



abcrc 

Sustainability Report 2023

# BUILDING MOMENTUM

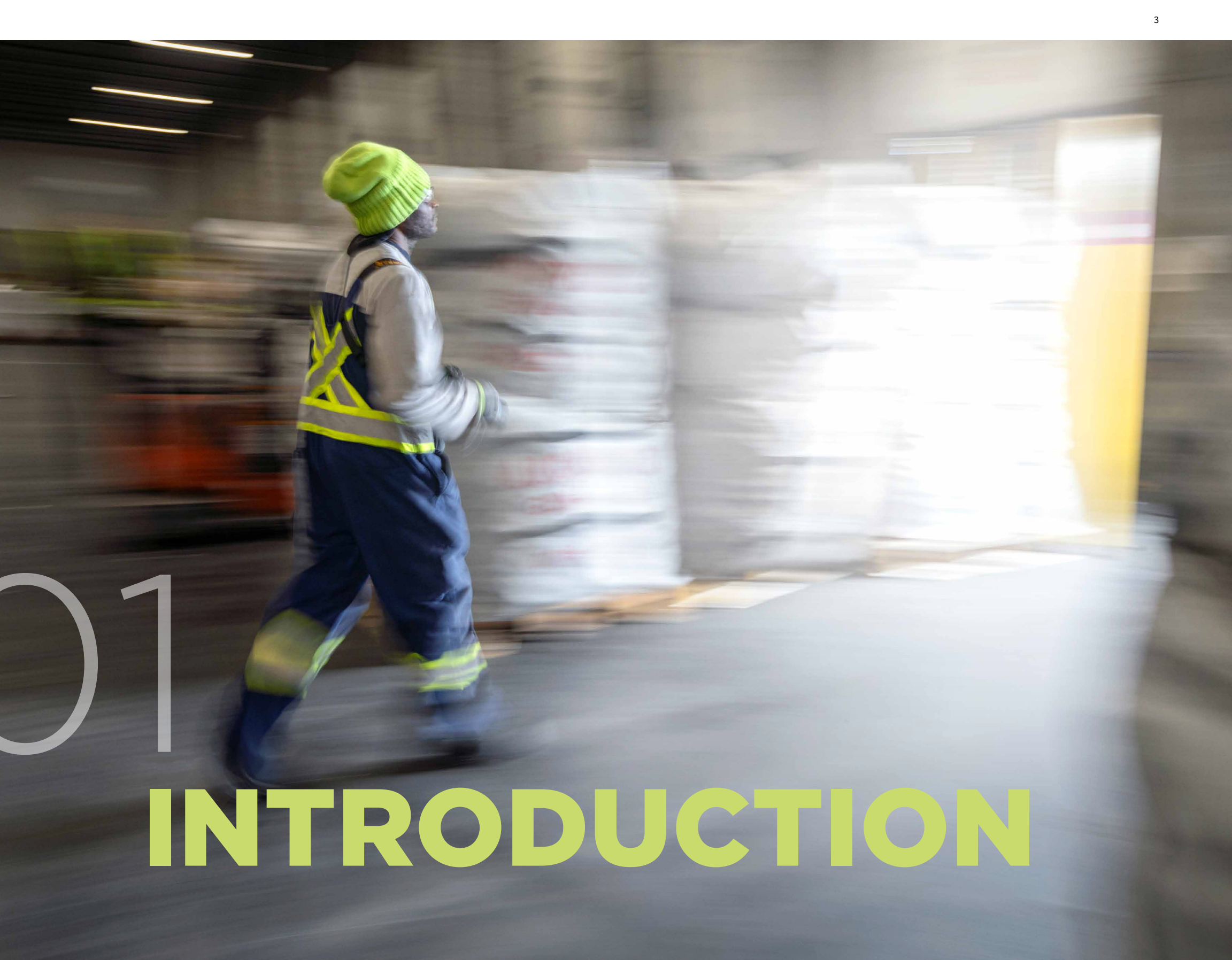


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# INTRODUCTION



# A Message from our President & CEO

As one of the largest common collection systems for beverage containers in Canada, ABCRC continues to be a convener, collaborator and connector for Alberta's beverage container recycling sector. We help recycle more than 150,000 different types of regulated, non-refillable beverage containers sold in Alberta; by identifying viable end markets and industries, we ensure that those recycled beverage containers are processed into something new.

2023 was a transformative year for ABCRC, as our organization took a bold step forward and publicly championed Alberta's beverage container recycling system. Our province's position as a sustainability and waste reduction leader isn't just credited to one organization, though. In collaboration with key partners, including government, industry and other recycling organizations, we foster economic growth and diversification,

moving Alberta toward a future of circularity and zero-waste consumption - hence this year's report title: *Building Momentum*.

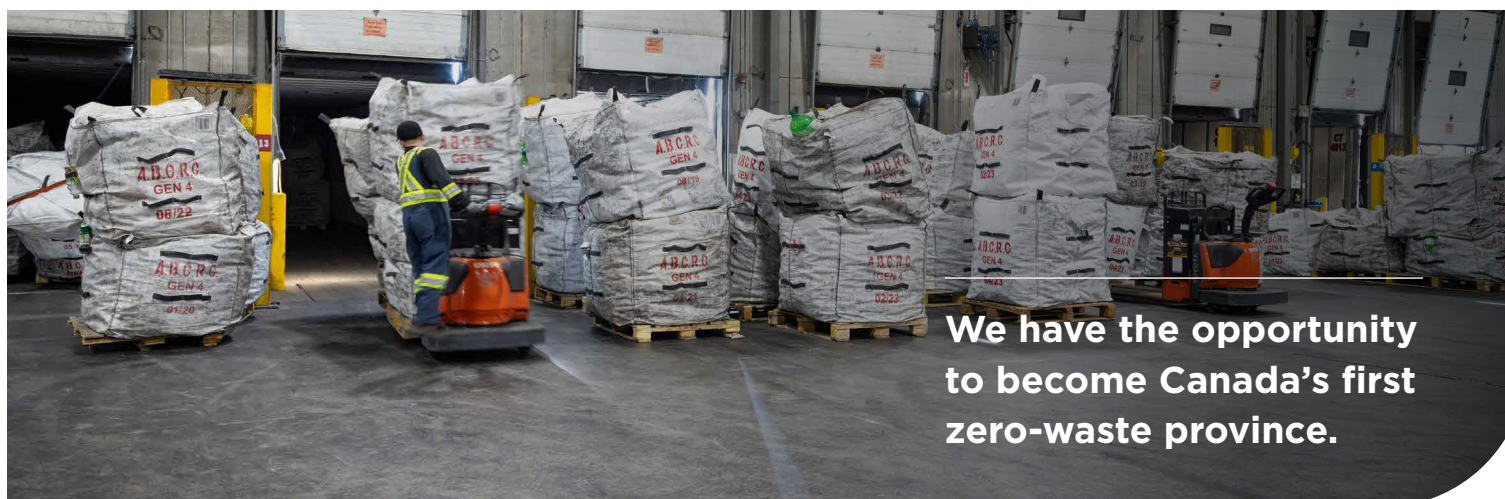
And, as we move into 2024 and beyond, it's that future that we're focused on. We have done tremendous work to lay a strong foundation of understanding and enthusiasm with Albertans for decades, and now we are focusing on building an even deeper trust to inspire confidence and commitment to beverage container recycling across the province. Thanks to industry-leading systems and a strong ecosystem of partners, we have the opportunity to become Canada's first zero-waste province through innovation, circularity, and strategic partnerships, to strengthen our economy and, most importantly, to preserve and protect the environment.

- Guy West | ABCRC President & Chief Executive Officer



**“ABCRC is committed to fostering economic growth and diversification, helping to propel Alberta toward a future of sustainability and circularity.”**

- Guy West, President & CEO



**We have the opportunity to become Canada's first zero-waste province.**

# Introduction


Since 1995, ABCRC has proudly served as the Collection System Agent appointed by beverage manufacturers in Alberta. Every year, we ensure that more than two billion non-refillable beverage containers are recycled in an efficient and responsible manner, making our program one of the most effective in North America.

We believe that our commitment to sustainability is the driving force behind our success. Sustainability means meeting our current needs without compromising the ability of future generations to meet theirs. That's why we've embraced circularity, or the "circular economy," as an alternative to the conventional linear "take-make-waste" model, which we now

recognize as harmful to our planet's well-being. In a circular economy, resources are kept in use for as long as possible, maximizing their value throughout their lifetime by recovering and recycling their material into new products.

And that's where we come in! At Alberta's bottle depots, used, non-refillable beverage containers are returned by consumers, sorted and delivered to ABCRC facilities for processing. Our dedicated team ensures that the product is baled or, in the case of glass, transformed into cullet, for shipment to end-markets. This keeps upwards of 90,000,000 kg of waste out of our landfills each year.

But wait... there's more! In addition to our commitment to environmental stewardship through responsible management of the circular economy for beverage containers, ABCRC is also committed to social engagement and fiscal stability through responsible governance. This aligns with the United Nations' Sustainable Development Goals (SDGs) to strengthen Alberta communities and provide safe, stable, and meaningful employment opportunities for Albertans. This holistic approach is why ABCRC excels at beverage container recovery—and why we're building momentum for sustainable circular economies in Alberta, across Canada and worldwide!



**In a circular economy, resources are kept in use for as long as possible, maximizing their value throughout their lifetime by recovering and recycling their material into new products.**

## 2023 at a Glance

ABCRC operates the oldest deposit-based system in Canada, with more than 50 years of beverage container stewardship in Alberta. It is still one of the largest Deposit-Return Systems (DRSs) in North America, with 150,000+ material types accepted. Headquartered in Calgary, Alberta, ABCRC has two processing locations: Calgary and St. Albert.

- Recovered a record **2.16 billion beverage containers**, which diverted approximately **99,245,030 kg** of material away from landfills.
- Employed **172** Albertans.
- Steward for **512** beverage manufacturers and distributors.
- Serviced **224** independently owned Alberta Depots.



# Vision & Strategy

ABCRC strives for continuous improvement by constantly examining its practices, collaborating with its stakeholders and encouraging innovation.

## Our Objective

To meet or exceed the Government of Alberta's established beverage container return rate of 85%.

## Our Mandate

To be the agent for the beverage manufacturers, to operate the Common Collection System, to be responsible for recycling beverage containers, to comply with the Regulation and BCMB bylaws and to promote the economic and efficient collection of beverage containers.

## Our Vision

To be the most effective producer responsibility organization for non-refillable beverage containers in Canada.

## Our Mission

To minimize the environmental impact of non-refillable beverage containers in Alberta.

# Our Strategic Priorities

Provide effective and accountable corporate governance

Communicate ABCRC's effectiveness to stakeholders

Ensure responsible fiscal and risk management

Improve system performance

Report ABCRC's environmental impact and mitigation improvements



# Commitment to UN Sustainable Development Goals

ABCRC is supportive of and committed to the United Nations (UN) Sustainable Development Goals (SDGs) as a pathway to bring about sustainable development that addresses shared global challenges. ABCRC has been aligned with the ambition of the UN SDGs since their inception through our sustainable business model, established in 1994. We continually evaluate our policies and actions to reduce our environmental footprint, maintain safe and fair working environments, and promote a more circular economy. Our efforts in these areas have often contributed to sustainable practices for the rest of the industry in Alberta; for example, initiating and implementing the transition to paperless waybills and invoicing.

Our current company policies, goals and actions most closely support UN SDGs 3, 5, 8, 11, 12 and 13. In 2022, we decided to further our commitment to the UN SDGs by hiring a consultant to evaluate our data collection and reporting efforts to identify gaps and opportunities. Some of the resulting recommendations for improvement can be seen in this year's report, while others will be developed and reported on in the years to come.

## 3 GOOD HEALTH AND WELL-BEING



ABCRC focuses on employee health and wellness by ensuring fair and safe working conditions, as well as the provision of extended health care benefits and an employee assistance program (EAP).

More on pages [28](#) and [30](#).

## 11 SUSTAINABLE CITIES AND COMMUNITIES



ABCRC supports communities, schools and other not-for-profit organizations with recycling infrastructure, fundraising opportunities and educational resources to help them further reduce landfill waste and embrace sustainability.

More on pages [24](#), [25](#) and [26](#).

## 5 GENDER EQUALITY



ABCRC is committed to creating an equitable business that offers bias-free opportunities. We ensure and celebrate diversity, equity and inclusion at all levels.

More on page [29](#).

## 12 RESPONSIBLE CONSUMPTION AND PRODUCTION



This is at the core of what we do! As a purpose-driven organization, ABCRC is committed to maintaining and expanding the circular economy for non-refillable beverage containers across North America.

More on pages [18](#), [37](#) and [38](#).

## 8 DECENT WORK AND ECONOMIC GROWTH



ABCRC focuses on providing meaningful and gainful employment to Albertans through sustainable, responsible and transparent business practices.

More on pages [27](#) and [35](#).

## 13 CLIMATE ACTION



As a part of many sustainability organizations, and by setting an example ourselves, ABCRC strives to improve education and increase awareness about climate change mitigation and reduction.

More on pages [13](#), [28](#) and [30](#).





## The Life of a Beverage Container

Every beverage container you return goes through a recycling process to be used in the creation of new beverage containers and many other commercially useful products.



### 1 Manufacturing

Using new materials, or materials reclaimed following a container recycling process, the beverage container manufacturer produces containers, pours the beverages in, adds caps and labels and packs them for shipping. They are now ready for distribution and sale.



### 2 Sale to distributor or retailer

The distributor or retailer purchases the beverages (usually in bulk) and stocks their store shelves for the consumer to purchase.



### 3 Sale to consumer

The container is sold to a consumer, which includes a deposit fee and sometimes a Container Recycling Fee as part of the Alberta recycling process.



### 4 Consumption of beverage

Once the customer consumes the beverage, they are left to dispose of the empty container.



### 5 Beverage container disposal

For disposal, the consumer has two choices:  
 a. Initiate the beverage container recycling process for the empty container by taking it to an Alberta Depot.  
 OR  
 b. Place the container into the blue bin where it will be separated and returned to a depot or recycled with other plastic containers.



### 6 Beverage container processing

An Alberta Depot accepts the container for recycling and refunds the consumer the deposit paid in step 3. The container is shipped to a facility to be prepared for sale to recycling and commodity markets.



### 7 Recycled into useful materials

The beverage container is recycled into raw materials that are used to manufacture new beverage containers or other useful products.



# ENVIRONMENTAL STEWARDSHIP

# ABCRC'S Sustainability Journey

The concept of manufacturer responsibility is more than 50 years old in Alberta... and it started with beverage containers! In the 1970s, most non-refillable beverage containers were still being disposed of as waste, and the Government of Alberta decided to do something about it. They created legislation to prohibit littering and promote the recycling of beverage containers, setting the stage for the successful deposit/refund-based beverage container collection system we have today. Over the years, the government, the recycling sector and the public have continued to intensify their focus on protecting the environment, and ABCRC continually rises to the challenges presented.

## 1971 - 1972

- The Government of Alberta institutes a 2¢ refund on beverage containers. Under The Beverage Container Act (Alberta) of 1971, beverage containers were identified as either glass bottles or metal cans.
- The Litter Act (Alberta) of 1972 identifies "containers, bottles, cans or parts thereof" as litter, and institutes penalties for littering offences in Alberta.

## 1992

The Government of Alberta consolidates 18 acts of legislation, including the Litter Act and the Beverage Container Act, and introduces the Environmental Protection and Enhancement Act (Alberta) of 1992, in which the requirement for a common collection system for beverage containers is established.

## 1995

ABCRC is appointed by beverage manufacturers to operate the common collection system on their behalf.

## 2000

Merlin Plastics establishes Alberta operations, which allows ABCRC to sell plastic beverage containers to an Alberta purchaser (rather than to U.S. purchasers).

## 2006

ABCRC launches its first consumer awareness campaign to promote that tetra brik and gable top beverage containers are refundable at Alberta's depots.

## 1997

- Government of Alberta passes Regulation 101/97, the Beverage Container Recycling Regulation, under the Environmental Protection and Enhancement Act (Alberta). It required a collection system agent (CSA) to run the common collection system for non-refillable beverage containers and a designated administrative organization to act as the system regulator (replacing Alberta Environment).
- The new system becomes operational in December, with Alberta's Beverage Container Management Board (BCMB) as the regulator, the Alberta Bottle Depot Association (ABDA) representing the depot network, and the manufacturers establishing ABCRC as their CSA.
- Beverage containers with refund values are expanded to include tetra brik and non-dairy gable top beverage containers.

## 2003

ABCRC initiates a formal Health & Safety program for its facilities.

## 2008

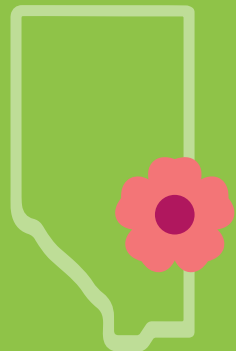
Alberta Environment amends the Beverage Container Recycling Regulation. Beverage container refund values increase to 10¢ (1 L and less) and 25¢ (over 1 L), exemptions for dairy containers are removed, and all non-refillable beverage containers are required to be collected by ABCRC through the common collection system. The collection of refillable beverage containers (beer bottles) remains with domestic beer producers.

## 1989

The Government of Alberta increases beverage container refund values to 5¢ (1 L and less) and 20¢ (over 1 L).

## 1994

Alberta Beverage Container Recycling Corporation (ABCRC) is incorporated and establishes beverage container processing facilities in Calgary and Edmonton.



**2009**  
Dairy containers and non-refillable beer containers included in the common collection system.

**2010**  
In an effort to maximize communication effectiveness, industry (ABDA, BCMB and ABCRC) marketing consolidated behind one public-facing brand – Alberta Depot. ABCRC charged with executing marketing, advertising and programs under that brand to promote the environmental, social and economic benefits of recycling.

