



ANNUAL REVIEW
FOR THE YEAR ENDED
30 JUNE 2023

PAINTING A BETTER PICTURE THROUGH STEWARDSHIP, PARTNERSHIPS AND INNOVATION.



FROM THE CHAIR

As Australia began returning to normal post-Covid, we again made significant progress in our mission to protect the environment by providing a responsible and reliable disposal path for unwanted paint and packaging.

Most importantly, we announced plans for the single biggest development in our history – the establishment of national facility we call our Paint Circular Economy Headquarters (PaCE HQ).

It is a major investment in our future, and it will be a game changer. It will allow us to have greater control over the materials we handle and to focus even more strongly on new and innovative ways to repurpose the valuable materials paint contains.

The paint we collect cannot simply be recycled as paint because it is made up of all kinds of brands, types and age profiles. Our vision has always been to find new processes that are suitable for operating at industrial scale to ensure that recoverable valuable materials are not thrown away. PaCE HQ will be a great benefit in this regard. Changes in the way Australia thinks about waste would also help.

Waste regulation is complex, fragmented and does not provide the business drivers for the industry to approach its end-of-life legacy products differently. We are still navigating regulatory requirements that consider the paint we collect to be a prescribed waste, rather than a valuable raw material.

Economics, coupled with the nature of the waste sector's asset design, lead to a co-mingling of different waste streams, which makes it difficult for recycled and alternative materials to meet the standard to substitute for conventional virgin materials or be made into new products.

We are committed to work for change in this regard, as we continue to innovate through our R&D activities and to foster strong partnerships to advance circular economy practices.

The continuing growth of Paintback is positive and encouraging. We thank the industry, state and local governments and consumers, for their support.

Lucia Cade
Independent Chair of the Board

EVERY MOMENT MAKES A DIFFERENCE FROM THE CHIEF EXECUTIVE

Paintback's contractors report that they collected and processed a total of 8.8 million kilograms of unwanted paint and packaging during the financial year ended 30 June 2023.

This was shy of our ambitious target of 9.5 million kilograms, but an increase on the previous 12 months – and our second highest annual total to date. It equates to 16 kilograms every minute.

Our collection network has grown to 169 sites, and partnerships with State-based stakeholders enabled us to support 58 pop-up collection events during the year. That means 87.5% of Australians had a permanent site or temporary collection event nearby.

We made good progress with our research work during the year. Of particular note was the detailed planning for our future R&D pilot plant at Deakin University in Geelong, which should be operational in the second half of the calendar year 2023.

We also continue to challenge and support our suppliers to find better ways to provide materials to support our R&D programs or delivering materials into existing markets.

An example is a new cleaning process to help turn unwanted plastic paint pails into Paintback's Multi-Purpose bucket – a painting accessory that can be recycled through Paintback. A trial range with Bunnings in Victoria has been well received and we now look to expand the trial to other markets in the coming year.

Our marketing and communication strategies successfully increased public acceptance and awareness during the year, while partnerships with industry players extended our reach.

And when we surveyed 2,000 people across Australia, 75% of them told us they intend to use Paintback for their unwanted paint and packaging. Importantly, the scheme is perceived to be positive for the environment.

Karen Gomez
Chief Executive and Director

OUR PURPOSE & VALUES

INGENIOUSLY BUILDING A BETTER AUSTRALIA WITH UNWANTED PAINT AND PACKAGING



Inclusive

We embrace uniqueness to foster openness and build a sense of belonging.



Collaborative

Together we work as a team and engage broadly to design shared outcomes.



Inspirational

We thrive on creating energetic and inspiring solutions for positive change.



Innovative

We constantly apply our creativity and learnings to maximise success and make a difference in whatever we do.



Responsible

We are accountable to each other and to the community, which trusts us to create a brighter, sustainable future.

SETTING THE PaCE: PLANNING FOR A NATIONAL PROCESSING FACILITY

At year end, Paintback was finalising plans to enter the supply chain by establishing its own Paint Circular Economy Headquarters.

