manitobans to take printed paper and packaging recycling to the next level.

Neil Antymis
Chair

Message from the Executive Director

Karen Melnychuk



In celebrating MMSM's sixth year of operations, we look back and reflect on the strides we have made over the past 12 months. In this Annual Report, we will highlight the success we have had in the areas of increased recovery, cost containment, promotion and education, technical support and waste reduction initiatives. MMSM developed new programs of which we are extremely proud and created partnerships with new municipalities and organizations.

The Manitoba civic landscape changed in 2015 as 107 municipalities amalgamated into 47 new municipalities. MMSM worked directly with local governments to ensure a smooth transition and merger of recycling data. Pre-amalgamation, MMSM funded 186 municipalities. Post-amalgamation, MMSM now funds 142 municipalities, providing residential recycling services to 94% of Manitobans.

MMSM surveyed its municipal stakeholders as part of our commitment to continuous improvement. Results from the research support the many efforts undertaken by MMSM over the past years and provided insight into where more work is needed. This insight will help MMSM develop communications and programming to address the specific needs of the municipalities we support through funding.

In an effort to assist local governments and consumers on what can go into the blue box, MMSM initiated work on a province wide standardized list of acceptable blue box materials. The standardized list will be implemented in early 2016.

Some things were just meant to be. In 2015, MMSM collaborated with Winnipeg Harvest and launched the Bag it Forward – Plastic Bag Recycling Program. MMSM provided 350 plastic-bag collection bins to Winnipeg Harvest and its partners, and it has arranged for bags that are not suitable for reuse to be properly recycled, diverting them from landfills. This program helps food banks across the province in delivering their services and educates consumers about the alternatives they have when disposing of plastic bags.

Six years have gone very quickly and we have made some great progress. MMSM's successes are the direct result of the support, commitment and enthusiasm of the consumers in this province. Together, we are putting MMSM in a position to thrive as a leader and change-maker in the industry. I would like to thank our Board of Directors for their leadership, and our staff for their energy, hard work and commitment to the organization. With all Manitobans working together to reduce their waste and recycling, the future is very promising.

Sincerely,
Karen Melnychuk
Executive Director, MMSM

MUNICIPAL SERVICES

Working together with Manitoba municipalities

MMSM's Municipal Services Program was introduced April 1, 2010. The overall objectives of the Municipal Services Program are to:

- Promote the reduction, reuse and recycling of designated packaging and printed paper in Manitoba
- Provide stable, long term funding for municipal recycling programs
- Ensure that the cost of handling designated materials is reflected in the steward fees
- Provide research and development to help reduce the uncertainty inherent to recycling markets

The Municipal Services Program allows participating municipalities and local governments, including First Nations, to design their recycling program to meet the specific needs of their community. Recycling programs can be delivered by municipal employees or contracted to private suppliers. Each municipality is responsible for establishing, promoting and maintaining their own recycling services.

**On average,
Manitobans recycled**

73 kg

per person in 2015.



The Municipal Services Program provides municipal participants with:

- Funding for recycling programs through municipal recycling services payments
- Tools and assistance for promoting local recycling programs
- Opportunities for information sharing
- Other programs designed to complement recycling and waste reduction activities
- Technical assistance for improving local recycling programs

MMSM’s Municipal Services Program is an incentive-driven program, which requires that municipalities share the cost of providing recycling services to their communities. Municipal recycling services payments are paid for each metric tonne of eligible material recovered from the residential waste stream. The payment rate is set each year to offset up to 80% of the cost of an efficient and effective collection and processing recycling program. Materials recovered are transported to recycling facilities where they are sorted and sold to end users.

Individual municipal recycling program costs will vary depending on services offered and program efficiencies. Costs above the established payment level are the sole responsibility of the municipality. Payment rates are based on a three year rolling average of the net costs of participating municipalities within specific population categories.

| 2015 MMSM Population Category | Payment Rate/tonne |
|--------------------------------------|---------------------------|
| 0 – 1,000 | \$350.40 |
| 1,001 – 5,000 | \$260.40 |
| 5,001 – 15,000 | \$196.70 |
| City of Brandon | \$196.30 |
| City of Winnipeg | \$113.20 |

MMSM allocated \$12,220,646 in funding to municipalities for the period January 1, 2015 to December 31, 2015.



The following table illustrates the total tonnes recycled by participating municipalities within described regions.

| Region | Population in Participating Municipalities | Total kg Recycled | Average kg Recycled/Capita |
|-------------------------------------|---|--------------------------|-----------------------------------|
| Central West | 23,501 | 1,208,779 | 51.4 |
| East | 85,412 | 5,386,906 | 63.1 |
| Interlake | 63,560 | 4,019,448 | 63.2 |
| North | 33,312 | 2,138,826 | 64.2 |
| North West | 31,726 | 1,590,602 | 50.1 |
| South Central | 89,754 | 5,222,708 | 58.2 |
| South West | 90,011 | 6,277,746 | 69.7 |
| Winnipeg and Area | 722,666 | 56,609,854 | 78.3 |
| Subtotal | 1,139,942 | 82,454,870 | 72.3 |
| Post-Secondary Education Institutes | | 745,484 | |
| Total | 1,139,942 | 83,200,354 | 73.0 |

Table Notes

1. Recovery numbers reported by MMSM include only those materials which are recycled through registered local recycling programs in participating municipalities and are also reported by municipalities. Manitoba has several charity-based organizations and individuals that collect recyclable materials for sale directly to brokers. MMSM has reason to be aware that some beverage containers are taken to Saskatchewan for a deposit refund even though no deposit has been paid on these containers.
2. Materials recovered from Post-Secondary Education Institutions (PSEIs) are based on the 2014/2015 school year and/or calendar year. PSEIs are required to submit an annual report to MMSM to receive funding.
3. Population numbers have been used from the 2011 Census.



MUNICIPAL PARTNERS

| Municipality | Region | Population | 2014 Total kg Reported | 2014 Total kg/ capita | 2015 Total kg Reported | 2015 Total kg/ capita | Percent Change |
|--|---------------|------------|------------------------------|-----------------------------|------------------------------|-----------------------------|-------------------|
| Alexander, R.M. | East | 2,983 | 180,370 | 60.5 | 197,060 | 66.1 | 9% |
| Altona, Town | South Central | 4,088 | 333,080 | 81.5 | 332,290 | 81.3 | 0% |
| Arborg, Town | Interlake | 1,152 | 65,402 | 56.8 | 56,386 | 48.9 | -14% |
| Argyle, R.M. | South Central | 1,071 | 12,950 | 12.1 | 10,640 | 9.9 | -18% |
| Armstrong, R.M. | Interlake | 1,835 | 169,587 | 92.4 | 257,784 | 140.5 | 52% |
| Beausejour, Town | East | 3,126 | 386,340 | 123.6 | 378,370 | 121.0 | -2% |
| Bifrost-Riverton, Municipality * | Interlake | 3,514 | 224,757 | 64.0 | 193,774 | 55.1 | -14% |
| Boissevain-Morton, Municipality * | South West | 2,270 | 206,388 | 90.9 | 203,496 | 89.6 | -1% |
| Brandon, City | South West | 46,061 | 3,890,550 | 84.5 | 3,894,010 | 84.5 | 0% |
| Brenda-Waskada Municipality * | South West | 652 | 9,772 | 15.0 | 15,272 | 23.4 | 56% |
| Brokenhead, R.M. | East | 4,635 | 294,809 | 63.6 | 260,369 | 56.2 | -12% |
| Carberry, Town | South West | 1,669 | 132,300 | 79.3 | 168,320 | 100.9 | 27% |
| Carman, Town | South Central | 3,027 | 352,574 | 116.5 | 363,630 | 120.1 | 3% |
| Cartier, R.M. | Winnipeg | 3,153 | 113,973 | 36.1 | 147,996 | 46.9 | 30% |
| Cartwright-Roblin Municipality * | South Central | 1,240 | 22,595 | 18.2 | 23,983 | 19.3 | 6% |
| Clanwilliam-Erickson, Municipality * | Central West | 901 | 13,268 | 14.7 | 10,128 | 11.2 | -24% |
| Coldwell, R.M. | Interlake | 1,351 | 100,286 | 74.2 | 111,000 | 82.2 | 11% |
| Cornwallis, R.M. | South West | 4,378 | 151,909 | 34.7 | 181,917 | 41.6 | 20% |
| Dauphin, City | North West | 8,251 | 391,945 | 47.5 | 434,700 | 52.7 | 11% |
| Dauphin, R.M. | North West | 2,200 | 274,281 | 124.7 | 231,534 | 105.2 | -16% |
| De Salaberry, R.M. | East | 3,450 | 157,712 | 45.7 | 150,243 | 43.5 | -5% |
| Deloraine-Winchester, R.M. * | South West | 1,485 | 81,254 | 54.7 | 86,926 | 58.5 | 7% |
| Duck Mountain Provincial Park | North West | 100 | 903 | 9.0 | 3,208 | 32.1 | 255% |
| Dufferin, R.M. | South Central | 2,394 | 15,649 | 6.5 | 16,140 | 6.7 | 3% |
| Dunnottar, Village | Interlake | 696 | 52,420 | 75.3 | 60,440 | 86.8 | 15% |
| East St. Paul, R.M. | Winnipeg | 9,046 | 840,970 | 93.0 | 832,540 | 92.0 | -1% |
| Ellice-Archie, R.M. * | Central West | 971 | 6,096 | 6.3 | 8,504 | 8.8 | 39% |
| Elton, R.M. | South West | 1,257 | 49,920 | 39.7 | 54,340 | 43.2 | 9% |
| Emerson-Franklin, Municipality * | East | 2,439 | 115,251 | 47.3 | 109,624 | 44.9 | -5% |
| Ethelbert, Municipality * | North West | 629 | 49,763 | 79.1 | 42,569 | 67.7 | -14% |
| Falcon Lake/Westhawk (WPP) | East | 277 | 90,880 | 328.1 | 97,400 | 351.6 | 7% |
| Fisher, R.M. | Interlake | 1,704 | 89,818 | 52.7 | 157,320 | 92.3 | 75% |
| Flin Flon, City | North | 5,363 | 374,413 | 69.8 | 405,848 | 75.7 | 8% |
| Gilbert Plains Municipality * | North West | 1,623 | 58,067 | 35.8 | 59,769 | 36.8 | 3% |
| Gillam, Town | North | 1,281 | 43,763 | 34.2 | 73,998 | 57.8 | 69% |
| Gimli, R.M. | Interlake | 5,845 | 444,070 | 76.0 | 424,163 | 72.6 | -4% |
| Glenboro-South Cypress, Municipality * | South West | 1,483 | 99,660 | 67.2 | 96,620 | 65.2 | -3% |
| Glenella-Lansdowne, Municipality * | Central West | 1,245 | 10,373 | 8.3 | 9,899 | 8.0 | -5% |
| Grahamdale, R.M. | Interlake | 1,354 | 5,063 | 3.7 | 4,084 | 3.0 | -19% |
| Grandview Municipality * | North West | 1,508 | 72,846 | 48.3 | 87,407 | 58.0 | 20% |

