

# GE Aviation

## Annual Report to the Director

### 2013 Calendar Year

**Submitted to:** David Lawes  
Director, Waste Management  
PO Box 9341, STN PROV GOVT  
Victoria, BC V8W 9M1

**Prepared by:** Rachel Becker, Product Stewardship Leader  
GE Aviation  
PO Box 92  
Underhill, VT 05489  
(802) 899-5233

Dan Rampton, Senior Customer Service Manager  
GE Aviation  
9100 Center Pointe Drive, Union Center  
West Chester, OH 45069-4846  
(513) 552-9060

Keith Konze, Program/Logistics Manager, T700/T6A1  
GE Aviation  
One Neumann Way, MD H410  
Cincinnati, OH 45215-1988  
(513) 243-0844

**June 18, 2014**

## Table of Contents

1. Executive Summary .....	3
2. Program Outline .....	6
3. Public Education Materials and Strategies.....	6
4. Collection System and Facilities .....	6
5. Product Environmental Impact Reduction, Reusability and Recyclability .....	6
6. Pollution Prevention Hierarchy and Product / Component Management.....	7
7. Product Sold and Collected and Recovery Rate.....	8
8. Summary of Deposits, Refunds, Revenues and Expenditures .....	9
9. Plan Performance.....	9
Appendices / Additional Information and Third Party Assurance .....	10

**GE Aviation 2013 Report to Director, Waste Management**

**1. Executive Summary**

GE Aviation Canada, an operating unit of General Electric Canada, purchases electrical and electronic equipment from its parent company, the General Electric Company (acting through its GE Aviation division), and subsequently imports such electrical and electronic equipment for use in Canadian military helicopter and naval vessels. Although GE Aviation Canada imports products into British Columbia ("BC") to support the Canadian military, it does not operate or own a manufacturing facility in BC. The products are manufactured and shipped to Canada by the GE Aviation division of the General Electric Company.

GE Aviation Canada has established a product stewardship plan (the "stewardship plan") for Phase 5 of the electronic and electrical product category under British Columbia's ("BC") Recycling Regulation (the "Phase 5 Category").

<p><b>Products within plan</b></p>	<p>Per Schedule 3, Section 2.3 of the BC Recycling Regulation (effective July 1, 2012), the electronic and electrical product category was expanded to include the following products:</p> <p>(f) electronic or electrical information technology or telecommunication devices, equipment or media;</p> <p>(h) electronic or electrical monitoring and control instruments, including, without limitation, alarm systems, heating regulators and appliances for measuring, weighing or adjusting, but not including thermostats or smoke detectors;</p> <p>(j) accessories for use with any products referred to in this Schedule, including cables, adapters, connection cords and chargers;</p> <p>(k) batteries for use in an electronic or electrical product referred to in this section, including primary and rechargeable batteries.</p> <p>Electrical and electronics equipment installed on aircraft and military ships are likely, or may be, included in the Phase 5 Category. These products could include:</p> <ul style="list-style-type: none"> <li>• Pressure, temperature, vibration and tank level sensors</li> <li>• Pressure transducers</li> <li>• Thermocouples</li> <li>• Electronic engine control units</li> <li>• Fuel metering units</li> <li>• Exciter and electrical harnesses</li> <li>• Ignition exciters</li> <li>• Solenoid valves</li> <li>• Signal conditioners</li> <li>• Flame and ice detectors</li> <li>• Power lever actuator motors</li> </ul>
<p><b>Program website</b></p>	<p><a href="http://www.ge.com/ca/en/">www.ge.com/ca/en/</a>  <a href="http://www.geaviation.com/">www.geaviation.com/</a></p>