Consistent with our ethos to minimise the environmental footprint of unwanted paint, our plan involves “recycling” a spare building – an existing warehouse in a paint manufacturing facility in western Melbourne, close to where most Australian architectural and decorative coatings are made.

This will bring significant benefits and important changes to the way Paintback operates. It will also demonstrate – at scale – what a purpose-built facility can achieve for paint’s circular economy pursuits driven by focused R&D.

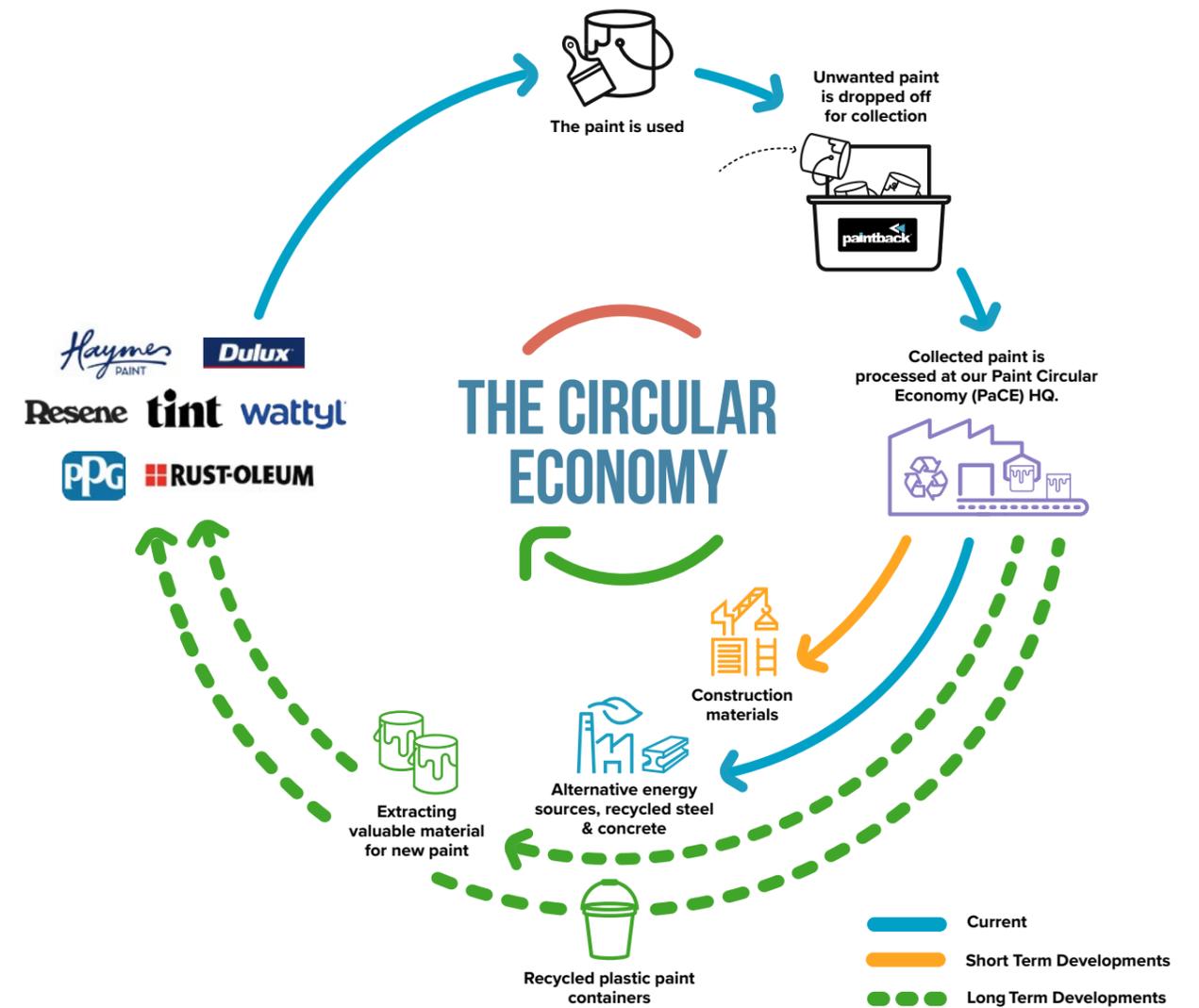
Until now, materials left by professional and DIY painters have been processed by the commercial contractors that have collected them. However, our scheme has grown to the extent that it makes environmental and economic sense to have a dedicated national facility for sorting and distribution.