**2013**  
ABCRC publishes its first annual sustainability report for the prior year (2012), introducing its focus on committing to and reporting on sustainability initiatives.

**2013**  
ABCRC establishes formal plans and strategies to effectively manage emergencies, loss of information systems, etc.

**2014**  
ABCRC purchases and moves into a new processing facility in Calgary.

**2018**  
ABCRC constructs a new facility in St. Albert and moves Northern operations there seamlessly (no disruption of service to Alberta's depots).

**2019**

- Government of Alberta declares beverage container collection and processing to be an essential service during the COVID-19 pandemic.
- ABCRC implements strategies, such as transitioning head office employees to work from home and procuring personal protective equipment in bulk for ABCRC facilities and Alberta's depots, to ensure the continuation of operations while making the safety of employees a top priority.

**2020 - 2021**  
ABCRC introduces 5S opportunities into plant operations to better protect the safety of employees and increase the efficiency of plant operations.

**2022**

- Head Office workers are offered permanent hybrid work options (50% in office and 50% work-from-home).
- ABCRC works with Alberta's depots to implement new Quality Control (QC) processes whereby all QC audits would be video recorded and reviewable via videoconferencing (as opposed to depot operators having to travel to an ABCRC facility to watch a second QC audit in person).

**2023**

- ABCRC initiates research into a recycling solution for drink pouches (laminated plastic/foil pouches) that have been converted into an energy source historically.
- ABCRC begins to advertise and advocate for Alberta's beverage container recycling industry under its own brand, highlighting almost 30 years of success operating the common collection system and advocating for a circular economy for beverage containers.

**DEPOT**

# Finding Sustainable Solutions

In 2023, Albertans returned 81% of all plastic beverage containers sold in the province to a depot for recycling. That's 474 million plastic beverage containers, and while it might sound like a very large number, beverage containers are one of the few types of plastic that have an established and viable circular economy in place for their recycling. It's really only a small percentage of the overall plastic packaging that goes in our landfills each year. Beverage containers are one of the few types of plastic that have an established and viable circular economy in place for their recycling.

We are committed to sharing our expertise in creating circular economies for beverage containers - not just for plastics, but for other material types, as well. The first step is to change the way people think about packaging materials: as a valued commodity, rather than waste. The next step is to create viable and sustainable solutions for recycling that material, ensuring that it is kept in use and out of landfills for as long as possible.

**We are committed to sharing our expertise in creating circular economies for beverage containers.**

ABCRC is proud to partner with other Canadian companies, educational institutions and Non-Governmental Organizations (NGOs) that are passionate about, and aligned with, a vision for a holistic circular economy for recyclables in Canada. Here are just a few of the consultations that we were involved in 2023:



ABCRC's President & CEO, Guy West, sat on the CSA Group's National Plastics Recycling Standards Committee to help define new standards for plastic recycling in Canada.



As an implementation partner of the Canada Plastics Pact (CPP), ABCRC executives donated their time and efforts to lead and engage CPP partners in the substantive work of rethinking the way plastic packaging is designed, used and reused. CPP targets aim to eliminate the plastics we don't need, as well as to ensure that the plastics we do need can be reused, recycled or composted to be kept in the economy and out of the environment.



Initiated a three-year research project the Northern Alberta Institute of Technology (NAIT), to begin in 2024, that will explore ways to recycle laminated drink pouches, rather than accepting that the traditional method of "energy recovery" is the best way to manage their end-of-life.



# Operational Efficiencies

ABCRC is not just committed to promoting and supporting the sustainability of the beverage container recycling industry in Alberta; rather, we strive to be an industry leader throughout Canada and across North America.

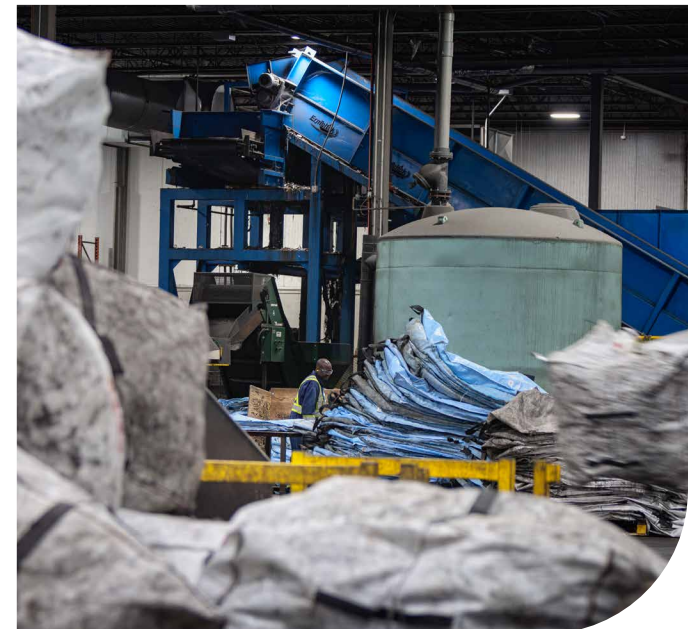
Externally, we actively encourage governments and non-governmental organizations (NGOs) to set science-based targets, invest in the technologies, materials and resources necessary to reduce beverage container waste, and market sustainability concepts to encourage the public to actively engage in recycling. Internally, we routinely evaluate our processes, operations and systems. Projects are undertaken to increase efficiency, reduce waste and lower the overall environmental impact of our business by replacing equipment, updating processes or just generally rethinking the way we do things.

For example, manufacturers occasionally request help disposing of unused, defective or off-spec beverage containers that have not been registered as part of Alberta's Common Collection System. In 2023, ABCRC facilitated the recovery and recycling of more than 30,000 kg of such material by collecting them from manufacturers and shipping them to our recycling customers.

This a true example of environmental stewardship, as there is no economic benefit to ABCRC – just a source of pride and a sense of purpose that the material stays out of our landfills.

Other efforts in 2023 to increase efficiencies and reduce costs include:

- Adding three **new counting machines** to the Quality Control (QC) process at each plant, saving significant time and labour when counting bags with suspected discrepancies.
- Planning events, like our annual **Zero Waste BBQs**, to be eco-friendly. From the 100% compostable place settings, to sugar cane take-away containers for leftovers, to table centerpieces made from locally sourced flora in recycled mason jars, we make sure that these events are always fun and sustainable!
- Monitoring our climate-controlled landscape watering system in Calgary, which saved approximately **968,000 litres** of water and \$2,897 as compared to benchmarks.
- Reducing the amount of municipally treated water needed for the beverage container recovery process. Both ABCRC facilities have **10,000-gallon rain barrels** installed that collect and store rainwater. That non-potable water is then used for a variety of purposes, such as floor washing and machine maintenance.
- Adopting **pre-screening tools** that auto-evaluate core competencies and pertinent skills significantly trimmed down the amount of Human Resources' staff time, as fewer in-person interviews were required to find qualified candidates. This allowed us to efficiently fill 56 vacant and newly added roles in 2023.



# Materials Usage

Purchasing new material for operational purposes is an unavoidable cost of running a successful business. At ABCRC, purchases are tracked not just by our Finance department to ensure fiscal responsibility, but also from an environmental perspective. We track new materials purchased to support our operation each year, along with the offset created when we repair, repurpose or recycle as much of those materials as possible when they are no longer useful.

## Materials Purchased

Materials	2021	2022	2023
White Bags	158,757 kg	98,896 kg	98,700 kg
Blue Bags	-	-	8,225 kg
Rbills	53 kg	98 kg	41 kg
Blank Bale Tag	168 kg	160 kg	84 kg
Pallets	168,886 kg	402,134 kg	311,637 kg
Airline Tags	6,738 kg	8,775 kg	5,027 kg
Wire	232,952 kg	117,435 kg	190,266 kg
Clear Poly Bags	268 kg	495 kg	254 kg
Strapping	7,620 kg	3,496 kg	5,244 kg
Handwrap	1,274 kg	2,260 kg	1,512 kg
<b>Total Weight</b>	<b>576,716 kg</b>	<b>633,749 kg</b>	<b>620,991 kg</b>

## Materials Repaired In-house

Wooden pallets are key to shipping and receiving beverage containers. While some new pallets are purchased each year, efforts are spent to repair broken pallets for reuse. When a pallet can no longer be used for shipping, it is repurposed in the plant or yard; when it outlives its useful life, it is recycled.

	Calgary	St. Albert
New pallets purchased	7,167	6,208
Pallets repaired	35,443	25,312
Pallets repurposed/recycled	6,821	3,330

## Materials Sent for Recycling

- 2,750 kg of steel wire pieces discarded during the baling process were sent to a scrap metal recycler in 2023. This doesn't just keep metal out of the landfill; it also reduces CO<sub>2</sub> emissions, since steel made from recycled scrap metal creates 80% fewer CO<sub>2</sub> emissions than new steel production from iron ore.
- 57,066 kg of damaged white and blue bags were shipped to Merlin Plastics in 2023, where they were processed and returned to the circular economy for the manufacturing of other plastic products.



**“ABCRC is always finding new ways to operate transparently, responsibly and in a manner that reduces our own environmental footprint.”**

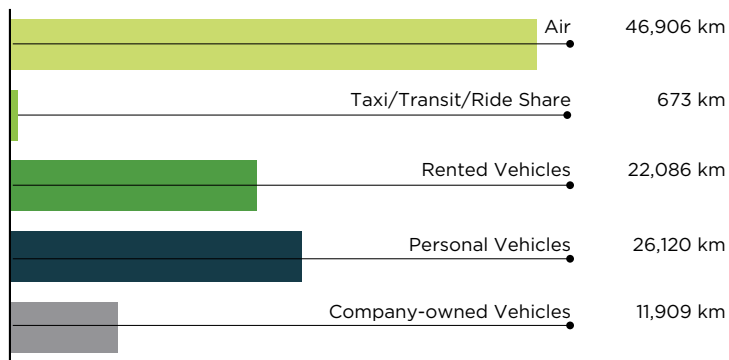
**– Khurram Dhedhi,  
ABCRC Vice President, Operations**

# Our Carbon Footprint

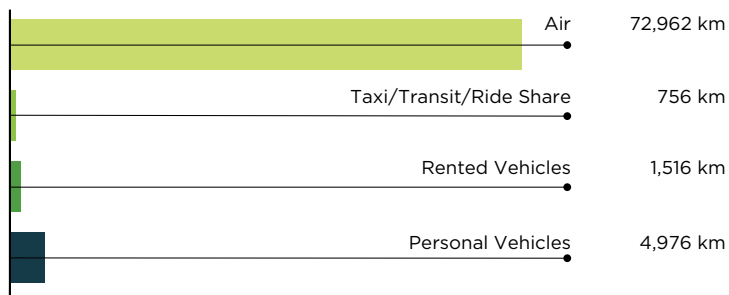
One of the few environmental positives that arose during the global pandemic was the advancement of video conferencing and other remote technologies that have greatly reduced the need for business travel.

## Business Travel

### Employees



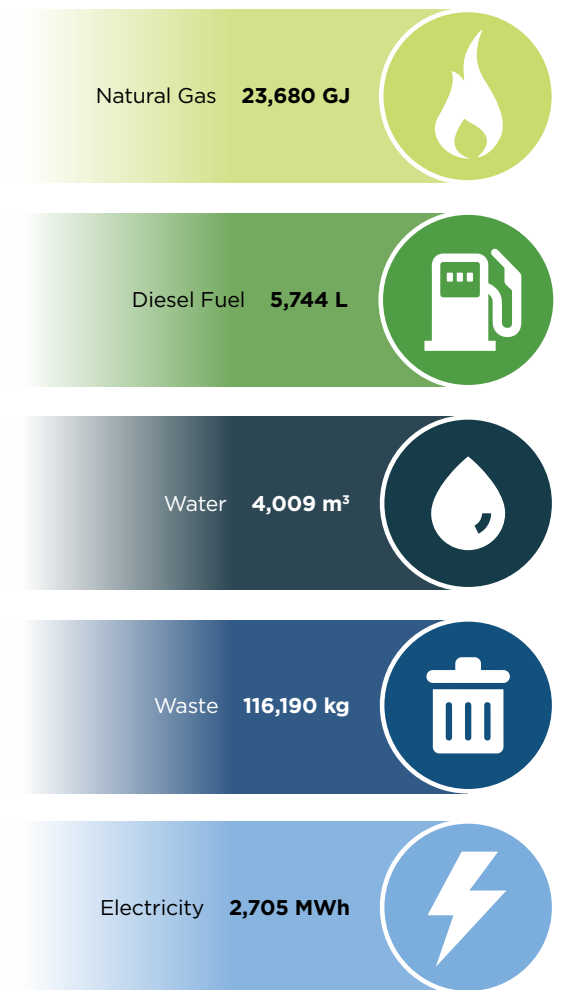
### Directors



## Employee Commuting

Calgary is an ever-expanding metropolis, and St. Albert is a satellite city of Alberta's capital, Edmonton. Employee commute times can be long, depending on where they live in relation to ABCRC facilities. In 2022, ABCRC implemented a permanent hybrid working option to head office employees whose jobs allowed them to work from home as effectively as they could in the office. 19 employees exercised this option in 2023, working from home an average of 34% of the time; this meant 64,144 fewer kilometers travelled, or a CO<sub>2</sub> emission savings of approximately 15,548 kg (per [www.epa.gov](http://www.epa.gov)).

## Facility Usage





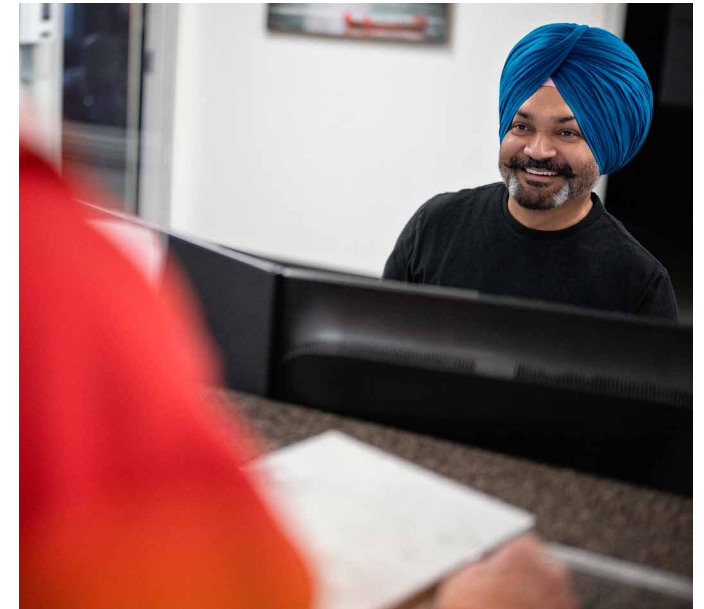
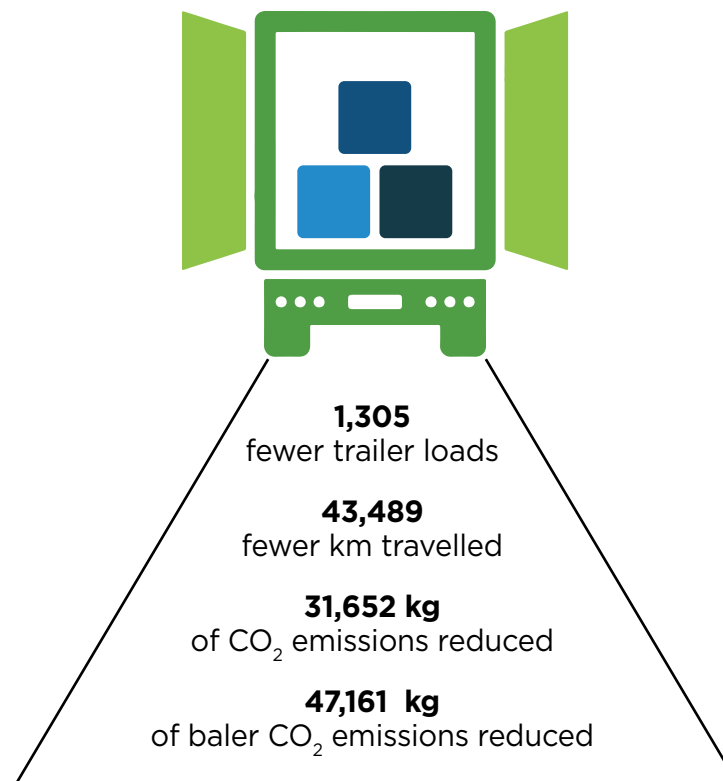
# Logistics & Statistics

Transporting beverage containers across a province as large as Alberta and beyond requires an extensive and flexible transportation and logistics system. ABCRC relies on commercial truck transportation as the most appropriate solution for carrying beverage containers as efficiently as possible through the recycling supply chain. In 2023, 36,053 loads of beverage containers were transported approximately 3,409,898 km to ABCRC.

For transportation to and from more than 220 Alberta Depots, ABCRC leverages back-haul carriers (i.e., trucks that are returning to Calgary and St. Albert that would otherwise have been empty) as much as possible to reduce our environmental footprint, and some of the carriers that ABCRC contracts are members of the SmartWay Transport Partnership (SmartWay), operated in Canada by Natural Resources Canada (NRCan). SmartWay helps businesses move goods efficiently and competitively while reducing fuel costs and emissions by helping carriers and shippers to benchmark their operations, track fuel consumption and improve their overall performance.

## The Benefits of Compaction

In 2023, six depots chose to compact beverage containers before sending them to ABCRC. While each depot reaches an agreement with ABCRC with respect to which material streams they compact, aluminum cans are the most common, as their high compaction ratio (3:1) reduces transportation and processing costs (fuel, labour and maintenance), resulting into fewer CO<sub>2</sub> emissions overall.



## Still Trucking

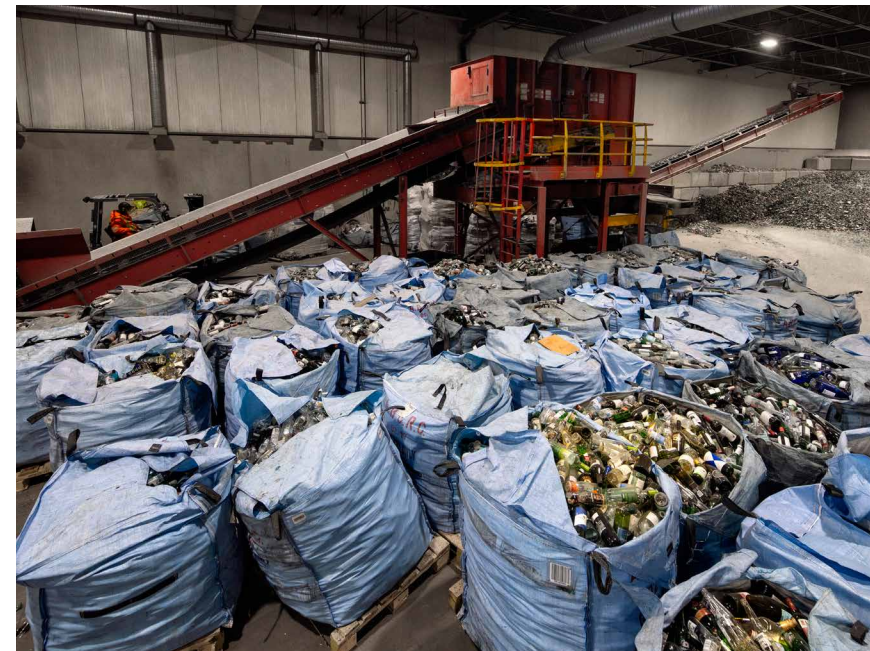
In October 2022, an established Alberta-based carrier announced, with only one month's notice, that they were going out of business. ABCRC was unable to locate a replacement for the depot routes impacted by that carrier's closure, which could have threatened the viability of those depots, so ABCRC purchased the carrier's assets and created a new trucking company.

2023 was a year of learning and growth for this new company. ABCRC is continuing to evaluate whether it will be able to provide effective and sustainable carrier services over the long-term.

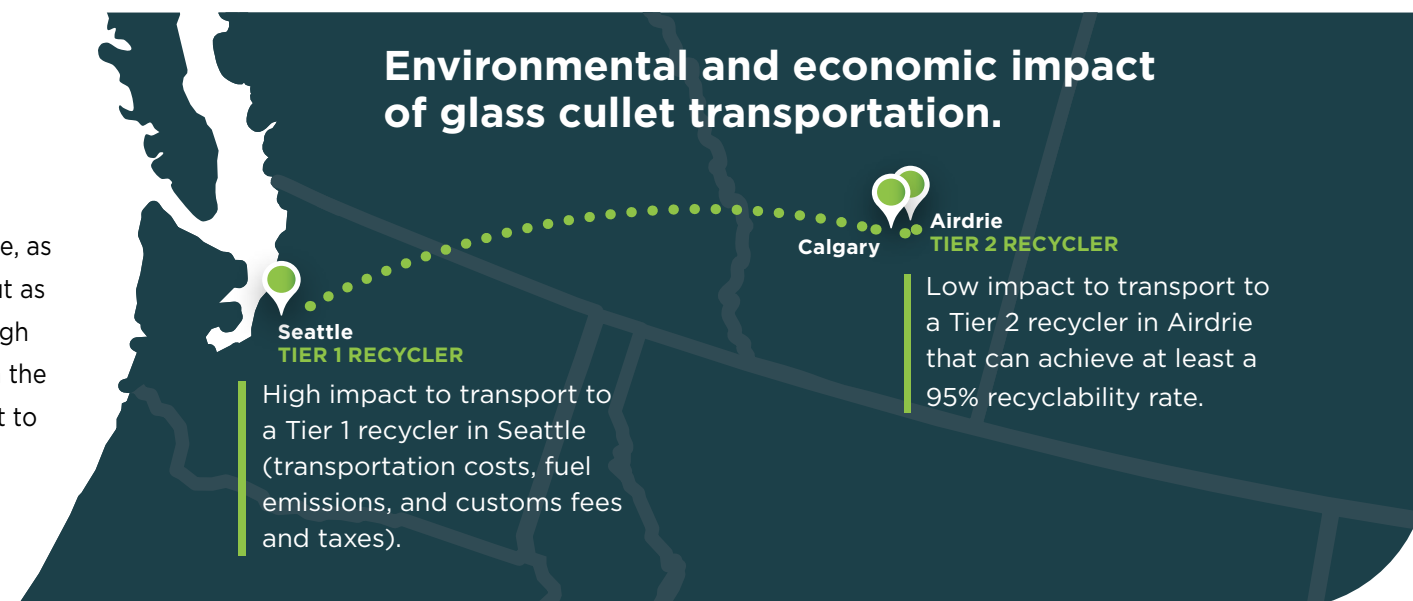
# Prioritizing Recyclability

Keeping beverage containers separate from the other types of recyclable materials means that the resulting product streams are “clean” when they are shipped to the end market (not mixed with other materials that can contaminate the purity of the material stream). This makes ABCRC’s product very desirable to end markets, allowing us choice in who we sell it to, with a preference for local (western Canadian) markets when feasible. The clean streams also help manufacturers - many of whom have committed to a minimum of 30% recycled content by 2030 - increase the amount of recycled content in their beverage containers.

It’s important to remember that it’s not just about how many used, non- refillable beverage containers are returned by Albertans, though; it’s also about what happens to those beverage containers after they’re separated into product streams and leave an ABCRC facility. ABCRC is continually broadening our industry and recycling knowledge, participating in research studies and searching for innovative companies that might recycle or repurpose even more material from beverage containers. Plans are already underway to work with our many recycling partners in 2024 to collect detail about the end-of-life use for each material, including an estimate of the breakdown of components where possible.



The current, preferred end markets for Alberta’s beverage containers are ones that recycle or repurpose as much material from them as possible, as described in Tier 1 Recycling on the next page. But as always, there must be balance - the benefits of high product recyclability must always be greater than the environmental impact of transporting the product to end market. Take glass, for example.



# The Three Tiers of Recycling

## TIER 1

### BOTTLE-TO-BOTTLE RECYCLING

There is little to no waste in the process of converting one beverage container into another beverage container, making this mechanical recycling process the most desirable for its circularity.

#### ALUMINUM

Representing almost half (48.75%) of all beverage containers sold in Alberta, aluminum cans also have the highest return and recyclability rates. Alberta pools aluminum with nine other provinces in Canada, shipping approximately 2 billion cans (30 million kg) annually to the United States, where it is smelted into huge aluminum sheets, which beverage manufacturers then use to create more aluminum cans. Up to 98% of the weight shipped is recycled, with the remainder being moisture and contaminants. This means that aluminum cans are truly circular –they can be used over and over again, almost infinitely!

#### CLEAR PET

Clear plastic (PET) beverage containers like water and soda bottles are recycled into new, food grade PET plastic. Merlin Plastics (Calgary) ships the clear plastic to their California plant for further processing, which allows for the plastic to be used in new bottles.

#### HDPE NATURAL

Innovative technology for recycling HDPE natural (like white plastic milk jugs) into food-grade plastic has just been introduced by Merlin Plastics. In their BC facility, the natural plastic is further processed and then turned back into new jugs.

## TIER 2

### BOTTLE-TO-PRODUCT RECYCLING

The beverage container is mechanically recycled into another product, including non-food/non-beverage containers. While every effort is made to keep the material in the economy, moisture, wastage (substandard material, caps, corks, dust and/or other contaminants) and degradation of the material (downcycling) is unavoidable.

#### COLOURED & OTHER PLASTIC

Processed in Calgary, Alberta, approximately 80% of these containers become flakes and pellets that are used to make non-food grade containers and other products that use recycled plastics. Plus, 98% of plastic lids and caps are recycled into new products, which is why in Alberta we say "Leave 'em on!" The remaining 2% are used as an alternative fuel source (Tier 3).

#### GLASS

Broken into small pieces (cullet) and shipped to a processor for cleaning and recycling in Airdrie, Alberta, where it is pulverized into a sand-like material and sold as a raw material to companies that make fibreglass home insulation.

#### TETRA BRIK

Once one of the hardest products to recycle, containers like juice boxes are now shipped to the U.S., where 99% of the weight shipped is recycled. The package is shredded, mixed with resins and pressed into a cover board (the final layer before the roof membrane is applied) that is primarily used for industrial roofing. This new 'board' is lighter, stronger and could extend the life of a roof by at least two years.

#### GABLE TOP

Paper-type products like milk cartons are mainly shipped to the U.S., where they're and used in the manufacturing of high-performance roof cover board. A small amount is shipped overseas, shredded and made into recycled paper products, like toilet paper and tissues.

#### CERAMICS

Ceramics pre-date the regulatory requirement for recycling, and there are very few still in circulation. Since 2021, approximately 1 tonne has been accumulated. It was stored in-house until 2023, when there was enough volume to ship to Calgary Aggregate. There, it was crushed and mixed into recycled concrete aggregate.

#### BI-METAL

Smelted down for recycling into construction rebar, car parts and grinding rods for mining.

## TIER 3

### WASTE-TO-ENERGY RECYCLING

The chemical structure of a beverage container is broken down to produce energy through gasification (incineration) and used for the manufacturing of other products. While this process is the least desirable because it produces chemical by-products, it is also more tolerant of contamination in the material stream and costs less than the other tiers of recycling. Studies are ongoing to determine a feasible form of material removal and a viable end market for those recovered materials.

#### BAG-IN-BOX

At Merlin plastics, bag-in- box containers are shredded, allowing the LDPE-nylon bladders to be easily separated from the outer cardboard box. The cardboard is sent to be recycled into mixed cardboard (old corrugated cardboard (OCC)) and paper products, the rubber spout is removed and the bladder is used for energy through gasification (incineration).

#### DRINK POUCHES

Like bag-in-box containers, the material in drink pouches is recovered for energy (as an alternative to coal) to power cement kilns.

# Materials Recycled 2023

MATERIALS RECYCLED		CUSTOMER	LOCATION	TOTAL KM DRIVEN	SALES VOLUME (Units - 000s)	REDEEMED VOLUME (Units - 000s)	RETURN RATE (%)	DIVERTED FROM LANDFILL (Metric tonnes)
<b>ALUMINUM</b>		<ul style="list-style-type: none"> <li>Novelis</li> <li>Schupan Recycling</li> </ul>	North America	2,787,459	1,242,864	1,106,320	89.01%	16,830
<b>PLASTICS</b>	Polyethylene Terephthalate (PET) Clear	Merlin Plastics	Alberta	125,528	771,647	590,268	81.19%	16,594
	Hi-Density Polyethylene (HDPE) Natural		British Columbia	197,623	138,171	52,294		4,257
	Other Plastics - Rigid		British Columbia	27,150	10,346	104,517		3,653
	Other Plastics - Flex		Alberta	2,560				
<b>GLASS</b>		Vitreous Glass Inc.	Alberta	164,728	144,217	129,760	89.98%	51,629
<b>POLYCOAT</b>	Tetra Brik	Recycled Materials Management (on behalf of Continuus Materials)	North America	283,023	135,501	97,099	71.66%	2,327
	Gable Top*	<ul style="list-style-type: none"> <li>ICF Global</li> <li>Recycled Materials Management (on behalf of Continuus Materials)</li> </ul>	North America, Overseas	357,325	87,464	67,222	76.86%	3,348
	Drink Pouches	Merlin Plastics	British Columbia	11,159	14,766	8,482	57.44%	249
	Bag-in-Box Bladders	Merlin Plastics	British Columbia		1,896	978	51.57%	243
<b>BI-METAL</b>		General Recycling Industries Ltd.	Alberta	1,297	2,824	2,765	97.91%	113
<b>CERAMICS</b> (predates Regulation)		Calgary Aggregate	Alberta	378	0	0	0%	1
<b>TOTALS</b>				<b>4,064,501</b>	<b>2,549,698</b>	<b>2,159,705</b>	<b>84.70%</b>	<b>99,246</b>

\*In 2023, some Gable Top was shipped to overseas destinations for processing, incurring CO<sub>2</sub> emissions of approximately 31,050 kg.



3

# SOCIAL ENGAGEMENT

# Circularity Leadership

As an industry leader and operator of one of Canada's oldest and largest beverage container recycling systems, ABCRC is at the forefront of the Canadian recycling movement. Our commitment to advancing the circular economy for beverage containers is exemplified by our active engagement in local, provincial and national dialogues, leveraging insights and expertise gained over the past 28 years. The Government of Alberta and municipalities province-wide are valuable partners and supporters as we remain steadfast in our dedication to preserving Alberta's legacy of environmental stewardship.

In 2023, in partnership with government and industry stakeholders, we continued to lend our voice to important policy discussions

shaping the evolving recycling landscape. Central to these discussions is circular economy growth. ABCRC's track record in identifying valuable end markets for recycled materials has positioned us as a sought-after resource by decision-makers, not only in Alberta but also in jurisdictions across Canada.

At the heart of this collaborative work is ABCRC's decades long journey in establishing and operating a successful, self-funded beverage container recycling system. Born from the ingenuity and foresight of beverage manufacturers, our model serves as a clear illustration to decision makers and advocacy partners of all the possibilities within waste management, particularly through strategic identification of end markets led by industry.

This shift towards circularity and reuse, rather than single-use consumption, not only benefits the environment but also offers economic advantages—a crucial step toward achieving a zero-waste future.

We are proud of our strong relationship with the Government of Alberta, which acknowledges our longstanding leadership in the recycling and waste management sector and recognizes that it takes many voices in collaboration to propel our industry forward. As we collectively address pressing policy matters in the years ahead, ABCRC's contributions will continue to play a pivotal role in driving solutions for a more prosperous and sustainable future for generations to come.

To cap off a successful year of advocacy work, ABCRC and our partners hosted government officials and industry leaders at an evening reception in October 2023. This gathering with Alberta's MLAs and ministers, including Alberta's Premier, Danielle Smith, and the Honourable Rebecca Schultz, Minister of Environment & Protected Areas, convened key voices in the beverage container recycling industry to continue advancing the important discussions happening between policy makers, sustainable organizations, recycling supply chains and industry groups.

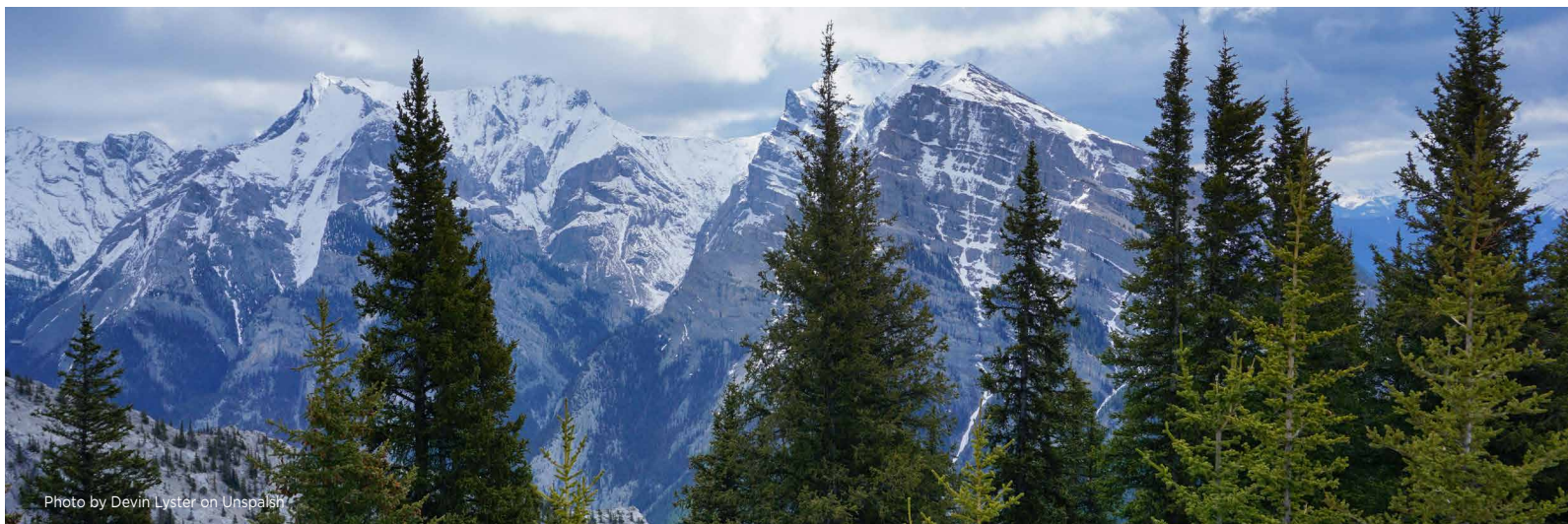


Photo by Devin Lyster on Unsplash



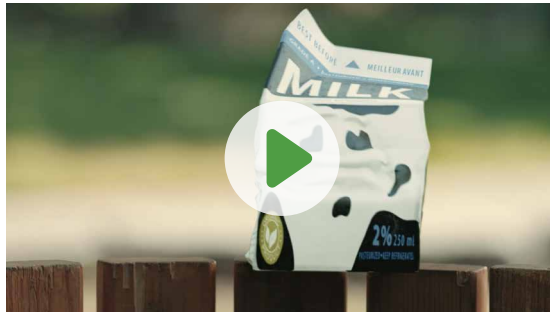
Guy West with Premier Danielle Smith and Krista Scaldwell, President of the Canadian Beverage Association (CBA)

# Marketing & Advertising Highlights

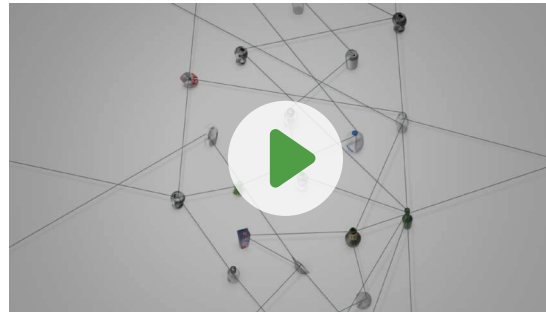
Working with our agency partners, we launched “Trash Talk” in July 2023, which focused on beverage containers with low return rates, such as gable top (milk cartons), tetra brik (juice boxes) and coloured PET (sports drinks). Assigning human characteristics to each container type through animation and pun-inspired “trash talk”, the containers demanded to be returned to an Alberta Depot. More than a campaign, Trash Talk educated Albertans about good/better/best return scenarios (public recycling bin/third-party collection/Alberta Depot) and was a call to action for Albertans to return the upwards of 440 million low performing beverage containers that languish in landfills each year.

In 2023, we also launched an ABCRC-branded advertising campaign that focused on bringing greater awareness to key stakeholders - political, industry and public - about our position as the provincial steward of beverage containers and a leadership organization with many years of expertise in Alberta’s evolving recycling and sustainability landscape. Target audiences were encircled in ongoing messaging that increased awareness of the provincial deposit-return system and the need to “do more” to ensure that all of Alberta’s beverage containers remain within the system.

## Trash Talk



## ABCRC Connects



## ABCRC More



**TRASH-TALK** Ways to recycle Learn to be recycled

**HEY YOU!  
DON'T TREAT  
ME LIKE  
GARBAGE!**

Recycle every time and avoid the trash talk.

**Sure, you return your bottles  
most of the time.**

But there are those times when a recycling bin isn't handy, or you're on the go, or it's inconvenient. Here are some tips and tricks to help you recycle every single time.

**440 MILLION**

**UNRETURNED BEVERAGE CONTAINERS**

How can we collectively do more?

ALBERTA BEVERAGE CONTAINER RECYCLING CORPORATION LEARN MORE [abcrc.com](https://abcrc.com)

**A GIFT THAT  
KEEPS ON  
GIVING**

Return your beverage containers  
this holiday season.

ALBERTA BEVERAGE CONTAINER RECYCLING

[abcrc.com](https://abcrc.com)

# Corporate Sponsorships

ABCRC's philanthropic efforts include corporate sponsorships, monetary contributions and infrastructure donations that reflect our strategic priorities and our desire to help our fellow Albertans whenever we can.



## Recycling Council of Alberta Circular Economy Conference

As a Platinum Sponsor of this annual conference, ABCRC supports RCA's mission to promote, facilitate and advocate for a circular economy in Alberta through waste reduction and resource conservation.



## Small Brewers Association

ABCRC was a Half Pint sponsor of this conference that brings together beer manufacturers from across Alberta to network, collaborate and enhance their industry leadership and sustainability role.



## Alberta Bottle Depot Association

As a Diamond Sponsor of this annual conference, ABCRC helps bring together the owners/operators of the over 220 independently-owned bottle depots in Alberta for education, networking and collaboration on industry topics and challenges.



## Alberta Summer Games

As a Gold Sponsor (in partnership with ARMA) of these annual games, ABCRC helps provide opportunities to celebrate young athletes and provide them with a venue to compete and reach their athletic potential.



## Canadian Stewardship Conference

ABCRC is a Platinum Sponsor of this annual conference hosted by the Canadian Stewardship Council, Canada's principal forum for industry, government and other stakeholders to engage in serious dialogue about product stewardship, extended producer responsibility and the circular economy.





Photo by Mathew NewHouse

### Heritage Classic

ABCRC was a hospitality suite sponsor (co-hosting with the Canadian Brewer's Association) of this 2023 outdoor regular season hockey game between the Edmonton Oilers and the Calgary Flames – also known as “The Battle of Alberta”!



### Alberta Emerald Foundation

ABCRC sponsored the fifth season of the Alberta Emerald Foundation' Emerald Documentary Series, which unveiled the impactful stories of the vital work being conducted by environmental champions. These mini documentaries featured the distinguished recipients of the 32<sup>nd</sup> annual Emerald Award recipients and their desire for positive change in Alberta.



### Cerebral Palsy Golf Tournament

ABCRC sponsored the lunch and provided a prize for this annual fundraising event to enrich and support the lives of children and adults in Alberta's disability.



### Enbridge Ride to Conquer Cancer

ABCRC was a “prairie sponsor” and a sponsor “in-kind” for this cycling fundraiser, which brings thousands together to meet the same goal: “Conquer Cancer In Our Lifetime”. All proceeds directly benefit The Alberta Cancer Foundation, a centre of research excellence both nationally and internationally, for cancer clinical trials and for bringing cancer treatments of tomorrow to Albertans facing cancer today.



### Winnifred Stewart

ABCRC sponsored “Empties to WINN”, a year-round program that creates opportunities and support for individuals with intellectual disabilities, makes specialized living arrangements for individuals who have dementia or Alzheimer's and provides a wide range of day programs, employment and volunteer support through donated beverage containers.

# Sustainability Initiatives

## Zero Waste Purchasing

ABCRC worked with eco-friendly companies to accommodate smaller promotional items and corporate attire orders - we no longer overstock (make bulk purchases) just to save money. Under this program, if it's not ethically sourced, sustainable, reusable, compostable or recyclable, then we don't buy it.

## Alberta Plastic Recycling Association (APRA)

ABCRC is a proud member and sponsor of APRA, collectively supporting producers, manufacturers, fabricators, converters, wholesalers, retailers, recyclers and municipalities in seeking solutions to advance plastic recycling and circularity.

## Infrastructure Donations

ABCRC donated infrastructure (outdoor storage bin, indoor collection bins and bin liners) to Prairie River Junior High School to facilitate out-of-home beverage container collection and school fundraising efforts.

## Recycling Round-Up

ABCRC partnered with Alberta Recycling Management Authority (ARMA) to hold a recycling round-up at Calgary's William Reid Elementary School in October to help with the school's fundraising efforts. ABCRC provided digital and print advertising support, as well as recycling collection infrastructure at the event. Through beverage container and electronics returns, the school raised \$3,102 - amassing 62% of their annual fundraising goal.



Representatives from ABCRC, ARMA, Calgary Board of Education (CBE) and the Government of Alberta

## Visitors from California

ABCRC co-hosted a delegation from the California Foundation on the Environment and the Economy (CFEE) in August with our industry partners. In addition to touring a Nova chemicals facility and the state-of-the art Bowridge Bottle Depot, the delegation toured the Calgary ABCRC processing plant and stayed for lunch! They were excited to learn about Alberta's successful circular economy for beverage containers and its sustainability initiatives.



Delegates from the California Foundation on the Environment and the Economy (CFEE)



**“ABCRC takes pride in advancing Alberta’s circular economy through targeted consumer education and advertising, sponsorships and donations, corporate sustainability initiatives and ongoing, meaningful engagement with all of our stakeholders.”**

**- Lori Koebel,  
Director, Sustainability  
& Communications**

# Human Resources

ABCRC is proud to contribute to the province's economy by providing stable, meaningful and gainful employment for a diverse group of approximately 170 Albertans. They contribute a wealth of expertise to the maintenance and operation of the Common Collection System and kept ABCRC in operation through 2023 without any service disruptions, which in turn kept Alberta's economy moving... one beverage container at a time.

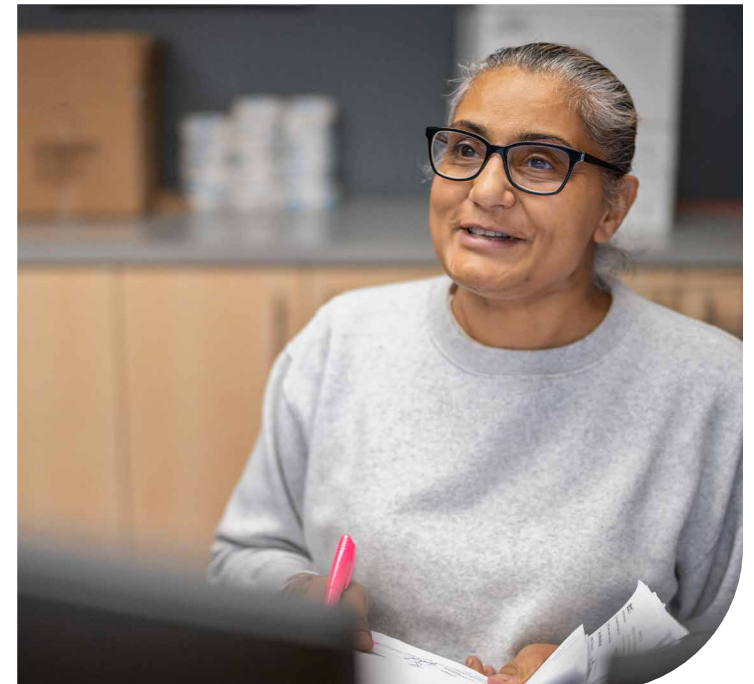
In 2023, we saw an increase in the number of applicants across 46 publicly listed positions, indicating a heightened

interest in the company's opportunities. Focusing on greater exposure through social media and industry networks (10,120 combined online clicks from prospective job seekers, averaging approximately 220 clicks per posting), our employment ads were seen by a more diverse audience, allowing us a greater breadth of qualified applicants to review. This heightened engagement reflects ABCRC's strong reputation as an employer of choice in Alberta and our Human Resources (HR) team's continued work to attract, develop, engage and retain top talent.

## Collective Bargaining

We recognize our employees' lawful right to choose a collective bargaining representative. Approximately 68% of our employees are unionized, represented by United Food & Commercial Workers (UFCW) Canada, Local 401.

ABCRC promotes productive relationships with the union through our corporate leadership team, and union members enjoy a strong contract with excellent representational rights and benefits. Negotiations for a new agreement were ongoing, and it is expected to be ratified in 2024.



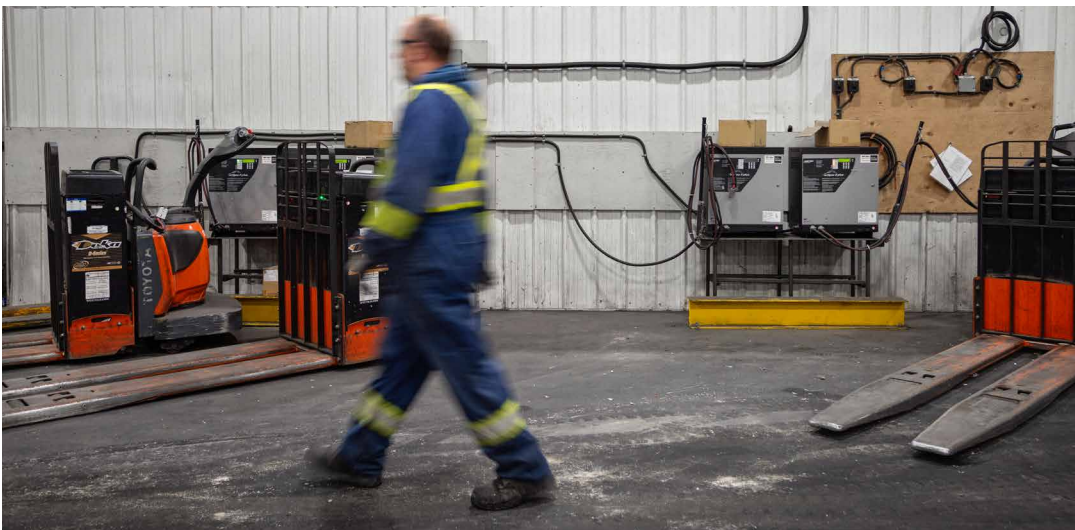
# Benefits & Wellness

ABCRC values each and every employee and strives to keep them safe, happy and healthy. Employment with ABCRC has lots of perks, such as service recognition and awards programs, telecommuting options for qualifying positions, education reimbursement, leave for life's unexpected events, paid vacation, and personal "flex" hours that can be used for appointments, volunteering or in cases of illness. These programs are meant to help employees maintain healthy everyday work-life balances while empowering them to make the best decisions for their futures.

In addition to monetary compensation, ABCRC offers comprehensive healthcare benefits and wellness resources to its employees. Prescription

drug coverage, medical, dental, and vision care budgets, and an easy-to-access employee assistance program (EAP) all ensure that ABCRC's people are cared for physically and emotionally.

Plus, there are value-added options like Pharmacogenetic testing, nutritional health coaching, access to GOevisit (remote access to healthcare providers), financial guidance and various wellness initiatives. Our benefit packages are intended to help employees live healthy, fulfilling lives inside and outside the workplace and to help them to make decisions that will set them up for a healthy future.



## Our comprehensive benefits include:

Medical, dental and vision care benefits



Employee Assistance Program (EAP) for mental health resources and counseling



Retirement savings plans



Life and disability insurance coverage



Exclusive offers, cashback and discounts





# Health & Safety

ABCRC's commitment to employee health and safety never wavers. Through comprehensive health and safety programs, including identification and control of workplace hazards, comprehensive training and comprehensive procedural and safety documentation, ABCRC ensures that risks are minimized and that healthy working conditions are maintained. In addition, statistical data is tracked and analyzed quarterly in an effort to identify trends, including numbers and types of incidents, claim costs, inspections completed and safety meetings completed.

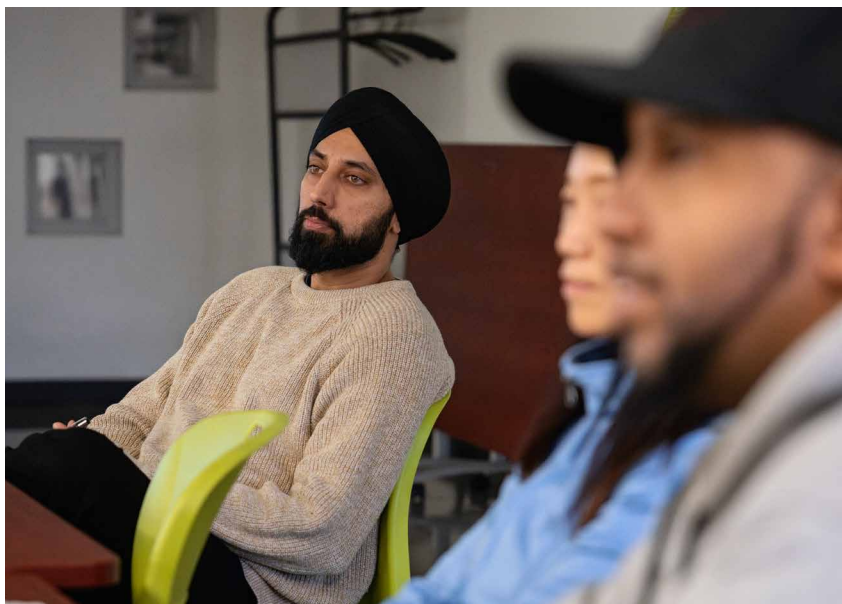
Our workforce is continuously aware of health and safety risks, fully engaged in minimizing the risk of injuries and trained on up-to-date safety procedures.

Operations holds monthly safety meetings to share and learn from incidents and discuss safety improvements. In addition, ABCRC allocates significant financial resources to provide employees with a selection of Personal Protective Equipment (PPE) and mandates its use and maintenance.

ABCRC underwent an external Certificate of Recognition (COR) audit on December 13, 2023, and was proud to achieve a score of 81 percent, which reflected the efforts and resources that ABCRC directed to Health & Safety throughout the year. The audit recognized key strengths of management's commitment to the health and safety of employees, recognition and control of workplace hazards and comprehensive training programs

for employees. As was expected, some areas for improvement were identified, such as creating job-specific hazard assessments, a contractor management system and updating the Emergency Response Plan to include a plan to react to intruders, but we welcome the opportunity to grow and will prioritize those improvements in 2024.

The concentrated efforts of ABCRC's Health & Safety team also resulted in reduced injuries and claim costs in 2023. The number of recordable incidents decreased, and lost time claims remained the same as in 2022 (3 incidents). Based on our safety performance in 2023, ABCRC received a 9.77% discount on our 2024 Workers Compensation Board (WCB) premiums.



## Other 2023 Health & Safety Highlights

### Technology

Acquired a new training and compliance software for Environment, Health & Safety (EHS) management (BIS Safety Software).

### JHSC Training

Joint Health & Safety committee members trained to ensure that they are aware of current regulations and other relevant knowledge.

### Testing

Conducted noise and silica tests. Efforts are now underway to engineer controls to increase safety in these areas.

### First Aid Training

First Aid Team members trained/re-trained to ensure that they stay sharp, have up-to-date knowledge and feel confident in their abilities.



04

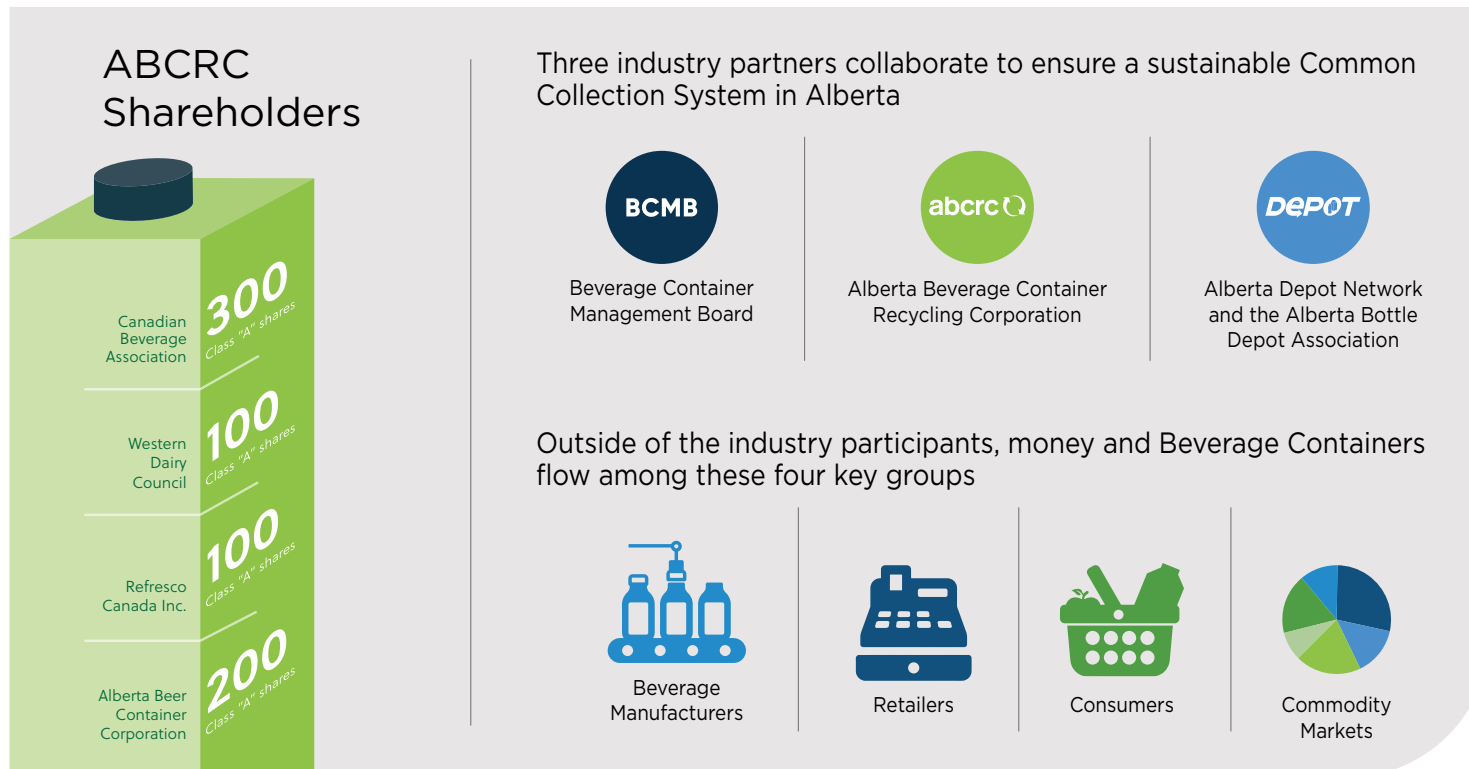
**RESPONSIBLE  
GOVERNANCE**

# Regulation & Oversight

The beverage container recycling system in Alberta, as mandated by the Beverage Container Recycling Regulation, is an extended producer responsibility (EPR) model. It is overseen by the system's regulator, the Beverage Container Management Board (BCMB), and is accountable to Alberta's Ministry of Environment and Parks. The BCMB approves Alberta Beverage Container Recycling Corporation (ABCRC) to be the agent for the non-refillable collection

system and the Alberta Beer Container Corporation (ABCC) to be the collection system provider for refillable beer containers. The Alberta Bottle Depot Association (ABDA) represents the 224 independent depot owners in Alberta that collect refillable and non-refillable beverage containers from consumers. All four organizations - BCMB, ABCRC, ABCC and ABDA - work collaboratively to ensure efficient collection and processing of used beverage containers within the province.

ABCRC operates with not-for-profit provisions as the appointed and approved collection system agent (CSA) for Alberta beverage manufacturers and distributors whose beverage containers are regulated. ABCRC's shareholders appoint representatives to ABCRC's Board of Directors to ensure the effective governance of one of the most innovative and sustainable beverage container recycling programs in North America.



**“ABCRC’s Board of Directors celebrates Alberta’s fifty years of beverage container stewardship and is committed to ensuring the ongoing success of the industry by fostering innovation and growth at ABCRC.”**

**– Ken White,  
Chair, ABCRC Board of Directors**





# ABCRC Executive Team

ABCRC's management team is committed to providing effective leadership to ensure the continued success of the organization. ABCRC's Board of Directors and its management are linked through the President & CEO; the President & CEO is directly supported by the Executive Team who are, in turn, supported by department managers and their teams.



**Guy West, MBA**  
President & CEO

**Khurram Dhedhi, MBA,  
BEng, LSSMBB**  
Vice President, Operations

**Sam Nasr, MMSc, CPA, CFA**  
Vice President, Finance & IT

**Lori Koebel, MSL**  
Director, Sustainability &  
Communications



# ABCRC Board of Directors

ABCRC is governed by its Board of Directors. The ABCRC Board is made up of eight shareholder nominated directors, as well as one independent director that is collectively nominated by the other eight directors. The Board is committed to following effective, transparent and accountable governance practices to ensure that objectives are realized, resources are well managed and the interests of stakeholders are reflected in key decisions.

There are three standing Board committees: Governance, Audit and Public Affairs & Communications (PAC). Each committee has a mix of Directors and non-director representatives, who are nominated by shareholders to provide different perspectives and expertise to the committees.

- The Governance Committee continually assesses and improves ABCRC's approach to corporate governance. They make recommendations for appointments to the Board and committees, the President & CEO's compensation, human relations issues and policy modifications.
- The Audit Committee makes decisions to ensure transparency and accountability, minimize the cost of operating the common collection system, promote and encourage effective stewardship of the common collection system, strive for continuous improvement in operations, maintain a safe and healthy environment for employees, provide a culture of honesty and integrity, and ensure each container type (material/size) is self-funding.
- The PAC Committee develops strategies and polices with respect to public affairs and communications with all stakeholders of ABCRC and to enhance relations between ABCRC and its stakeholders.

The nominated Directors, and non-director committee members, do not receive any remuneration for the time and talent they provide to ABCRC. However, the appointed independent Director does receive honoraria.

## Board of Director expenses for the 2023 Fiscal Year

Independent Director Honoraria	\$28,434
Professional Development	\$1,499
Director Expenses	\$51,871
<b>Total</b>	<b>\$81,804</b>



**Ken White** | Chairman  
Independent Director

**Neil Antymis** | Vice Chairman  
The Pepsi Bottling Group  
(Canada) Ltd.

**Tony Gusikoski** | Treasurer  
Lactalis Canada

**Cheryl McLaughlin**  
Refresco North America

**Nicholas Kissel**  
AB Gaming, Liquor &  
Cannabis Commission

**Shane Buckingham**  
Canadian Beverage  
Association

**Rachel Morier**  
The Beer Store &  
Brewers Distributor Ltd.

**Michael Forian-Zytynsky**  
Keurig Dr Pepper Canada

**CJ Hélie**  
Beer Canada

# Policies & Ethics

ABCRC embraces ethical and moral business practices and strives for continuing improvement in the way we address operational, financial, health, safety and environmental risks. Our ongoing review of existing documentation and continual addition of new documentation ensures that inconsistencies are addressed, information gaps are filled and content is as up-to-date as possible.

Our comprehensive Recovery and Response plans ensure that the company and its employees are prepared to react quickly and decisively to challenging events and emergencies. Our Standard Operating Procedures (SOPs) provide clear, chronological instructions on how to complete processes correctly and consistently. Our policies align with federal and provincial legislation; they also support many United Nations Sustainable Development Goal (SDG) actions on a variety of issues. All of our documents are written in plain language to increase understanding and bolster compliance.

Some key policies include (but are not limited to):

## Board Oversight

Provides operating parameters for the Board, including skills diversity requirements and nomination guidelines.

## Privacy Protection

Commits to protecting the privacy of employees and the public in accordance with the province of Alberta's Personal Information & Privacy Act (PIPA).

## Code of Conduct & Ethics

Establishes the framework to ensure that all ABCRC employees and directors act in accordance with employment standards and our core values.

## Whistleblower Provisions

Provides a way to anonymously report financial, human resources, legal, environmental and/or unsafe activities that may involve criminal conduct or violate ABCRC's Code of Conduct.

## Risk Management

Identifies, assesses, addresses and monitors potential and emerging risks that could pose a threat to ABCRC's operations.

## Document Management

Provides parameters for business document life-cycle management.

## Health & Safety

Establishes a risk assessment and prevention framework to ensure that all ABCRC employees can work in a safe and healthy environment.

## Harassment, Workplace Violence & Discrimination

Creates an environment that embraces diversity, is free from discrimination and harassment, and is grounded in fair treatment and respect.

## Security Protocols

Protects ABCRC personnel, facilities and systems from internal and external threats.

## Accountable Finance Management

Ensures that ABCRC operates in a fiscally responsible manner that ensures the continued operation of the common collection system.

# Effective Operations

ABCRC has been meeting the needs of Alberta's continually growing beverage container recycling industry since 1995. Beverage container volume in Alberta has now risen to well over two billion per year and ABCRC recycles a broader range of containers than any other Canadian deposit program, yet we continue to be a low-cost operator by comparison.

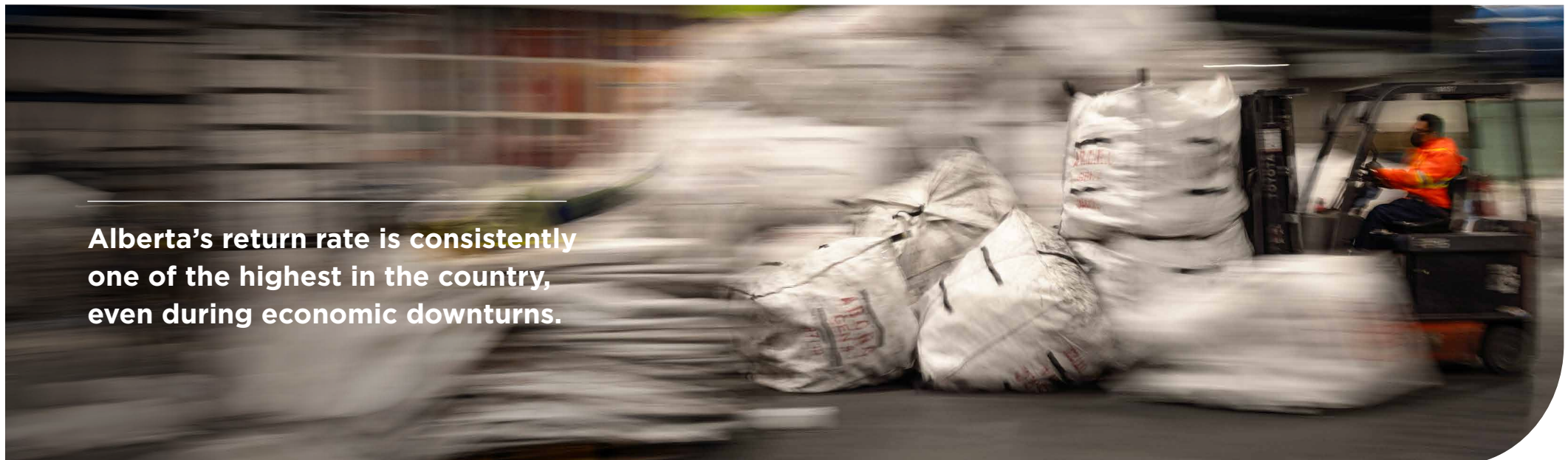
Alberta's return rate is consistently one of the highest in the country, even during economic downturns. This is due, in part, to factors such as the continued recycling commitments of Albertans, ABCRC's good relationships with commodity buyers and provincial partners, and the fact that the beverage container recycling system in Alberta is self-sustaining. Outside economic factors cause minimal fluctuations in operating costs, with little impact to the consumer.

Still, ABCRC takes cost management seriously to ensure the ongoing financial sustainability of the Common Collection System. We continually focus on streamlining operations to lower costs and increase productivity, finding ways to better mitigate risk, improving the quality and accuracy of manufacturer sales reporting and achieving asset and reserve targets.

## Return Rate Over Time

Year	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Rate	85%	83%	84%	82%	85%	86%	85%	86%	85%	83%

**Alberta's return rate is consistently one of the highest in the country, even during economic downturns.**



# Self-Funding System

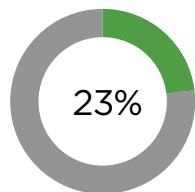
ABCRC does not receive any funding from any level of government. The funds to operate beverage container recovery in Alberta come from three sources: unredeemed deposits from beverage containers that have been purchased and not yet returned to a depot, the sale of recovered material to commodity markets and the Container Recycling Fee (CRF).

This combination supports the costs associated with collecting, handling, transporting and processing empty beverage containers, which amounted to \$0.08 per beverage container (on average) in 2023.

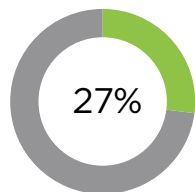
Fiscal transparency is a key element in the effective management of ABCRC's finances. ABCRC strives for rational

financial decision-making that keeps the common collection system not just self-sustaining, but continually improving. Best accounting practices, annual financial audits, and the publication of our financial statements in this annual report keep ABCRC accountable, while ensuring that reliable data can be used to inform, monitor, report and evaluate our progress.

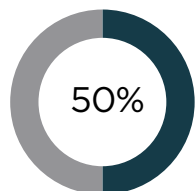
## Revenue by Source



Unredeemed Deposit Revenue



Commodity Sales & Other Revenue



Container Recycling Fees

## What is the CRF?

Each year, for each container type, ABCRC's Board of Directors reviews the actual cost of recovery for the previous year, then compares those costs to the revenue from unredeemed deposits and the sale of processed material; the deficit that results is the basis for the next year's Container Recycling Fee (CRF). This exercise identifies beverage containers with low return performance (below 80%) and allows a CRF to be set for the following year that helps promote better return rates for that container type. This modulated fee system better ensures the self-funding principle for each different container type, since low-performing containers do not benefit from the high return rates of other, better performing beverage containers.

Beverage manufacturers are required to pay the established CRF for every non-refillable beverage container they produce. They might pass this fee on to the retailers who sell their product; those retailers, in turn, might pass this fee on to consumers when they set their prices. If retailers choose to pass on the fee, they can either include the CRF in the sale price of the beverage or they can add it to the cost of the beverage afterward (shown separately on sales receipts).



**“ABCRC is committed to making prudent financial decisions that will ensure the success of the common collection system for beverage containers and our company far into the future.”**

**– Sam Nasr,  
Vice President, Finance and IT**



# How does the money flow?



In addition to the CRF, a deposit is paid on all beverage containers sold in Alberta. There are two different deposit amounts:



Beverage containers designed to hold 1 litre or less



Beverage containers designed to hold over 1 litre



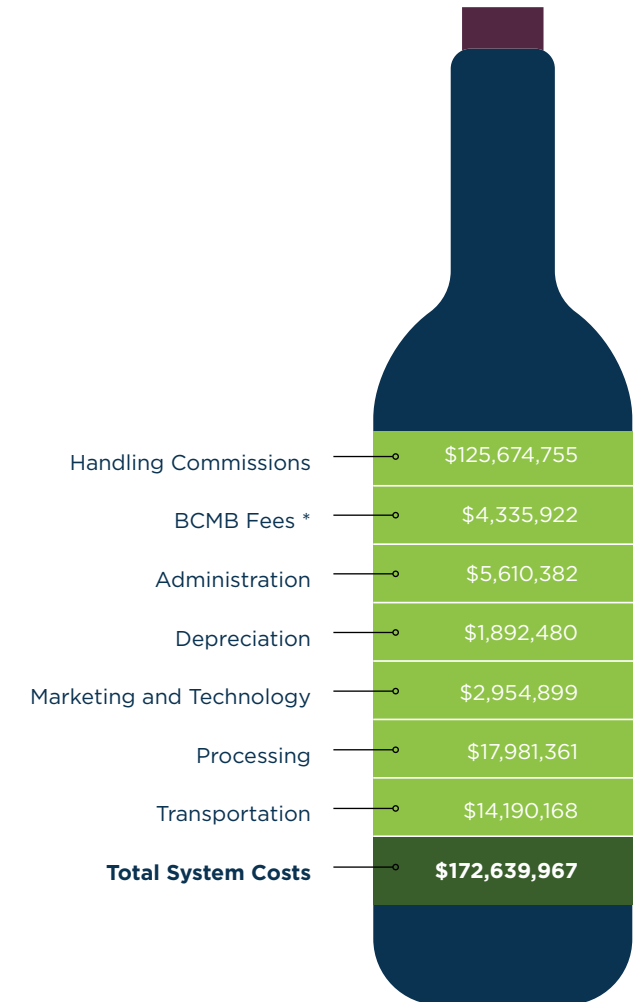
## Economic Value Generated 2023

Direct Economic Value Generated	Amount
Net Regulated Deposit Revenue	\$41,264,737
Container Recycling Fees	\$90,675,670
Sale of Processed Materials and Other Revenue	\$48,403,497
<b>Total Economic Value Generated</b>	<b>\$180,343,904</b>
Direct Economic Value Distributed	Amount
Operating Costs	\$156,534,453
Employee Wages and Benefits	\$13,150,615
Community Investments	\$2,954,899
<b>Total Economic Value Distributed</b>	<b>\$172,639,967</b>
<b>Economic Value Generated 2023 - Retained Earnings</b>	<b>\$7,703,937</b>

## Consolidated Cost per Container Over Time

Year	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Cost per Container</b>	<b>\$0.080</b>	\$0.063	\$0.070	\$0.070	\$0.068	\$0.067	\$0.066	\$0.065	\$0.064	\$0.064

\* ABCRC experienced an increase in net costs in 2023 due to a number of factors, the largest of which were the recovery of more containers over 1 L in volume (25¢ refund) than in 2022 and an increase in handling commissions rates paid to Depots, which had not been changed since 2021. A softening of commodity market rates from increases in labour and transportation costs also contributed to the increased cost of recycling beverage containers.



