



Canadian Electrical Stewardship Association
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June 30, 2015

Via Email

Ministry of Environment
Cameron Lewis
Executive Director
Waste Prevention
PO Box 9341, STN PROV GOVT
Victoria, BC V8W 9M1

Dear Mr. Lewis:

Re: CESA ElectroRecycle 2014 Annual Report

Pursuant to the British Columbia Recycling Regulation, 449/2004, issued under the Environmental Management Act (O.C. 955/2004), please find attached the CESA ElectroRecycle 2014 Annual Report for the period January 1, 2014 through December 31, 2014.

We request confirmation of receipt and approval of the report so that we may make it public by posting it on our website.

If you have any questions regarding this report, please contact me at (905) 752-2575 x 2611, or by email at lselanders@cesarecycling.ca.

Yours truly,

Laura Selanders
President
Canadian Electrical Stewardship Association

Canadian Electrical Stewardship Association Annual Report to the Director

2014

Submitted to: Cameron Lewis (Director of Waste)
Executive Director
Waste Prevention
PO Box 9341, STN PROV GOVT
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June 30, 2015

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1. EXECUTIVE SUMMARY

The CESA stewardship plan includes portable electrical appliances, powered by 120V 60 Hz input power or batteries, designed for use in the following categories:

Products within the plan	Product Category	Examples
	1. Kitchen Countertop – Motorized	Blender, coffee grinder, food processor, hand mixer
	2. Kitchen Countertop – Heating	Fondue pots, hot air corn poppers, panini press, toaster ovens, toasters
	3. Kitchen Countertop – Heating (coffee/tea)	Drip coffee makers, espresso/cappuccino makers, kettles, pod coffee makers
	4. Countertop Microwaves - 1 cu. ft. and over	
	5. Countertop Microwaves - less than 1 cu. ft.	
	6. Time Measurement & Display Devices	Clocks, timers
	7. Weight Measurement	Bathroom scales, countertop food scales, household body scales
	8. Garment Care	Garment steamers, household irons, clothes shavers
	9. Air Treatment	Aromatherapy machines, portable fans, portable heaters
	10. Desk and Tabletop Fans	Desktop fans, tabletop fans
	11. Full-size Floor Cleaning	Upright vacuum cleaners, floor care scrubber/polishers, robotic vacuums
	12. Smaller Floor/Surface Cleaning	Handheld vacuum cleaners, steam mops, stick vacuum cleaners
	13. Personal Care	Beard trimmers, curling irons, hair dryers, hot roller/curler set, toothbrushes, vanity mirrors with lighting
	14. Designated Very Small Items – Part 1 (categories 1-13)	Air fresheners, personal fans, razors (primary cell)
	15. Test and Measurement Tools	Laser level, emission analyzer, laser range meter
	16. Handheld Power Tools	Hand drill, sander, band saw
	17. Bench-top, Demolition and Free-Standing Power Tools	Table saw, drum sander, lathe
	18. Exercise Equipment	Treadmills, elliptical machines, cycling machines
	19. Sewing and Textile Machines	Sewing machines, embroidery machine, serger
	20. Sports, Leisure, Arts, Crafts & Hobby Devices	Mosquito traps, bubble machine, abdominal toning belt, cricut machine, air brusher, rock polisher
	21. Designated Very Small Items – Part 2 (categories 15-20)	Stud finder, glue gun, bike/fitness computer without GPS capability
Program Website	www.electrorecycle.ca (consumer and member-facing) *As of June 2015, www.cesarecycling.ca is no longer in existence)	

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Recycling Regulation Reference	Topic	Summary of 2014 Performance
Part 2, Section 8(2)(a)	Public Education and Strategies	<ul style="list-style-type: none"> - Strategies for public education included paid advertising, traditional media pitches, point-of-sale promotional brochures, consumer communications, event and experiential marketing, sponsorships, promoted collection drives, summer ambassador program and collaborations with other stewardship agencies - Consumer awareness survey concluded 73% of the BC population were aware of the program - Media mentions in communities around British Columbia, including publications with wide distribution, such as the Victoria Times Columnist with a total estimated reach of 2,400,000 impressions - Three large scale “Depot for a Day” events were hosted in BC’s major urban centres (Burnaby, Victoria, Vancouver), two of which focused on collection of personal care appliance through fundraising partnerships - Summer Ambassadors met face-to-face with different representatives from 26 local governments, 125 collection facility operators, visited 149 retail locations and attended 55 community events
Part 2, Section 8(2)(b)	Collection System and Facilities	<ul style="list-style-type: none"> - Primarily a drop-off system - Two product streams are defined for collection: “very large” (treadmills, elliptical, stationary bikes, very large power tools) and “regular” (all other products included in the program). - Network includes both advertised sites and non-advertised sites (e.g. thrift stores) - At the end of 2014, the program had 176 contracted collection sites, including 171 for regular products and 56 for very large products. Of the 176, 160 were advertised.

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Recycling Regulation Reference	Topic	Summary of 2014 Performance
		<ul style="list-style-type: none"> - In 2014, the collection network expanded to include 13 additional contracted collection facilities for CESA products
Part 2, section 8(2)(c)	Product Environmental Impact Reduction, Reusability and Recyclability	<ul style="list-style-type: none"> - AHAM Canada published their Sustainability standard for household portable and floor care appliances, a comprehensive sustainability standard for over 80 different small appliances. - Reduction in energy a typical small appliance utilizes - Reduction of packaging weight and volume - General trend to use more recyclable materials
Part 2, section 8(2)(d)	Pollution Prevention Hierarchy and Product / Component Management	<ul style="list-style-type: none"> - Recyclers were contracted directly to the program. - Recyclers must adhere to the EPSC Electronics Recycling Standard. - Recyclers must submit to conformance reviews by CESA or a third party auditor. - Over 90% of material commodities collected are recycled/ recovered.
Part 2, section 8(2)(e)	Product Sold and Collected and Recovery Rate	<ul style="list-style-type: none"> - 7,280,609 units products sold in 2014 as reported by members - Approximately 3,672,265 kg of CESA products collected in 2014
Part 2, section 8(2)(e.1)		See Section 7 for breakdown per regional district
Part 2, section 8(2)(f)	Summary of Deposits, Refunds, Revenues and Expenses	See Appendix B for the independently audited financial statements

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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)	2014 Performance	Strategies for Improvement
1. Number of Collection Sites: 75 by the end of 2013; 100 by the end of 2014 ¹	176	n/a
2. Absolute Collection: CESA will have a 5% annual increase in total tonnage collected for each year between 2014 and 2016	Absolute collection for the program grew by 15% from 2013 to 2014	n/a
3. Accessibility: 95% of BC population with access by 2013	98.2% ²	n/a
4. Consumer Awareness: 62.5% (Part 1), 30% (Part 2) awareness in 2014 ³	73%	n/a

2. PROGRAM OUTLINE

The Canadian Electrical Stewardship Association (CESA) is a not-for-profit Product Stewardship Agency of manufacturers, brand owners and retailers of electrical small appliances, power tools, sewing machines, exercise, sports and leisure equipment, and arts, crafts and hobby devices. CESA's purpose is to assist manufacturers, brand owners and other legally obligated parties (e.g. retailers, importers or distributors) in their obligation to establish end-of-life product collection and recycling programs in all Canadian provinces and territories. CESA assists obligated companies by providing them the opportunity to become a member in an industry-governed and operated recycling program that will fulfill their legal obligations under the Regulation.