Significant time has been spent on the logistics of opening and operating the plant, to maximise efficiency and minimise any impact on the surrounding community. We have worked closely with authorities and listened to the local neighbours.

Its primary role will be separating paint types for appropriate disposal, using scientifically based techniques. It also will compress steel paint pails for recycling.

The resources recovered will be of higher and more consistent quality than is possible using current processing methods. This will enable us to broaden the scope of products and to better market the recovered resources, with the aim of reducing the use of virgin materials.

PaCE HQ WILL BE A WORLD-CLASS FACILITY – IN MANY WAYS A WORLD-LEADING FACILITY – WHERE SEVERAL WELL-ESTABLISHED TECHNOLOGIES WILL COME TOGETHER UNDER ONE ROOF TO IMPROVE OUTCOMES FOR USED HOUSEHOLD AND TRADE PAINT AND ITS PACKAGING.



COLLECTION, CONSOLIDATION & COLLABORATION

Paintback contractors reported collecting 8.8 million kilograms of unwanted paint and packaging across the country. Of the three largest States, there were increases in Victoria and New South Wales, but a lower-than-expected result in Queensland, which we attribute in part to the significant flooding the State experienced on both 2020-21 and 2021-22. More stored paint would have been part of the immediate clean-up by flood-affected communities.

During the year, our operations team worked with collection partners and suppliers to align and improve circular economy principles by focusing on the responsible disposal, repurposing and recovery of unwanted paint and packaging.

A priority has been to work with state environmental authorities, local government and site partners to stop non-Paintback products being deposited in our collection stillages. When such items are found, where possible

they are diverted to a program that can handle them most effectively. Otherwise Paintback funds the responsible disposal of these items at its own expense.

We also had a number of opportunities to deepen our connection with our network, working together to improve safety and customer experience. We held 14 webinars to share news and updates and launched the Paintback Health and Safety Video.

We are appreciative of the work they do, dealing with the public each day and helping to operate a convenient service, while promoting the scheme to residents and trades people alike.

It is an example of how these partnerships socially innovate to enable civil society through local government to participate in Paintback and help solve the environmental problem of unwanted paint.

Paintback collection volumes, by State and Territory ('000 kilograms)

	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Australian Capital Territory	8	216	277	231	237	205	242
New South Wales	372	646	1,200	1,789	2,795	2,126	2,424
Northern Territory	36	25	34	48	45	52	41
Queensland	346	918	1,402	1,595	1,957	2,085	1,699
South Australia	107	359	412	565	579	558	583
Tasmania	19	42	71	169	140	164	159
Victoria	738	1,501	2,033	2,602	2,455	2,421	2,610
Western Australia	264	594	809	1,093	1,080	1,120	1,083
	1,890	4,301	6,238	8,092	9,288	8,731	8,841

