

Progressing at PaCE HQ

Annual report for
the year ended
30 June 2025



Message from the Chair

The 2024-25 financial year marked a significant turning point in Paintback's operations with the opening of the Paint Circular Economy Headquarters (PaCE HQ), a world-first development.

PaCE HQ is a true testament to Paintback's unwavering commitment to creating a more sustainable future for Australia's unwanted paint and packaging.

With everything under one roof, the plant has the capacity not only to bolster productivity gains in end-to-end processing but also to increase and streamline R&D initiatives, thanks to a purpose-built pilot plant and laboratory. This includes being able to produce and have environmentally approved our "greyscale" paint, a fully recycled water-based paint.

With the support of our expert Research and Development Advisory Committee, Paintback's R&D team has, and continues

to be, a driving force behind our capacity to explore new ideas and implement innovative ways of turning what was once waste into products and solutions designed to drive the circular economy forward.

Without question, the Pace HQ will go a long way towards enabling Paintback's thinkers and doers to continue their great work, testing and refining new products while fostering collaboration with research partners and sustainable-first companies – all while processing thousands of kilograms of paint and packaging per day. We are not there yet with diverting everything from landfill, converting it into beneficial circular economy products, but we are well on the way.

Throughout it all, Paintback has continued to demonstrate commitment to meeting government, regulatory and stewardship requirements, most notably the Environment Protection Authority in all states and territories.

On behalf of Paintback's Board of Directors, I wish to thank the members of our R&D Advisory Committee, our many partners and most importantly, the Paintback staff team on a terrific year in the implementation of our strategy as Paintback continues to evolve and bring exciting new recycled products to fruition.

LUCIA CADE
Independent Chair of the Board

“PaCE HQ is a true testament to Paintback’s unwavering commitment to creating a more sustainable future for Australia’s unwanted paint and packaging.”





CEO Report

A year of making milestones

The 2024-25 financial year saw us reach several milestones, the first of which we accomplished in early 2025 with news that Paintback had collected over 60 million kilograms of paint and packaging since its inception. An achievement worthy of celebration at the time, I wish to thank our hardworking collections team, the council sites and drop-off locations we work with for their efforts in managing a network of over 165 sites across the country.

Our most notable achievement was, however, yet to come. On the 29th of April,

we officially opened our world-first facility, the Paint Circular Economy Headquarters, otherwise known as PaCE HQ. With the Hon. Colin Brooks, Victoria's Minister for Industry and Advanced Manufacturing and other dignitaries in attendance, the opening of the PaCE HQ signalled not just a huge step forward in our journey, but it brought to life years of ideation, engineering, planning and design.

I would like to express my gratitude to the City of Kingston and Mayor Cr Georgina Oxley for their support and for welcoming Paintback into the City of Kingston. I would also like to recognise and proudly acknowledge the Bunurong People of the Kulin Nation as the Traditional Owners and

Custodians of this land, and we pay our respect to their Elders, past and present.

PaCE HQ solidifies our commitment to delivering true circularity in the paint industry. It is a bespoke, purpose-built facility that enables greater control over our supply chain operations. From the processing of unwanted paint and packaging to the conversion of materials into reusable resources. PaCE HQ will ensure optimal environmental outcomes and allow our R&D and circular economy efforts to come to life.

Incorporating state-of-the-art sorting, blending and treatment technologies, PaCE HQ enables us to process large

volumes of unwanted paint efficiently and at scale. Fully funded by Paintback, this infrastructure is vital for establishing a robust and sustainable recycling ecosystem for Australia's paint industry. PaCE HQ, not only sets us up for future success but also ensures we're ideally placed to effectively manage every aspect of what we do, delivering better outcomes for the environment and our stakeholders.

Our commitment to innovation, one of our core values, is best exemplified by our focus and continual investment in research and development (R&D). We have an active R&D portfolio that covers several product streams that allow the materials we recover at PaCE HQ, such as reclaimed paint,

plastic and metal, to enter the supply chain and progress through the circular economy.

Driven by our purpose to ingeniously build a better future for unwanted paint and packaging, I am truly proud of our accomplishments in the FY2024-25 financial year and look forward to supporting our dedicated team, working with stakeholders far and wide, and to build an even brighter future for unwanted paint and packaging.