| Municipality | | Region | Population | 2014 Total kg Reported | 2014 Total kg/ capita | 2015 Total kg Reported | 2015 Total kg/ capita | Percent Change |
|--------------------------------------|---|---------------|------------|------------------------------|-----------------------------|------------------------------|-----------------------------|-------------------|
| Grassland, Municipality | * | South West | 1,480 | 49,051 | 33.1 | 47,939 | 32.4 | -2% |
| Grey, R.M. | * | South Central | 2,615 | 159,274 | 60.9 | 161,685 | 61.8 | 2% |
| Hamiota Municipality | * | Central West | 1,288 | 100,456 | 78.0 | 102,610 | 79.7 | 2% |
| Hanover, R.M. | | East | 14,026 | 848,581 | 60.5 | 841,744 | 60.0 | -1% |
| Harrison Park, Municipality | * | Central West | 1,799 | 43,687 | 24.3 | 42,555 | 23.7 | -3% |
| Headingley, R.M. | | Winnipeg | 3,215 | 227,350 | 70.7 | 222,640 | 69.3 | -2% |
| Hecla Grindstone Provincial Park | | Interlake | 124 | 51,510 | 415.4 | 47,876 | 386.1 | -7% |
| Kelsey, R.M. | | North | 2,272 | 162,615 | 71.6 | 152,605 | 67.2 | -6% |
| Killarney – Turtle Mountain | | South West | 3,233 | 282,150 | 87.3 | 289,478 | 89.5 | 3% |
| La Broquerie, R.M. | | East | 5,198 | 213,364 | 41.0 | 207,670 | 40.0 | -3% |
| Lac du Bonnet, R.M. | | East | 2,930 | 175,968 | 60.1 | 167,503 | 57.2 | -5% |
| Lac du Bonnet, Town | | East | 1,328 | 65,707 | 49.5 | 64,487 | 48.6 | -2% |
| Lakeshore, R.M. | * | North West | 1,401 | 57,136 | 40.8 | 62,274 | 44.4 | 9% |
| Leaf Rapids, Town | | North | 453 | 10,839 | 23.9 | 4,004 | 8.8 | -63% |
| Lorne, Municipality | * | South Central | 3,006 | 170,701 | 56.8 | 171,407 | 57.0 | 0% |
| Louise, Municipality | * | South Central | 1,932 | 144,210 | 74.6 | 173,770 | 89.9 | 20% |
| MacDonald, R.M. | | Winnipeg | 6,280 | 405,861 | 64.6 | 427,598 | 68.1 | 5% |
| Matheson Island | | North | 110 | 0 | 0.0 | 2,660 | 24.2 | 0% |
| MB Conservation – Grand Beach | | East | 60 | 26,599 | 443.3 | 32,760 | 546.0 | 23% |
| MB Conservation – Paint Lake | | North | 275 | 25,996 | 94.5 | 27,630 | 100.5 | 6% |
| McCreary, Municipality | * | Central West | 948 | 89,764 | 94.7 | 89,930 | 94.9 | 0% |
| Melita, Town | | South West | 1,069 | 65,439 | 61.2 | 53,241 | 49.8 | -19% |
| Minitonas-Bowsman, Municipality | * | North West | 1,816 | 52,535 | 28.9 | 56,534 | 31.1 | 8% |
| Minnedosa, Town | | Central West | 2,587 | 235,850 | 91.2 | 232,660 | 89.9 | -1% |
| Montcalm, R.M. | | South Central | 1,309 | 60,658 | 46.3 | 57,717 | 44.1 | -5% |
| Morden, City | | South Central | 7,812 | 703,590 | 90.1 | 688,892 | 88.2 | -2% |
| Morris, R.M. | | South Central | 2,999 | 139,514 | 46.5 | 132,703 | 44.2 | -5% |
| Morris, Town | | South Central | 1,797 | 84,922 | 47.3 | 80,776 | 45.0 | -5% |
| Mossey River, R.M. | * | North West | 1,186 | 46,150 | 38.9 | 48,500 | 40.9 | 5% |
| Mountain, R.M. | | North West | 1,104 | 14,524 | 13.2 | 20,178 | 18.3 | 39% |
| Neepawa, Town | | Central West | 3,629 | 289,810 | 79.9 | 324,110 | 89.3 | 12% |
| Niverville, Town | | East | 4,300 | 430,553 | 100.1 | 390,069 | 90.7 | -9% |
| Norfolk Treherne, Municipality | * | South Central | 1,741 | 76,311 | 43.8 | 91,606 | 52.6 | 20% |
| North Cypress-Langford, Municipality | * | South West | 2,627 | 132,780 | 50.5 | 87,090 | 33.2 | -34% |
| North Norfolk, Municipality | * | South Central | 3,762 | 173,876 | 46.2 | 172,119 | 45.8 | -1% |
| Oakland-Wawanesa, Municipality | * | South West | 1,618 | 63,460 | 39.2 | 60,500 | 37.4 | -5% |
| Oakview, R.M. | * | Central West | 1,513 | 28,972 | 19.1 | 34,034 | 22.5 | 17% |
| Opaskwayak Cree Nation | | North | 3,118 | 169,685 | 54.4 | 159,240 | 51.1 | -6% |
| Peguis First Nation | | Interlake | 2,609 | 52,516 | 20.1 | 54,711 | 21.0 | 4% |