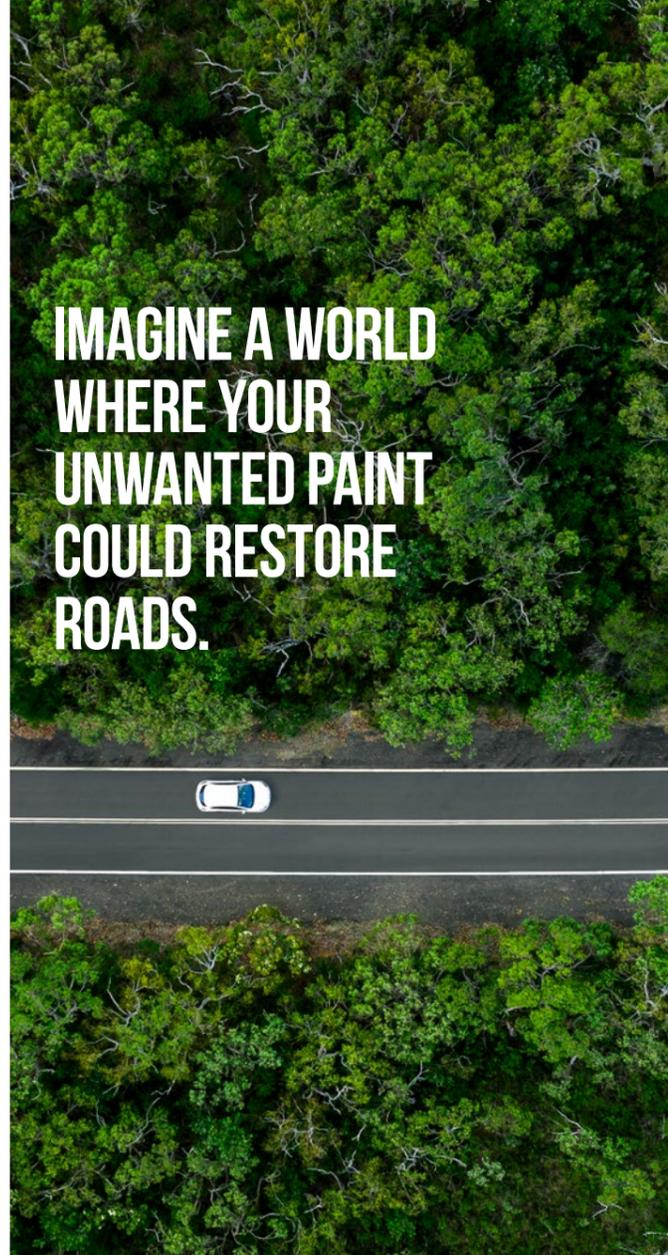
Top 10 Paintback Collection Locations 2022/23 – By Volume

State	Site Location	Total Tonnes
WA	Balcatta Recycling Centre	260
VIC	Monash Waste Transfer and Recycling Station	215
NSW	Canada Bay Recycling Centre	214
NSW	Kimbriki Resource Recovery Centre	212
VIC	Whitehorse Recycling and Waste Centre	210
NSW	Liverpool CRC	193
NSW	Thornleigh Community Recycling Centre	180
VIC	Frankston Regional Recycling and Recovery Centre	147
VIC	Copper Rock Bayside Waste & Recycling Centre	142
VIC	Boroondara Transfer Station	139



INNOVATION, IDEAS AND IMPACT

Image supplied by Deakin University



IMAGINE A WORLD
WHERE YOUR
UNWANTED PAINT
COULD RESTORE
ROADS.

Paintback's R&D program remains dedicated to ensuring diverse and sustainable long-term end-markets for recycled materials. Our focus is on identifying multiple value-added solutions for reclaimed paint and paint packaging through research partners of choice.

A core objective of our research is not only to understand technical performance, but to ensure that the materials we recover will not cause harm to humans and the environment, and thus be released from the constraints of waste regulations that are not applied to similar virgin products.

In line with our commitment to scaling up researched products, including concrete additives, we are advancing the construction of a pilot plant at Deakin University's advanced manufacturing innovation hub ManuFutures to create concrete admixture to be used in non-structural applications.

This facility will enable us to further develop and commercialise the outcomes of our research program effectively, by being an internal resource to test and verify these important questions, ready for scale up through PaCE HQ.

Much of the year was dedicated to obtaining the appropriate licences to operate the pilot plant, because the leftover paint we collect is deemed by regulators as a prescribed waste and the facility must be licensed to undertake the field trials needed to test and verify results.

During the year, two of our research partners received significant grants from Sustainability Victoria under Circular Economy Market Fund. In each case Paintback was the industry partner and this is a valuable way for government to reduce the innovation process's inherent risks.