JOHN FERRARO
Chief Executive Officer

Our Purpose

Ingeniously building a better Australia with unwanted paint and packaging.



Our Values



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 entrusts us to create a brighter, sustainable future.

Collections Update



Partnering with our national network of drop-off points and collection events, over 8.6 million kilograms of unwanted paint and packaging was collected from across Australia in the 2024-25 financial year.

The Paintback drop-off point network is currently operating throughout all states and territories, with 89% of Australians having convenient access to one of our 167 Paintback drop-off locations or 41 pop-up collection events which were held in collaboration with local governments and waste diversion programmes.

Our ongoing focus on maximising both the delivery of the Paintback scheme as well as the environmental outcomes for the materials collected has seen the implementation of several important changes last year. The transition of water-based paint processing from external providers to Paintback’s own facility has significantly improved the amount of material that can be recovered for reuse and recycling. The change to processing at PaCE HQ also necessitated significant changes to our logistics network with transport Hubs established and the implementation of an online reporting system that allows us to better monitor and plan collections.

We continued to support our drop-off point partners with educational materials, training packs, and updates through our refreshed ‘Brush-up!’ newsletter, online tools, and site visits with a focus throughout 2024-25 on reducing the quantity of ineligible materials being returned to Paintback.



Paintback Collection Volumes by State and Territory (‘000 kilograms)

State / Territory	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Australian Capital Territory	8	216	277	231	237	205	242	202	213
New South Wales	372	646	1,200	1,789	2,795	2,126	2,424	2,366	1,984
Northern Territory	36	25	34	48	45	52	41	34	38
Queensland	346	918	1,402	1,595	1,957	2,085	1,699	2,064	2,124
South Australia	107	359	412	565	579	558	583	588	547
Tasmania	19	42	71	169	140	164	159	182	190
Victoria	738	1,501	2,033	2,602	2,455	2,421	2,610	2,286	2,357
Western Australia	264	594	809	1,093	1,080	1,120	1,083	1,105	1,183
Total	1,890	4,301	6,238	8,092	9,288	8,731	8,841	8,827	8,638

Top 10 Paintback Collection Sites

Rank	Site Name	FY2024-25 Total Collections (kg)
1	Balcatta Recycling Centre	278,433
2	Kimbriki Resource Recovery Centre	224,039
3	Whitehorse Recycling and Waste Centre	200,258
4	Monash Waste Transfer and Recycling Station	187,347
5	Canada Bay Recycling Centre	184,555
6	Liverpool CRC	170,799
7	Chandler Resource Recovery Centre	165,038
8	Tamala Park Waste Disposal Facility	154,821
9	Willawong Resource Recovery Centre	153,087
10	Reedy Creek Commercial Landfill	137,574



Opening and Operating a World-First Plant, PaCE HQ

After a period of commissioning, system integration and training, the Paint Circular Economy Headquarters became fully operational in May 2025. PaCE HQ represents our commitment to setting a new benchmark in the sustainable management of paint and packaging collected through the Paintback scheme.

Purpose-built through extensive discovery and design, PaCE HQ integrates advanced systems for the complete cleaning, sorting, and separation of unwanted paint and packaging, intending to achieve more than 90% resource recovery rates.

PaCE HQ has the capacity to process per day:

- 19,000 kgs of raw paint
- 3,000 kgs of plastic
- 5,000 kgs of metal

PaCE HQ is also a valuable contributor to the local economy, employing 24 staff.

This achievement builds on our years of stewardship and industry learnings, which highlighted the limitations of traditional co-mingled processing methods. With a dedicated research and innovation space within PaCE HQ, our R&D and Supply Chain initiatives are driving projects that minimise dependence on virgin resources, deliver a higher-value recovery rate, enhance supply chain resilience and create a model for the future of product stewardship schemes.