## GE Aviation 2013 Report to Director, Waste Management

Recycling Regulation Reference	Topic	Summary (5-bullet maximum)
Part 2, section 8(2)(a)	<a href="#">Public Education Materials and Strategies</a>	<ul style="list-style-type: none"> <li>• GE Aviation does not sell product to the public.</li> <li>• GE Aviation consulted with customers who receive covered products.</li> </ul>
Part 2, section 8(2)(b)	<a href="#">Collection System and Facilities</a>	<ul style="list-style-type: none"> <li>• Vector Aerospace Helicopter Services of Richmond, BC for GE Aviation's T700/T6A1 products lines.</li> <li>• DND for the LM2500 production line.</li> </ul>
Part 2, section 8(2)(c)	<a href="#">Product Environmental Impact Reduction, Reusability and Recyclability</a>	Government customers require products to be managed and/or destroyed according to strict Canadian government-mandated procedures.
Part 2, section 8(2)(d)	<a href="#">Pollution Prevention Hierarchy and Product / Component Management</a>	GE Aviation manages subject products in adherence to the order of preference in the pollution prevention hierarchy when possible. However, government customers require products to be managed and/or destroyed according to strict Canadian government-mandated procedures.
Part 2, section 8(2)(e)	<a href="#">Product Sold and Collected and Recovery Rate</a>	The recovery rate for LM2500 was 100%. The recovery rate for T700/T6A1 was 100%.
Part 2, section 8(2)(e.1)		<b>See Section 7 for details</b>
Part 2, section 8(2)(f)	<a href="#">Summary of Deposits, Refunds, Revenues and Expenses</a>	This section is not applicable to GE Aviation. Our business does not charge deposits.

### Comparison of Key Performance Targets

Part 2 section 8(2)(g); See full list of targets in [Plan Performance](#)

Priority Stewardship Plan Targets (as agreed with ministry file lead)	Performance	Strategies for Improvement
GE's objective is to achieve a recovery rate of 75% of the actual products that are available for disposal, based on an average over a five year period.	100%	Not applicable – target met

## **GE Aviation 2013 Report to Director, Waste Management**

### **2. Program Outline**

GE Aviation sales occur through intermediaries to the Canadian government, as well as directly to the Department of National Defence (DND). To develop the stewardship plan, GE Aviation consulted with Vector Aerospace Helicopter Services, which assembles and services helicopter engines for the Canadian military in British Columbia. Vector has agreed to utilize established collection points to facilitate the proper disposition of covered waste electrical and electronic equipment that was originally provided by GE Aviation. Affected parts that are supplied to DND directly are already collected by GE Aviation for recycling and further processing, so current processes will continue as part of this stewardship plan.

There are two product lines/programs covered by the stewardship plan. These are the T700/T6A1 program and the LM2500 program. The T700/T6A1 program includes military helicopter engines and spare parts necessary to maintain the engines. The LM2500 program includes the LM2500 Gas Turbine Engine, as well as the enclosure, lubrication oil storage and conditioning assembly, and tooling/spares for maintenance and support of the shipboard engine installations.

### **3. Public Education Materials and Strategies**

GE Aviation recognizes that stakeholder involvement starts at the design of the consultation plan. It is important to note that, for the products managed under the stewardship plan, GE Aviation does not sell, offer for sale or distribute the products to retail consumers. Sales occur through intermediaries to the Canadian government, as well as directly to the DND. As such, public consultations, notices, comment periods and/or webinars are not warranted. However, communications with parties directly responsible for collecting covered products in accordance with GE Aviation's stewardship plan on behalf of the Canadian government (GE Aviation's customer) were initiated in 2012.

In accordance with regulatory requirements, a draft version of the stewardship plan was posted to the following GE Canada website for 45 days in January/February 2013.

[http://www.ge.com/ca/en/products\\_services/index.html](http://www.ge.com/ca/en/products_services/index.html)

### **4. Collection System and Facilities**

Vector has agreed to utilize established collection points at their site to facilitate the proper disposition of covered waste electrical and electronic equipment that was originally provided by GE Aviation. While Vector does not inventory individual items covered by this plan, the process established and described in detail in Appendix 1 ensures 100% of covered waste materials are recycled.