CESA is incorporated under the Canada Not-for-Profit Corporation Act and is governed by a Board of Directors. The Board of Directors is structured with the intent of ensuring equal representation between

¹ Targets regarding collection site accessibility do not apply to "very large" CESA products that may require special handling due to their size. These products represent a very small percentage of the total number of products in the ElectroRecycle program

² Accessibility not measured in 2014, using 2013 values

³ Consumer Awareness of the program as a whole is measured. Part 1 and Part 2 awareness is not measured independently

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manufacturers and retailers, by allowing representation from as many product categories as possible. Additionally, CESA works with manufacturer and retailer associations, who are observers to the CESA Board of Directors, including the Canadian Hardware and Housewares Manufacturers Association (CHHMA), the Association of Home Appliance Manufacturers Canada (AHAM) and the Retail Council of Canada (RCC).

In December 2009, the B.C. Ministry of Environment amended the Electronics and Electrical Product Category (Schedule 3) of the British Columbia Recycling Regulation (Reg. 449/2004, O.C. 995/2004), requiring an approved stewardship program for small appliances, as part of Phase 3, operational by October 2011. On October 1, 2011, CESA launched its “Part 1” program for small appliances under the “Unplugged” brand. As part of amendments to the Regulation, electrical and electronic tools, leisure and sports equipment were added as Phase 5, with a required operational date of July 2012. On July 1, 2012, the program expanded (“Part 2”) to include power tools, sewing machines, sports, leisure and exercise machines, and arts, crafts and hobby devices and was rebranded as ElectroRecycle. Fees applying to certain types of small household appliances under the program were then lowered on June 1, 2013. While the recycling fees on a number of other categories remained unchanged, no recycling fees were increased.

CESA has engaged Product Care Association (PCA) to act as Program Manager, overseeing the administration and day to day operations of the ElectroRecycle Program.

The ElectroRecycle program primarily uses a depot system, incorporating 176 contracted collection facilities around the province at the end of 2014. Occasionally, collection events have been used in rural areas where a collection facility does not exist.

More information about CESA and its members can be found at www.cesarecycling.ca. The consumer-facing website for the ElectroRecycle program is www.electrorecycle.ca.⁴

3. PUBLIC EDUCATION MATERIALS & STRATEGIES

In 2014, multiple, diverse communications tactics were employed to determine the best methods of reaching British Columbians and educating them about the ElectroRecycle Program. At the conclusion of the calendar year, an in-depth KPI analysis was performed, indicating which tactics performed best for the program and setting the course for a laser focused, highly informed plan in 2015. The following is a summary of the public education initiatives employed in 2014, which included program awareness studies, general and community-based social marketing, direct to consumer communications, the ElectroRecycle Summer Ambassador Program and stakeholder engagement.

⁴ In June 2015, CESA consolidated both member-facing and consumer-facing websites into one: www.electrorecycle.ca

3.1 Program Awareness

The ElectroRecycle program commissioned a consumer awareness survey in October of 2014. The survey found a 73% awareness of a small appliance & power tool recycling program, which represents a 13% increase in consumer awareness since 2012. Of the 73% of the BC population that reported an awareness of the program, 50% said they would actually recycle their small appliances or power tools, suggesting a discrepancy between knowledge and behaviour. This survey is completed every second year, with the next anticipated survey in 2016.

3.2 General Marketing

ElectroRecycle also led a highly successful digital advertising campaign with the use of Google AdWords and online publications such as *BC Living*, *Vancity Buzz* and *Glacier REW*. This campaign ran from May to July and generated a total of 1,430,949 impressions and 2183 clicks. In June, print ads also ran in municipal calendars in White Rock, Mission, the Peace River, Kootenay Boundary, Chilliwack and Penticton. Advertisements promoting the ElectroRecycle program also ran on radio stations such as Z95.3 and The Shore.

The first ElectroRecycle digital depot signage was launched in December as part of a pilot project in which three collection facilities in different regions of the province participated. Participating depots agreed to host a large format digital display upon which a series of small appliance and power tool recycling educational videos would be run.

The ElectroRecycle Accepted Products Guide was also updated with a new layout and the addition of new products. Copies were mailed to all recycling depots accepting ElectroRecycle products as of December 1st, 2014.

CESA sponsored four major events including the RCBC Zero Waste Conference, the Recycling Council of Alberta's Waste Reduction Expedition, the Coast Waste Management Conference & Trade Show and RCBC's Trailer Trashed Competition.

3.2 Community-Based Social Marketing

The program channeled a significant portion of its advertising efforts to support community-based social marketing initiatives. These initiatives included community collection drives, large scale awareness and collection events incentivized by philanthropic fundraising, and heavily publicized, highly attended "Depot for a Day" media events. These events generated over 2 million consumer advertising impressions and resulted in a combined collection volume of more than 7,000 kg of program products.

Collection Drives

As a result of successful collection events in 2013, CESA continued to create partnerships with local community groups throughout B.C., hosting small recycling round-ups in 2014. A total of 28 collection

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events ran from March to November. Collection events ranged in approach from hosted depot barbecues to events independently hosted by engaged community groups. In this latter case, CESA provided a nominal honourarium for community groups to host the event, plus promotional support and event day supplies. Areas of focus were under-performing remote, or under-served areas, such as Mackenzie, Oliver, Golden and Valemount.

Fundraising Events

A total of four community fundraising events occurred in the target areas of Nanaimo, Abbotsford, Kamloops and Kelowna. These events were designed to encourage local communities to work together to recycle their products for a philanthropic cause, with a donation being made on a dollar per kilogram basis. These fundraising events generated an estimated 1,216,000 advertising impressions.