Responsible Pathway Management: Current Operations and Future Outlook

With the launch of PaCE HQ in April 2025, Paintback has opened the door to greater resource recovery for the approximately 7.3 million kilograms of unwanted water-based paint and paint packaging that can be processed through the facility each year. Through our innovative de-packaging and cleaning processes, we can now ensure that all of the paint containers processed at PaCE HQ will be recycled. After removing

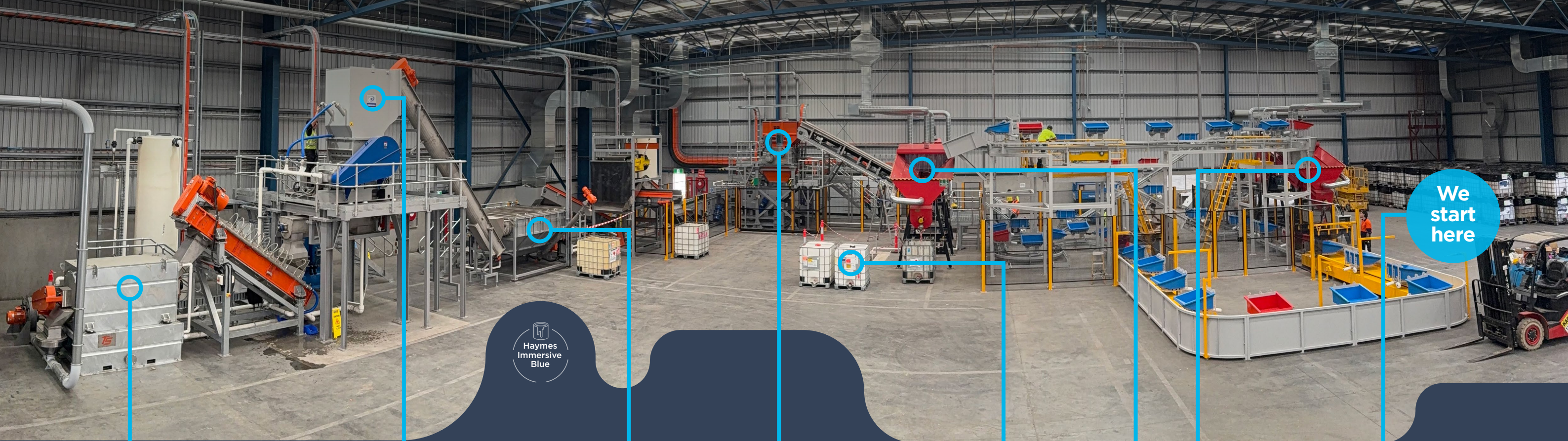
the paint liquids, plastic containers are washed and then granulated so that they can be recycled into new plastic products. Metal containers are shredded and sent to steel recyclers. Where possible, liquid water-based paints are filtered, treated and prepared to be reused as paint or as a value-added ingredient for industrial infrastructure products.

On top of this, Paintback collects an additional 1.7 million kilograms of solvent-based paints, which are processed by contractors with the liquid paint being utilised as a valuable source of alternative fuel in cement kilns, and the remaining packaging being sent to steel recyclers.

“Victoria is leading the way in advanced recycling and circular economy innovation, and facilities like PaCE HQ show how we can work together to create a cleaner, more sustainable future. This world-first facility is not just creating new jobs – it’s driving new industries that will power Victoria’s economy for decades to come.”

- HON. COLIN BROOKS, MINISTER FOR INDUSTRY AND ADVANCED MANUFACTURING

Pace HQ: A World-first, Purpose-built Facility



We start here



Final Plastic Washing, Drying and Separating

From the granulator, the plastic is transported via conveyor and a horizontal auger into a friction washer, giving it a second, more intense wash. After that, it's passed into a mechanical dryer, which spins out remaining moisture. Once dry, the plastic is carried through pipes to a metal detection unit, which scans for and removes any remaining metal fragments.

- Rejected metal pieces are diverted into a separate repository.
- Clean plastic granules continue through a pneumatic pipeline and are collected into large hessian bags for reuse in plastic remanufacturing.
- Each bag holds around 1.2 tonnes of plastic granules.

Any plastic particles that are too fine to be reused are captured in a filtration sock and removed separately.

Plastic Granulation

The clean floating plastic moves into the granulator. This machine contains a series of sharp internal blades that cut the plastic into small granules, ready for further cleaning and drying.

Sink or Swim

Plastic travels along the conveyor and drops into this sink/swim tank, which is filled with water. Inside the tank are rotating paddles that agitate the water to help dislodge contaminants. The principle is simple:

- Clean plastic floats to the surface.
- Heavier particles and contaminants or particulates sink to the bottom for removal.