\* BCMB fees increased in 2021 due to a new fee structure. Historically, the fees were based upon recovered containers and were split equally between ABCRC and the depots, but effective January 1, 2021, fees became based upon reported sales volumes, the depots' portion was removed from the cost of handling commissions and the full expense was borne by ABCRC.

# Industry Relations

ABCRC strives to meet or exceed agreed-upon service levels that reflect the policies outlined in the service agreements between ABCRC, Alberta Bottle Depot Association (ABDA) and individual depots. To this end, ABCRC is constantly updating our policies and procedures to ensure that our economic and operational interactions with Alberta's depots are helpful, respectful and transparent.

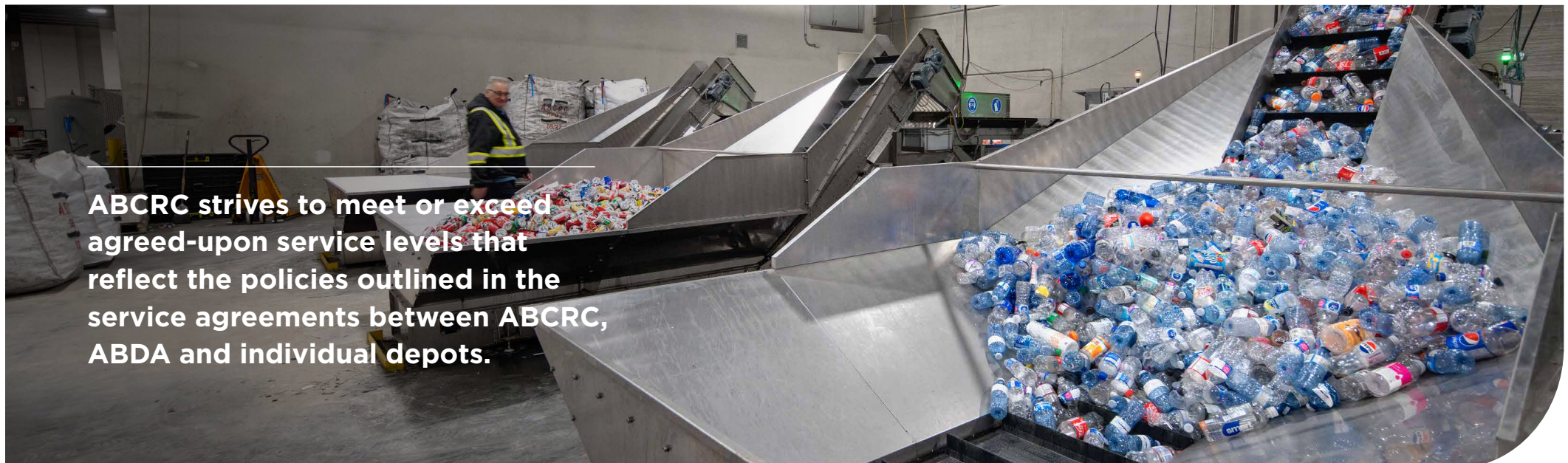
ABCRC operates a rigorous quality control (QC) program, in which 2% of bags received (approximately 1,500 incoming bags per plant, per month) are randomly selected for recount by the system or receivers or targeted if a recurring issue is noted. Depots can challenge observed discrepancies by the end of their next business day and book a review appointment within five ABCRC business days of that challenge being

lodged. When needed, ABCRC also works with the BCMB, which has a progressive-action process for depot compliance; the BCMB may request that ABCRC target a depot that they have concerns about and can impose penalties over and above ABCRC deductions based upon audit results.

To improve QC accuracy, a pilot project (initiated in 2022) continued through 2023 that saw cameras installed around one of ABCRC's automated QC counting machines. This eliminated the need to quarantine bags with a discrepancy, since the camera footage could simply be checked to confirm, saving time, labour and space for ABCRC. From the depots' perspective, video QC allows for immediate video review and feedback to ABCRC, eliminating the travel time and costs associated with meeting with ABCRC to resolve the dispute.

All parties agreed that the pilot project was a success, and to further facilitate this process, new Anker-Anderson automated counting machines replaced the manual counting tables at both ABCRC facilities in 2023. In 2024, cameras will be added to all existing QC areas.

Just as depots are held responsible for the quality of the loads sent to ABCRC, ABCRC is accountable to the BCMB and must pay compliance fees when service level expectations are not met. ABCRC exceeded compliance standards in 2023, and successfully maintained a mark above 99.97% for Next Response Time and a mark above 99.95% for Payment Compliance. Thus, we're proud to say, that no compliance fees were issued to ABCRC in 2023.



**ABCRC strives to meet or exceed agreed-upon service levels that reflect the policies outlined in the service agreements between ABCRC, ABDA and individual depots.**





05

# FINANCIAL STATEMENTS

# Independent auditor's report

To the Shareholders of Alberta Beverage Container Recycling Corporation

## Our opinion

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

### What we have audited

The Corporation's financial statements comprise:

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

## Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements section* of our report.

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

### Independence

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

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

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

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

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

## Auditor's responsibilities for the audit of the financial statements

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

an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence

obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Corporation to express an opinion of the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

*PricewaterhouseCoopers LLP*

Chartered Professional Accountants  
Calgary, Alberta | May 9, 2024

Statement of Financial Position  
AS AT DECEMBER 31, 2023

	2023 \$	2022 \$ (Restated - note 12)
<b>Assets</b>		
Current assets		
Cash	70,385,267	63,630,537
Accounts receivable (note 3)	35,113,692	34,490,051
Prepaid expenses	728,419	1,074,280
	106,227,378	99,194,868
Investment in subsidiary (notes 3 & 11)	2,339,009	2,253,276
Tangible capital assets (note 4)	14,644,269	14,307,619
	123,210,656	115,755,763
<b>Liabilities</b>		
Current liabilities		
Accounts payable and accrued liabilities (notes 3 and 5)	44,384,352	44,459,913
Share capital (note 7)	700	700
<b>Net assets</b>		
Investment in tangible capital assets	14,644,269	14,307,619
Innovation and research (note 8)	3,331,658	3,037,289
Unrestricted net assets	60,849,677	53,950,242
	78,825,604	71,295,150
	123,210,656	115,755,763
Commitments (note 10)		

Approved by the Board of Directors

Director

Director



The accompanying notes are an integral part of the financial statements.

Statement of Operations  
FOR THE YEAR ENDED DECEMBER 31, 2023

	2023 \$	2022 \$
<b>Revenue</b>		
Regulated deposits	280,682,484	276,799,388
Container recycling fees	90,675,670	68,937,853
Deposits refunded	(239,417,747)	(224,626,340)
	131,940,407	121,110,901
Sale of processed containers	45,144,178	56,374,331
Other income and expenses	2,995,616	1,088,342
Gain on foreign exchange	263,703	1,421,189
	180,343,904	179,994,763
<b>Regulated expenses</b>		
Handling commissions	125,674,755	105,837,392
Beverage container management board fees	4,335,922	4,517,040
	130,010,677	110,354,432
<b>Expenses</b>		
Warehouse	17,981,360	16,494,595
Transportation	14,190,169	12,303,005
Administration	5,610,382	4,306,391
Marketing and communication	2,954,899	3,563,186
Amortization	1,892,480	1,708,818
	42,629,290	38,375,995
Investment loss in subsidiary	(173,483)	-
Surplus of revenue over expenses	7,530,454	31,264,336
Net assets - Beginning of year	71,295,150	40,030,814
<b>Net assets - End of year</b>	<b>78,825,604</b>	<b>71,295,150</b>

Statement of Changes in Net Assets  
FOR THE YEAR ENDED DECEMBER 31, 2023

	Unrestricted net assets \$	Invested in tangible capital assets \$	Internally restricted \$	Total \$
Opening - January 1, 2023	53,950,242	14,307,619	3,037,289	71,295,150
Surplus of revenue over expenses	7,530,454	-	-	7,530,454
Internally restricted by Board	(294,369)	-	294,369	-
Purchase of capital assets	(2,226,200)	2,226,200	-	-
Amortization	1,892,480	(1,892,480)	-	-
Gain on disposal of assets	(2,930)	2,930	-	-
Ending - December 31, 2023	60,849,677	14,644,269	3,331,658	78,825,604

Statement of Cash Flows  
FOR THE YEAR ENDED DECEMBER 31, 2023

Cash provided by (used in)	2023 \$	2022 \$ (Restated - note 12)
<b>Operating activities</b>		
Surplus of revenue over expenses	7,530,454	31,264,336
Investment loss in subsidiary	173,483	-
Items not affecting cash and cash equivalents		
Amortization	1,892,480	1,708,818
Gain on disposal of tangible capital assets	(2,930)	(14,708)
	9,593,487	32,958,446
Changes in non-cash working capital		
Accounts receivable	(623,641)	2,073,253
Prepaid expenses	345,861	(382,920)
Accounts payable and accrued liabilities	(75,562)	(528,263)
	9,240,145	34,120,516
<b>Investing activities</b>		
Purchase of tangible capital assets	(2,226,200)	(165,214)
Investment in subsidiary	(259,215)	(2,253,276)
	(2,485,415)	(2,418,490)
Increase in cash during the year	6,754,730	31,702,026
Cash - Beginning of year	63,630,537	31,928,511
<b>Cash - End of year</b>	<b>70,385,267</b>	<b>63,630,537</b>

## Notes to Financial Statements

### DECEMBER 31, 2023

#### 1. NATURE OF BUSINESS

Alberta Beverage Container Recycling Corporation (the Corporation) is incorporated under the Business Corporations Act (Alberta). The Corporation has a not-for-profit provision, which exempts it from taxes under Section 149(1)(I) of the Income Tax Act (Canada), subject to certain requirements.

The Corporation has been appointed by participating beverage manufacturers (the Participants) in the Province of Alberta to collect non-refillable registered containers from depots and cause them to be recycled as required under the Beverage Container Recycling Regulation. The Corporation's guiding principles require that container recycling fees are determined so that each container type is self-funding.

In October 2022, the Corporation established a wholly owned subsidiary, 2466886 Alberta Ltd. (2466886 AB), under the Business Corporations Act (Alberta). The Corporation and 2466886 AB have a common board of directors. 2466886 AB provides carrier services exclusively for the Corporation, from depots to the Corporation's locations. The Corporation has an economic interest in 2466886 AB due to the significant transportation functions performed by 2466886 AB on behalf of the Corporation, which are integral to the Corporation's objectives.

#### 2. SIGNIFICANT ACCOUNTING POLICIES

##### BASIS OF PRESENTATION

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO) and include the following significant accounting policies.

##### REVENUE RECOGNITION

Container recycling fees and regulated deposits are recognized on the sale of product by the Participants. Revenue arising from the sale of processed containers is recognized when shipped.

##### CASH

Cash includes cash on hand and deposits held with banks.

##### INVESTMENT IN SUBSIDIARY

Investment in subsidiary is accounted for using the equity method. The investment is initially recognized at cost. The carrying amount is increased or decreased to reflect the Corporation's share of post-acquisition earnings as well as any capital transactions. Distributions from the subsidiary reduces the investment balance.

At the end of each reporting period, the Corporation considers whether there are indicators that a subsidiary may be impaired. When there is an indication of impairment, the Corporation determines whether a significant adverse change in the expected timing or amount of future cash flows from the investment has occurred during the period. If the Corporation identifies a significant adverse change, the carrying amount of the investment is reduced directly to the higher of the present value of the cash flows expected to be generated by holding the investment and the amount that could be realized by selling the asset. The amount of the reduction is recognized as an impairment loss in net income.

##### FINANCIAL INSTRUMENTS

A financial asset or a financial liability is initially recognized when the Corporation becomes a party to the contractual provisions of the financial instrument. A financial liability is derecognized when it is extinguished. The Corporation initially measures financial assets originated or acquired and financial liabilities issued or assumed in an arm's length transaction at fair value. These financial assets and liabilities are subsequently measured at amortized cost, except for equity investments quoted in active markets and derivative financial instruments, which are measured at fair value. Changes in fair value are recognized in the statement of operations. Financial assets measured at amortized cost include accounts receivable and due from related party.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities. Financial assets originated or acquired, and financial liabilities issued or assumed in a related party transaction are initially measured at cost. For financial instruments with repayment terms, cost is determined as the sum of undiscounted cash flows, excluding interest and dividend payments, less any impairment losses previously recognized by the transferor. For financial instruments with no repayment terms, cost is determined by reference to the consideration transferred or received by the Corporation in the transaction.

Transaction costs on financial assets and liabilities measured at amortized cost are adjusted against the carrying value of the related asset or liability and then recognized over the expected life of the instrument using the straight-line method. Transaction costs on equity investments quoted in active markets are recognized immediately in the statement of operations.

With respect to financial assets measured at cost or amortized cost, the Corporation recognizes in the statement of operations an impairment loss, if any, when it determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows. When the extent of impairment of a previously written down asset decreases and the decrease can be related to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed in the statement of operations in the period the reversal occurs.

## Notes to Financial Statements

### DECEMBER 31, 2023

#### TANGIBLE CAPITAL ASSETS

Tangible capital assets are recorded at cost and amortized using the straight-line method over their estimated useful lives as follows:

Warehouse building	20 years
Plant equipment	5 and 10 years
Warehouse building improvements	remaining life of the warehouse building
Computer and communication equipment	3 years
Leased land improvements	term of lease
Leasehold improvements	term of lease
Office equipment	5 years
Vehicles	5 years

Assets not yet in use are not subject to amortization until development is complete.

Capital assets are tested for impairment when conditions indicate that a capital asset no longer contributes to the Corporation's ability to provide goods and services, or that the value of future economic benefits or service potential associated with the capital asset is less than its net carrying amount. When conditions indicate that a capital asset is impaired, the net carrying amount of the capital asset is written down to the asset's fair value or replacement cost. The writedowns of capital assets are recognized as expenses in the statement of operations. Writedowns are not subsequently reversed.

#### LIABILITY FOR UNRETURNED CONTAINERS

The amount recorded as a liability for unreturned containers is based on management's estimates of future container return rates and associated costs and is included in accounts payable and accrued liabilities.

Effective January 1, 2022, the Corporation changed its estimates of timing of future container return rates and associated costs. The new estimates are based on a data analysis and predictive model undertaken by a third party consultant.

#### FOREIGN CURRENCY

Monetary items denominated in foreign currency are translated into Canadian dollars at exchange rates in effect as at the statement of financial position date, and non-monetary items are translated at rates of exchange in effect when the assets were acquired, or obligations incurred. Foreign exchange gains and losses are included in the statement of operations against the line item they relate to.

#### USE OF ESTIMATES

The preparation of financial statements in conformity with ASNPO requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period.

Specific items subject to estimation include the allowance for doubtful accounts, estimated useful lives and potential impairment of tangible capital assets, liability for unreturned containers and accrued liabilities.

These estimates are reviewed periodically and, as adjustments become necessary, they are reported in the statement of operations in the year in which they become known. Actual results could differ from those estimates.

#### COMPARATIVE FIGURES

Certain comparative amounts are reclassified to conform to current year's presentation.

### 3. RELATED PARTY TRANSACTIONS

Transactions with participants are considered related party transactions because all participants are represented on the Corporation's Board of Directors, which makes strategic decisions.

Of the Corporation's total revenue, 73.16% (2022 - 64.95%) is from the deposits and fees charged and collected by Participants in the selling of their beverages in non-refillable containers.

The Corporation has conducted business transactions with 2466886 AB in 2023 for \$1,950,107 (2022 - \$167,446). 2466886 AB provides carrier services exclusively for the Corporation, from depots to the Corporation's locations.

As at December 31, 2023, the accounts receivable balance included \$32,213,299 (2022 - \$31,849,225) due from the Participants in the normal course of business.

As at December 31, 2023, the accounts payable and accrued liabilities balance included \$1,316,253 (2022 - \$1,696,480) payable to the Participants in the normal course of business.



## Notes to Financial Statements

DECEMBER 31, 2023

### 4. TANGIBLE CAPITAL ASSETS

2023	Cost \$	Accumulated amortization \$	Net \$
Land	3,831,850	-	3,831,850
Warehouse building	6,993,805	3,499,106	3,494,699
Plant equipment	11,472,405	6,755,116	4,717,289
Warehouse building improvements	3,867,553	2,025,625	1,841,928
Computer and communication equipment	2,675,010	2,265,000	410,010
Leased land improvements	743,033	739,216	3,817
Leasehold improvements	820,990	633,336	187,654
Office equipment	407,455	406,553	902
Vehicles	41,762	24,681	17,081
Assets not yet in use	139,039	-	139,039
	30,992,902	16,348,633	14,644,269

2022	Cost \$	Accumulated amortization \$	Net \$
Land	3,831,850	-	3,831,850
Warehouse building	6,993,805	3,134,323	3,859,482
Plant equipment	9,549,581	5,944,615	3,604,966
Warehouse building improvements	3,867,553	1,771,632	2,095,921
Computer and communication equipment	2,302,432	2,192,779	109,653
Leased land improvements	743,033	666,097	76,936
Leasehold improvements	820,990	498,961	322,029
Office equipment	407,455	403,414	4,041
Vehicles	41,762	16,289	25,473
Assets not yet in use	377,268	-	377,268
	28,935,729	14,628,110	14,307,619

Tangible capital assets not yet in use of \$377,268 (2021 - \$230,344) are not subject to amortization until development is complete.

### 5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

#### LIABILITY FOR UNRETURNED CONTAINERS

Included in accounts payable and accrued liabilities is the amount for a liability of \$35,445,040 (2022 - \$36,226,651) that the Corporation has accrued for. The liability is based on the deposit refunds and handling commissions that relate to the estimated number of containers that had been sold by the Participants as at December 31, 2023. These amounts are expected to be paid after year-end, based on expected return rates.

Management has estimated this liability based on a data analysis and predictive model undertaken in late 2022 by independent third party consultant.

### 6. OPERATING LINE OF CREDIT

The operating line of credit was reactivated in August 2021 by the decision of the executive management team. The line of credit limit is \$5,000,000. \$nil was withdrawn as at December 31, 2023 (2022 - \$nil).

### 7. SHARE CAPITAL

AUTHORIZED - unlimited number

Class A shares without nominal or par value. The shares have voting rights but no dividend rights.

Class B shares without nominal or par value. The shares have no voting rights but have dividend rights. The Class B shares may only be issued with the unanimous consent of the holders of the Class A shares.

The authorized share structure results in the Corporation being a not-for-profit corporation as long as no Class B shares are issued and profits are restricted to the operations of the Corporation.

Issued and outstanding	2023 \$	2022 \$
700 Class A shares	700	700

### 8. INTERNALLY RESTRICTED FUND

#### INNOVATION AND RESEARCH

Management has internally restricted a total amount of \$3,331,658 (2022 - \$3,037,289) as innovation and research funds. The funds will be used to launch recycling and awareness campaigns that promote the recovery of containers. The campaign will target low performing containers, specifically polycoat, plastics and bi-metal.

## Notes to Financial Statements

### DECEMBER 31, 2023

#### 9. FINANCIAL INSTRUMENTS

##### CREDIT RISK

The Corporation is exposed to credit risk on its accounts receivable from its customers. The majority of the accounts receivable are in respect of container recycling fees and regulated deposits. The Corporation generally extends unsecured credit to the Participants and, therefore, the collection of accounts receivable may be affected by changes in economic or other conditions. Management believes the risk is mitigated by the size and reputation of the companies to which they extend credit, and the net aged accounts receivable balance greater than 60 days is not material to the financial statements as a whole.

##### LIQUIDITY RISK

The Corporation's objective is to have sufficient liquidity to meet its liabilities when due. The Corporation monitors its cash balances and cash flows generated from operations to meet its requirements.

##### INTEREST RATE RISK

The Corporation is exposed to interest rate risk on its cash. Due to the short-term nature of the financial instruments, management believes this risk is not significant.

##### FOREIGN CURRENCY RISK

The Corporation undertakes revenue and purchase transactions in foreign currency and is subject to gains and losses due to fluctuations in foreign currency exchange rates.

#### 10. COMMITMENTS

The Corporation has lease commitments for a St. Albert plant, the adjacent piece of land to the Calgary plant and other small operating lease agreements, which are expiring at various dates.

The land lease agreement for Calgary expired in December 2023 and the Corporation has the option to extend the term of the lease for ten years. The Corporation has exercised the option to extend the term of the lease for five years. The lease for the St. Albert new facility is expiring in February 2029, with two five-year options expiring in February 2034 and February 2039.

Future minimum lease rental payments aggregate to \$26,396,362 and the annual lease payments for the next five years and thereafter are as follows:

2024	\$ 1,970,067
2025	\$ 1,886,122
2026	\$ 1,775,512
2027	\$ 1,684,947
2028	\$ 1,660,872
Thereafter	\$ 17,418,842
	<u>\$ 26,396,362</u>

#### 11. 2466886 ALBERTA LTD.

2466886 AB acquired the assets of a third party trucking company (trailers, tractors and spare parts) in October 2022 for cash consideration of \$2,056,000.

2466886 AB is a for profit corporation that provides carrier services exclusively for the Corporation, from depots to the Corporation's locations. 2466886 AB's financial accounts have been accounted for using the equity method in the Corporation's financial statements. 2466886 AB and the Corporation signed an Equipment Rental Agreement on November 8, 2022.

The breakdown of the assets purchased by 2466886 AB is as follows:

Trailers	\$ 1,533,000
Tractors	\$ 463,000
Parts	\$ 60,000
	<u>\$ 2,056,000</u>

Financial summaries of 2466886 AB as at December 31, 2023 are as follows:

	Year ended December 31, 2023 \$	Period from October 20, 2022 to December 31, 2022 \$
<b>Balance sheet</b>		
Total assets	2,811,555	2,233,501
Total liabilities	472,546	8,520
Shareholder's equity	2,339,009	2,224,981
	<u>2,811,555</u>	<u>2,233,501</u>
<b>Statement of operations and deficit</b>		
Total revenue	1,950,107	167,446
Total expenses	2,095,295	195,741
Leasehold improvements	(145,188)	(28,295)
<b>Statement of cash flows</b>		
Cash flows provided by (used in) operating activities	274,417	(99,281)
Cash flows provided by (used in) investing activities	41,028	(1,995,999)
Cash flows provided by (used in) financing activities	259,216	2,253,276

## Notes to Financial Statements

DECEMBER 31, 2023

### 12. RESTATEMENT

In 2022, upon incorporation of the new wholly owned subsidiary, 2466886 AB, the Corporation intended to incorporate the new subsidiary as a not-for-profit entity. 2466886 AB's financial accounts were disclosed in the Corporation's financial statements and the Corporation's funding in 2466886 AB was recognized as due from related party in 2022.

In 2023, the Corporation determined 2466886 AB would operate as a for profit entity and an accounting policy choice was made to account for the investment in 2466886 AB using the equity method.

The restatement reclassified the due from related party (\$2,253,276) on the 2022 statement of financial position to investment in subsidiary in the same amount, with a corresponding description change to statement of cash flows within investing activities.





06

# APPENDICES

# Glossary of Terms

## **Alberta Beverage Container Recycling Corporation (ABCRC)**

A stewardship corporation operating within not-for-profit provisions. As the CSA for beverage manufacturers, ABCRC operates the Common Collection System and promotes the economic and efficient collection of beverage containers in Alberta.

## **Alberta Bottle Depot Association (ABDA)**

Industry representative for depots operating in Alberta.

## **Beverage Container Management Board (BCMB)**

Established as a management board under Alberta's Environmental Protection and Enhancement Act, the BCMB regulates Alberta's beverage container recycling system and leads the development of policies and programs that further enable the recycling of beverage containers in Alberta.

## **Beverage Container**

A used, non-refillable container, as defined by the Regulation, previously sold and distributed in the province of Alberta.

## **Circular Economy**

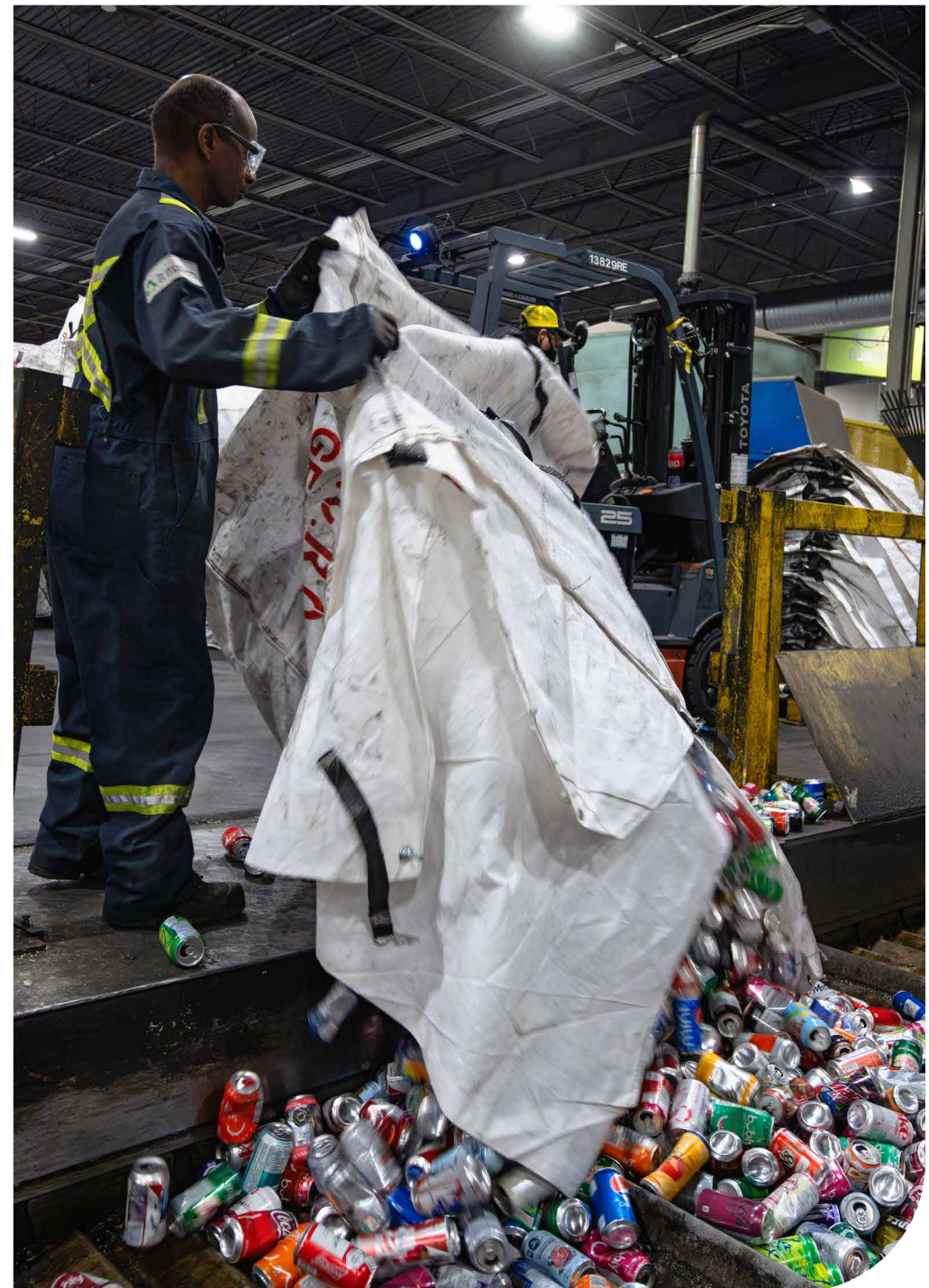
A circular economy is an alternative to a traditional linear (make-use-dispose) economy, in which resources are kept in use for as long as feasible, with the maximum possible value being extracted during that time. The resources are then recovered at the end of their service life and recycled for further use or regenerated into new products and materials.

## **Collection System Agent (CSA)**

The agent appointed by manufacturers/distributors of beverages sold in Alberta to act on their behalf as operator of the Common Collection System.

## **Common Collection System**

A container collection system that does not distinguish beverage containers of similar size and material from each other based on the manufacturer of the container.



### **Container Recycling Fee (CRF)**

A fee that beverage manufacturers are required to pay to ABCRC that covers the net costs of recovering and processing beverage containers.

### **Deposit**

Money paid at the time of beverage purchase that is refunded to consumers upon the return of empty beverage containers.

### **Depot**

One of more than 220 independently owned and operated collection sites that refund deposits to consumers, then count, sort and assemble shipments of beverage containers for recycling.

### **Extended Producer Responsibility (EPR)**

An environmental policy approach in which a producer's responsibility for a product (e.g., automobiles), product category (e.g., electronics) or waste stream (e.g., packaging) is extended to the post-consumer stage of that product's life cycle.

### **High-Density Polyethylene (HDPE)**

Also known as Plastic #2, HDPE is a type of plastic commonly used in beverage containers like milk jugs, water bottles and juice boxes.

### **Low-density polyethylene (LDPE)**

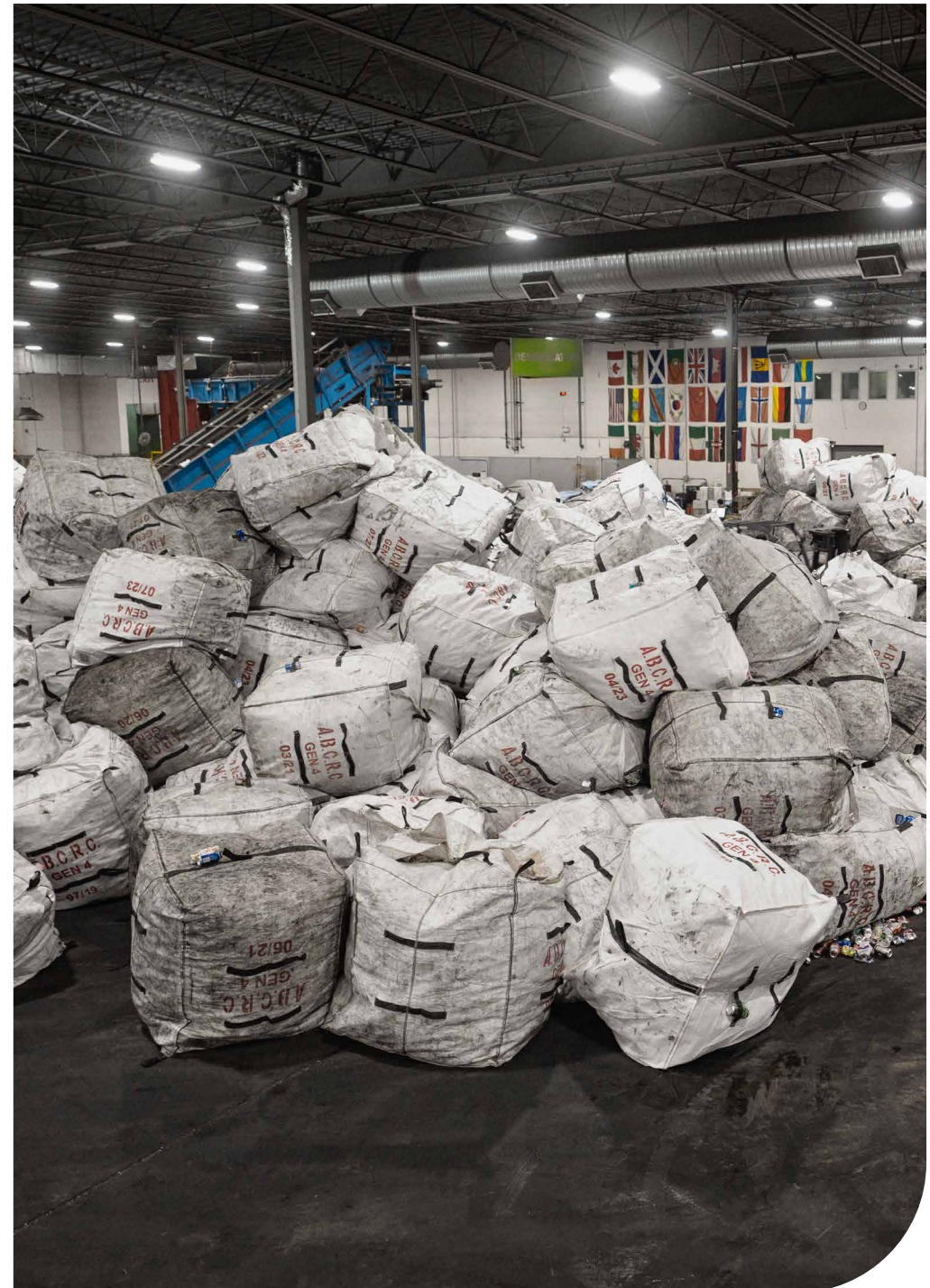
Also known as Plastic #4, LDPE is a flexible, lightweight type of plastic commonly used in drink pouches.

### **Polyethylene Terephthalate (PET)**

Also known as Plastic #1, PET is a type of clear plastic that is most commonly used in water bottles and other beverage containers.

### **Regulation**

The Beverage Container Recycling Regulation under Alberta's Environmental Protection and Enhancement Act (EPEA).



# Active Manufacturers

Active manufacturers are those who reported at least one container sold during 2023.

1117750 ALBERTA INC. O/A SERENGETI EDMONTON | 1163458 ALBERTA LTD (CRYSTAL SPRING CHEESE) | 1272227 ONTARIO INC. O/A CDC FOODS | 1281875 B.C. LTD. O/A BLK INTERNATIONAL LLC | 1612133 ALBERTA LTD. O/A THE RIGHT WATER BOTTLING | 1629321 ONTARIO INC. O/A ITFC IMPORTERS & DIST. | 1735221 ALBERTA LTD. | 1768466 ALBERTA LTD. O/A YEG EXOTIC POP | 1833709 ALBERTA LTD. O/A LINA'S ITALIAN MARKET | 1841082 ALBERTA LTD. | 1946445 ALBERTA CORP | 1963677 ALBERTA INC. DBA APPOINTED CONSULTING | 2028708 ALBERTA LTD. | 2094889 ALBERTA LTD. | 2126012 ALBERTA LTD. | 2127367 ALBERTA LTD. | 2226621 ALBERTA LTD. O/A FAIRWINDS FARM LTD. | 2325217 ALBERTA LTD O/A PEELED BEVERAGES | 2341339 ALBERTA LTD. OA 33 ACRES BREWING COMPANY | 2367489 ALBERTA LTD O/A DRUM DISTILLING CO | 3620905 CANADA LTD O/A BEVERAGE INTERNATIONAL DIST | 598316 ALBERTA LTD. / CULLIGAN BOTTLED WATER | 9129-0213 QUEBEC INC. OA SOBER CARPENTER BREWERY | 996660 ONTARIO LIMITED OA MOLISANA IMPORTS | A. BOSA & CO. LTD. | A. LASSONDE INC. | A.M.G. MEDICAL INC. | ABBOTT LABORATORIES CO. | ACKLANDS-GRAINGER INC. | ADVANTAGE SOLUTIONS INC. | AFOD LTD | AGROPUR COOPERATIVE | AGT CLIC FOODS INC. | ALBERTA GAMING & LIQUOR COMMISSION | ALIMENTATION BIODEV INC. | ALL MARKET INC. | ALPINE WATER STORE LTD. | ALTRA FOODS INC. | AMAZON.COM.CA, INC. | AMWAY CANADA CORPORATION | ANCIENT BREWS CORPORATION INC. | ANNEX ALE PROJECT LIMITED | AQUATERRA CORPORATION | ARCTIC CHILLER LTD. | ARIZONA BEVERAGES OF CANADA, ULC | ARTISAN WINES LTD., | ASEA ENTERPRISES ULC | AVALON DAIRY LTD. | AWAKENED LIVING INC. OA THE LIGHT CELLAR | B & B LOTUS ART GALLERY LTD. | BASS PRO SHOPS CANADA ULC | BECKETT'S TONICS CANADA INC. | BEST BRANDS MARKETING | BEVERAGE WORLD INC. | BIG MARBLE MARKETING | BIG ROCK BREWERY LIMITED PARTNERSHIP | BIO-K PLUS INTERNATIONAL INC. | BIOSTEEL SPORTS NUTRITION INC. | BLACK BIRD COLD BREW COFFEE INC. | BLACK RIVER JUICE COMPANY INC. | BLINDMAN BREWING INC. | BOLTHOUSE FARMS | BOOCHA BEVERAGES INC. | BOW RIVER BREWING | BOW VALLEY BBQ INC. | BRAUEREI FAHR INC. | BRISTAR INTL TRADING LTD., | BROTHER CHOICE FOODS LTD. | BULK BARN FOODS LIMITED | C.B. POWELL LIMITED | CABELA'S RETAIL CANADA INC. | CABIN BREWING COMPANY INC. | CALKINS & BURKE LTD. | CAMPBELL COMPANY OF CANADA | CANADA DRY MOTT'S INC. | CANADA VOLUMES IMPORT/EXPORT INC. | CANADIAN CHOICE WHOLESALERS | CANADIAN TIRE | CANADA SIX FORTUNE ENTERPRISE CO.LTD | CARNET IMPORT & EXPORT CORP. | CASKADE WINES LTD | CASSEROLES CORA INC. | CHERO ZINDA FOODS LTD. | CHERRY PIT INC. | CHEVALIER STAR TRADING CO., LTD. | CLEAR WATER BOTTLING INC | CLEARLY FOOD & BEVERAGE COMPANY ULC | CLIFFS LANDSCAPING SUPPLIES (THE SWEET SHOPPE) | COCA COLA CANADA BOTTLING LIMITED | COLD GARDEN BEVERAGE COMPANY | COLDHAUS DIRECT INC., | CONFLUENCE DISTILLING | CONSUMING VENTURES INC. | CORE BLANC GROUP INC. | CORE-MARK INTERNATIONAL, INC | CORINTHIAN DISTRIBUTORS LTD. | COSTCO WHOLESALE CANADA LTD. | COWS INC. | CROSSMARK CANADA INC. | CULLIGAN OF CANADA ULC | CUPPER'S COFFEE CO. (1999) INC. | CURVE DISTRIBUTION SERVICES INC. | DANONE INC. | DATTANI WHOLESALERS | DIAGEO CANADA INC. | DISTRIBUTION MISSUM INC. | DOLE PACKAGED FOODS CO. | DOLLAR TREE STORES CANADA | DOLLARAMA L.P. | DONG PHUONG GROUP PARTNERSHIP | DONIA FARMS FOODS LTD. | DOUBLE D BEVERAGE CO. | DOUBLE V TRADING LTD | DOVRE IMPORT & EXPORT LTD. | DREAM PRODUCTS INC. | DSI FOOD CORPORATION | EARTH WATER INTERNATIONAL LTD. | EARTH'S OWN FOOD COMPANY INC. | EAU CLAIRE DISTILLERY LTD. | ECOTREND ECOLOGICS LTD. | EDELWEISS IMPORTS LTD | EDOKO FOOD IMPORTERS LTD. | ESKA INC. | EUROPEAN FOODS INC. | EXCELSIOR FOODS INC. | FAR EAST NORTH AMERICA FOOD LTD. | FARMING KARMA FRUIT COMPANY LTD. | FAVUZZI INTERNATIONAL INC. | FEDERATED COOP LTD. | FERMA IMPORT & EXPORT | FERNIE BREWING COMPANY LTD. | FIJI WATER CANADA LTD. | FIVE CONTINENTS INTERNATIONAL LTD., | FLOW WATER INC. | FOK'S TRADING (CANADA) LTD. | FOXTAIL INTERNATIONAL BEVERAGES LTD. | FRESH SQUEEZE INC., THE | FUKUDA TRADING CO. LTD. | G.S TEJA (2008) LTD | GALVANINA CANADA LTD. | GARAGE KOMBUCHA INC | GENERAL MILLS CANADA CORPORATION | GENESIS MARKETING GROUP INC. | GENKI FOODS | GIA FOODS LTD. | GIGI IMPORTING LTD., | GLDN HOUR INC. | GLOBAL REACH CONFECTIONS & MORE INC. | GORDON FOOD SERVICE CANADA LTD. | GOURMET TRADING CO. | GRACE FOODS CANADA INC. | GRADIENT BEVERAGES CORP | GRAND OCEAN INTERNATIONAL LTD. | GREAT CANADIAN WATER COMPANY LTD. | GREAT IMPEX INC. | GREENWORLD FOOD EXPRESS INC. | GRIZZLY PAW PUB & BREWING COMPANY LTD., THE | GROLSCH CANADA INC. DBA ASAHI CANADA | GURU BEVERAGE INC. | H2OATS LTD. | HAPPY DAYS DAIRIES LTD. | HAPPY PLANET FOODS INC. | HEART SMART FOODS LTD. | HELL'S BASEMENT BREWERY INC. | HIBISTEA BEVERAGE INC | HILARY'S SALESMAN INC. | HILLSBORO CORP INC. O/A TRUE BUCH KOMBUCHA | HONGDAO BUSINESS DEVELOPMENT LTD. | HORIZON DISTRIBUTORS | HP HOOD LLC | I.D. FOODS CORPORATION | IBEXCOMM IMPORT EXPORT INC | ICE RIVER SPRINGS WATER CO.INC. | ICY MOUNTAIN WATER CO. LTD. | IKEA CANADA LIMITED PARTNERSHIP | IKKUMA INC. | INFORM BROKERAGE INC. | ISANGENIX CANADA INC | ITN FOOD CORPORATION | JASMINE MEDITERRANEAN FOODS | JC BUNNY BUNNY TRADING CO., LTD. | JET TRADING CO. LTD | JEUNESSE GLOBAL MARKETING LTD. | JFAZ CORPORATION | JFC INTERNATIONAL (CANADA) | JIVA ORGANICS MFG. & DIST. INC. | JOHANNA FOODS INC. | JORIKI INC. | JR BEVERAGES LTD. | JTA TRADING LTD., | JUDGE DISTRIBUTION INC. | JUS DOSE INC. | JUS NATUREL INC. | KARTEL COFFEE INC. | KO & C ENTERPRISES LTD. | KRAFT HEINZ CANADA ULC | LA MEXICANA VARIETY STORE | LA MOLIENDA FOODS INC. | LABATT BREWING COMPANY LTD. | LABORATOIRES C.O.P. INC. | LACTALIS CANADA INC. | LAITERIE CHALIFOUX INC. | LAMBDA INVESTMENTS LTD. | LEFT COAST NATURALS | LEKIU DISTRIBUTORS LTD. | LEKKER FOOD DISTRIBUTORS LTD. | LES ALIMENTS UNIQUE FOODS (CANADA) INC. | LES PRODUITS ALIMENTAIRES DURAN INC. | LOBLAW COMPANIES | LONDON DRUGS LTD. | LOOP JUICES INC. | LUCKY'S SPEED SAUCE INC. | MALINDA DISTRIBUTORS INC. | MAMPSTER INC. | MARK ANTHONY GROUP INC. | MARTELLI FOODS INC. | MARTEN BREWING COMPANY LTD. | MARTIN BROWER OF CANADA LTD. | MCBRITTY HOLDINGS LTD O/A BRITGROCER | MCBSW CREATIVE SERVICES INC. | MCKESSON CANADA CORPORATION | MDF EXPORT LTD | MEAD JOHNSON NUTRITION (CANADA) CO. | MEDICINE HAT BREWING COMPANY INC. | MEXICAN FAMILY STORE | MINUTE MAID COMPANY, THE | MOBU KOMBUCHA INC. | MODE JUICE CO. | MOLSON CANADA 2005 | MONASHEE SPRING WATER DISTRIBUTORS LTD. | MORGAN WILLIAMS WEST INC. | MORINDA CANADA CO. | MTI - MOBITECH INTERNATIONAL INC | MURRAY MARKET NATIONAL INC. | NANTON WATER & SODA LTD. | NATIONAL DRY COMPANY LIMITED | NATIONWIDE NATURAL FOODS 2000 INC. | NATURAL ASSEMBLY LTD. | ND PACKAGING AND DISTRIBUTION INC | NESTLE CANADA INC. | NEW LEVEL BREWING COMPANY LTD. | NORTH HYDRATION LTD. | NORTH WEST COMPANY LP, THE | NORTHERN BOTTLING | NUTRIFRESH WEST LTD. | OCEAN SPRAY INTERNATIONAL SERVICES, INC. | OCEANIC DISTRIBUTORS | OLE COCKTAIL CO. | ONE FOR THE ROAD BREWING COMPANY INCORPORATED | PA.FINE FOODS & DISTRIBUTORS LTD. | PACIFIC BOTTLEWORKS COMPANY | PACIFIC WEST DISTRIBUTION WHOLESALE INC. | PAK NATIONAL FOODS LTD. | PARADISE MOUNTAIN ORGANIC ESTATE COFFEE LTD. | PARAISSO TROPICAL LTD. | PEAVEY INDUSTRIES LP | PEPSI BOTTLING GROUP (CANADA) CO. | PHILIPPE DANDURAND WINES LTD. | PHILLIPS BREWING COMPANY LTD. | PHOENICIA GROUP INC. | PINNACLE DISTRIBUTION INC. | PKE WATER STORE & MORE | POM WONDERFUL | POMME MD | PRAIRIE HILL FARMS LTD. | PRATTS WHOLESALE (SASK.) LTD. | PRECISION DESIGN & MANUFACTURING | PREMIER BRANDS LTD. | PREMIUM IMPEX INC.O/A PREMIUM FOODS | PREMIUM NEAR BEER LTD. | PULP & PRESS JUICE COMPANY INC. | PUREARTH ORGANICS INC. | PURESOURCE INC. | QUALITY NATURAL FOODS CANADA INC. | RAJDROOT IMPORTS LTD. | READ GROUP HOLDING INC. | RED APPLE STORES ULC | RED BULL CANADA LTD. | RED CROWN VENTURES LTD. | REFRESCO CANADA INC. | REINHART FOODS s LIMITED | REMEDY DRINKS CANADA INC. | REYESH LTD | RIPPLE FX WATER INC. | RISE KOMBUCHA INC. / KOMBUCHA RISE INC. | ROAR BEVERAGES CANADA CORP. | ROCK RIDGE DAIRY LTD. | ROCKY MOUNTAIN ROASTERS LTD. | ROCKY VIEW BREWING COMPANY LTD. | ROK H2O LTD. | RONA INC. | ROYAL IMPORT & EXPORT LTD. | RUBICON FOOD PRODUCTS LTD. | RVIITA INC. | RW CONSUMER PRODUCTS LTD. | S.J. DECOYS & OTHER TREASURES OA DOVETALE | SA MEAT SHOPS INC. | SAFARI MEAT SHOPS INC. | SAPUTO DAIRY PRODUCTS CANADA G.P. | SAVE-ON-FOODS LIMITED PARTNERSHIP | SEA CHANGE BREWING CO. | SEOUL TRADING CORP. | SHOPPERS DRUG MART INC. | SILVER SWALLOW INC. | SKY BLUE WATER INC. | SLEEMAN BREWERIES LTD./LES BRASSERIES | SLEEMAN LTE | SOLTICE TRADING INTERNATIONAL, INC. | SOUTHERN GLAZER'S WINE AND SPIRITS OF CANADA, LLC | SOYLENT NUTRITION INC. | SPARKMOUTH DRINKS CO. LTD. | STAR MARKETING LTD. | STEVE & DAN'S FRESH B.C. FRUIT LTD. | SUN ORCHARD, LLC | SUNRISE MARKETS INC. | SUNTERRA QUALITY FOOD MARKETS INC. | SUPERASIA WHOLESALE DISTRIBUTORS LTD | SUPERIOR NATURAL ULC | SUPPLYING DEMAND, INC. | SWEET FUSION OA YUZDA INVESTMENTS INC. | SYSCO FOOD SERVICES OF CALGARY | T & T SUPERMARKET INC. | T-BROTHERS FOOD AND TRADING LTD. | TDL GROUP LIMITED, THE | TEMPLE LIFESTYLE INC. | TERRA INTERNATIONAL FOOD INC. | TFB & ASSOCIATES LTD. | THABICO FOODS NORTH AMERICA INC. | THAI UNITED FOOD TRADING LTD. | THE BACCHUS GROUP INC. | THE CANADIAN TRADE HOUSE LTD. | THE DANDY BREWING COMPANY LTD. | THE FUNCTIONAL BEVERAGE GROUP INC | THE YERBA MATE CO. DISTRIBUTION ULC | THOMAS, LARGE & SINGER INC. | TOKUSHIN ENTERPRISES LTD. | TONSELL INTERNATIONAL INC. | TOOL SHED BREWING COMPANY INC | TREE OF LIFE CANADA, ULC. | TRIPLE JIM'S FOOD PRODUCTS | TRITON WATER CANADA HOLDINGS INC | TRIVITA LIVING, LTD. | TROUBLED MONK BREWERY LTD. | TUESDAY BREWING LTD., | ULTIMA FOODS INC. | UNFI CANADA INC-GROCERY WEST | UNIVERSAL IMPEX CORPORATION OA COOL RUNNINGS FOODS | UNO FOODS INC. | UNTAPPED TRADING INCORPORATED | USANA CANADA CO. | VAN DYK'S HEALTH JUICE PRODUCTS LTD. | VERITIV CANADA INC. | VILLAGE BREWERY LTD. | WAISA MAMA ORGANIC BEVERAGE CO. INC. | WALLACE & CAREY LTD. | WAL-MART CANADA INC. | WANG'S INTERNATIONAL FOODS ENTERPRISE LTD. | WATER PURE & SIMPLE - WESTLOCK | WATER PURE & SIMPLE-MINILAKE DIST. LTD. | WATSON ENTERPRISES INC. | WELL'S FOOD PROCESSING LTD. | WELL JUICERY | WELLNESS NATURAL INC., | WHISTLER WATER INC. | WHOLESOME NOURISHMENTS INC. OA HAPPY BELLY | WHOOP-DEE-DOO BEVERAGE CORPO/A HARMON'S CRAFT BREW | WILD BREWING LTD | WILD FOLK INCORPORATED | WILD TEA KOMBUCHA | WILDCAT COFFEE COMPANY LTD. | WINE ALLIANCE INC. | WISMETTAC ASIAN FOODS, INC. | WIZE MONKEY INC. | YING FAT FOOD PRODUCTS LTD. | YOUNG LIVING CANADA ULC | YOUR PREFERENCE ESSENTIAL OILS COMPANY 2127227 LTD | YOUNG WATER LIMITED | ZEVIA, LLC

# Reporting Framework

This report has been prepared in accordance with Global Reporting Initiative (GRI) standards and highlights Alberta Beverage Container Corporation's (ABCRC's) relevant ESG actions and progress between January 1, 2023 and December 31, 2023. ABCRC operates solely within the Canadian province of Alberta as a provincial product stewardship corporation, incorporated under the Business Corporations Act (Alberta) and operating within not-for-profit provisions.

ABCRC acts as the agent for beverage manufacturers in the province of Alberta to collect non-refillable beverage containers from 224 independently owned depots located throughout Alberta. Processing activity is conducted in ABCRC-operated facilities located in St. Albert and Calgary. The report includes all entities over which ABCRC exercises control and/or that generate significant sustainability impacts. ABCRC also considers its organizational boundary to include its transportation suppliers, who are wholly independent of ABCRC but significant to overall organizational performance.

The Financial Statements for 2023 presented herein were audited by PwC Canada in April 2024 and approved by ABCRC's Board of Directors in May 2024. This report contains forward-looking statements based on the Corporations' current assumptions, expectations, and projections about future events. Although ABCRC believes that the expectations reflected in these forward-looking statements are reasonable as of the date of publication, any number of risks and uncertainties could cause actual results to differ materially from any such statement. In this report, ABCRC has disclosed a restatement of the 2022 Statement of Financial Position (see page 51); ABCRC does not have any other significant changes from previous reports to disclose.

In 2021, the UN issued its United Nations Global Compact Principles and Sustainable Development Goals (SDGs) report, in which 17 interconnected dimensions of sustainability - including health, well-being, social equality, economic prosperity, climate and ecosystems - were identified as necessary to fueling the transformational changes needed to make the Earth sustainable once again. This report references those SDGs.







# Thank You

ABCRC would like to thank our staff and our industry partners, whose insights and commitment to beverage container circularity in Alberta made this 2023 Sustainability Report possible.

We'd also like to thank **Roth + Ramberg Photography**, whose incredible images capture the perpetual motion of our facilities and our people.

As well, a special thank you to **Monica Gutierrez**, Calgary graphic designer and art director, for once again bringing ABCRC and our commitment to circularity and sustainability to life in this report.