In the case of the LM2500 program, GE Aviation, under contract to the Canadian Government, is the issuing authority for all spare parts supplied to ships using the LM2500. Waste parts that were supplied to DND by GE Aviation Canada are collected by a GE Technician. Once reclaimed, the parts are sent to a GE Aviation Canada facility in Halifax for repair or destruction and off-site for recycling. These parts are inventoried on an individual basis.

### **5. Product Environmental Impact Reduction, Reusability and Recyclability**

GE Aviation repairs covered products for reuse if feasible. If products are not repaired, GE Aviation recycles waste product components to the greatest extent possible.

## GE Aviation 2013 Report to Director, Waste Management

Identify ways in which producers or the agency contributes to the reduction of environmental impact. For example, utilization of certified processors, R&D performed to improve recyclability / reuse of the product or components, examples of design for environment mechanisms used by producer members of the agency, reduction of greenhouse gas emissions. The producer may also wish to report on the status of any studies being undertaken to assist with the measurement of environmental impacts. Identifying successes is encouraged.

**Reference:** Recycling Regulation – Part 2, section 8(2)

(c) efforts taken by or on behalf of the producer to reduce environmental impacts throughout the product life cycle and to increase reusability or recyclability at the end of the life cycle;

### 6. Pollution Prevention Hierarchy and Product / Component Management

GE Aviation managed the products covered by the stewardship plan in adherence to the order of preference in the pollution prevention hierarchy.

The pollution prevention hierarchy is, in descending order of preference:

- Reduce the environmental impact of producing the product by eliminating toxic components and increasing energy efficiency and resource efficiency without compromising safety and reliability.
- Redesign the product to improve reusability or recyclability without compromising safety and reliability.
- Eliminate or reduce the generation of unused portions of a product that is consumable.
- Reuse the product taking into account DND and FAA requirements.
- Recycle the product.
- Recover material or energy from the product.
- Otherwise dispose of the waste from the product in compliance with law.

Recovered electronic components destined for destruction are recycled to the extent practicable as specified by the Canadian military. Canadian military contract requirements do not give GE Aviation the flexibility to further reuse or recycle electronic components because they must be managed in accordance with the requirements of Canada's controlled goods program. The Canadian controlled goods program establishes procedures to be followed for the disposal of controlled goods. Items that are deemed "controlled" are identified as such in the Canadian Catalogue of Material (CGCM).

Under GE Aviation's LM2500 service contract with DND, controlled, non-repairable LM2500 electronic components that are removed from service aboard Halifax-class frigates are collected and returned to GE Aviation's facility in Halifax, Nova Scotia. Because they remain DND property and controlled goods, they are then destroyed in the presence of a qualified government witness and disposed of in accordance with DND-mandated procedures. Recyclable waste generated from this process is turned over to a recycling company. Any items that are not controlled goods are rendered unusable and sent directly to a recycling company.

Under the T700/T6A1 contract with Vector, recovered non-controlled electronic components that are no longer usable are sent to a facility where the waste is ground into chips and then shipped out of Canada for recycling. For controlled goods, each one will be reviewed by IMP Aerospace, the agent under contract to the DND. If the controlled electronic good is determined to be unrepairable, IMP Aerospace coordinates with DND and either the controlled good is sent to IMP Aerospace in Halifax for disposal or Vector Aerospace will send the item to their third party recycling vendor. Note that the majority of the controlled electrical goods are determined to be repairable, and are not sent off to be recycled.

## GE Aviation 2013 Report to Director, Waste Management

*Provide a brief overview of the way in which the collected product is managed and how those outcomes relate to the pollution prevention hierarchy. Provide breakdowns by weight or percentage of product managed at each level. Please also refer to third party assurance FAQs (original version dated November 22, 2012), distributed to stewardship programs by the Ministry.*

**Reference:** Recycling Regulation – Part 2, section 8(2)

*(d) a description of how the recovered product was managed in accordance with the pollution prevention hierarchy;*

### 7. Product Sold and Collected and Recovery Rate

DND Collection Point - In 2013, 8 electronic items were imported into BC to support the DND's LM2500 program, 11 items were sent out of BC for repair, 0 items were introduced into the waste stream.

Vector Aerospace Collection Point - A total of 2 "new" electronic items were sold into BC and 20 "used/repairable" assets were introduced into BC in support of the T700/T6A1 program in 2013; all waste electronic items generated by the customer were collected and managed in accordance to the process detailed in Appendix 1.

*Provide a summary of the total amount of product sold, collection volumes and, if applicable, recovery rates achieved by the program based on the approach included in the approved program plan. Also provide a summary of total product recovered by regional district.*

**Reference:** Recycling Regulation – Part 2, section 8(2)

*(e) the total amount of the producer's product sold and collected and, if applicable, the producer's recovery rate;*

*(e.1) effective for a report required on or before July 1, 2013 and for every report required under subsection (1) after that date, the total amount of the producer's product recovered in each regional district;*

### 8. Summary of Deposits, Refunds, Revenues and Expenditures

This section is not applicable because GE Aviation does not charge deposits.

***For those programs that charge deposits only:***

*Include a summary of deposits received and refunds paid in British Columbia by the producers (by plan if agency manages more than one plan). Attach a copy of the current year's independently audited financial statements as an appendix.*

***For those programs that charge a visible ecofee only:***

*Include a summary of fees / rates charged by the agency and provide a summary of total revenues and expenses in British Columbia (by plan if agency manages more than one plan). Attach a copy of the current year's independently audited financial statements as an appendix.*

**Reference:** Recycling Regulation – Part 2, Section 8(2)

*(f) independently audited financial statements detailing*

*(i) all deposits received and refunds paid by the producers covered by the approved plan, and*

## GE Aviation 2013 Report to Director, Waste Management

(ii) revenues and expenditures for any fees associated with the approved plan that are charged separately and identified on the consumer receipt of sale;

### 9. Plan Performance

GE Aviation 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. Generally, the recovery rate is a measurement of what is collected over what is sold. Aviation and naval products have a long lag time between time of purchase and disposal of a used product. As such, it is difficult to accurately determine a recovery rate over a short time period. Given the nature of these products, GE Aviation's objective is to achieve a recovery rate of 75% of the actual products that are available for disposal, based on an average over a five year period.

*Using the table below, provide a brief overview of the performance of the plan for the current year compared to the stated performance requirements and targets specified in the approved plan. If no specific targets have been set (e.g. new plans in first year of operation), specify baseline results, significant achievements and identify when targets will be set.*

**Reference:** Recycling Regulation – Part 2, section 8(2)

(g) a comparison of the approved plan's performance for the year with the performance requirements and targets in this regulation and the approved plan

Plan Target	2013 Results	Strategies for Improvement
75% of actual products that are available for disposal, based on an average over a five year period	100% recovered	Not applicable - target met



## Appendix 1

# Vector Aerospace Operational Procedures

## OP 8.9 – Quality

Amendment No.: 13

Effective Date: 26 March 2014

## SCRAPPING OF PARTS AND MATERIALS

### 1. Purpose

The purpose of this OP is to ensure control, mutilation and final disposal or disposition of aeronautical products referred to as "parts and materials" that have been identified as scrap.

### 2. Responsibility

The Director, Quality is responsible for:

- updating of this OP when necessary.

The Stores Manager is responsible to ensure materials and inventoried parts that are identified as scrap are controlled in accordance with these procedures and any other processes relating to material handling, including:

- coordinating the disposal of parts and materials that have been deemed as scrap;
- reducing inventory on record;
- reconciling the items to be scrapped during each given month.

Shop Technicians are responsible to affix scrap label #052 onto boxes or packages of scrapped parts and materials in accordance with this OP and complete as much data as possible (excepting Mutilation Date).

For units within the Kitting department, Parts Controllers are responsible to identify the date the Work Order is pushed out of Kitting Department.

For units outside the Kitting process, Shop Technicians are responsible to identify the mutilation date. Areas outside the Kitting process include Reworks, Cannibalization, PT6 CBox, Eurocopter.

The Warranty Administrator is responsible for parts that are identified as scrap and eligible for warranty.

Customer Support Representatives are responsible to ensure any information regarding the disposition of customer owned scrapped parts is transcribed to the work order.

Technicians are responsible for identifying scrap parts and materials with the scrap tag #004.

**3. Applicability**

This procedure is applicable to all personnel involved in handling or processing scrap parts and material in the Richmond facility.

**4. Associated Documents and Forms**

Scrap Tag - VA-HSNA #004  
Non-conformance Report - VA-HSNA #039  
Scrap Label - VA-HSNA #052  
DND Material Control Procedure: A-LM-184-001/JS-001  
FAR 45.7 – Reporting, Reutilization and Disposal  
RMIS022 "Shelf Life Expired Parts" report

**5. Definitions**

Mutilation date – a date identified on the scrap tag or sticker after which a part may be mutilated. Parts or Work Orders lacking a defined milestone may be mutilated **90 days** after the date on the scrap label #052. Parts or Work Orders flowing through Kitting may be mutilated **90 days** after the date on the tag or sticker.

**6. Procedure**

**Customer Parts Identified as Scrap**

All parts that are identified as scrap during inspection, maintenance, repair or overhaul repair shall be noted as scrap on the corresponding work order.

During the disassembly and main inspection process, a part or material deemed to be scrap will be tagged using the scrap tag #004, and boxed and placed on the bottom of the materials rack, prior to forwarding to the kitting area. Scrap parts too large to be boxed shall also have scrap label #052 affixed. The requirements for the completion of the scrap tag are referenced in Section 11 of this OP.

During the Estimate Review process, the Final Inspector is to review all scrap tags for proper completion.

The Shop Technician will affix a scrap label to the box of scrapped parts, completing all information except the mutilation date, and the Parts Controller will update the mutilation date upon completion of the Kitting Cycle Completion Date.

A part identified as scrap that may be eligible for warranty shall be identified using scrap tag #004. The Warranty Administrator shall be contacted and the disposition of the part will be determined.

Eurocopter scrap parts are to be segregated from all other products and stored securely within the Eurocopter shop until Mutilation Date is reached.

Scrap from any other shops or processes that fall outside the Kitting process (i.e., Reworks) shall be labeled with Scrap label VA-HSNA #052 with a Mutilation Date **90 days** from the day the label is issued. The Parts Runner will move Scrap from the Shop to the temporary locked quarantine cage in Kitting until subsequent collection by Kitting personnel on a bi-weekly basis.

Parts within the Kitting process identified as scrap will remain with the aeronautical product work order until marshalling to the Build/Assembly area, and stored in a temporary locked quarantine cage in Kitting.

Reference Section 9 of this OP for DND Scrap Procedure.

**7. Control and Mutilation**

The Director, Quality delegates the function and authority to control and dispose of scrap parts and materials to the Manager, Stores. The Manager, Stores will appoint responsible Stores personnel to exercise this authority on his or her behalf.

Should any personnel require access to Scrap material either held in Kitting or in the Quarantine holding areas, written permission from a member of the Quality Assurance team is required.

The Parts Controllers will be responsible for removing scrap from the Kitting area and storing it in the scrap quarantine area. The delegated Stores personnel will ensure the boxed scrap is identified with the scrap label visible on the outside of the box.

When the Mutilation Date has been reached, delegated Stores personnel will ensure all collected scrap parts and materials have been placed in the scrap bin. Scrap tags will be removed; those from serialized parts shall be retained for data entry; those from unserialized parts shall be destroyed.

Scrap tags for Turbomeca product will be removed when the part has been mutilated and the information retained electronically as proof of destruction of the part.

After data entry, Scrap Tag #004 (paper form) shall be stored for two years and then destroyed. Electronic records shall be maintained for seven years after destruction of parts.

When necessary, building maintenance shall be notified to arrange for disposal of the scrap metal by the approved scrap metal agent. The agent will destroy by melting or shredding all scrap product produced by Vector. The agent will not allow any parts or pieces from the scrap metal to re-enter the aviation industry.

#### **8. Scrapping Parts and Material from Stores**

Inventory items that have been identified as scrap must be returned to the Stores Manager or designated personnel. If a part or material issued to a work order has been identified as scrap, an NCR should be raised in accordance with OP 8.3 Quality.

The Stores Manager is responsible to ensure that any hazardous material is disposed of in accordance with OP 8.1 Quality.

Parts and Materials will be taken to the Stores Manager or his designate when:

- shelf-life expired parts or material are removed from stock as indicated on an RMIS022 Shelf Life Expired Parts report.
- a Stores person recognizes a part or material as scrap from stock.
- a part or material issued to a Work Order in the shop is identified as scrap and written up on an NCR.

If necessary, the item will be credited to the work order to show the item in the designated scrap warehouse.

## Appendix 2

# Third Party Assurance

*Attach any additional documentation that is required.*

*Include:*

- *Financial Statements (if applicable),*
- *Third Party Assurance Statement for Non-Financial Information, and*
- *Other items related to plan commitments such as greenhouse gas or other studies, consumer awareness surveys, detailed information on depot locations, etc.*

**Reference:** *Recycling Regulation – Part 2, section 8(2)*

*Including section 8(2)(h), any other information specified by the director*



KPMG LLP

Box 10426, 777 Dunsmuir Street  
Vancouver BC V7Y 1K3  
Canada

Telephone (604) 691-3000  
(604) 691-3401  
Telefax (604) 691-3031  
www.kpmg.ca

**INDEPENDENT AUDITOR'S REPORT TO  
GENERAL ELECTRIC AVIATION (CANADA)**

We have audited the following sections within General Electric Aviation (Canada)'s (the Company or the Producer's) Annual Report to the Director of Waste Management at the Ministry of Environment, Government of British Columbia (the Director) for the period from January 1 - December 31, 2013:

- Section 4, *Collection System and Facilities* – the location of collection facilities, and any changes in the number and location of collection facilities from the previous report in accordance with Section 8(2)(b);
- Section 7, *Product Sold and Collected and Recovery Rate*- the Company's description of total amounts of product sold and collected and recovery rate in accordance with Section 8(2)(e); and,
- Section 9, *Plan Performance* - the Company's description of performance for the year in relation to targets associated with Section 8(2) (e) of BC Regulation 449/2004 (the Recycling Regulation) in the draft stewardship plan.

(together the "Subject Matter")

The objective of this report is to disclose how the Company's management has discharged its responsibility to report on the Subject Matter in accordance with Section 8(2) (b) and (e) of the Recycling Regulation.



The Subject Matter is the responsibility of the Company's management who have prepared the Subject Matter in accordance with the evaluation criteria which are an integral part of the Subject Matter. Our responsibility is to express an opinion on this Subject Matter based on our audit. Our audit does not constitute a legal determination on compliance with the Recycling Regulation.

#### **EVALUATION CRITERIA**

The suitability of the evaluation criteria is the responsibility of management. The evaluation criteria presented in Appendix 1 are an integral part of the Subject Matter and address the relevance, completeness, reliability, neutrality and understandability of the Subject Matter.

#### **SCOPE OF THE AUDIT**

We carried out our audit in accordance with the International Standard on Assurance Engagements 3000 (ISAE 3000) published by the International Federation of Accountants. This Standard requires, amongst others, that the assurance team possesses the specific knowledge, skills and professional competencies needed to understand and audit the information included within the Subject Matter, and that they comply with specific requirements to ensure their independence.