Packaging Processing

All shredded packaging, whether plastic or metal, is transferred via conveyor into the shredder hopper. Here, all the packaging material is broken down into smaller fragments that then travel along two vibrating screens, the first has water hoses to help wash and remove residual paint and contaminants. The second shakes off and drains excess water to remove any residual paint or contaminants that remain on the fragments.

Blending Tanks

Raw paint is pumped from IBCs to the blending tanks where biocides are added (to treat bacteria) as well as a preservative. The blending process takes up to four hours. Once complete, blended paint is pumped to clean IBCs for storage and further processing into ready-to-use Greyscale Paint.

Solvent-based Paint Processing

Red buckets are directed to this Runi that processes solvent-based paint.

Water-based Paint Processing

When a blue bucket is emptied into this Runi, a powerful vertical screw compresses and breaks down the packaging, extracting any remaining paint. The extracted paint then flows down into this collection tray from there it is dispersed and spread across a vibrating screen. The paint is then guided through two outlets and collected in IBCs, for processing further down the line.

Sorting

Paintback stillages full of paint and packaging are brought to the sorter. Our team carefully sorts each stillage by placing the paint and packaging on the sorting tables. Plastic and metal containers are separated, as each material will be processed separately. There are two colours of buckets on the conveyor:

- Blue for water-based paint
- Red for solvent-based paint.

Introducing Greyscale Paint

Turning your unwanted paint into new possibilities

Finding innovative ways to recycle and repurpose unwanted paint is more than a mission statement; it's a philosophy we're focused on putting into action.

With the advent of PaCE HQ, we're even better placed to develop, test, refine and launch market-ready products. In early 2025, we launched Greyscale Paint, a 100 per cent recycled product produced entirely at our new plant.

Made from 100 per cent of the post-consumer water-based paint, Greyscale offers dual benefits as both a concealment solution for graffiti and vandalism, but also recoating for urban environments such as tunnels, buildings, bridges, freeway barriers, power poles and concrete structures.

Key Benefits of Greyscale Paint

- Produced from 100% recycled water-based paint.
- Made locally at the PaCE HQ in Victoria, Australia.
- Provides a circular, sustainable use for collected unwanted paint.
- Grey in colour and is easy to tint when darker shades are required.
- Covers graffiti and tags quickly and effectively.
- Applies thick, reducing the number of coats required.
- 0.15kg per L of CO2e is saved by using reclaimed paint over virgin paint.

Using a combination of social media marketing, referrals, recommendations and support from our member paint companies, Greyscale has been used on several key projects, including:



City of Melbourne

Graffiti concealment on the exterior of a multi-storey car park



Eastland Shopping Centre, Ringwood

Graffiti concealment on exterior wall



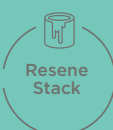
RACV building, Melbourne CBD

Primer on building exterior walls



Benalla Street Art Festival

Used to conceal previous artwork and prime surfaces for new work



Ramping Up Our R&D Activities

The past year has been transformative for Paintback's R&D function, marked by a significant shift towards in-house capabilities and strategic partnerships.

Following the successful completion of our pilot plant operations at Deakin's Manufacturers Incubator, we decommissioned and relocated to establish a permanent presence at PaCE HQ. This has been a pivotal achievement, enabling us to advance key initiatives, from developing high-performance concrete additives with Smartcrete CRC to pioneering a circular solution for plastic utilised within the paint industry. Our focus on enhancing in-house quality control by leveraging our new facility has positioned us to maximise the commercial potential of our recycled products.



Smartcrete CRC Partnership

Our collaboration with Smartcrete CRC and Swinburne University has yielded promising results in developing an innovative admixture from recycled water-based paint for high SCM (Supplementary Cementitious Material) concrete. Preliminary investigations have demonstrated a significant increase in 70-day compressive strength, and promising outcomes in terms of reduced sorptivity, dry shrinkage and carbonation resistance. These findings open doors to higher-value applications such as reinforced concrete pipes and marine concrete.

