

**General Electric Canada
(Healthcare)
Annual Report to the Director
January 1 – December 31, 2014**

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1. Executive Summary

The table below summarizes program performance for the Section 8 annual reporting requirements.

Products within plan	Phase 5 products of the electronic and electrical product category under BC's Recycling Regulation (the "Phase 5 Category") that exceed 200 kilograms in weight and are excluded from the Stewardship Plan submitted by EPRA B.C. (Electronic Products Recycling Association of British Columbia).
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Recycling Regulation Reference	Topic	Summary (5-bullet maximum)
Part 2, section 8(2)(a)	Public Education Materials and Strategies	<ul style="list-style-type: none"> ▪ The General Electric (GE) Canada (Healthcare) Product Stewardship Plan details were posted to the external GE Healthcare Canada website (Website Link) for public awareness.
Part 2, section 8(2)(b)	Collection System and Facilities	<ul style="list-style-type: none"> ▪ See Section 4.
Part 2, section 8(2)(c)	Product Environmental Impact Reduction, Reusability and Recyclability	<ul style="list-style-type: none"> ▪ See Section 5.
Part 2, section 8(2)(d)	Pollution Prevention Hierarchy and Product / Component Management	<ul style="list-style-type: none"> ▪ See Section 6.
Part 2, section 8(2)(e)	Product Sold and Collected and Recovery Rate	<ul style="list-style-type: none"> ▪ See Section 6 for details on products collected.
Part 2, section 8(2)(e.1)		<ul style="list-style-type: none"> ▪ See Section 7 for breakdown of product sold and collected volumes.
Part 2, section 8(2)(f)	Summary of Deposits, Refunds, Revenues and Expenses	<ul style="list-style-type: none"> ▪ Not Applicable
Part 2, section 8(2)(g)	Plan Performance	<ul style="list-style-type: none"> ▪ See Section 9 for Plan Performance

2. Program Outline

The GE Healthcare (GEHC) Product Stewardship Plan and annual report applies to those Phase 5 products that exceed 200 kilograms in weight, that GEHC, as producer, sells, offers for sale or distributes in BC and that are excluded by the EPRA B.C. Stewardship Plan. GEHC does not sell, offer for sale or distribute any of the products under this plan to retail consumers, including through retail sales. Instead, the products covered by the GEHC Stewardship Plan are sold by GE, offered for sale, distributed or used in a commercial enterprise for health care institutions and medical professionals. In addition, those Phase 5 products that exceed 200 kilograms applicable to this Product Stewardship Plan include medical devices such as MRs (Magnetic Resonance) and CTs (Computerized Tomography) which tend to have extended lifecycles in the range of 10-20 years.

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GE Healthcare is currently a member and a registered producer with the EPRA BC (Electronic Stewardship Association of British Columbia) for Phase 1, 2 and 5 products. As EPRA BC has an approved end-of-life electronics program for Phase 1, 2 and 5 products (< 200 kilograms in weight), GEHC has appointed EPRA BC as their agent to meet these obligations under the *B.C. Recycling Regulation*. GEHC currently reports and submits the appropriate EHF's (environmental handling fees) to EPRA BC on a monthly basis, for those products that fall under Phase 1, 2, and 5 and are sold as part of medical equipment and devices into the province of B.C.

GE Healthcare is submitting this annual report as a requirement for the GEHC Product Stewardship Plan for those Phase 5 products that exceed 200 kilograms in weight in order to offer an avenue to eliminate or reduce the environmental impacts of GEHC products at end-of-life.

GE Healthcare is committed to achieving the highest recovery rates feasible for the products, in light of all applicable circumstances, including the nature of the products and the purchasers of the products, which do not include sales to retail consumers. GE Healthcare has undertaken an 18-month review to determine the appropriate program performance measurement and recovery rate for the Stewardship Plan. As a result of this review, the most appropriate performance measurement and recovery rate metric is the number of medical systems > 200 kilograms in weight sold into the Province of B.C. and the number of medical systems > 200 kilograms in weight recovered from the Province of B.C. Refer to Section 7 for more details.

3. Public Education Materials and Strategies

GE Healthcare has and will continue to make its customers aware of this stewardship plan through direct involvement and communication. GE Healthcare consulted with its major customers as well as other stakeholders such as existing product stewardship agencies such as EPRA BC, Product Care, CESA, MEDEC, trade associations etc. Stakeholders have been encouraged to review the Product Stewardship plan and send their comments and questions directly to GE Healthcare. GE Healthcare offered a series of live webinars and teleconferences with its major customers located in British Columbia. Stakeholder consultation was conducted with GE Healthcare customers and feedback was summarized in the approved Product Stewardship Plan, dated June 28, 2012.

The GE Healthcare Product Stewardship plan was posted on the RCBC's (Recycling Council of British Columbia's) website to promote public awareness of the program. In addition, customers and the public are able to access the GE external public website for details regarding the GE Healthcare Stewardship Plan involving those products exceeding 200 kilograms in weight.