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures within the Subject Matter. An audit also includes assessing the evaluation criteria used and significant estimates made by management, as well as evaluating the overall presentation of the Subject Matter. The main elements of our work were:

- Inquiries of relevant management, including walkthroughs, to gain an understanding of the Company's data collection and reporting processes in relation to the Subject Matter included in the Annual Report;
- Comparison of sales and collection data included in the Annual Report to internal records and recalculation of data, where appropriate; and
- Site visits to obtain source collection records which were compared with collection data included in the Annual Report.





**OPINION**

In our opinion, the Subject Matter within the General Electric Canada (Aviation) Annual Report to the Director for the year ended December 31, 2013 presents fairly in accordance with the evaluation criteria, in all material respects:

- the location of collection facilities, and any changes in the number and location of collection facilities from the previous report, in accordance with the evaluation criteria and Section 8(2)(b) of the Recycling Regulation; and,
- the description of the amounts of the Producer's product sold and collected and recovery rate in accordance with Section 8(2)(e) of the Recycling Regulation; and,
- the description of performance for the year in relation to targets in the approved stewardship plan under Section 8(2) (e) of the Recycling Regulation.

Our report has been prepared solely for the purposes of management's stewardship under the Recycling Regulation and is not intended to be and should not be used for any other purpose. Our duties in relation to this report are owed solely to the Company, and accordingly, we do not accept any responsibility for loss occasioned to any other party acting or refraining from acting based on this report.

A handwritten signature in black ink that reads 'KPMG LLP' in a cursive, slanted font. A horizontal line is drawn underneath the signature.

**Chartered Accountants**

Vancouver, Canada

June 10, 2014



## **Appendix 1 to the Auditor's Report**

### **Evaluation Criteria**

#### **Location of collection facilities, and any changes in the number and location of collection facilities from the previous report in accordance with Section 8(2)(b)**

The following evaluation criteria were applied to the assessment of the location of collection facilities in accordance with Section 8(2)(b) of the Recycling Regulation:

- The number of collection facilities is determined based on warehousing facilities where applicable parts, relating to particular product lines, are assessed for either reconditioning and reuse or scrap;
- The location of collection facilities is based on the address of the facility; and
- Changes in the number and location of collection facilities from the previous report are determined through comparison with information reported in the current year.

#### **The description of total amounts of the producer's product sold and collected and recovery rate in accordance with Section 8(2)(e)**

The following evaluation criteria were applied to the assessment of the description of how total amounts of the producer's product sold and collected and, if applicable, the producer's recovery rate has been calculated in accordance with Section 8(2)(e):

- Products shall meet the description of Phase 5 electronic or electrical parts in accordance with Section 2 of the Company's draft Stewardship Plan (updated December 7, 2012);
- Products shall be sold to, or collected from, customers located in the Province of British Columbia during the period January 1, 2013 to December 31, 2013, and supported by appropriate records maintained by the Company; and
- Products shall be collected from customers for the purposes of reuse and recycling by the Company in accordance with Section 5 of the Company's draft Stewardship Plan (updated December 7, 2012).
- Recovery rate: refer to the evaluation criterion for performance for the year in relation to targets in the draft stewardship plan (updated December 7, 2012) directly below.



**The description of performance for the year in relation to targets in the approved stewardship plan associated with Section 8(2)(b) and (e) of the Recycling Regulation.**

In accordance with the Company's draft stewardship plan (updated December 7, 2012), there are no targets associated with number or location of collection facilities in accordance with Section 8(2)(b) of the Recycling Regulation. As a result, no evaluation criteria are required and an audit opinion is not required.

In accordance with the Company's draft stewardship plan (updated December 7, 2012), the Company has set a recovery rate target of 75% under Section 8(2)(e). As a result, the following evaluation criteria were applied to the assessment of performance for the year in relation to recovery rate targets set in accordance with Section 8(2)(e):

- Recovery rate targets in the draft stewardship plan (updated December 7, 2012) have been identified and reported on by management in the Annual Report;
- The method of calculation of the recovery rate is consistent with the method described in the stewardship plan; and
- The description of progress against targets to date is supported by records of progress maintained by the Company.