Exploring Plastic Utilisation

The recycled polypropylene (rPP) that has been reclaimed through a shredding and washing process is a significant leap forward for plastic recovery. We can consistently produce high-quality, commercial ready shred that displays suitability for customer requirements and market utilisation. Most notably, a 100% rPP 15L paint pail has been successfully produced and displays equivalent attributes when compared to virgin pails. Validating that our material can be a solution for a truly circular application – pail back to pail. We are actively engaged with member paint companies and their packaging suppliers to integrate this material into their production lines, which represents a powerful marketing opportunity for both our scheme and our members.

In-House Quality Control Capability

With the commissioning of PaCE HQ, we have welcomed an in-house quality control (QC) chemist, providing us with fundamental knowledge to ensure material consistency and to uphold high standards across all of our products. This focus on in-house QC enables us to manage batching coordination, feedstock variability and provide our commercial partners with the confidence needed for product integrity.

Impact of PaCE HQ on Research and Development

PaCE HQ is more than a processing plant; it is the cornerstone for our R&D initiatives, and it serves as an integrated hub where end-to-end processing, a pilot plant, and a lab exist under one roof. This proximity enables us to directly test and refine processes, produce cleaner outputs, and rapidly prototype new products. PaCE HQ has been instrumental in validating the quality of our key product streams: rPP for plastic for remanufacturing, reclaimed paint use in Paintback Greyscale applications, and treatment of high SCM concrete additive. The ability to control our feedstock and conduct our own quality checks has been invaluable, allowing us to accelerate projects and create new commercial pathways for our recovered materials.

Activity, Awareness and Engagement

Our marketing and communications initiatives have been largely focused on building a community of ambassadors and advocates within the paint, sustainability and environment sectors. We have brought this approach to life through effective storytelling and short-form content, both video and stills across several social media channels, specifically Instagram, LinkedIn and YouTube.

Throughout the majority of this year, we adopted an organic approach to content creation based on building relationships and collaborations with commercial painters, brand ambassadors and industry associations. Strategically, we empowered stakeholders to create and share authentic content about the Paintback scheme, PaCE HQ and their experience with our products, primarily Greyscale paint. We encouraged commercial painters to use Greyscale and document their experience, resulting in Paintback being able to leverage engaging content that not only tells a realistic, relatable story but raises awareness of the product, encouraging more painters to try Greyscale and share their experiences on the product and its benefits.

This approach has yielded impressive results across our social channels, driving a 38% growth in followers across platforms, 64,736 impressions and a

22.7 per cent engagement rating. Our increased digital footprint has translated into new business opportunities and industry partnerships with commercial painters, master painters associations and our member companies.

Fostering good word-of-mouth and building a rapport with stakeholders has also been a key focus, and we have been able to achieve positive outcomes through industry networking events, keynote speaking sessions, as well as audio-visual content with the likes of Ticker TV and Sustainable Choice Podcast.

In our efforts to improve customer service and strengthen relationships with our diverse Paintback scheme user base, this year we upgraded our multichannel support infrastructure by establishing an in-house call center and a new customer relationship management system. These enhancements have enabled us to provide more responsive, personalised support and maintain stronger connections with our customers throughout their Paintback journey.



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A Big Thank You from Paintback

We would like to mention partners that have contributed greatly to bringing the Paint Circular Economy Headquarters to life:

The Department of Jobs, Skills, Industry and Regions (DJSIR) who helped facilitate and provide support externally for the project.

Argon & Co, who have been our principal engineering and design consultants and have been with Paintback through the design, procurement and commissioning phases of PaCE HQ.

The team at **Telford Smith Engineering** who helped supply much of the equipment.

Davis Advisory and the late Stephen Davis. Our heartfelt thanks for your support across four years of hard work.

The team at **Six Degrees Executive**, who have supported Paintback in recruitment at PaCE HQ.

To the **R&D Committee**, the **Board of Paintback** and our **member paint companies**, your commitment, guidance and insights are greatly appreciated, and our success is an extension of your vision and your individual organisations.

And last but by no means least, we express our gratitude to everyone who supports our cause and does their bit to return unwanted paint and packaging to collection sites across Australia, saving millions of kgs from landfill and waterways.





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

Haymes
PAINT

wattyl
A part of **HEMPEL**

 **RUST-OLEUM**

Dulux

SINCE 1897
Taubmans

Resene

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