| Municipality | | Region | Population | 2014 Total kg Reported | 2014 Total kg/ capita | 2015 Total kg Reported | 2015 Total kg/ capita | Percent Change |
|---------------------------------|---|---------------|------------|------------------------------|-----------------------------|------------------------------|-----------------------------|-------------------|
| Pembina, Municipality | * | South West | 2,369 | 161,040 | 68.0 | 154,230 | 65.1 | -4% |
| Pinawa, L.G.D. | | East | 1,444 | 139,644 | 96.7 | 127,748 | 88.5 | -9% |
| Pine Dock, Town | | North | 100 | 0 | 0.0 | 1,430 | 14.3 | 0% |
| Piney, R.M. | | East | 1,720 | 103,216 | 60.0 | 108,810 | 63.3 | 5% |
| Pipestone, R.M. | | South West | 1,447 | 96,423 | 66.6 | 85,012 | 58.8 | -12% |
| Portage la Prairie, City | | South Central | 12,996 | 884,073 | 68.0 | 921,750 | 70.9 | 4% |
| Portage La Prairie, R.M. | | South Central | 6,525 | 234,307 | 35.9 | 251,105 | 38.5 | 7% |
| Powerview – Pine Falls, Town | | East | 1,314 | 52,037 | 39.6 | 46,414 | 35.3 | -11% |
| Prairie Lakes, R.M. | * | South West | 1,423 | 10,235 | 7.2 | 9,952 | 7.0 | -3% |
| Prairie View Municipality | * | Central West | 2,167 | 60,833 | 28.1 | 85,809 | 39.6 | 41% |
| Reynolds, R.M. | | East | 1,285 | 98,628 | 76.8 | 120,006 | 93.4 | 22% |
| Rhineland, Municipality | * | South Central | 5,772 | 182,604 | 31.6 | 190,391 | 33.0 | 4% |
| Riding Mountain National Park | | Central West | 300 | 4,191 | 14.0 | 4,934 | 16.4 | 18% |
| Ritchot, R.M. | | Winnipeg | 5,478 | 356,980 | 65.2 | 346,000 | 63.2 | -3% |
| Riverdale, Municipality | * | South West | 2,019 | 54,910 | 27.2 | 96,280 | 47.7 | 75% |
| Roblin, Municipality | * | North West | 3,284 | 186,024 | 56.6 | 128,409 | 39.1 | -31% |
| Rockwood, R.M. | | Interlake | 7,964 | 229,826 | 28.9 | 216,087 | 27.1 | -6% |
| Roland, R.M. | | South Central | 1,058 | 34,045 | 32.2 | 35,320 | 33.4 | 4% |
| Rosedale, R.M. | | Central West | 1,627 | 41,270 | 25.4 | 40,280 | 24.8 | -2% |
| Rosburn Municipality | * | South West | 1,046 | 76,529 | 73.2 | 99,590 | 95.2 | 30% |
| Rosser, R.M. | | Winnipeg | 1,352 | 51,861 | 38.4 | 44,230 | 32.7 | -15% |
| Russell Binscarth, Municipality | * | Central West | 2,553 | 129,181 | 50.6 | 117,601 | 46.1 | -9% |
| Selkirk, City | | Interlake | 9,834 | 971,080 | 98.7 | 1,018,209 | 103.5 | 5% |
| Sifton, R.M. | * | South West | 1,172 | 29,669 | 25.3 | 30,259 | 25.8 | 2% |
| Snow Lake, Town | | North | 723 | 13,346 | 18.5 | 11,318 | 15.7 | -15% |
| Souris-Glenwood, Municipality | * | South West | 2,439 | 248,210 | 101.8 | 185,135 | 75.9 | -25% |
| Springfield, R.M. | | Winnipeg | 14,069 | 655,890 | 46.6 | 701,960 | 49.9 | 7% |
| St. Andrews, R.M. | | Interlake | 11,875 | 627,650 | 52.9 | 676,170 | 56.9 | 8% |
| St. Clements, R.M. | | East | 10,505 | 226,791 | 21.6 | 262,130 | 25.0 | 16% |
| St. François-Xavier, R.M. | | Winnipeg | 1,240 | 68,740 | 55.4 | 66,190 | 53.4 | -4% |
| St. Laurent, R.M. | | Interlake | 1,305 | 59,143 | 45.3 | 64,695 | 49.6 | 9% |
| St. Pierre-Jolys, Village | | East | 1,099 | 48,527 | 44.2 | 46,158 | 42.0 | -5% |
| Stanley, R.M. | | South Central | 8,356 | 3,345 | 0.4 | 17,330 | 2.1 | 418% |
| Ste. Anne, R.M. | | East | 4,686 | 84,183 | 18.0 | 104,823 | 22.4 | 25% |
| Ste. Anne, Town | | East | 1,626 | 140,220 | 86.2 | 139,992 | 86.1 | 0% |
| Ste. Rose, Municipality | * | North West | 1,794 | 90,906 | 50.7 | 96,726 | 53.9 | 6% |
| Steinbach, City | | East | 13,524 | 1,212,576 | 89.7 | 1,260,592 | 93.2 | 4% |
| Stonewall, Town | | Interlake | 4,536 | 355,010 | 78.3 | 379,790 | 83.7 | 7% |
| Stuartburn, R.M. | | East | 1,535 | 56,114 | 36.6 | 63,680 | 41.5 | 13% |

| Municipality | Region | Population | 2014 Total kg Reported | 2014 Total kg/ capita | 2015 Total kg Reported | 2015 Total kg/ capita | Percent Change |
|------------------------------------|---------------|------------|------------------------------|-----------------------------|------------------------------|-----------------------------|-------------------|
| Swan Lake First Nation | North | 725 | 0 | 0.0 | 4,110 | 5.7 | 0% |
| Swan River, Town | North West | 3,907 | 306,783 | 78.5 | 256,794 | 65.7 | -16% |
| Swan Valley West, Municipality * | North West | 2,923 | 78,485 | 26.9 | 62,000 | 21.2 | -21% |
| Tache, R.M. | Winnipeg | 10,284 | 630,110 | 61.3 | 647,790 | 63.0 | 3% |
| Teulon, Town | Interlake | 1,124 | 95,090 | 84.6 | 100,820 | 89.7 | 6% |
| The Pas, Town | North | 5,513 | 374,721 | 68.0 | 351,655 | 63.8 | -6% |
| Thompson, City | North | 12,829 | 990,702 | 77.2 | 944,038 | 73.6 | -5% |
| Thompson, R.M. | South Central | 1,397 | 39,320 | 28.1 | 36,550 | 26.2 | -7% |
| Two Borders, Municipality * | South West | 1,310 | 8,133 | 6.2 | 6,041 | 4.6 | -26% |
| Victoria Beach, R.M. | East | 374 | 80,990 | 216.6 | 83,298 | 222.7 | 3% |
| Victoria, R.M. | South Central | 1,119 | 71,249 | 63.7 | 68,893 | 61.6 | -3% |
| Virden, Town | South West | 3,114 | 269,715 | 86.6 | 232,308 | 74.6 | -14% |
| Wabowden-Setting Lake | North | 550 | 1,503 | 2.7 | 290 | 0.5 | -81% |
| Wallace-Woodworth, R.M. * | South West | 2,857 | 214,863 | 75.2 | 116,714 | 40.9 | -46% |
| West Interlake, R.M. * | Interlake | 2,206 | 66,858 | 30.3 | 74,719 | 33.9 | 12% |
| West St. Paul, R.M. | Winnipeg | 4,932 | 388,620 | 78.8 | 399,710 | 81.0 | 3% |
| WestLake-Gladstone, Municipality * | South Central | 3,068 | 98,643 | 32.2 | 102,910 | 33.5 | 4% |
| Whitehead, R.M. | South West | 1,533 | 17,184 | 11.2 | 23,076 | 15.1 | 34% |
| Whitmouth, R.M. | East | 1,548 | 103,520 | 66.9 | 125,958 | 81.4 | 22% |
| Winkler, City | South Central | 10,670 | 882,930 | 82.7 | 1,121,103 | 105.1 | 27% |
| Winnipeg Beach, Town | Interlake | 1,011 | 60,020 | 59.4 | 50,820 | 50.3 | -15% |
| Winnipeg, City | Winnipeg | 663,617 | 54,828,801 | 82.6 | 52,773,201 | 79.5 | -4% |
| Woodlands, R.M. | Interlake | 3,521 | 52,080 | 14.8 | 70,600 | 20.1 | 36% |
| Yellowhead, R.M. * | Central West | 1,973 | 138,581 | 70.2 | 105,725 | 53.6 | -24% |

*2015 Amalgamated Municipalities

CONTINUOUS IMPROVEMENT PROGRAM

MMSM is committed to working with municipalities and community groups on waste management opportunities, identifying their requirements and providing appropriate solutions to increase their effectiveness and efficiency. Additionally, MMSM staff provided technical assistance on recycling to government and non-government agencies across Manitoba. MMSM provides support for participating recycling programs by identifying best practices and opportunities to improve recycling programs. MMSM provides municipalities with information on end-buyers of recycled material.

MMSM worked directly with the following communities, associations and groups:

- Aboriginal Affairs and Northern Development Canada (AANDC)
- Assiniboine Community College – Parkland Campus
- R.M. of Alexander
- Town of Altona
- Town of Beausejour
- Municipality of Boissevain-Morton
- Black River First Nation
- City of Brandon
- Brandon Environmental Committee
- Brokenhead First Nation
- Cartwright-Roblin Municipality
- Town of Churchill
- Municipality of Clanwilliam-Erickson
- Community of Cormorant
- Cross Lake First Nation
- R.M. of Dauphin
- Town of Dauphin
- Town of East Selkirk
- R.M. of Ellice-Archie
- Municipality of Ethelbert
- Fisher River First Nation
- Town of Flin Flon
- Gilbert Plains Municipality
- Town of Gillam
- Grandview Municipality
- Municipality of Harrison Park
- Killarney-Turtle Mountain
- Lac Brochet First Nation
- R.M. of Lac du Bonnet
- Town of Lac du Bonnet
- Long Plain First Nation
- Municipality of Louise
- Louise Integrated Waste Management
- Town of Lynn Lake
- Manitoba Aboriginal & Northern Affairs (MANA)
- MB Conservation-Paint Lake
- Municipality of McCreary
- City of Morden
- Town of Melita
- Town of Neepawa
- Municipality of Norfolk Treherne
- Norway House Cree Nation
- R.M. of Ochre River
- Town of Onanole
- Peguis First Nation
- L.G.D. of Pinawa
- R.M. of Pipestone
- City of Portage La Prairie
- Powerview- Pine Falls
- Municipality of Prairie View
- Pukatawagan (Mathias Colomb) First Nation
- Municipality of Rhineland
- Municipality of Riverdale
- R.M. of Rockwood
- Rockwood Environmental Action Community Taskforce (REACT)
- Municipality of Roblin
- Roseau River First Nation
- Municipality of Russell-Binscarth
- Community of Sherridon
- R.M. of Sifton
- R.M. of Silver Creek
- Town of Snow Lake
- R.M. of St. Clements
- Town of St. Malo
- Municipality of Ste. Rose
- St. Theresa Point First Nation
- City of Steinbach
- Town of Stonewall
- Swan Lake First Nation
- Town of Swan River
- Municipality of Swan Valley West
- Take Pride Winnipeg!
- The Forks
- The Town of The Pas
- The Pas/OCN and Area Regional Solid Waste and Recycling Facility (RSWARF)
- Thompson Recycling Centre
- City of Thompson
- R.M. of Two Borders
- Town of Winnipeg Beach
- R.M. of Victoria Beach
- Town of Virden
- Wabowden-Setting Lake
- Wasagamack First Nation
- Waywayseecappo First Nation
- Winnipeg Harvest
- City of Winnipeg
- City of Winkler
- Village of Winnipegosis
- R.M. of Yellowhead

COMMUNICATIONS

PROMOTION & EDUCATION

Developing and implementing key promotional and educational campaigns is one of MMSM's annual strategic goals. Research has shown that Manitobans already recycle, but they need help learning exactly what they can and can't recycle. In 2015, recycling awareness was increased through advertising, contests, community sponsorships and public relations activities, helping MMSM reach the provinces current 65% residential recovery rate.

MMSM launched year two of the "Relationship Campaign", focusing on the relationship between the blue box and the recyclable item. Images of the recyclable item falling in love with the blue box were witty and effective in delivering the message to the intended audiences. The campaign concentrated on educating the public on what is recyclable along with helpful tips to making recycling easier in the home.

MMSM invested in an extensive advertising campaign with great reach in Winnipeg and in rural communities where recycling infrastructure exists. Media for the campaign included print, radio, out-of-home, online and television, appealing to target audiences.

DIGITAL MEDIA, PUBLIC RELATIONS AND CONTESTS

MMSM continued to enhance its online presence with specific activities designed to engage and educate the public. Advertisements on Facebook and Twitter, along with regular attention-grabbing posts, helped MMSM increase Twitter followers by 40% and Facebook likes by 25%.

Making Simplyrecycle.ca more user friendly was a priority in 2015. The website is now mobile friendly and has a new redesigned navigation making it easier for consumers to find the information they are looking for. The "what can I recycle" page was changed to have a more visual format and includes new locations, descriptions of material types and graphics to match. Finally, a video section was added displaying MMSM commercials and a variety of other promotional programs. Since the changes were implemented, pageviews on the website increased by 12% and the number of users increased by a staggering 51%.

To launch year two of the "Relationship Campaign", MMSM created the Love Line's Contest. Airing on Energy 106 FM the two weeks leading up to Valentine's Day, on-air personalities spread the word directing listeners to tweet MMSM and Energy 106 with their best pick-up line for a chance to win a gift card



Outdoor billboard advertising

to a spa. To supplement the social media contest, the Energy 106 Street Team participated in the contest by visiting a different recycling themed location every day where they waited with a prize package. The first person to find them and give them a cheesy pick-up line won the prize.

MMSM worked closely with many municipal communications teams to help educate and promote any changes they made to their programs. Assistance was given on external communications within their communities and advice was provided to help improve municipal websites.



Love Lines Contest

2015 MARKET RESEARCH

MMSM concluded an awareness and ad recall study during the month of September. A phone and online survey was conducted by eNRG Research Group to hundreds of Manitoba homes where recycling infrastructure exists. This information was used to measure campaign performance and also used to develop new strategies to educate and inform consumers.

GENERAL RECYCLING HABITS

- Awareness of residential recycling programs was high, as nearly 9 out of 10 residents were aware they had access to one in their community.
- Nearly all respondents indicated that they participated in a recycling program, (Winnipeg 97%, Brandon, 86% and Morden/Winkler, 85%).
- The major barriers to recycling household items are *Too hard to clean* (34%) and *Don't know what to recycle* (30%).
- Approximately 7 out of 10 respondents stated they would recycle more if given clearer guidelines, while a little over half of individuals (53%) would recycle more if given information about why their individual recycling makes a difference to the environment.



Filming MMSM's 2015 television commercials



Top: MMSM's home page takeover on CBC.ca

Bottom: Interior transit card advertising

MMSM AWARENESS

- Winnipeg residents displayed similar levels of awareness for both the organizational name (MMSM) and the consumer-facing brand Simply Recycle.
- Of the people who had heard of either brand, approximately two-thirds recalled seeing advertising sponsored by MMSM or SimplyRecycle.ca.

PLASTIC BAGS

- Plastic bag usage was nearly identical to last year. Approximately 7 in 10 households said they re-use "single-use" plastic bags. The top two responses were: *Use to collect garbage along with Re-use at home.*
- Notable year-over-year increases for Winnipeg include *Store/save/keep them* (up 20 points) and *Recycle back to the store* (up 6 points).

SCHOOL PROGRAMS AND SPONSORSHIPS

Brandon Waste Reduction Week

- For the fourth consecutive year, MMSM was the title sponsor of the annual Brandon Waste Reduction School Challenge put on by The City of Brandon's Environmental Committee.
- The challenge ran from October 13 to October 29, with participation from 19 classrooms in eight different Brandon School Division schools. Over the course of the challenge, students were engaged in waste reduction activities and visual learning in the classroom.



MMSM staff presenting awards at the 2015 Manitoba School Science Symposium

Manitoba School Science Symposium (MSSS)

- The MSSS is an annual provincial science fair with over 550 students from grade 4 to grade 12 participating.
- MMSM was a bronze sponsor and the exclusive sponsor of the Best Physical Science Award for the third year in a row. Staff attended the event and presented the awards on stage to the winners.

Target Zero Eco Tours

- For the fourth consecutive year, MMSM sponsored the Target Zero Eco Kids Tour at The Forks.
- In 2015, 425 students and Forks visitors took part and had the opportunity to learn about recycling, composting, energy reduction and rainwater collection.



Students participating in the Target Zero Eco Tours at The Forks

- MMSM expanded the Target Zero Eco Kids Tour program in the summer by making tours available to the public on Tuesday and Sunday mornings free of charge. The feedback provided was excellent from those participating.

Take Pride Winnipeg's! Team Up to Clean Up

- Team Up to Clean Up is an annual event held at the MTS Centre with over 1,200 students in attendance. Students were provided with information on various activities that they can participate in to keep Winnipeg clean and beautiful. After the event, they go into their own communities and pick up litter, recycle, plant trees and paint over graffiti.
- MMSM sponsored the event. Staff set up an educational booth, gave away promotional items and talked to students about recycling and the Bag Up Manitoba Plastic Bag Round Up Challenge. Staff also spoke to the kids during the rally and played a recycling video.

We Day Manitoba

- We Day is an annual event that encourages students to think and act both locally and globally.
- MMSM was the bronze sponsor of We Day Manitoba, receiving recognition throughout the event and the opportunity to place a promotional item in the student's gift bags.
- On November 16, more than 16,000 educators, business leaders and young people were able to attend an inspiring day at the MTS Centre thanks in part, to MMSM's contribution to the event. The event was also broadcast to all of the schools across the province and aired on both CTV and MTV at a later date.



We Day Manitoba 2015

POST-SECONDARY EDUCATION INSTITUTES

MMSM provides funding and support to several Post-Secondary Education Institutes (PSEI) throughout the province. The funding is used to assist institutions with their recycling programs. Funding can be used to conduct waste audits, offset labour costs, promote the facility's recycling program and purchase recycling bins. Materials recovered for the 2014/2015 school year total approximately 745 metric tonnes.



University of Manitoba

| 2014/2015 Year | kg |
|---|----------------|
| University of Manitoba (2 campuses) | 363,960 |
| University of Winnipeg | 91,300 |
| Red River College (2 campuses) | 106,350 |
| College Universitaire de Saint Boniface | 21,632 |
| Assiniboine Community College | 119,780 |
| Brandon University | 40,300 |
| University College of the North | 2,162 |
| Total | 745,484 |



MINI BIN PROGRAM

MMSM partnered with the Canadian Beverage Container Recycling Association (CBCRA) on the Mini Bin Program. A pilot of the program was launched in 2013/2014 with a goal of increasing the number of beverage containers recycled in the residential stream. The Mini Bin is a space saving recycling container that was provided free of charge to multi-family homes in Manitoba. The pilot involved 20,000 Mini Bins and educational pieces being delivered to apartments, condos and townhouses across Manitoba.



A year after the launch, results showed recovery rates had increased. In response to that, an additional 40,000 co-branded bins were distributed into the program in 2015. Participants of the program said that the Mini Bins make recycling more convenient, and that they are more likely to recycle when the bins are in the home.

FIRST NATIONS AND REMOTE COMMUNITIES

MMSM continues to strengthen its relationships with First Nations and northern remote communities in Manitoba. Throughout the year, MMSM staff provided technical assistance on waste management issues, helping communities increase the effectiveness and efficiency of their recycling programs.

WINTER ROAD PILOT PROJECT

MMSM worked in partnership with several other Producer Responsibility Organization's (PRO) on the Winter Road Pilot Project. This pilot project, addressed the significant environmental concerns faced by St. Theresa Point First Nation with the accumulation of waste items such as printed paper and packaging, tires, used oil, derelict vehicles, batteries and electronics. In an effort to properly remove and recycle these materials, the various PRO groups involved, collaborated on synchronizing the shipping of various recyclable materials out of St. Theresa Point.

By working together, they were able to coordinate the removal of these materials with the inbound and outbound transporters. In addition, each group shipped supplies such as pallets and tote bags, which will help address future difficulties in storage and collection of recycling.

The team was recognized for its work on this project by being nominated provincially for the Manitoba Service Excellence Award.

Producer Responsibility Organizations involved in the Winter Road Pilot Project were:

- Multi-Material Stewardship Manitoba (MMSM)
- Canadian Battery Association (CBA)
- Product Care Association (PCA)
- Switch the Stat, HRAI
- Electronic Products Recycling Association (EPRA)
- Manitoba Association for Resource Recovery Corp. (MARRC)
- Tire Stewardship MB (TSM)

In addition, the Manitoba Solid Waste Action Team won the Federal Deputy Minister's Recognition Award for Collaboration & Partnerships. This award was created to recognize and reward exceptional performance of teams of employees who have demonstrated high standards of excellence, professionalism and dedication to achieving Aboriginal Affairs and Northern Development Canada's goals and objectives.



The Winter Road Project Team



The Solid Waste Action Team





Sherridon, winners of the 2015 Northern Community Clean-up



A Sherridon community member using new recycling carts

NORTHERN COMMUNITY CLEAN-UP

For the fifth consecutive year, MMSM collaborated with CBCRA to implement the Northern Community Clean-up Program.

In 2015, there were 14 participating communities and 1,200 kg of recyclable material collected. Local volunteers worked together to pick up garbage and recycling on the streets of their neighborhoods. The recyclable material was then weighed and transported to the closest Material Recovery Facility (MRF) to be processed.

Each community received a Community Clean-up Kit, which included a recycling bin, bright yellow t-shirts for volunteers, gloves, black garbage bags, clear recycling bags, a scale and large cubic yard totes for transporting the recyclable material to the authorized processor. Information kits were also provided and included a recyclable materials handout, safety checklist and a report form that was completed and returned.

The community of Sherridon, was the winner of the 2015 Northern Community Clean-up. As the winning community, every household received a small recycling bin, large recycling carts for the 20 community storage sheds and communications pieces including a magnet with recycling information.

A celebratory barbeque was held on September 15, 2015 with over 100 community members, Community Council, clean-up volunteers and students in attendance. They were joined by representatives from MMSM and CBCRA to celebrate the accomplishment. In addition to the grand prize, participation prizes were given to each participating community to raffle off to their volunteers.

The Northern Community Clean-up was a great success! The implementation of this program has strengthened relationships with participating communities and continued to increase the knowledge and awareness of recycling.



The Pas getting ready for their clean-up



Clean-up participants hard at work

PLASTIC BAG REDUCTION PROGRAM

MMSM and the plastic bag stewards have taken a multi-pronged 3R approach to achieving the target set forth in the Plastic Bag Guideline. Waste audit results over the past several years have shown that close to 63% of Manitobans are reusing the plastic bags already in their home.

63%

**of Manitobans are reusing
the plastic bags
already in their home.**



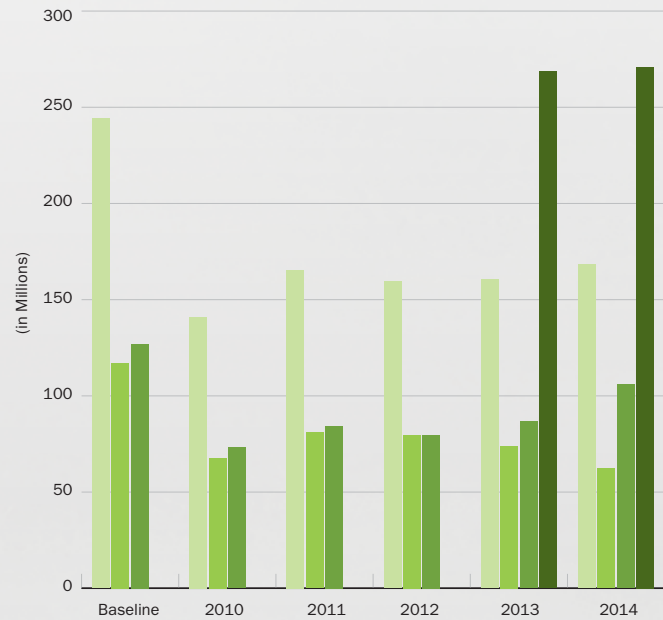
MMSM
Multi-Material
Stewardship Manitoba
INDUSTRY FUNDING RECYCLING

The following are examples of this approach and how it has been effective:

PLASTIC BAG REDUCTION

Stewards have reduced the number of “single-use” plastic bags supplied into the market through:

- Enhancement of opportunities to acquire reusable bags in retail stores
- Focused in-store messaging about the benefits of reusable bags
- Continued and increased promotion of plastic bag best practices to further reduce the number of bags provided at retail
- The use of a fee for plastic bags, where retailers choose to do so, as an incentive for consumers to choose reusable bags



PLASTIC BAG REUSE

Plastic bags are commonly purchased and used to dispose of kitchen, bath, or animal wastes. Consumers are encouraged to reuse bags in their home or workplace rather than purchasing new plastic bags to dispose of wastes. Additionally, consumers are encouraged to reuse plastic bags for other domestic uses rather than disposing of them after a “single-use.”

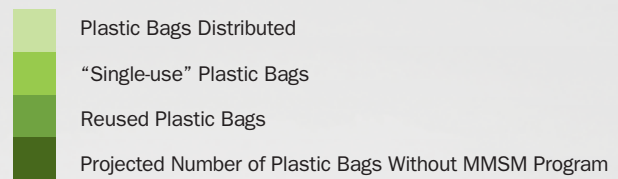


Table Notes:

1. When population growth is considered, plastic bag usage has been reduced by 38%
2. If the plastic bag reduction plan had not been implemented, bag usage would have grown to approximately 271,000,000.
3. On average, 63% of plastic bags are reused prior to disposal.
4. Approximately 23% of bags are actually “single-use”.



PLASTIC BAG RECYCLING

Plastic bag collection programs have been developed which include the collection of empty plastic bags at retail store locations. The intent of the collection programs is to increase the number of drop-off locations to ensure that Manitobans have reasonably convenient access to plastic bag drop-off locations. The Bag it Forward partnership with Winnipeg Harvest has provided additional collection locations.

MMSM has also collaborated with Take Pride Winnipeg! to offer a school-based program throughout the province. The program links education with direct recycling efforts, thereby creating impacts much greater than only the environmental benefits of recycling plastic bags. A significant component of the program involves the education of school children on the benefits of reducing the use of, reusing, and recycling plastic bags.



Retailer advertising



Outdoor billboard



Bag it Forward collection bin

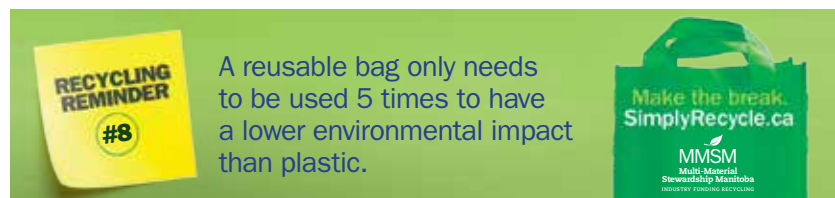
PUBLIC RELATIONS AND ADVERTISING

MMSM's plastic bag reduction plan and programs have dramatically shifted the trend in plastic bag usage and disposal over the last six years.

In 2015, MMSM worked diligently to develop new opportunities to educate and engage citizens. Two media campaigns ran, one in the spring and one in the fall, with plastic bag specific advertisements which encouraged consumers to find a responsible way to dispose of their plastic bags or to skip the bag altogether. Using a mix of traditional media including print, outdoor, radio and television, MMSM promoted the many options consumers have available to them. In addition, MMSM partnered with Retail Media, advertising directly in grocery stores on the checkout stands and on the divider bars.

MMSM has continued its partnership with Welcome Wagon as part of the organization's continued educational efforts. In 2015, 4,000 reusable bags and brochures were delivered to Manitoba homes. In addition, MMSM distributed over 2,000 reusable bags to various organizations and events throughout the year.

Manitobans worked hard in 2015 to reduce their use of plastic bags and find alternative methods to recycle the plastic bags already in their homes. Manitobans are getting the message. The results from the consumer research study in October showed a six-point increase in the number of respondents recycling plastic bags back to a store.



Print advertisement

BAG IT FORWARD – PLASTIC BAG RECYCLING PROGRAM

A made in Manitoba program, Bag it Forward – Plastic Bag Recycling Program, was launched on April 23, 2015. Every year, Winnipeg Harvest goes through approximately one million plastic bags to distribute food to the more than 60,000 Manitobans they help monthly. In response to this need MMSM created Bag it Forward to give Manitobans more options to reuse and recycle the plastic bags already in their homes, as well as help an important cause.

Bag it Forward, encourages consumers throughout Manitoba to drop off gently used plastic bags at their local food bank so they can be reused to create emergency food kits. MMSM and Winnipeg Harvest have received a tremendous amount of support from the public on this program. From April 23 to December 31 over 27,000 plastic bags were dropped off at Winnipeg Harvest’s main location in Winnipeg. This does not include their partner agencies that have been using the plastic bags they receive in-house to create new emergency kits.

MMSM provided 350 plastic bag collection bins to Winnipeg Harvest and its partners, and arranged for bags that are not suitable for reuse to be properly recycled, diverting them from landfills.



Manitoba Conservation and Water Stewardship Minister Gord Mackintosh, MMSM Executive Director Karen Melnychuk and Winnipeg Harvest Executive Director David Northcott at the Bag it Forward launch event



One of the 2015 Bag up Manitoba winners

MMSM BAG UP MANITOBA – PLASTIC BAG ROUNDUP CHALLENGE

The 2015 Bag up Manitoba Plastic Bag Challenge ended with over 1.45 million plastic bags being collected and recycled during the month of October. In total, 160 schools collected 1,466,438 million plastic bags. The bags were baled and shipped to Trex to be recycled into composite decking material and other products.

The students at Ecole George V School were one of this year’s winners and collected over 33,000 bags. Teulon Elementary School was a rural winner who collected 81,370 bags, breaking the record for the most plastic bags ever collected by one school in the Bag Up Manitoba Challenge.

Every school who participated in the program received a garden box made out of recycled plastic bags and wood fibers. Fourteen lucky schools also won a school bench made out of the same material. Half the benches were awarded to the top collecting schools while the remaining benches were awarded via a random draw. This encourages smaller schools to participate and emphasizes the message of waste reduction.

65%
recovery
rate.

MATERIAL RECOVERY RATES – 2014

Stewards report on their sales from the previous year. This data, combined with the municipal recycling reports for the same period are used in the fee setting process for the upcoming year (2015 sales data will be used for 2017 fee setting). Based on the best available data for the most current full year reporting from stewards and municipalities, the table below illustrates the recovery rates for the material covered in the MMSM program for 2014. The 2015 recovery rates will be available and made public during the consultation process with stewards and other stakeholders in fall 2016.

| | | CY 2014 (Jan 1 – Dec 31, 2014) | | |
|------------------------------|-------------------------------|--|--|-------------------------|
| Category | Material | Quantity Generated ¹ (tonnes) | Quantity Recovered ² (tonnes) | Recovery Rate (%) |
| PRINTED PAPER | | | | |
| | Newsprint | 26,676 | 26,142 | 98.0% |
| | Magazines and Catalogues | 5,474 | 4,924 | 90.0% |
| | Telephone Books | 1,005 | 978 | 97.3% |
| | Other Printed Paper | 9,070 | 6,460 | 71.2% |
| Printed Paper Total | | 42,225 | 38,504 | 91.2% |
| PACKAGING | | | | |
| Paper Based Packaging | Old Corrugated Containers | 11,116 | 9,587 | 86.2% |
| | Polycoat & Laminates | 5,998 | 1,137 | 19.0% |
| | Old Boxboard | 13,628 | 6,050 | 44.4% |
| Paper Packaging Total | | 30,742 | 16,774 | 54.6% |
| Plastic Packaging | PET Bottles | 5,922 | 3,724 | 62.9% |
| | HDPE Bottles | 3,885 | 2,516 | 64.8% |
| | Plastic Film | 4,848 | 305 | 6.3% |
| | Other Plastics | 14,024 | 2,609 | 18.6% |
| Plastics Total | | 28,679 | 9,154 | 31.9% |
| Steel Packaging | Steel Food & Beverage Cans | 4,042 | 3,080 | 76.2% |
| | Steel Aerosols | 321 | 126 | 39.2% |
| | Other Steel Containers | 325 | 16 | 5.0% |
| Steel Total | | 4,689 | 3,222 | 68.7% |
| Aluminum Packaging | Aluminum Food & Beverage Cans | 2,193 | 1,505 | 68.6% |
| | Other Aluminum Packaging | 840 | 93 | 11.1% |
| Aluminum Total | | 3,033 | 1,598 | 52.7% |
| Glass | Glass | 15,742 | 11,888 | 75.5% |
| Glass Total | | 15,742 | 11,888 | 75.5% |
| Packaging Total | | 82,885 | 42,637 | 51.4% |
| TOTALS | | 125,110 | 81,141 | 64.9% |

Notes

1. Generation tonnages are based on household waste generation in Manitoba, and are comprised of waste audits conducted in Portage La Prairie, Tache, Brandon and Winnipeg for 2012, 2013 and 2014.
2. Recovered tonnes are based on datasets that consist of both actual reported data from Municipal Online Reporting System (MORS) and waste studies that represent samples of field data for selected locations in discrete periods of time.

MMSM STEWARDS

The businesses that supply packaging and printed paper into the residential marketplace, also known as stewards, are obligated under Regulation 195/2008 of the Waste Reduction and Prevention (WRAP) Act to do a number of things:

- Provide a waste reduction and prevention program to manage the designated wastes within a province-wide convenient collection system;
- Cover 80% of the funding of collecting, processing, and transferring the material to market;
- Establish promotion and education programs to raise awareness of recycling services available to Manitoba residents.

MMSM's program for the recycling of packaging and printed paper includes the following designated product packaging: plastic, glass, paper, metal and printed paper.

In 2015 there were:

- 809 registered stewards
- 613 steward reports received
- 274 voluntary steward agreements

The table below illustrates the change in material fees and total reported weights for 2015 and 2014.

Packaging and Printed Paper Reported by Stewards in 2015

| Material Description | 2015 Fee | Total Tonnes | | 2014 Fee after | |
|-----------------------------------|----------|---------------|----------|----------------|----------------|
| | | 2015 | 2014 Fee | Surplus | 2014 |
| Newsprint | 5.66 | 22,354 | 2.40 | 1.96 | 24,099 |
| Other Printed Materials | 14.11 | 6,350 | 7.02 | 5.65 | 5,848 |
| Corrugated and Boxboard Packaging | 12.97 | 23,226 | 11.43 | 10.12 | 23,937 |
| Other Paper Packaging | 39.09 | 4,259 | 27.60 | 25.22 | 4,059 |
| PET Bottles | 14.46 | 6,029 | 19.82 | 17.13 | 6,153 |
| HDPE Bottles and Jugs | 17.09 | 2,678 | 18.69 | 15.93 | 3,595 |
| Other Plastic Packaging | 34.77 | 12,159 | 34.08 | 30.93 | 13,531 |
| Steel and Other Metal Packaging | 13.66 | 4,124 | 9.55 | 7.57 | 4,386 |
| Aluminum Cans – Food and Beverage | (7.13) | 2,222 | (0.83) | (2.63) | 2,500 |
| Foil and Other Aluminum Packaging | 10.14 | 356 | 13.67 | 9.99 | 337 |
| Glass Packaging | 6.65 | 13,389 | 6.57 | 5.91 | 13,357 |
| TOTAL | | 97,147 | | | 101,801 |

The steward reported data is the most current data available at the time of fee setting. The data may change if new stewards are identified or adjustments are made by reporting stewards.



STEWARD COMPLIANCE

The MMSM Program is funded entirely by stewards that pay fees based on the volume of packaging and printed paper they supply to residents.

Stewards are responsible under the Regulation to assume responsibility and declare that the designated packaging and printed paper material they supply for consumption in Manitoba complies with the legal requirements of the WRAP Act. If a steward of the designated material does not comply with the regulation, they are prohibited from supplying the designated material for consumption in Manitoba.

MMSM is dedicated to ensuring a level playing field for stewards. To that end, MMSM works to expand the number of stewards participating in the program, bringing non-compliant businesses into compliance.

MMSM has developed a set of rules to make participation in the program fair for all stewards, and ensure that the program is always striving to achieve the best results in terms of both diverting and recycling waste. These rules include:

- Designation of Stewards
- Definition of designated materials
- Fees for obligated packaging and printed materials
- Reporting and payment requirements of stewards
- Penalties for late reporting and late payment
- Dispute resolution process for stewards
- Allowance for a company to pay fees on behalf of an otherwise obligated steward

A copy of the MMSM rules can be found on our website.

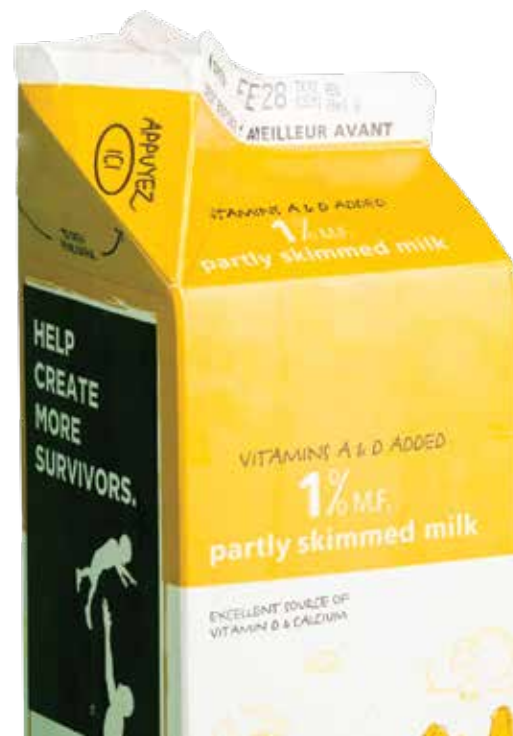
Reporting and paying fees:

Stewards measure and report annually to MMSM the total quantity of designated packaging and printed paper supplied for use in the province. MMSM reviews the data reporting requirements annually in accordance with the rules.

Stewards that are in good standing with MMSM will be deemed to be in compliance with the WRAP Act. The MMSM compliance process starts with the identification of stewards that are not in compliance followed by initiation of actions necessary to ensure compliance.

MMSM actively ensures that all stewards remain in compliance with the Regulation, and actively seeks out non-compliant businesses and brings them into the program. MMSM also has the authority to audit steward data. Stewards must maintain records for a period of at least five years in support of all data submitted to MMSM.

MMSM has implemented a non-compliance notification process, including written notification when fees are due. If stewards and products are identified that have not registered or reported under the PPP Program, a notification is sent. If the steward's registration and data submission process is not complete at the end of 120 days, MMSM may request the Manitoba Government to take enforcement action as stipulated under the WRAP Act.





FINANCIAL STATEMENTS

December 31, 2015

INDEPENDENT AUDITORS' REPORT

To the Members of
Multi-Material Stewardship Manitoba Inc.

We have audited the accompanying financial statements of **Multi-Material Stewardship Manitoba Inc.**, which comprise the balance sheet as at December 31, 2015, and the statements of operations, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted 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.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of **Multi-Material Stewardship Manitoba Inc.** as at December 31, 2015, and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting standards for not-for-profit organizations.

Winnipeg, Canada
April 21, 2016

The signature of Ernst & Young LLP is written in a cursive, handwritten style in black ink.

Chartered Professional Accountants

Multi-Material Stewardship Manitoba Inc.

Incorporated under the laws of Manitoba

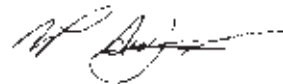
BALANCE SHEET

As at December 31

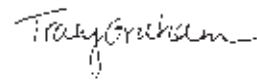
| | 2015 \$ | 2014 \$ <i>[restated – note 6]</i> |
|--|------------------|--|
| Assets | | |
| Current | | |
| Cash and cash equivalents | 7,201,276 | 6,470,882 |
| Accounts receivable | 1,169,746 | 1,327,220 |
| Prepaid expenses and deposits | 15,247 | 14,230 |
| Total current assets | 8,386,269 | 7,812,332 |
| Capital assets, net <i>[note 3]</i> | 3,879 | 6,312 |
| | 8,390,148 | 7,818,644 |
| Liabilities and net assets | | |
| Current | | |
| Accounts payable and accrued liabilities | 3,423,243 | 2,713,882 |
| Total current liabilities | 3,423,243 | 2,713,882 |
| Commitments <i>[note 4]</i> | | |
| Net assets | | |
| Unrestricted | 4,966,905 | 5,104,762 |
| | 8,390,148 | 7,818,644 |

See accompanying notes

On behalf of the Board:



Director



Director

Multi-Material Stewardship Manitoba Inc.

STATEMENT OF OPERATIONS

Year ended December 31

| | 2015 \$ | 2014 \$ <i>[restated – note 6]</i> |
|---|-------------------|---|
| Revenue | | |
| Steward fees | 14,768,177 | 11,522,069 |
| Other revenue | 158,580 | 11,093 |
| | 14,926,757 | 11,533,162 |
| Expenses | | |
| Municipal programs | | |
| Municipal support payments | 12,220,646 | 10,003,683 |
| Program delivery/stewards services | 1,361,795 | 1,278,906 |
| School funding | 123,175 | 218,368 |
| Promotion and education | 370,802 | 381,071 |
| Continuous improvement process | 114,437 | 173,759 |
| Administrative and corporate | 406,987 | 252,800 |
| Government fees | 91,613 | 45,427 |
| | 2,468,809 | 2,350,331 |
| Enhanced programs | | |
| Beverage recovery | 203,045 | 20,597 |
| Plastic bags | 172,114 | 127,910 |
| | 375,159 | 148,507 |
| | 15,064,614 | 12,502,521 |
| Excess of expenses over revenue for the year | (137,857) | (969,359) |

See accompanying notes

Multi-Material Stewardship Manitoba Inc.

STATEMENT OF CHANGES IN NET ASSETS

Year ended December 31

| | 2015 \$ | 2014 \$ <i>[restated – note 6]</i> |
|--|------------------|--|
| Net assets, beginning of year, as previously reported | 4,841,919 | 5,905,562 |
| Restatement <i>[note 6]</i> | 262,843 | 168,559 |
| Net assets, beginning of year, as restated | 5,104,762 | 6,074,121 |
| Excess of expenses over revenue for the year | (137,857) | (969,359) |
| Net assets, end of year | 4,966,905 | 5,104,762 |

STATEMENT OF CASH FLOWS

Year ended December 31

| | 2015 \$ | 2014 \$ <i>[restated – note 6]</i> |
|---|------------------|--|
| Operating activities | | |
| Excess of expenses over revenue for the year | (137,857) | (969,359) |
| Add item not involving cash | | |
| Amortization of capital assets | 2,433 | 2,433 |
| | (135,424) | (966,926) |
| Changes in non-cash working capital balances related to operations | | |
| Accounts receivable | 157,474 | 75,155 |
| Prepaid expenses and deposits | (1,017) | (151) |
| Accounts payable and accrued liabilities | 709,361 | 13,563 |
| Cash provided by (used in) operating activities | 730,394 | (878,359) |
| Net increase (decrease) in cash during the year | 730,394 | (878,359) |
| Cash and cash equivalents, beginning of year | 6,470,882 | 7,349,241 |
| Cash and cash equivalents, end of year | 7,201,276 | 6,470,882 |

See accompanying notes

Multi-Material Stewardship Manitoba Inc.

NOTES TO FINANCIAL STATEMENTS

December 31, 2015

1. Business organization and operations

Multi-Material Stewardship Manitoba Inc. ["MMSM"] is a not-for-profit industry-funded corporation, established in accordance with the Packaging and Printed Paper Stewardship Regulation [Man. Reg. 195/2008] pursuant to The Waste Reduction and Prevention Act ["WRAP Act"]. MMSM was formally incorporated as a non-share capital corporation in December 2006 under The Corporations Act of Manitoba for the purpose of developing, implementing and operating waste diversion programs for designated packaging and printed paper in the Province of Manitoba. The stewardship program commenced operations on April 1, 2010 and is exempt from income taxes under Section 149 of the *Income Tax Act* (Canada).

2. Significant accounting policies

These financial statements were prepared in accordance with Part III of the CPA Canada Handbook – *Accounting Standards for Not-For-Profit Organizations* which sets out generally accepted accounting principles for not-for-profit organizations in Canada and includes the significant accounting policies described below.

[a] Revenue recognition

Steward fees are calculated based on the quantity of designated packaging and printed paper each steward supplies into Manitoba. Stewards register with MMSM and report the tonnage of all product supplied in Manitoba as required under the WRAP Act. Steward fees are recorded as revenue based on the prior year's tonnage reported by stewards.

[b] Cash and cash equivalents

Cash and cash equivalents consist of cash on deposit and short-term investments, with a short-term to maturity of three months or less from the date of purchase unless they are held for investment rather than liquidity purposes in which case they are classified as investments.

[c] Recycling support payment to municipalities

Recycling support payments to municipalities are paid to registered Manitoba municipalities based on the tonnage of eligible materials delivered to an approved recycling facility as reported by the municipalities to MMSM. The current year's expense is recorded based on prior year's eligible tonnage.

[d] Capital assets and amortization

Capital assets are recorded at original cost.

Amortization of furniture and equipment is recorded on a straight-line basis of 20% over the assets' useful lives.

[e] Allocation of expenses

The costs of personnel and other expenses directly related to functions are allocated to each function. General support and other costs are not allocated.

[f] Financial instruments

Financial instruments including accounts receivable and accounts payable and accrued liabilities are initially recorded at their fair value and are subsequently measured at amortized cost, net of provisions for impairment.

[g] Use of estimates

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Stewards are obligated under the Waste Reduction and Prevention Act to register and pay fees to MMSM. MMSM will never have a complete and full knowledge about the activities of obligated stewards. The amount of revenue recognized is based on the prior year's tonnage reported by stewards. If stewards do not register or if registered stewards do not report complete and accurate tonnages, the amount of revenue may increase or decrease subsequent to year end when new stewards are identified or reported tonnages are revised.

The amount of revenue recognized in the financial statements represents management's best estimate of prior year's tonnage reported by stewards.

3. Capital assets

Capital assets consist of the following:

| | 2015 | | 2014 | |
|-------------------------|--------|--------------------------|----------------|----------------|
| | Cost | Accumulated amortization | Net book value | Net book value |
| | \$ | \$ | \$ | \$ |
| Furniture and equipment | 12,164 | (8,285) | 3,879 | 6,312 |

4. Commitments

[a] Effective January 1, 2014, a management services agreement is in place with Canadian Stewardship Services Alliance Inc. ["CSSA"] to provide administrative and support services for all of MMSM's administrative, technical and reporting activities under the program plan to recycle and divert printed paper and packaging in the Province of Manitoba. The fee for 2015 is \$1,169,875. The fee paid to CSSA is based on allocation of CSSA's costs and MMSM's direct costs paid by CSSA. The agreement is in place for a term of 5 years.

[b] MMSM has entered into an operating lease for its premises for a total commitment of \$220,499. Future minimum annual lease payments until August 31, 2018 are as follows:

| | \$ |
|------|----------------|
| 2016 | 82,687 |
| 2017 | 82,687 |
| 2018 | 55,125 |
| | 220,499 |

5. Financial instruments – risks and uncertainties

MMSM is exposed to the following financial risk through transactions in financial instruments.

Credit risk

Financial instruments potentially exposed to credit risk include accounts receivable. Management considers its exposure to credit risk over accounts receivable to be limited as accounts receivable are not significantly concentrated and are monitored regularly for collections. The carrying amount of accounts receivable represents the maximum credit risk exposure.

6. Restatement

The amount of revenue recognized in the financial statements in a given year is based on prior year tonnages reported by stewards in accordance with the Waste Reduction and Prevention Act [the “Act”]. During the year, it was determined that MMSM had not estimated and recorded steward fee revenue for registered stewards who had failed to report tonnages in prior years as required for stewards under the Act. MMSM has the ability to estimate tonnages and steward fees for any non-reporting stewards under the reporting guidelines of the Act. As a result, a prior period adjustment has been recorded to correct this error, and the prior year financial statements have been restated accordingly. The following summarizes the effect of this prior period adjustment:

| | As previously reported \$ | Adjustment \$ | As restated \$ |
|---|---------------------------------|------------------|-------------------|
| Balance Sheet as at December 31, 2014 | | | |
| Accounts receivable | 1,064,377 | 262,843 | 1,327,220 |
| Net assets, end of year | 4,841,919 | 262,843 | 5,104,762 |
| Statement of Operations, year ended December 31, 2014 | | | |
| Steward fees revenue | 11,427,785 | 94,284 | 11,522,069 |
| Excess of expenses over revenue | (1,063,643) | 94,284 | (969,359) |
| Statement of changes in net assets, year ended December 31, 2014 | | | |
| Net assets, beginning of year | 5,905,562 | 168,559 | 6,074,121 |
| Excess of expenses over revenue | (1,063,643) | 94,284 | (969,359) |
| Net assets, end of year | 4,841,919 | 262,843 | 5,104,762 |

Board of Directors 2015

| | | |
|---------------------------|--------------------|---|
| Neil Antymis | Chair | Canadian Beverage Association |
| Lanny McInnes | Vice Chair | Retail Council of Canada (RCC) |
| Tracy Graham | Treasurer | Manitoba Liquor and Lotteries |
| Bob Cox | Member | Newspaper Group |
| Ian Tott | Member | Dairy Group |
| Rachel Kagan | Member | Food & Consumer Products of Canada (FCPC) |
| Dwayne Marling | Member | Restaurants Canada |
| Trevor Carlson | Member | Canadian Federation of Independent Grocers (CFIG) |
| Sandy Hopkins | Independent Member | Independent Director |
| Francis St.Hilaire | Independent Member | Independent Director |
| Karen Melnychuk | Executive Director | MMSM |

MMSM Board Committees

Executive Committee

Neil Antymis, Chair

Lanny McInnes, Vice Chair

Tracy Graham, Treasurer

Audit Committee

Tracy Graham, Chair

Neil Antymis

Lanny McInnes

Francis St.Hilaire

Governance Committee

Rachel Kagan, Chair

Neil Antymis

Sandy Hopkins

Communications Committee

Dwayne Marling, Chair

Ian Tott

Bob Cox

Municipal/Industry Program Committee

Neil Antymis

Lanny McInnes

Plastic Bag Committee

Lanny McInnes, Chair

Dwayne Marling

Trevor Carlson

MMSM Staff

Karen Melnychuk, Executive Director

Martin Racicot, Director Field Services

Sarah Wallace, Marketing and Communications Specialist

Lauren Gluck, Municipal Reporting Coordinator and Office Administrator



**Multi-Material
Stewardship Manitoba**
INDUSTRY FUNDING RECYCLING

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www.simplyrecycle.ca