Other than questions directly received from active GE Healthcare customers, there has been no inquiries from the public as a result of posting the GE Healthcare Product Stewardship Plan.

4. Collection System and Facilities

GE Healthcare uses its existing take-back and recycling process for the collection, transportation and processing of end-of-life electronic medical devices and equipment exceeding 200 kilograms in weight. This process involves contracting with an existing service provider(s) for the transportation directly from customer locations to a warehouse in Ontario where the product is either re-sold or shipped to the GE Healthcare Renewable Resource Centre in the U.S. for processing. Refer to Section 6 for more details regarding the processing and recycling process at the GE Healthcare Renewable Resource Centre in Oakcreek, Wisconsin.

GE Healthcare does not own or operate any collection facilities in the province of B.C.

GE Healthcare 's Stewardship Plan does not apply to medical devices or obligated products that have been exposed to infectious matter unless these products are properly decommissioned, disinfected and/or sterilized.

Given the products do not include sales or distribution to retail consumers, there is no need for consumers to have access to collection facilities related to the plan.

There has been no change to the method of collection or the location of GE Healthcare's recycling facility.

5. Product Environmental Impact Reduction, Reusability and Recyclability

GE Healthcare is committed to managing its products in an environmentally responsible manner by designing products for improved environmental performance, energy efficiency and minimizing the use of restricted hazardous materials. Where practicable, GE Healthcare strives to eliminate or reduce the environmental impacts of the products throughout the product's life cycle. Refer to the GE Healthcare Product Stewardship plan for more details regarding *Ecomagination*, *Restriction of Hazardous Substances* and *Energy Efficiency* programs.

6. Pollution Prevention Hierarchy and Product / Component Management

GE Healthcare offers collection and recycling services to our customers for both GE and non-GE medical devices and instruments. At end-of-life, many medical devices and products retain an inherent value, parts and components are reclaimed for re-use and the majority of the metals, electronic circuit boards, and other materials are recycled.

GE Healthcare operates a Renewable Resource Centre (RRC) in Oak Creek, Wisconsin which is involved in the reprocessing of approximately 6 million kilograms of de-installed and returned medical equipment and parts each year. The Renewable Resources Centre has a current combined reuse, redeploy and/or recycling rate of 94 percent with only 6% of the incoming material, by weight, being disposed of by the RRC. Imaging systems may be sent to repair suppliers for use as test beds for repair parts. Others are disassembled and the usable components are reclaimed or placed into inventory or added to our repair pools.

GE Healthcare manages returned products in adherence to the pollution prevention hierarchy as outlined in the Product Stewardship Plan.

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There were 4 medical products and systems (> 200 kilograms in weight) in scope of the GE Healthcare Product Stewardship Plan collected and returned from B.C. Customers from January 1 to December 31, 2014.

Below is a breakdown of the number of medical devices and systems (> 200 kilograms in weight) collected and returned from B.C. Customers from January 1 to December 31, 2014. All medical devices and systems collected and returned from B.C. (> 200 kilograms in weight) were re-sold and did not enter the recycling stream.

Timeframe (2014)	No. of Products > 200 kg in weight collected	No. of Products > 200 kg in weight re-sold	No. of Products > 200 kg in weight recycled
Jan 1 – Dec 31	4	4	0

7. Product Sold and Collected and Recovery Rate

Products Sold and Collected in 2014

Please see attached below, a summary of product sold and collected volumes applicable to the GE Healthcare Product Stewardship plan during the period from January 1 to December 31, 2014.

Timeframe	No. of Medical Systems Sold (Products > 200 kg in weight)	No. of Medical Systems Collected (Products > 200 kg in weight)
Jan, 2014	0	1
Feb, 2014	0	0
Mar, 2014	1	2
Apr, 2014	1	1
May, 2014	0	0
June, 2014	3	0
July, 2014	0	0
August, 2014	0	0
Sept, 2014	1	0
Oct, 2014	0	0
Nov, 2014	0	0
Dec, 2014	4	0
Total	10	4

Recovery Rate

GE Healthcare is committed to achieving the highest recovery rates feasible for the products, in light of all applicable circumstances, including the nature of the products and the purchasers of the products, which do not include sales to retail consumers.

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GE Healthcare has undertaken an 18-month review to determine the appropriate recovery rate for the B.C. Stewardship Plan. As part of this review, the following recovery rates have been calculated for the Plan years 2012, 2013 and 2014.

Plan Year	No. of Products > 200 kg in weight collected	No. of Products > 200 kg in weight sold	Recovery Rate (%)
2012	1	3	33%
2013	3	8	38%
2014	4	10	40%

Recovery Rate = No. of Products collected (>200 kg) / No. of Products sold (>200 kg)

Section 5 (1) (a) of the *B.C. Recycling Regulation (Reg. 449/2004)* permits the Director to approve performance requirements other than a default 75% recovery rate, where appropriate. In the initial GE Healthcare Canada B.C. Product Stewardship Plan approved on December 27, 2012, the Plan identified several key issues associated with a recovery rate as a meaningful performance metric for the medical device industry. As a result of this review, a summary of these key issues are:

1. The long life cycle of medical devices that are applicable to this Plan (large scale medical devices weighing > 200 kilograms in weight) and therefore there exists a significant lag time between the date of purchase and end-of-life,
2. Given the capital investment for these medical devices (> 200 kilograms in weight), customers are inclined to maintain these devices rather than incur additional capital investment costs,
3. There is a lack of predictable information regarding medical device owners' behaviours on returns or expected medical device life-spans,
4. Lack of relevance of medical device sales (> 200 kilograms in weight) as a predictor of return frequency and volumes. Medical device sales (> 200 kilograms in weight) are contingent on many factors such as fiscal budgets, technology, demand, demographics etc. Sales of medical devices (> 200 kilograms in weight) are not directly related to the replacement of an existing system, and
5. Medical devices (> 200 kilograms in weight) retain an inherent value and customers may choose to re-use or re-sell the device to other organizations (as they hold legal title on the device), rather than return the device to the GE Healthcare.

The review concluded that as a result of these issues, recovery rate is not a meaningful performance metric for the medical device industry and the GE Healthcare Canada B.C. Product Stewardship Plan. Alternatively, GE Healthcare Canada has established a set of performance metrics in lieu of a implementing a recovery rate target (refer to Section 9. Plan Performance).

8. Summary of Deposits, Refunds, Revenues and Expenditures

GE Healthcare does not charge deposits or any environmental handling fees as part of the B.C. Product Stewardship Plan. Thus, financial statements are not required to be included in the annual report.

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9. Plan Performance

GE Healthcare has undertaken an 18-month review to determine the appropriate plan performance metrics for the B.C. Stewardship Plan.

To assess the annual performance of the plan, information was collected on the GE equipment covered by the Stewardship Plan from de-installs performed by GEHC (medical devices weighing > 200 kilograms), estimates of GE Healthcare product expected lifespans, and the GEHC equipment sold into the province of B.C. This data was then compared to the actual performance by tracking the amount of equipment collected (medical devices weighing > 200 kilograms), where it went and the application of the Pollution Prevention Hierarchy.

Per the *B.C. Recycling Regulation Guide (April, 2012)*, the performance metrics established should be:

- Representative of performance,
- Easily communicated and understood by Stakeholders,
- Based on accessible, reliable and accurate data that is verifiable by a third party,
- Cost Effective: The costs and collection efforts associated with selected performance measures should be proportionate to the informational value they provide, and
- Consistent over time and facilitate fair cross-program comparisons by using generally accepted measurement methodology.

Based on this review, GE Healthcare has established plan performance metrics for the B.C. Product Stewardship Plan, as follows. The table below summarizes the specific performance measures, targets and strategies for improvement retroactively for 2012, 2013 and for 2014.

Performance Measure	Results			Target & Strategies for Improvement
	2012	2013	2014	
1. Stakeholder Engagement & Satisfaction No. of Stakeholder Engagements No. of Customer Complaints	Stakeholder Consultation completed. No customer complaints received.	No customer complaints received.	No customer complaints received.	Conduct a customer engagement activity every 3 years. A customer communication or consultation activity will be held in 2015. GEHC's Product Stewardship Plan details are posted on the (GEHC Canada website) for public access.
2. Operational Metrics				
No. Medical Devices Sold (> 200 kg)	3	8	10	Sales of medical devices (> 200 kg) are dependent on various customer factors (see Section 7. Recovery Rate).

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Performance Measure	Results			Target & Strategies for Improvement
No. Medical Devices Collected (>200 kg)	1	3	4	Collection rate of medical devices (> 200 kg) is dependent on various customer factors (see Section 7. Recovery Rate).
No. of Medical Devices Re-Sold (>200 kg)	1	3	4	Medical devices (> 200 kg) that are collected are evaluated and targeted for re-sale.
No. of Medical Devices Recycled (>200 kg)	0	0	0	Medical devices (> 200 kg) that are not able to be re-sold are sent for recycling at GE Healthcare's Oakcreek, WI Renewable Resource Centre.
3. Product Life Cycle Management including Pollution Prevention Hierarchy				Applying the Pollution Prevention Hierarchy, the following targets are applied to the re-sale / re-use and recycling of medical devices (> 200 kilograms in weight).
% re-sold / collected	100%	100%	100%	Target > 75%
% recycled / collected	0%	0%	0%	Target 5 - 25%
% not re-sold or recycled / collected	0%	0%	0%	Target < 5%

APPENDIX A

THIRD PARTY ASSURANCE REPORT FOR NON-FINANCIAL INFORMATION



KPMG Third Party
Audit Report 2014.pc