The first grant went to Deakin University to support its ongoing work on recycling of plastic contaminated with residue paint, which conventional forms of recycled processing are challenged by.

The second was awarded to the National Transport and Rail Organisation to progress activities around commercialisation pathways of water-based paint in road applications. The outcomes of this project strongly recommend further commercialisation of the most promising applications of the used paint, including "soil stabilisation". This is essential for the preparation of the underlying soil for road base application.



From unwanted paint packaging, we've created a 100% plastic recycled, Aussie-made 4L multi-purpose bucket.

A black dog is sitting on a wooden deck, looking towards the right. In the foreground, a blue paint can is partially crushed and covered in blue paint. The can has the word 'PAINT' at the top, 'TRADE PRO' in the middle, and '4 Litres' at the bottom. The background shows a metal railing and a building.

ACTIVITY, ACHIEVEMENT AND AWARENESS

Our marketing and communications efforts focus on increasing the reach and awareness of Paintback among DIY and trade audiences, and ongoing engagement with paint manufacturers, retailers and industry partners. With awareness comes participation.

During the year we launched our “Unwanted paint can do more” communications across multiple channels, including bought, owned and earned media. The campaign took the common sight of old paint cans gathering dust, and asked consumers to give their old cans new life by bringing them back to Paintback.

We had a strong focus on engaging with retailers and our founding members and participating companies during the year. Tailored marketing packs and branded collateral were developed for IHG, Dulux, Haymes, Wattyl, Bunnings and PPG, with the focus to have further inclusion of Paintback message across their owned media in online and in- store environments.

The personification of the cans has resonated as a message for our partners in the paint companies and big box retailers to share with their customers, be they DIY or trade, to show people the potential of these cans.

Partnerships with Planet Ark and Master Painters Association allowed us to strengthen, together, our shared values to helping the community and businesses to do their part in sustainable living.

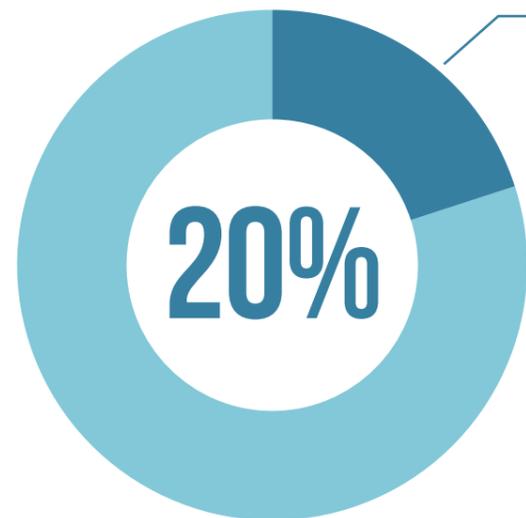
OUR EFFORTS FOCUS ON INCREASING THE REACH AND AWARENESS OF PAINTBACK AMONG DIY AND TRADE AUDIENCES.

PARTNERSHIPS THAT DRIVE RESULTS AND CONTINUOUS IMPROVEMENT IN THE FUTURE



Paintback remains steadfast in its dedication to creating a greener and more sustainable Australia.

During the 2022-23 financial year we collected and processed 8.8 million kilograms of unwanted paint and packaging through our scheme, contributing to responsible disposal and repurposing.



OF THE AUSTRALIAN POPULATION BELIEVE THAT PAINTBACK ARE DELIVERING A NET ENVIRONMENTAL BENEFIT



FINAL WORDS ON REGULATORY CHALLENGES AND ACHIEVING CIRCULAR ECONOMY ASPIRATIONS

We finished last annual review foreshadowing the regulatory environment needing to do better... a deeper analysis of what this means, a year on we have learnt more. What we do in one state needs to be recognised elsewhere.

Increasing focus on circular economy policy should provide more favourable environment for Paintback's next stage of collaboration:

we need harmonised environmental regulation permissions across multiple jurisdictions to enable markets for used paint applications.



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Paintback, brought to you by Australia's leading paint brands:

