

Call2Recycle Canada, Inc. Provincial Annual Report **Saskatchewan 2024**

Submission Date: June 30th, 2025

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Submitted to: Saskatchewan Ministry of Environment

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1. About Call2Recycle

Call2Recycle is Canada's first and largest national battery collection and recycling program. Since 1997, it has safely collected, transported, and recycled household batteries on behalf of 172 battery manufacturers, retailers, distributors, and other obligated producers across the province. These producers partner with Call2Recycle for its cost-effectiveness, transparency, and industry-leading safety standards. (See [Appendix A](#) for the full list of Saskatchewan members.)

Since 2021, Call2Recycle has served as Saskatchewan's provincially approved producer responsibility organization for single-use and rechargeable household batteries weighing under five kilograms (5 kg). Its collection program is nationally recognized for safety, efficiency, and regulatory compliance. Regulated batteries are recovered and reused in the manufacturing of new products such as batteries, cookware, and appliances, contributing to a strong and sustainable circular economy in Canada.

Working with a broad network of partners, Call2Recycle operates 378 collection facilities throughout Saskatchewan, including public and private drop-off locations. These sites offer residents a convenient and reliable way to responsibly dispose of their used household batteries.

2. Executive Summary

Saskatchewan residents deposited 112,680 kg of used batteries through the Call2Recycle provincial program in 2024, including 93,579 kg of single-use (primary) batteries and 19,101 kg of rechargeable batteries. This provincial collection total excludes an additional 8,883 kg of small-sealed-lead-acid batteries (SSLA) that Call2Recycle accepted and recycled this year, as they do not fall within the province's regulated program.

The number of active Call2Recycle collection facilities in Saskatchewan decreased by 9% in 2024 to 378, down from 416 in 2023. Eight in ten Saskatchewanians (79%) have access to a Call2Recycle drop-off location within 15 kilometres of their home, and Call2Recycle continues to identify and establish new collection locations in the province that will optimize performance and establish coverage that meets the 80% target established in the EPR plan.

In 2024, Call2Recycle launched its new consumer brand, *Recycle Your Batteries, Canada!* with a robust awareness campaign through its network of collection partners, as well as television and online promotions featuring Canadian soccer legend Christine Sinclair, the brand's national ambassador. This new brand is now present in all collection sites across Canada, including Saskatchewan, and displayed on all battery containers and information materials. This new consumer brand is supported by a dedicated consumer website, recycleyourbatteries.ca, providing useful educational information on the importance of recycling batteries and an online locator tool to find the closest drop-off location.

Call2Recycle continues to operate the safest, most efficient, transparent and socially responsible battery collection, transportation and recycling program in Canada. It is the only battery recycling organization in Canada certified to four standards for battery collection, transportation and recycling safety: R2v3, ISO 14001, ISO 45001 and ISO 9001. These distinctions confirm Call2Recycle's ongoing strict adherence to stringent safety requirements, its commitment to the environment, occupational health and safety, and its commitment to supporting the province in achieving its circular economy objectives.

3. Directorial and Advisory Oversight

3.1. Board of Directors

Call2Recycle is a federally incorporated non-profit organization, governed by a Board of Directors committed to ensuring the program's efficiency and effectiveness. Board members include representatives from battery manufacturers, distributors, retailers, and independent directors. For a complete list of the members of the Board of Directors, see [Appendix B](#).

3.2. Saskatchewan Advisory Committee

In addition to the Board of Directors, Call2Recycle's operations in Saskatchewan are overseen by its Saskatchewan Advisory Committee. This committee meets twice a year (or more if needed) and includes members from the Saskatchewan Ministry of Environment, the Saskatchewan Waste Reduction Council, and the Retail Council of Canada, among others. For a complete list of Advisory Committee members, see [Appendix C](#).

The Saskatchewan Advisory Committee supports stakeholders in providing feedback on the program and raising issues of local concern. It advises on program goals, reviews results, and provides input on the industry, market, policy, and opportunities for continuous improvement. Call2Recycle provides committee members with updates on program performance, enhancements, and changes as required. The Saskatchewan Advisory Committee convened on June 1st and November 27, 2024, with Call2Recycle presenting updates on the program's activities and gathering input on organizational and program objectives in the province.

4. Public Education Materials and Strategies

Call2Recycle is continually dedicated to building awareness of battery recycling and encouraging consumers to divert their used batteries from landfills. To this end, it executes a range of national outdoor, online and television promotional campaigns in support of such events as National Battery Day (February), Earth Month (April) and Circular Economy Month (October), as well as regional campaigns targeted specifically at Saskatchewan residents.

In 2024, Call2Recycle rolled out its new consumer brand, *Recycle Your Batteries, Canada!*, designed to increase awareness of battery recycling among Canadian consumers and encourage responsible battery recycling behaviours. The robust awareness campaign included posters and easel cards for its network of collection partners to display as well as television and online promotions.

Call2Recycle also significantly increased its program's visibility and collections through its new brand ambassador, Canadian soccer legend Christine Sinclair, who was featured in various campaigns to raise awareness of *Recycle Your Batteries, Canada!* and encourage Canadians to recycle their used batteries.

4.1. Awareness Campaigns

In 2024, Call2Recycle successfully executed digital and television campaigns to promote *Recycle Your Batteries, Canada!* with two high-impact commercial spots during the Academy Awards broadcast and rebranded Facebook and Instagram accounts in both official languages. Call2Recycle leveraged Earth Month in April to educate consumers through blogs and videos and introduced a consumer contest to convert awareness into action on battery recycling and recycling generally.

As the national brand ambassador for *Recycle Your Batteries, Canada!*, Canadian soccer legend Christine Sinclair lent her voice to several educational initiatives to inspire consumers, youth, and communities to increase their battery recycling. In October, she headlined the *Circular Economy Month* campaign, which included a YouTube video, television, and online messages from Christine encouraging Canadians to recycle their used batteries.

4.2. Online & Social Engagement

The new *Recycle Your Batteries, Canada!* website, launched at the end of 2023, quickly gained traction and consumer engagement this year. The site attracted 16,362 views in 2024, while the legacy Call2Recycle website (call2recycle.ca) attracted 1,459 visitors from Saskatchewan. Combined, these visitors represent a 3% increase over site visits in 2023. In addition, 7,972 visitors landed on *Recycle Your Batteries, Canada!* contest web pages throughout the year. This increased engagement reflects the growing awareness and interest driven by ongoing promotions by Call2Recycle, the memorable call to action of the *Recycle Your Batteries, Canada!* brand, and the website's accessible design.

4.3. Sponsorships, Partnerships and Events

Call2Recycle continued its longstanding partnership with Earth Rangers to educate Canadian youth about the importance of battery recycling. Twelve elementary schools across Saskatchewan participated in the annual Battery Blitz battery recycling competition, with students collecting nearly 1,000 kilograms of used batteries. Willowgrove School in Saskatoon collected the largest quantity of

batteries and won the competition's cash prize to support educational initiatives, such as purchasing learning materials, funding technology, or creating enriching experiences for students.

4.4. Consumer Awareness Assessment

Each year, Call2Recycle commissions a survey conducted by IPSOS to assess the battery recycling awareness and habits of Saskatchewan residents. In 2024, there was a positive shift in consumer awareness of battery recyclability, with 85% of survey respondents indicating that household batteries are recyclable, up 4 points from 2023. In addition, fewer respondents were likely to say they were unsure about battery recyclability (13%, down 4 points). Similarly, 73% of respondents said they know how to recycle their batteries, a five-point improvement from 2023. Fewer Saskatchewanians said they recycled all of their used batteries this year however (from 32% in 2023 to 25% in 2024), and the average proportion of household batteries being recycled had slightly decreased to 45% (down 2 points). More respondents said they are storing their used batteries (26% compared to 23% in 2023). Notably, significantly fewer are storing none of their batteries, a dramatic 20-point decrease to 48%.

Call2Recycle will use the insights from this year's survey to develop tailored initiatives to address awareness and behavioural gaps and drive up recycling activity.

Consumer Awareness and Recycling Incidences Targets	Target	2024 Actual
Percentage of Saskatchewanians who are aware that consumer batteries can be recycled	87%	85%
Percentage of Saskatchewanians who recycle their consumer batteries (%)	54%	45%

5. Collection System and Facilities

Call2Recycle's Saskatchewan collection network includes locations in retail outlets, business services, public agencies, manufacturing, and wholesale collectors. A collection facility is considered active if it joined the Call2Recycle program in 2024, returned a full box or bulk shipment of batteries during the

year, or ordered a replacement collection box during 2024. The number of active Call2Recycle collection facilities in Saskatchewan decreased by 9% in 2024 to 378, down from 416 in 2023.

This decrease represents Call2Recycle's efforts to optimize collection facilities in areas with the highest likelihood of traffic and recycling activity while expanding access to battery recycling collection options. In 2024, eight in ten Saskatchewanians (79%) had access to a *Recycle Your Batteries, Canada!* drop-off location within 15 kilometres of their home, and Call2Recycle continues to identify sites that will enable it to meet the 80% target established in the EPR plan.

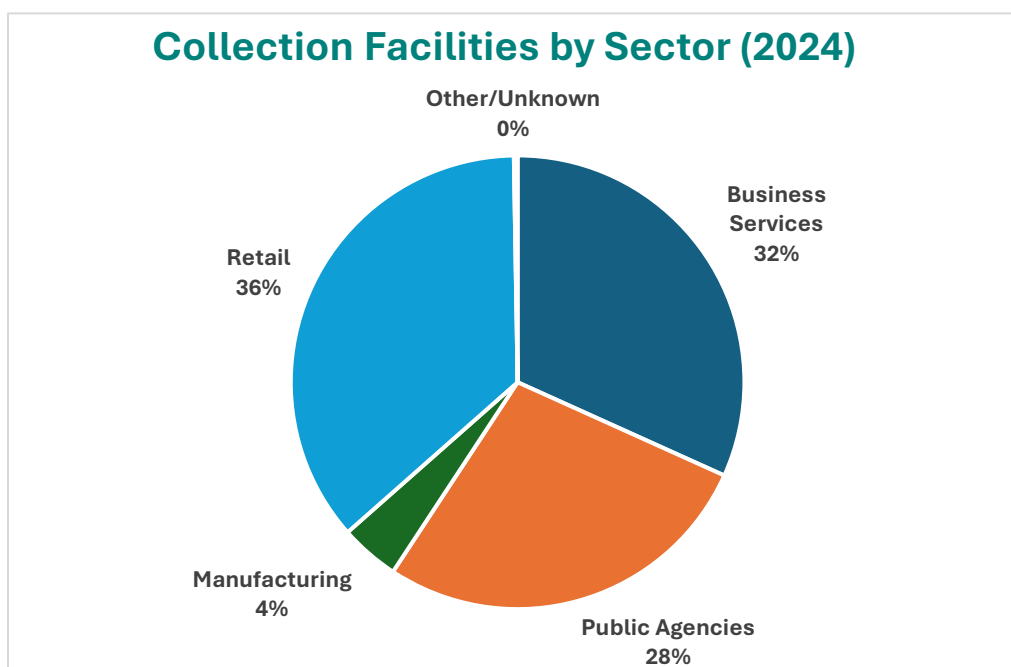
Active Call2Recycle Collection Facilities

	2024	2023
Public	215	260
Private	163	156
Total	378	416

The following table lists the active collection facilities by sector.

2024 Active Collection Facilities by Sector

Sector	2024	2023	Change (#)	Change (%)
Business Services	120	118	2	2%
Public Agencies	104	119	-15	-13%
Manufacturing	16	15	1	7%
Retail	137	163	-29	-16%
Other/Unknown	1	1	0	0%
Total	378	416	-38	-9%



6. Collection Results

Battery collections in Saskatchewan decreased slightly in 2024, down 7% from 2023. In 2024, 112,680 kg of used batteries were collected in the province through the *Recycle Your Batteries, Canada!* program. Rechargeable battery collections fell by 10%, from 21,248 to 19,101. Single-use (primary) batteries made up the lion's share of collections (83%), and their 93,579 kg collected represented a 6% drop from the previous year.

These totals do not include an additional 8,883 kg of small-sealed-lead-acid batteries (SSLA) that were collected this year. Call2Recycle receives small-sealed-lead-acid batteries, which are often dropped off at collection sites due to their compact size and the general public's difficulty distinguishing them from other rechargeable battery types. However, SSLA batteries fall outside the scope of the province's Household Hazardous Waste Products Stewardship Regulation that govern the province's collection program.

The following chart provides a year-over-year comparison of regulated battery collections by Call2Recycle in the province.

Call2Recycle Collections by Weight (kg)*

Type	2024	2023	% Change
Single Use (Primary)	93,579	99,444	-6%
Rechargeable	19,101	21,248	-10%
Total	112,680	120,692	-7%

7. Recovered Product Management and Materials Processing

Call2Recycle is steadfastly committed to operating the safest, most efficient, transparent and socially responsible battery collection, transportation and recycling program in Canada. To this end, it was the first program of its kind to achieve Responsible Recycling (R2) certification, the electronics recycling industry's leading certification, and continues to be the only battery recycling organization in Canada certified to four standards for battery collection, transportation and recycling safety: R2v3, ISO 14001, ISO 45001 and ISO 9001. These distinctions confirm Call2Recycle's ongoing strict adherence to stringent requirements regarding safe, secure battery collection and processing, and proper downstream management of its battery collections, which includes not exporting to developing countries, and its commitment to the environment and occupational health and safety.

Collected Battery Management

Batteries Recycled	Batteries Reconditioned	Batteries Disposed
97.7%	0%	2.3%

Call2Recycle's sorting and processing partners continue to meet the highest environmental, health and safety, transportation, and financial operations standards.

Recycling is the most effective and practical way to divert used batteries from landfills and contribute to the circular economy. Whenever possible, Call2Recycle uses local service providers to minimize its environmental footprint. Call2Recycle's approved sorters and processors use state-of-the-art

techniques to reclaim materials following the highest environmental, transportation, health and safety, and financial operations standards.

8. Program Funding

Call2Recycle collects Environmental Handling Fees (EHFs) on each unit of primary batteries, rechargeable batteries and batteries sold with or in portable flashlights and spotlights, e-toys, and smoke and carbon monoxide detectors in Saskatchewan. Thanks to effective cost mitigation strategies, Call2Recycle will retain the existing EHF fee levels for its program participants in Saskatchewan in 2025. As always, it will monitor revenues to ensure the fee structure accurately reflects program costs.

Please see [Appendix D](#) for Call2Recycle's audited financial statements, which detail the total EHFs collected in Saskatchewan to fund the program, the amount spent to operate and administer the program, and the amount spent on public education, awareness, and communications. The program does not provide recycling incentives. Therefore, none are disclosed in the financial statements.

Appendix A – Call2Recycle Saskatchewan Members

(as of December 31, 2024)

3M Canada Company	Core-Mark International Inc
501 Audio/ The Source	Costco Wholesale Canada Ltd
Acer America Corporation	CTG Brands Inc
Acklands-Grainger Canada Inc.	Cycles Devinci Inc.
AMAZON.COM.CA ULC	Cycles Lambert Inc./HLC
Amplifon - Miracle Ear	D'Amour Bicycle & Sports Inc.
Apple Canada Inc	Dell Canada Inc.
Battery Canada	Dollar Tree Stores Canada Inc.
BDI, a division of Bell Mobility	Dollarama L.P.
BeLuce Canada Inc.	Dr. Phone Fix Parent Company
Best Buy Canada Ltd. 1000	Dynabook Canada Inc
Bike Co LLC	Dyson Canada Limited
Biktrix Enterprises Inc.	East Penn Canada
BISSELL Canada Corporation	ECHO Power Equipment (Canada)
Bolt Mobile	Energizer Canada Inc
Bose Limited	Epic Cycles Inc.
Buy-Low Foods LP	EUCAN Distribution Inc.
Cabela's	Fastenal Canada, Ltd. ON100
Canadian Energy and Power Corporation	Federated Co-Operatives Limited
Canadian Tire Corporation, Ltd	FERMETCO INC.
Canadian Tire Petroleum	Ferronerie Sept-Iles Inc
Canon Canada Inc	FGL
Cardinal Health Canada Inc.	Gazelle USA, LLC
Carlton Trail Hearing Clinic	GE Healthcare Canada, Inc.
Cervelo Cycles Inc.	Gescan (Division of Sonepar)
Chateau Manis Electronics	Giant Bicycle Canada Inc.
Chervon North America	

Giant Tiger Stores Limited	Live to Play Sports Group Inc.
Google Canada Corporation	Loblaws Inc.
Grand & Toy Ltd.	London Drugs Limited
Green Light Cycle Ltd.	Louis Garneau Sports Inc.
Gregg Distributors Limited Partnership	Mac's Convenience Stores Inc.
Grin Technologies Ltd.	Magnacharge Battery Corp.- West Hub
Groupe BBH Inc.	Makita Canada, Inc.
Guillevin International Cie	Marin Bikes Canada
HAWTHORNE CANADA LIMITED	Mark's / L'Equipeur
HearingLife Canada Ltd	MasterMind LP
Hilti Canada Corporation	McKesson Canada
Hitfar Concepts Ltd.	McMunn & Yates
Home Hardware Stores Limited	Metro Ontario Inc.
HRS Global	Mica Sport Canada Inc.
Hudsons Bay Company	Michaels Stores Inc.
Husqvarna AB	Microsoft Corporation
IKEA Canada Limited Partnership	Motorola Solutions Canada
IKEA Supply AG	Mountain Equipment Company Ltd
Imperial Dade Canada Inc.	MSA Safety Sales LLC
Indigo Books and Music Inc	Murlin Electronics Ltd.
Interstate Batteries Saskatoon	Nedco West Division
Isaac Instruments Inc.	Newell Brands Canada
Ivan Hupalo - 2448131 Manitoba Ltd.	NICA Power Battery Corp
John Deere Canada ULC	Nikon Canada Inc
KMS Tools and Equipment Ltd	On the edge Canada Inc
Kona Bicycle Company Inc.	Onlybatteries.com - Technologies Duslan Inc
Kranked Bikes	Oracle Canada ULC
L3Harris Technologies Inc.	Orgill Inc
Lee Valley Tools Ltd	Outdoor Gear Canada
Lego Brand Retail	PA Battery & Truck Accessories
Lenovo (Canada) Inc.	Panasonic Canada Inc

Part Source	Staples Canada ULC
Pattison Food Group Ltd.	Staples Professional, Inc.
Peavey Industries Limited	Steelcase Canada Ltd
Prairie Battery Ltd	Stihl Limited
Praxis Works	Super Thrifty Drug Stores
Premier Tech Ltd.	Techtronic Industries Canada, Inc.
Prime Deals International Ltd	TELUS Mobility
Princess Auto Ltd	Tenaquip Limited
Rad Power Bikes LLC	The Home Depot of Canada, Inc.
Rexel Canada Electrical Inc	The North West Company
Riese & Müller GmbH	The Source - Meadowlake
Robert Bosch Tool Corporation	The Stevens Medical Company
Rocky Mountain, Div. of Industries RAD Inc. (Procycle)	ToolTown Inc
RONA Inc.	Total Battery Ottawa
Santa Cruz Bicycles, LLC	Toys R Us Canada, LTD
Saskatoon Hearing & Audiology Clinic	Trek Bicycle Canada ULC
Saskbattery Dist. Inc.	UAP Inc
Schneider Electric IT US	Uline Canada Corporation
Scotts Canada Ltd.	Uni-Select Canada Inc.
SharkNinja Operating LLC	Velec Inc.
Shimano Canada LTD	Veritas Technologies LLC
Shopper+Inc	Voltage Bikes Ltd. (Pedego Can)
Shoppers Drug Mart Inc	Wallace & Carey Inc
Snap-On Tools of Canada Ltd	Walmart Canada
Sobeys Capital Inc	Wesco Distribution Canada LP
Sonos Inc.	Westburne Midwest Division
Specialized Bicycle Components Canada	Wurth Canada Limited
SPI Santé Sécurité Inc.	Yamaha Motor Canada
	Yeti Cycling LLC

Appendix B – Board of Directors

As of December 31, 2024, Call2Recycle Canada, Inc.'s Board of Directors is comprised of:

David Collie, Chair, Independent

Joe Borsellino, Chateau Manis Electronics Inc.

Annalise Czerny, Independent

Peter Daley, Dollarama Inc.

Tammy Giroux, General Motors of Canada

Marc Guitor, Panasonic Canada Inc.

Raman Johal, London Drugs Ltd.

Kevin Rejent, Energizer Holdings, Inc.

Paul Neilsen, Live to Play Sports

James McPhedran, Independent

Alan Moyer, Independent

Alma Obeid, Canadian Tire Corporation

Tim Reuss, Canadian Automobile Dealers Association

Brian Temins, Cassels Brock & Blackwell

Harriet Velazquez, Velazquez Consulting Inc. (Independent)

Appendix C – Saskatchewan Advisory Committee

As of December 31, 2024, Call2Recycle Canada, Inc.'s Saskatchewan Advisory Committee is comprised of:

Association of Regional Waste Management Authorities of Saskatchewan

Home Hardware

Ministry of Environment

Retail Council of Canada

Saskatchewan Association of Rural Municipalities

Saskatchewan Waste Reduction Council

Saskatchewan Urban Municipalities Association

Appendix D – Audited Financial Statement

Call2Recycle Canada, Inc.
Financial Statements
For the Year Ended December 31, 2024



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Toronto, ON M5K 1H1 Canada

Independent Auditor's Report

**To the Members of
Call2Recycle Canada, Inc.**

Opinion

We have audited the financial statements of Call2Recycle Canada, Inc. (the "Entity"), which comprise the statement of financial position as at December 31, 2024, and the statements of changes in net assets, operations and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2024, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of 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 Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.



-
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants

Toronto, Ontario
June 18, 2025

Call2Recycle Canada, Inc. Statement of Financial Position

December 31	2024	2023
Assets		
Cash (Note 2)	\$ 3,292,795	\$ 2,141,682
Accounts receivable	8,460,093	5,709,862
Marketable securities (Note 3)	24,215,362	29,250,959
Other assets	715,975	540,795
	<u>\$ 36,684,225</u>	<u>\$ 37,643,298</u>
Liabilities and Net Assets		
Accounts payable and accrued liabilities (Notes 4 & 8)	<u>\$ 8,551,679</u>	<u>\$ 5,711,095</u>
Unrestricted Net Assets		
Undesignated	10,430,905	8,969,026
Board Designated (Note 5)	17,701,641	22,963,177
	<u>28,132,546</u>	<u>31,932,203</u>
	<u>\$ 36,684,225</u>	<u>\$ 37,643,298</u>

The accompanying notes and schedules are an integral part of these financial statements.

Call2Recycle Canada, Inc.
Statement of Changes in Net Assets

For the year ended December 31	Undesignated	Board Designated	2024 Total	2023 Total
Balance, beginning of the year	\$ 8,969,026	\$ 22,963,177	\$ 31,932,203	\$ 36,890,818
Excess (deficiency) of revenues over expenses	1,461,879	(5,261,536)	(3,799,657)	(4,958,615)
Balance, end of the year	\$ 10,430,905	\$ 17,701,641	\$ 28,132,546	\$ 31,932,203

The accompanying notes and schedules are an integral part of these financial statements.

Call2Recycle Canada, Inc. Statement of Operations

For the year ended December 31	2024	2023
Revenues		
Steward fees	\$ 34,727,143	\$ 27,508,479
Investment income	1,844,053	1,850,542
Other	894,417	240,177
	<u>37,465,613</u>	<u>29,599,198</u>
Expenses		
Material management and processing (Note 6)	27,228,644	22,742,710
Public education and awareness	6,491,928	5,017,534
Other (salary, professional, administrative)	7,544,698	6,797,569
	<u>41,265,270</u>	<u>34,557,813</u>
Deficiency of revenues over expenses	<u>\$ (3,799,657)</u>	<u>\$ (4,958,615)</u>

The accompanying notes and schedules are an integral part of these financial statements.

Call2Recycle Canada, Inc. Statement of Cash Flows

For the year ended December 31	2024	2023
Cash flows from operating activities:		
Deficiency of revenues over expenses	\$ (3,799,657)	\$ (4,958,615)
Items not affecting cash:		
Net realized and unrealized (gain) loss on investments	(944,557)	(1,028,928)
	(4,744,214)	(5,987,543)
Changes in non-cash working capital:		
Accounts receivable	(2,750,231)	1,292,531
Accounts payable and accrued liabilities	2,840,584	108,582
Other assets	(175,180)	(117,554)
	(4,829,041)	(4,703,984)
Cash flows from investing activities:		
Marketable securities	5,980,154	2,535,654
Net increase (decrease) in cash	1,151,113	(2,168,330)
Cash, beginning of the year	2,141,682	4,310,012
Cash, end of the year	\$ 3,292,795	\$ 2,141,682

The accompanying notes and schedules are an integral part of these financial statements.

Call2Recycle Canada, Inc. Notes to Financial Statements

December 31, 2024

1. Significant Accounting Policies

Nature and Purpose of Operations

Call2Recycle Canada, Inc. (the "Entity") is a not-for-profit organization formed on January 1, 2017. The Entity's head office is registered in Toronto Ontario, and conducts its operations throughout all of Canada.

The Entity's purpose is to promote social welfare by addressing environmental concerns related to the recycling or proper disposal of consumer batteries. The Entity operates battery collection and recycling programs and educates the public with respect to the proper disposal and recycling of batteries, and related products.

The Entity seeks to be the leader in the environmentally sound collection, transportation and recycling of batteries and related products. The Entity is committed to a cleaner, healthier environment through public education on battery recycling. All aspects of the Entity's business are conducted in an environmentally sensitive manner, as the Entity is convinced that sound environmental product stewardship and sound business practices go hand in hand.

The Entity is exempt from income tax under Section 149(1) of the Income Tax Act (Canada).

Basis of Accounting

The financial statements have been prepared using Canadian accounting standards for not-for-profit organizations.

Revenue Recognition

The Entity follows the deferral method of accounting for revenues.

Unrestricted revenues are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Restricted revenues are recognized as revenue in the year in which the related expenses are incurred.

Steward fees are received from legally obligated stewards in regulated provinces (QC, ONT, BC, MB, PEI, SK and NS), and from non-legally obligated battery manufacturers in all other jurisdictions based on sales into those jurisdictions. The Entity recognizes these fees as revenue in the year that battery units are sold by the stewards to consumers and businesses.

The costs of the corresponding collection and recycling for some of these batteries may occur in future years, and those associated costs are reported as expenses of the Entity in the year that they are incurred. Call2Recycle Canada, Inc. is committed to the collection and recycling of these batteries.

Call2Recycle Canada, Inc. Notes to Financial Statements

December 31, 2024

1. Significant Accounting Policies (continued)

Revenue Recognition - Continued	<p>Unrestricted net investment income is recognized as revenue when earned.</p> <p>Unrestricted revenues from the sales of recycled materials are recognized in income when the recovered materials are sold and the amount to be recovered can be estimated and collection is reasonable assured.</p>
Financial Instruments	<p>Financial instruments are recorded at fair value at initial recognition.</p> <p>In subsequent periods, equities traded in an active market and derivatives are reported at fair value, with any change in fair value reported in income. All other financial instruments are reported at cost or amortized cost less impairment. Transaction costs on the acquisition, sale or issue of financial instruments are expensed for those items measured at fair value and charged to the financial instrument for those measured at amortized cost.</p> <p>Financial assets are tested for impairment when indicators of impairment exist. When a significant change in the expected timing or amount of the future cash flows of the financial asset is identified, the carrying amount of the financial asset is reduced and the amount of the write-down is recognized in net income. A previously recognized impairment loss may be reversed to the extent of the improvement, provided it is not greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously, and the amount of the reversal is recognized in net income.</p>
Use of Estimates	<p>The preparation of the financial statements requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Items subject to such estimates and assumptions include:</p> <ul style="list-style-type: none">- accrued expenses- allocation of expenses- allowance for doubtful accounts
Accounts Receivable	<p>Uncollectable amounts receivable are written off at the time the accounts are determined to be uncollectable. There is no allowance for doubtful accounts at December 31, 2024 as management of the Entity considers any possible bad debts to be negligible.</p>
Expenses	<p>Material management and processing costs are recorded when the collection and processing services (freight, handling, recycling of materials) has been provided. Other expenditures are recognized as incurred.</p>

Call2Recycle Canada, Inc.

Notes to Financial Statements

December 31, 2024

2. Cash

The Entity maintains the majority of its cash balance in a Canadian financial institution. The Canada Deposit Insurance Corporation (CDIC) insures this account up to \$100,000 for this financial institution. From time to time the aggregate funds held in this institution may exceed the CDIC insured limits and may not be covered by CDIC insurance. Management does not anticipate any material effect on the financial position of the Entity as a result of this concentration.

3. Marketable Securities

The carrying amounts of investments are comprised of the following:

	2024	2023
At fair value:		
Cash held for long-term investment	\$ 1,288,669	\$ 889,018
Bonds	15,215,224	17,451,919
Equity investments	5,188,026	8,528,393
Real estate funds	1,179,394	1,335,543
Hedge fund investments	1,233,290	920,999
Precious metals and commodity funds	110,759	125,087
	<u>\$ 24,215,362</u>	<u>\$ 29,250,959</u>

Call2Recycle Canada, Inc.
Notes to Financial Statements

December 31, 2024

4. Government Remittances

Included in accounts payable and accrued liabilities are government remittances payable of \$297,817 (2023 - \$147,899).

5. Board Designated Net Assets

The Entity's governing board has designated \$17,701,641 (2023 - \$22,963,177) as of December 31, 2024 for future use in the regulated provinces of Quebec, Ontario, British Columbia, Manitoba, Prince Edward Island, Saskatchewan and Nova Scotia. The designated balances by regulated province are as follows:

	<u>2024</u>	<u>2023</u>
Quebec	\$ 10,452,773	\$ 12,035,871
Ontario	(4,649,997)	(244,067)
British Columbia	8,148,982	8,175,136
Manitoba	2,388,077	2,388,515
Prince Edward Island	(170,352)	(181,468)
Saskatchewan	1,239,176	789,190
Nova Scotia	292,982	-
Total	<u>\$ 17,701,641</u>	<u>\$ 22,963,177</u>

6. Material Management and Processing

Material management and processing is comprised of the following:

	<u>2024</u>	<u>2023</u>
Material management and processing	\$ 28,587,793	\$ 23,735,105
Recycled materials income	(1,359,149)	(992,395)
	<u>\$ 27,228,644</u>	<u>\$ 22,742,710</u>

Call2Recycle Canada, Inc. Notes to Financial Statements

December 31, 2024

7. Allocation of Expenses

Expenses are charged directly to their respective jurisdiction based on actual costs as incurred. When expenses are not identified to a specific jurisdiction, but benefit all jurisdictions, they are allocated among the jurisdictions based on the Entity's allocation methodology. Collections and processing costs are allocated based on battery collections for each jurisdiction. Salary and benefits are allocated based on employee time allocation by jurisdiction. Other expenses, including professional fees, general marketing, communication and promotion, shared service costs, office supplies, and occupancy, which cannot be identified with a specific jurisdiction are allocated based on the total population at the end of the year in the jurisdiction.

8. Significant Contractual Arrangements

The Entity is governed by a Board of Directors that is separate and independent of its former parent entity, but continues to contract IT services (2023 included accounting and managerial services) from Call2Recycle, Inc. US. Fees paid for contracted services to Call2Recycle, Inc. US for 2024 were CDN \$1,004,074 (2023 - \$1,075,586). This fee is assessed to the Entity net of a US \$Nil (2023 - \$272,187) fee recovery collected by Call2Recycle, Inc. US for battery sale license fees collected from US battery companies who are selling into certain Canadian markets. Included in accounts payable and accrued liabilities is CDN \$Nil (2023 - \$199,742) in respect of these contracted services.

Call2Recycle Canada, Inc. Notes to Financial Statements

December 31, 2024

9. Financial Instruments

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Entity is exposed to credit risk resulting from the possibility that the registrants of the Entity defaults on their financial obligations; if there is a concentration of transactions carried out with the same counterparty; or of financial obligations which have similar economic characteristics such that they could be similarly affected by changes in economic conditions. The Entity's financial instruments that are exposed to concentrations of credit risk relate primarily to its accounts receivable. The Entity's registrants are numerous and diverse, which reduces the concentration of risk. Management closely evaluates the collectibility to mitigate this risk.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

The Entity is exposed to financial risk that arises from fluctuations in the sale of recyclable batteries and consumer electronic products. This risk is minimized by an expected corresponding decrease in program delivery and recycling process expenses and by the regulations established by the respective Department of the Environment in each jurisdiction in which the Entity operates.

The Entity is exposed to market risk through its investment in marketable securities, the value of which changes through fluctuations in market values. The investment policies of the Entity are designed to mitigate this risk through diversification of the portfolio.

Currency Risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Entity is exposed to currency risk as a result of its significant contractual arrangement for IT services (2023 - including accounting and managerial services) with a US organization and its stock portfolio holdings denominated in US currency.

Call2Recycle Canada, Inc. Notes to Financial Statements

December 31, 2024

10. Commitments

The Entity has entered into various lease commitments for building rentals. Expected payments over the next five years are as follows:

	2025	2026	2027	2028	2029
Quebec	\$ 37,933	\$ 3,178	\$ -	\$ -	\$ -
British Columbia	20,526	-	-	-	-
Ontario	37,215	113,104	116,038	116,772	118,975
	<u>\$ 95,674</u>	<u>\$ 116,282</u>	<u>\$ 116,038</u>	<u>\$ 116,772</u>	<u>\$ 118,975</u>

11. Contingencies

During fiscal 2021, the Entity conducted reviews of various service providers in the Province of Ontario who collected recyclable materials on behalf of the Entity. As a result of the reviews, certain service providers had their contracts terminated for non-compliance with program requirements.

At the time of the terminations one service provider had previously submitted invoices to the Entity for materials collected in the amount of \$1.4 million which are included in accounts payable. Subsequent to the date of termination of the agreement, no further materials have been accepted from the service provider and no further payments have been made against the outstanding accounts payable balance.

Upon termination of the agreement the Entity has demanded a refund of prior amounts paid to the service provider based upon the observations made in its compliance reviews.

In addition to the \$1.4 million in accounts payable in dispute, the service provider has filed a claim for an additional \$10.5 million in costs plus damages. The Entity in turn has filed a claim for \$5.2 million in damages plus interest and costs.

Management is not able to estimate the likelihood of either any recovery or losses as the outcome of this matter and therefore no further provisions have been made in these financial statements. Any gains or losses will be recorded at the time they become known.

The Entity is subject to other possible legal claims of which the legitimacy or magnitude cannot be determined at this time. Subsequent to year end, a legal claim was filed against the Entity for \$15.0 million in damages. As management is not able to estimate the likelihood of any loss at this time, no provision for these claims have been made in these financial statements. Any loss will be recorded at the time they become known.

Subsequent to year end, three of the Entity's members in Ontario are subject to Administrative Penalty Orders from the Regulator amounting to \$2.8 million. These orders are currently being appealed, and the final amount and timing are still uncertain. The Entity could be impacted by the outcome of the appeals. No provisions have been made in the financial statements. Any losses will be recorded at the time they become known.

Call2Recycle Canada, Inc.
Schedule of Operations - Saskatchewan

For the year ended December 31	2024	2023
Revenue		
Steward fees	\$ 1,282,545	\$ 1,097,814
Investment income	44,976	33,193
	<u>1,327,521</u>	<u>1,131,007</u>
Expenses		
Material management and processing	432,507	504,438
Public education and awareness	263,770	247,155
Other (salary, professional, administrative)	181,258	217,728
	<u>877,535</u>	<u>969,321</u>
Excess of revenue over expenses	449,986	161,686
Net assets, beginning of year	<u>789,190</u>	<u>627,504</u>
Net assets, end of year	<u>\$ 1,239,176</u>	<u>\$ 789,190</u>