Depot for a Day Events

Three large scale, advertising-supported “Depot for a Day” events took place in BC’s dense population centres of Burnaby, Victoria and Vancouver. In Burnaby, *the ElectroRecycle Summer in the Park Recycling Challenge* aimed to set a new record for a single day collection event of small household appliances and power tools. This was ElectroRecycle’s most heavily attended event ever, with approximately 1,500 participants, 758 kg of accepted products collected, and extensive radio, print, social and digital advertising support.

The ElectroRecycle Hair Affair in Victoria was the kickoff to a month-long campaign in which B.C. residents were asked to recycle their old or broken electrical hair appliances in support of the Canadian Cancer Society’s Wig and Hair Bank. With a pledge to donate \$5 for every product collected throughout the province, ElectroRecycle succeeded in more than doubling the historical average collection rate for the month of September. 2,220 kg of hair appliances were collected over the course of the campaign, more than double the average collection volume for this time period.

The Mo Must Go! Event in Vancouver was identical to the very successful Movember campaign in 2013, with ElectroRecycle pledging a \$5 donation per electric razor, shaver or trimmer recycled to the Movember movement. The event took place over two days in the high traffic atrium of the Pacific Centre shopping centre in downtown Vancouver. The event saw an estimated walk-by traffic volume of over 10,000 people and received media attention from CKNW, Global News and CBC News. 658 razors were collected during the month-long campaign.

3.3 Media Coverage

2014 coverage of the ElectroRecycle program principally stemmed from the efforts of the Summer Ambassador Program and community-based social marketing tactics. CESA was featured in media stories in communities around British Columbia including the Lower Mainland, the Okanagan and Vancouver Island with total estimated reach of earned print, radio and web coverage was 2,400,000 impressions. Specifically, the ElectroRecycle program was featured in community newspaper coverage, spanning the

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province from as far North as Fort St. John through the Okanagan Valley and across Vancouver Island. Publications included the *Nanaimo News Bulletin*, *Kelowna Capital News*, *Osoyoos Times* and the *Victoria Times Columnist*. ElectroRecycle was also featured on local radio stations such as CKNW in Vancouver and Radio NL in Kamloops.

3.4 Website and Social Media

Between January 1 and December 31, 2014, the ElectroRecycle website (electrorecycle.ca) received 45,947 visits, 81.7% of which were unique visits, up 4.6% from 2013.

At the end of December 2014, ElectroRecycle had over 886 Twitter™ followers, up 46.4% from the end of 2013. The program-specific Facebook™ page and Instagram™ page, launched in October 2013, had 139 and 80 followers respectively at the end of the year. Campaigns to increase fan acquisition on both of these social media channels included ElectroRecycle's Ambassador Tour, community based social marketing tactics, and general social media maintenance and content development.

3.5 Consumer Communications

On an ongoing basis, consumers are able to ask questions or submit comments about the program through a number of channels. In 2014, these channels included an email submission box on the ElectroRecycle website, entitled "Ask ElectroRecycle," a general information email address, info@electrorecycle.ca, and a consumer inquiry toll-free phone number, 1-877-670-2372.

CESA partners with the Recycling Council of B.C. (RCBC) to provide Hotline and Recyclepedia depot location services. RCBC is a trusted public information resource used by BC consumers to learn about the recycling options available in their communities. The Recyclepedia application is a user-friendly online/web/mobile tool established by RCBC to help consumers find recycling information 24/7. Between January 1 and December 31, 2014, Product Care and RCBC collectively answered 6,478 phone and email consumer inquiries on products included in the ElectroRecycle Program.

3.6 Summer Ambassador Program

The 2014 CESA Community Ambassador Program employed six university students to travel the province raising public awareness of the program and building stakeholder relationships. The Ambassadors met with collection facility operators, local government representatives and retailers, and also attended community events.

ElectroRecycle Ambassadors travelled throughout 25 regional districts and 80 municipalities across the province, including the Kootenays, Central B.C. and the Okanagan, Vancouver Island, the Sunshine Coast, Northern B.C. and Metro Vancouver. They met with 26 Regional District and Municipal government representatives and 125 collection facility operators, visited 149 retail locations (up from 55 in 2013) and

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attended 55 community events; these latter events were over and above the 35 events hosted by the ElectroRecycle Program, described above in section 3.2. The 2014 Ambassador program was the subject of 14 earned media stories and connected with well over 10,000 people at events.

3.7 Depot Committee Meetings & Stakeholder Relations

To promote increased depot participation and to help increase collection rates, ElectroRecycle worked to engage depot operators in conversations about the program in 2014. A series of meetings held in the Kootenays, FVRD & Lower FVRD, North Island, South Island/Sunshine Coast, Squamish/Lillooet, Metro Vancouver, Thomson/Okanagan and Prince George brought together independent depot operators to discuss ways to increase collection rates and to provide feedback on the program. Operator impressions of the program were overwhelmingly positive and valuable insights were provided by more than 25 participants throughout the meetings.

In February of 2014, CESA hosted an invitational stakeholder meeting in Victoria, BC. The session, which was attended by more than 50 collection facility operators, regional district representatives, retailers, CESA leadership, ElectroRecycle staff and other guests, featured a speech from BC Minister of the Environment, the Honourable Mary Polack, and a keynote speech on progressive recycling in business by London Drugs Senior Vice President, Clint Mahlman.

ElectroRecycle issued quarterly program updates via branded e-newsletter to its email database of 667 members and subscribers. A May 2014 survey of members by CESA President, Laura Selanders, determined the nature and frequency of updates most preferred by newsletter recipients and content was tailored accordingly. Members found the newsletter information useful, preferring to hear news on legislative changes, within and outside of BC, as well as updates on CESA's efforts in other jurisdictions outside of BC. They requested a newsletter frequency of quarterly, preferably by email.

4. COLLECTION SYSTEM AND FACILITIES

CESA's collection network for the ElectroRecycle Program is primarily based on a drop-off system for the collection of program products. The system is, on occasion, augmented by the use of one-day collection events. In both cases, there is no charge to drop-off program products.

Collection facilities are located across the province, providing convenient access to British Columbians. Facilities are independently contracted by the program and include private drop-off centres, local government sites and service organizations. CESA defines two streams of products included in the program in sourcing collection facilities: "regular" and "very large items." Products that are considered "very large items" include treadmills, elliptical trainers, stationary cycling machines (Category 19) and large, free-standing power tools with built-in stands (select products in Category 17). All other products are considered "regular."

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At the end of 2014, the program had 176 contracted collection facilities for CESA products, of which 171 accepted regular CESA products and 56 accepted very large CESA products. The majority of very large items collection facilities overlap with regular product collection facilities.

Of the 176 contracted collection facilities, 160 were advertised sites, while 16 were unadvertised sites. Advertised collection facilities accept public drop-off of products included in the ElectroRecycle program (regular and/or very large items). Unadvertised sites do not allow public drop-off, and are not listed as a facility on the ElectroRecycle website or through RCBC; these include businesses that service the commercial or institutional sector through their regular business and offer direct pick-up of CESA products as a part of that service, as well as thrift stores.

A preliminary GIS analysis was conducted for the program at the end of 2013 to determine collection site accessibility. According to the SABC standard⁵, 98.2% of British Columbians had convenient access to a collection site for regular products included in the ElectroRecycle program. Throughout 2014, the collection network expanded to include 13 additional contracted collection facilities for CESA products, of which 8 accepted regular CESA products, 3 accepted regular and very large CESA products, and 2 accepted very large CESA products only. Of the 13 new collection facilities, 12 were advertised sites and 1 was an unadvertised site. In addition, 4 existing collection facilities expanded to accept very large CESA products in addition to regular CESA products. No collection facilities closed during 2014. Table 1 lists the number of contracted collection facilities (CFs) by Regional District, including those that accept regular products, very large items, advertised facilities and unadvertised facilities. Table 8 in Appendix A provides a complete list of collection facilities by Regional District contracted to participate in the ElectroRecycle program.

Table 1: Number of Collection Facilities by Regional District

Regional District	# of CF	Regional District	# of CF	Regional District	# of CF
Alberni Clayoquot	3	East Kootenay	2	Okanagan Similkameen	9
Bulkley Nechako	3	Fraser Fort George	3	Peace River	3
Capital	21	Fraser Valley	10	Powell River	2
Cariboo	4	Kitimat Stikine	2	Skeena-Queen Charlotte	3
Central Coast	2	Kootenay Boundary	2	Squamish Lillooet	5
Central Kootenay	4	Metro Vancouver	59	Strathcona	3
Central Okanagan	6	Mt. Waddington	2	Sunshine Coast	1
Columbia Shuswap	4	Nanaimo	4	Thompson Nicola	6
Comox Valley	2	North Okanagan	5	Total	176
Cowichan Valley	5	Northern Rockies	1		

⁵ defined as a 30-minute drive or less for those within urban areas and a 45-minute drive or less for those in rural areas of the province

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Both the ElectroRecycle and RCBC websites include map-based “depot finders” where consumers can search by city or postal code for their nearest collection facility for regular CESA products, and hours of operation.

In addition to the program’s drop-off collection facility system, CESA/ElectroRecycle participated in 35 collection events in 2014. Table 2 lists the number of collection events (CEs) by Regional District in which CESA participated.

Table 2: Number of Collection Events by Regional District

Regional District	# of CE	Regional District	# of CE	Regional District	# of CE
Capital	5	Fraser Fort George	3	Okanagan Similkameen	4
Central Kootenay	2	Fraser Valley	1	Squamish Lillooet	1
Columbia Shuswap	5	Kitimat Stikine	1	Thompson Nicola	3
Comox Valley	1	Metro Vancouver	8	East Kootenay	1
				TOTAL	35

5. PRODUCT ENVIRONMENTAL IMPACT REDUCTION, REUSABILITY AND RECYCLABILITY

The following is a summary of the efforts undertaken by producers to reduce the environmental impact associated with the production and use of small appliances.

5.1 Sustainability Standard

Members of the Association of Home Appliance Manufacturers Canada (AHAM Canada) continue to engage with the retail sector on the sustainability of home appliances. In August 2014, AHAM Canada published the “Sustainability Standard for household portable and floor care appliances”, a comprehensive sustainability standard, for over 80 different small appliances. The standard provides meaningful environmental performance information to consumers about products, with attributes that cover a product’s entire life cycle.

5.2 Energy Consumption during Use

The home appliance industry has increased the energy efficiency of its products considerably over the past two decades. The reduction in standby energy usage has been a major focus as well as the development of timer features, new electronic display technologies and EnergyStar® features. These developments have contributed to a reduction in the amount of energy a typical small appliance utilizes during use.

5.3 Packaging Design and Reduction

Small appliance producers have been actively working to maximize the use of pre-and/or post-consumer recycled materials without impacting the integrity of the product and its packaging, and to ensure proper protection of the product and the safety associated with handling of the entire package. Trends include the reduction in packaging weight and volume, more efficient use of packaging materials, the increased use of post-consumer recycled content and more recyclable materials, as well as a move towards using fewer chemicals and using more environmentally friendly pigments.

5.4 Material Use

Where feasible, manufacturers have included the responsible use of materials in product design. The AHAM Canada sustainability standard includes criteria on pre-and post-consumer recycled content in the product, reducing materials of concern, and material resource efficiency.

6. POLLUTION PREVENTION HIERARCHY AND PRODUCT / COMPONENT MANAGEMENT

CESA strives to manage collected materials as high on the pollution prevention hierarchy as possible where economically feasible and sustainable. As the program is designed for end-of-life electrical appliances, the collected products are shipped to processors where they are broken down into their component parts and recycled/recovered.

CESA contracts directly with all processors and recyclers who handle CESA's collected material. CESA's processors are required to conform to the Electronics Product Stewardship Canada (EPSC) Electronic Recycling Standard, as it is becoming the industry standard for like-products (eg. electrical, electronic, battery-operated, OPEIC, white goods, etc). The EPSC Electronic Recycling Standard defines the minimum requirements for handling end-of-life electronics, and contains many requirements with which the processor must comply, such as environmental, occupational health and safety, and material handling requirements. CESA also contractually requires that all processors submit to performance reviews by CESA or a third-party auditor as required.

CESA's processors are required to submit annual reports to CESA, which include the percentage of material collected by commodity, as well as the expected downstream process for each commodity. Given that CESA accepts a wide variety of over 300 products, materials are reported out by commodity only, and not by product type or component.

Table 3 provides the percentage material commodity information from the recycler who processed the majority of CESA's total product weight collected in 2014, as well as a description of the downstream process for each commodity. Due to the complexity of the disassembly process, it is difficult for commodities to be completely segregated for measurement purposes. Accordingly, CESA's processor made estimates based on industry knowledge for 11% of the total reported values (7.3% of ferrous metals,

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0.5% of wire and cables, 3.1% of copper and 0.1% of circuit boards), in cases where it was difficult to separate items into their pure material commodities.

In 2014, CESA used three processors to process program materials. The processor responsible for the smaller portion of the volume was replaced at the end of the third quarter of the year. All processors provided data on processed volumes, but for two processors (who processed the smallest volume of program materials during the year) supporting documentation was insufficient to verify to assurance levels required by audit standards. As a result, the program assumed a proportional breakdown of commodities for these processors similar to that of CESA's main processor.

For the processor data outlined below, the majority of commodities achieve end-fate within North America, though a proportion of circuit boards are sent overseas.

Table 3: Percent of Weight Collected by Material Commodity in 2014

Material Commodity	Reuse	Recycle	Recovery	Landfill	% of Total Weight	Downstream Process
Ferrous Steel		X			66.7%	Sold as a commodity
Plastics		X			14.8%	Pelletized for reuse
Aluminum		X			6.0%	Sold as a commodity/smeltering
Wire and Cables		X			4.4%	Smeltering
Copper		X			3.2%	Sold as a commodity; smeltering
Glass		X			1.1%	Crushed for reuse / smeltering
Circuit Boards		X			0.9%	Smeltering
Refuse				X	0.9%	Landfill
Rechargeable Batteries		X			0.7%	Smeltering
Paper Based Materials			X		0.6%	Recovery
Non Rechargeable Batteries					0.5%	Smeltering
Heating Oil	X		X		0.2%	Recovery / Reuse

The estimated greenhouse gas (GHG) impact of the recycling of small appliances and power tools was calculated using a GHG emission inventory tool developed specifically for CESA by a third party based on nationally and internationally recognized reference protocols and standards.^[1] Based on the limited available information from downstream processors and the numerous assumptions that had to be made to determine the GHG impact, the final GHG emission numbers are accurate to only one significant digit.

^[1] The estimated greenhouse gas emissions associated with the recycling of small appliances and power tools was not subject to independent third-party assurance.

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The GHG emissions for 2014 were estimated based on these calculations, to be 8,000 tonnes of equivalent carbon dioxide (CO₂e). This value is based on 2.2 tonnes of CO₂e generated per tonne of material managed.

7. PRODUCT SOLD AND COLLECTED

7.1 Product Reported Sold

The number of CESA products sold, as reported by CESA members for the year 2014, in British Columbia was 7,280,609 units. A member audit program was initiated by CESA in 2014 and showed favourable results, supporting member self-reporting as a reliable and cost-effective source of sales data.

7.2 Product Collected

As CESA has done in previous annual reports, the total amount collected for 2014 is reported below, in place of a recovery rate. In 2014, the Ministry of Environment approved a 5% annual increase over the 2013 baseline in the amount collected target, by tonnage, for 2014, 2015 and 2016. With trends to reduced overall product weight and changes in materials composition, CESA will continue to gather data through ongoing operations, manufacturer inputs and additional research, to fully understand the trends to better report on a recovery rate that is both meaningful and realistic. Table 3 illustrates the approximate volumes collected (not including very large items) by Regional District in 2014.

7.2.a Very Large Products

Very large products collected under the program are managed as scrap metal by each contracted collection site outside of the program through the market-driven metal recycling industry. As part of the contract, the majority of collection sites are still required to submit monthly unit-based tracking forms to the program that report the number of very large products collected. In 2014, 2,228 pieces of large exercise equipment and 1,179 pieces of large power tools were collected, according to tracking sheets submitted to the program by required contracted collection facilities.

7.2.b Regular Products

According to weights reported to the program by contracted consolidation facilities, the program collected approximately 3,672,265 kg of regular CESA products between January 1 and December 31, 2014 from contracted collection facilities, large volume end-users and collection events.

In an effort to reduce consumer confusion between stewardship programs, provide “one-stop-shops” for residents, create efficiencies at the collection facility level and find synergies between stewardship programs, CESA continues to partner with Product Care Association’s LightRecycle program, allowing co-mingling of residential light fixtures with ElectroRecycle products in CESA’s collection bags at regular

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collection facilities. The reported collection tonnage is net of the fixture tonnage. The weight of LightRecycle material is netted out of the tonnage using the following sampling method:

For the 2014 reporting year, CESA used three recyclers for the processing of program materials. Collections from one recycler comprised the majority of total program material weight collected in 2014. This recycler was obligated by contract to submit monthly sampling reports for 10% of CESA's collection material processed by the recycler. The data from the sampling reports was extrapolated to determine the total proportion of CESA products collected versus the proportion of LightRecycle products collected in each particular month. This percentage was applied to the weight of every pick-up from contracted collection facilities during that month. The same process was also in effect for the other two recyclers, where one replaced the other in the last quarter of 2014. These two processors shared the remainder of total program material weight collected in 2014.

Table 4: Approximate Weights Collected by Regional District for Regular Products and Collection Events in 2014

Regional District	Approximate Weight Collected (kg)	Regional District	Approximate Weight Collected (kg)
Alberni Clayquot	20,397	Kootenay Boundary	45,363
Bulkley Nechako	10,097	Metro Vancouver	1,709,096
Capital	399,296	Mount Waddington	12,338
Cariboo	16,426	Nanaimo	183,433
Central Coast	3,037	North Okanagan	96,395
Central Kootenay	43,713	Northern Rockies	727
Central Okanagan	335,378	Okanagan-Similkameen	93,338
Columbia Shuswap	38,349	Peace River	37,206
Comox	41,196	Powell River	13,001
Cowichan Valley	66,098	Skeena Queen Charlotte	12,182
East Kootenay	27,912	Squamish Lillooet	45,290
Fraser Fort George	62,086	Strathcona	19,120
Fraser Valley	209,100	Sunshine Coast	27,986
Kitimat Stikine	14,463	Thompson Nicola	89,242

8. SUMMARY OF REVENUES AND EXPENDITURES

Table 5, below, lists the 21 product categories included in CESA's ElectroRecycle program, with applicable environmental handling fee (EHF) rates. Fee rates for categories 15-21 were introduced on July 1, 2012. When the program launched in 2011, CESA indicated the fees would be reviewed within two years and adjusted if necessary. As a result of this review, fees applying to certain types of small household appliances under the program were reduced on June 1, 2013. While the recycling fees on a number of other categories remained unchanged, no recycling fees were increased. CESA has been working to streamline its collection, transportation and processing procedures while maintaining its high environmental standards. These efforts have resulted in lower operating costs in many areas of the

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program. These lower costs combined with better information on the BC sales volumes for different products collected under the program resulted in the reduction of recycling fees for a number of product categories.

Table 5: CESA Product Categories and Environmental Handling Fees

Product Category		Fee Rate Per Unit, effective June 1, 2013
1	Kitchen Countertop – Motorized	\$ 0.75
2	Kitchen Countertop – Heating Appliances (toasters)	\$ 1.25
3	Kitchen Countertop – Heating Appliances (coffee/tea)	\$ 1.00
4	Microwave – 1 cu. ft. and over	\$ 10.00
5	Microwave – under 1 cu. ft.	\$ 6.25
6	Time Measurement & Display Devices	\$ 0.50
7	Weight Measurement	\$ 0.50
8	Garment Care Appliances	\$ 1.00
9	Air Treatment Appliances	\$ 1.00
10	Desk and Tabletop Fans	\$ 1.25
11	Full-Size Floor Cleaning Appliances	\$ 2.50
12	Smaller Floor/Surface Cleaning Appliances	\$ 0.75
13	Personal Care Appliances	\$ 0.50
14	Designated Very Small Items – Part 1 (categories 1-13)	\$ 0.25
15	Test and Measurement Tools	\$0.75
16	Hand-held Power Tools	\$ 1.25
17	Bench-Top, Demolition, Free-Standing Power Tools	\$ 2.75
18	Sewing / Textile Machines	\$ 2.75
19	Exercise Machines	\$ 4.25
20	Sports, Leisure, Arts, Crafts and Hobby Devices	\$ 0.75
21	Designated Very Small Items – Part 2 (categories 15-20)	\$ 0.25

See Appendix B for CESA's independently audited financial statements.

9. PLAN PERFORMANCE

CESA continues to assess the performance of the ElectroRecycle Program with quantitative measures, in response to the commitments in its stewardship plans. Even though the ElectroRecycle program exceeds performance targets, CESA is working on maintaining performance while continuously improving all aspects of the program including operational efficiencies, cost efficiencies, awareness, and collection volumes.

Table 6: 2014 Program Performance Targets

Performance Measure	Plan Target	2014 Results	Strategies for Improvement
# of Collection Sites	75 by the end of 2013; 100 by the end of 2014	176	Not applicable
Absolute Collection and Recovery Rate (if applicable)	5% annual increase in total tonnage collected for each year between 2014 and 2016	Absolute collection for the program grew by 15% from 2013 to 2014.	Not applicable
Report annually on the estimated greenhouse gas (GHG) impact of the program	Not applicable	GHG emissions for 2014 were estimated to be 8,000 tonnes of equivalent carbon dioxide (CO ₂ e). This value is based on 2.2 tonnes of CO ₂ e generated per tonne of material managed.	Not applicable

Consumer awareness and accessibility targets were originally set differently for Part 1 products (small appliances) and Part 2 products (power tools etc.), as outlined in the Part 1 and Part 2 stewardship plans. However, consumer awareness and accessibility are assessed for the program as a whole and reported together here as there is no feasible way to distinguish between Part 1 and Part 2. Consumer awareness levels were determined through the use of a third-party, independent consumer awareness survey. Accessibility data was determined through use of a Geographic Information System (GIS) analysis, where “access” is defined as within a 30-minute drive of an ElectroRecycle collection site for those living in urban areas, and within a 45-minute drive for those living in rural areas.

Table 7: Consumer Awareness and Accessibility Targets – Part 1 & 2

Performance Measure	Original Target	Baseline Data	Result
Part 1: Consumer Awareness	62.5% by 2014; 65% by 2016	60% in 2012	73% in 2014 ⁶
Part 2: Consumer Awareness	30% by 2014; 40% by 2016		
Part 1: % of population with access to a collection site	95%	96% in 2011	98.2% in 2013 ⁷
Part 2: % of population with access to a collection site	90% by end of 2014	98.2% in 2013	

⁶ Consumer Awareness was measured together for both parts 1 and 2

⁷ Accessibility for Part 1 and 2 products is the same across the province. Accessibility was not measured in 2014. Targets regarding collection site accessibility do not apply to “Very Large” CESA products that may require special handling due to their size (see Section 4 for definitions). These products represent a very small percentage of the total number of products in the ElectroRecycle program.

APPENDIX A: COLLECTION FACILITY NETWORK

Table 8 shows locations of contracted CESA collection facilities. The column titled “Changes in 2014” denotes additions and closures since the previous reporting date, December 31, 2013.

Table 8: CESA Collection Network, Including Changes in Sites in 2014

Collection Facility	City	Regional District	Depot Type	Change in 2014
Abbotsford Bottle Depot	Abbotsford	Fraser Valley	Regular	
Abbotsford Community Services Recycling	Abbotsford	Fraser Valley	Bulky & Regular	
Agassiz Bottle Depot	Agassiz	Fraser Valley	Regular	
Aldergrove Bottle Depot	Aldergrove	Metro Vancouver	Bulky & Regular	
Alpine Disposal & Recycling	Langford	Capital	Bulky & Regular	
Armstrong Spallumcheen Bottle Depot	Armstrong	North Okanagan	Regular	
Asset Investment Recovery – Glanford	Victoria	Capital	Regular	
Asset Investment Recovery – Surrey	Surrey	Metro Vancouver	Regular	
Augusta Recyclers (non-advertised)	Powell River	Powell River	Bulky Only	
B&D Bottlers Ltd. / Revelstoke Bottle Depot	Revelstoke	Columbia Shuswap	Regular	
Bee-Line Courier (100 Mile House)	100 Mile House	Cariboo	Regular	
Bee-Line Courier (Williams Lake)	Williams Lake	Cariboo	Regular	
Bella Coola Recycling Depot	Bella Coola	Central Coast	Regular	
Bills Bottle Depot	Salmon Arm	Columbia Shuswap	Regular	
Bings Creek Solid Waste Mgmt Complex	Duncan	Cowichan Valley	Bulky & Regular	
Bottle Depot (Queens)	Victoria	Capital	Regular	
Bottle Depot (Saanich)	Saanich	Capital	Regular	
Boucherie Bottle Depot & Self Storage	West Kelowna	Central Okanagan	Regular	
Brentwood Thrift Store	Brentwood Bay	Capital	Regular	
Bridgeview Return-It	Surrey	Metro Vancouver	Regular	
Bulkley Valley Bottle Depot	Smithers	Bulkley Nechako	Regular	
Campbell Mountain Sanitary Landfill	Penticton	Okanagan Similkameen	Regular	

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Collection Facility	City	Regional District	Depot Type	Change in 2014
Campbell River Waste Management Centre	Campbell River	Strathcona	Bulky Only	New addition - Aug. 11, 2014
Carney's Waste Systems - Squamish	Squamish	Squamish Lillooet	Regular	
Castlegar Return-It Depot	Castlegar	Central Kootenay	Regular	
Cedar Hill Thrift Store (non-advertised)	Victoria	Capital	Regular	
Chasers Bottle Depot Ltd.	Vernon	North Okanagan	Regular	
Chetwynd Lions Recycling	Chetwynd	Peace River	Regular	
Chilliwack Bottle Depot Ltd	Chilliwack	Fraser Valley	Regular	
CM Recycling Ltd. (FKA Cariboo Metal Recycling)	Quesnel	Cariboo	Bulky & Regular	Added bulky items - Nov.7, 2014
Columbia Bottle Depot – Dease	Kelowna	Central Okanagan	Bulky & Regular	
Columbia Bottle Depot - St. Paul	Kelowna	Central Okanagan	Bulky & Regular	
Comox Valley Waste Management Centre	Cumberland	Comox Valley	Bulky Only	New addition - Aug. 11, 2014
Coquitlam Return-It Depot	Coquitlam	Metro Vancouver	Regular	
Courtenay Return-It Depot	Courtenay	Comox Valley	Regular	
Cranbrook Bottle Depot	Cranbrook	East Kootenay	Regular	
D&G Recycling (Tsawassen Bottle Depot)	Tsawassen	Metro Vancouver	Regular	
D.C. Campbell Recycling Ltd.	Dawson Creek	Peace River	Bulky & Regular	
East 12th Avenue Thrift Store	Vancouver	Metro Vancouver	Regular	
Edmonds Return-It Depot	Burnaby	Metro Vancouver	Regular	New addition - May 26, 2014
Fell Avenue Thrift Store (non-advertised)	North Vancouver	Metro Vancouver	Regular	
Fernie Bottle Depot	Fernie	East Kootenay	Regular	
Fleetwood Bottle Return Depot	Surrey	Metro Vancouver	Regular	
Fraser Lake Bottle Depot	Fraser Lake	Bulkley Nechako	Regular	
Fraser Valley Return-It Depot	Langley	Metro Vancouver	Regular	
FSJ Eco-Depot Recycling Centre	Ft. St. John	Peace River	Regular	
Galiano Island Recycling	Galiano Island	Capital	Regular	

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Collection Facility	City	Regional District	Depot Type	Change in 2014
General Grant's Sahali (FKA Full Refund Bottle Depot)	Kamloops	Thompson Nicola	Regular	
General Grant's North Shore Bottle Depot	Kamloops	Thompson Nicola	Regular	
Gibsons Disposal Ltd.	Gibsons	Sunshine Coast	Regular	
Go Green Depot & Recycling	Vancouver	Metro Vancouver	Regular	
Gold Trail Recycling	100 Mile House	Cariboo	Bulky & Regular	
Grand Forks Bottle Depot	Grand Forks	Kootenay Boundary	Regular	
Granville Thrift Store (non-advertised)	Vancouver	Metro Vancouver	Regular	
Guildford Bottle Depot	Surrey	Metro Vancouver	Regular	New addition - Oct.10, 2014
Haney Bottle Depot	Maple Ridge	Metro Vancouver	Regular	New addition - Feb.24, 2014
Hart Return-It Depot	Prince George	Fraser Fort George	Regular	
Hartland Recycling Depot	Victoria	Capital	Bulky & Regular	
Heiltsuk Environmental Bella Bella Eco-Depot	Bella Bella ⁸	Central Coast	Bulky & Regular	
Hillside Thrift Store	Victoria	Capital	Regular	
Hope Bottle Depot Ltd	Hope	Fraser Valley	Regular	
Houston Recycling	Houston	Bulkley Nechako	Bulky & Regular	
Interior Freight & Bottle Depot	Vernon	North Okanagan	Bulky & Regular	
Ironwood Bottle Depot	Richmond	Metro Vancouver	Regular	
Island Return-It Recycling Centre Campbell River (FKA Campbell River Bottle Depot)	Campbell River	Strathcona	Bulky & Regular	
Island Return-it Recycling Centre Duncan (FKA Cowichan Valley Bottle Depot)	Duncan	Cowichan Valley	Bulky & Regular	
Island Return-it Recycling Centre Esquimalt (FKA Westshore Bottle Depot)	Esquimalt	Capital	Regular	

⁸ 2013 Annual Report listed this depot as being Bella Coola

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Collection Facility	City	Regional District	Depot Type	Change in 2014
Island Return-It Recycling Centre Sidney (FKA Sidney Bottle Depot)	Sidney	Capital	Bulky & Regular	
Islands Solid Waste Management – Port Clements	Port Clements	Skeena-Queen Charlotte	Regular	New addition - Feb.6, 2014
Islands Solid Waste Management – Queen Charlotte	Queen Charlotte	Skeena-Queen Charlotte	Regular	New addition - Oct.1, 2014
J&C Bottle Depot	Penticton	Okanagan Similkameen	Regular	
Junction Bottle Depot	Ladysmith	Cowichan Valley	Regular	
Keremeos Sanitary Landfill	Keremeos	Okanagan Similkameen	Regular	
Kerrisdale Thrift Store (non-advertised)	Vancouver	Metro Vancouver	Regular	
Kitchener Bottle Depot Ltd.	Burnaby	Metro Vancouver	Regular	
Kitimat Understanding the Env. Soc. (KUTE)	Kitimat	Kitimat Stikine	Regular	
Ladner Bottle Depot Co. Ltd.	Delta	Metro Vancouver	Bulky & Regular	Added bulky items - Jul.18, 2014
Langford Thrift Store (non-advertised)	Langford	Capital	Regular	
Langley Bottle Depot	Langley	Metro Vancouver	Bulky & Regular	
Langley Thrift Store	Langley	Metro Vancouver	Regular	
Lee's Bottle Depot	Burnaby	Metro Vancouver	Regular	
Lillooet Waste & Recycling Centre	Lillooet	Squamish Lillooet	Bulky & Regular	
Lorne Street Bottle Depot	Kamloops	Thompson Nicola	Regular	
Lougheed Return-It Depot Inc.	Coquitlam	Metro Vancouver	Regular	
Maple Ridge Bottle Depot	Maple Ridge	Metro Vancouver	Regular	New addition - Oct.7, 2014
Maple Ridge Recycling Depot	Maple Ridge	Metro Vancouver	Bulky & Regular	
Mayne Island Recycling Society (MIRS)	Mayne Island	Capital	Regular	
Meade Creek Recycling Drop-off Depot	Lake Cowichan	Cowichan Valley	Bulky & Regular	
Merritt Return-It Depot (FKA George Hale Transfer Ltd)	Merritt	Thompson Nicola	Regular	

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Collection Facility	City	Regional District	Depot Type	Change in 2014
Mill Bay Thrift Store	Mill Bay	Capital	Regular	
Mission Flats Landfill	Kamloops	Thompson Nicola	Bulky & Regular	
Mission Recycle Center Ltd.	Mission	Fraser Valley	Regular	
Mission Recycling Depot	Mission	Fraser Valley	Bulky & Regular	
Nanaimo Recycling Exchange Society	Nanaimo	Nanaimo	Bulky & Regular	
Nelson Leafs Recycling Center	Nelson	Central Kootenay	Regular	
New Life Furniture and Recycling	Creston	Central Kootenay	Regular	
New Westminster Thrift Store	New Westminster	Metro Vancouver	Regular	
Newton Bottle Depot	Surrey	Metro Vancouver	Bulky & Regular	
North Burnaby (Hastings) Thrift Store (non-advertised)	Burnaby	Metro Vancouver	Regular	
North Shore Bottle Depot	North Vancouver	Metro Vancouver	Regular	
North Shuswap Bottle Depot	Chase	Thompson-Nicola	Regular	
North Van Recycling Ltd	North Vancouver	Metro Vancouver	Regular	
North Vancouver Thrift Store	North Vancouver	Metro Vancouver	Regular	
OK Bottle Depot	Richmond	Metro Vancouver	Regular	
Okanagan Falls Sanitary Landfill	Okanagan Falls	Okanagan Similkameen	Regular	
Oliver Sanitary Landfill	Oliver	Okanagan Similkameen	Regular	
Osoyoos Bottle Depot	Osoyoos	Okanagan Similkameen	Bulky & Regular	
Panorama Village Return-It	Surrey	Metro Vancouver	Regular	
Parksville Bottle & Recycling Depot Ltd.	Parkville	Nanaimo	Bulky & Regular	
Peerless Road Recycling Drop-off Depot	Ladysmith	Cowichan Valley	Bulky & Regular	
Pemberton Recycling Centre	Pemberton	Squamish Lillooet	Regular	
Pender Island Recycling Society (PIRS)	Pender island	Capital	Bulky & Regular	
PG Recycling & Return-It Centre	Prince George	Fraser Fort George	Bulky & Regular	

CESA 2014 Report to Director, Waste Management

Collection Facility	City	Regional District	Depot Type	Change in 2014
Pitt Meadows Bottle & Return-it Depot Ltd.	Pitt Meadows	Metro Vancouver	Regular	
Planet Earth Recycling Ltd.	Westbank	Central Okanagan	Bulky & Regular	
Port Coquitlam Thrift Store	Port Coquitlam	Metro Vancouver	Regular	
Port Hardy Return-It Centre ⁹	Port Hardy	Mt. Waddington	Regular	
Powell Street Bottle Depot	Vancouver	Metro Vancouver	Regular	
Pud's Auto Wrecking and Towing	Osoyoos	Okanagan Similkameen	Bulky Only	
Queensborough Landing Return-it	New Westminster	Metro Vancouver	Bulky & Regular	Added bulky items - Apr.3, 2014
R&T Bottle Depot	Abbotsford	Fraser Valley	Regular	
Regional Recycling Abbotsford	Abbotsford	Fraser Valley	Bulky & Regular	
Regional Recycling Burnaby	Burnaby	Metro Vancouver	Bulky & Regular	
Regional Recycling Cloverdale	Surrey	Metro Vancouver	Bulky & Regular	New addition - Apr.3, 2014
Regional Recycling Fremont (FKA Nanaimo Bottle Depot - Fremont)	Nanaimo	Nanaimo	Bulky & Regular	
Regional Recycling Nanaimo	Nanaimo	Nanaimo	Bulky & Regular	
Regional Recycling Richmond	Richmond	Metro Vancouver	Bulky & Regular	
Regional Recycling Vancouver	Vancouver	Metro Vancouver	Bulky & Regular	
Regional Recycling Whistler	Whistler	Squamish Lillooet	Bulky & Regular	
Richmond Recycling Depot	Richmond	Metro Vancouver	Bulky & Regular	
Saanich Thrift Store (non-advertised)	Saanich	Capital	Regular	
Salt Spring and Southern Gulf Islands Comm. Services Society	Salt Spring Island	Capital	Bulky & Regular	
Salvation Army - Lower Mainland Divisional	Langley	Metro Vancouver	Bulky & Regular	
Salvation Army - Prince George	Prince George	Fraser Fort George	Regular	

⁹ Port Hardy Return-It Centre has been a CESA collection facility since March 2013, but was not included in the 2013 Annual Report.

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Collection Facility	City	Regional District	Depot Type	Change in 2014
Salvation Army - Victoria Consolidation Centre	Victoria	Capital	Regular	
Sapperton Return-It Depot	New Westminster	Metro Vancouver	Regular	
Sardis Bottle Depot Ltd.	Chilliwack	Fraser Valley	Bulky & Regular	
Scotch Creek Bottle Depot	Scotch Creek	Columbia Shuswap	Regular	
Scott Road Bottle Depot Ltd.	Surrey	Metro Vancouver	Regular	
Semiahmoo Bottle Depot	Surrey	Metro Vancouver	Bulky & Regular	
Seven Mile Landfill and Recycling Centre	Port McNeill	Mt. Waddington	Bulky & Regular	
Sherwood's Auto Parts	Port Alberni	Alberni Clayoquot	Bulky Only	
Skeena Queen Charlotte - Regional Recycling	Prince Rupert	Skeena-Queen Charlotte	Bulky & Regular	
Sooke Thrift Store	Victoria	Capital	Regular	
Sorrento Bottle Depot	Sorrento	Columbia Shuswap	Regular	
South Van. Bottle Depot (Zims) Ltd.	Vancouver	Metro Vancouver	Regular	
Steveston Return-it Depot	Richmond	Metro Vancouver	Regular	
Sunset Coast Bottle Depot	Powell River	Powell River	Regular	
Surrey Central Return-It Centre	Surrey	Metro Vancouver	Regular	
Surrey Thrift Store (non-advertised)	Surrey	Metro Vancouver	Regular	
T2 Market	Oliver	Okanagan Similkameen	Regular	
Terrace Bottle & Return-It Depot	Terrace	Kitimat Stikine	Regular	
The Bargain Bin	Castlegar	Central Kootenay	Regular	
The Battery Doctors	Kelowna	Central Okanagan	Regular	
The Hut Bottle Depot	Princeton	Okanagan Similkameen	Regular	New addition - Oct.10, 2014
The Re-Use-It Centre	Whistler	Squamish Lillooet	Regular	
The Salvation Army Alberni Valley	Port Alberni	Alberni Clayoquot	Regular	
Trail Bottle Depot	Trail	Kootenay Boundary	Bulky & Regular	
Ucluelet Bottle Depot	Ucluelet	Alberni Clayoquot	Regular	
Urban Impact Recycling (non-advertised)	Richmond	Metro Vancouver	Regular	

CESA 2014 Report to Director, Waste Management

Collection Facility	City	Regional District	Depot Type	Change in 2014
Vancouver Central Return-It Depot	Vancouver	Metro Vancouver	Regular	
Vancouver West Bottle Depot Ltd.	Vancouver	Metro Vancouver	Regular	New addition - Jul.10, 2014
Venture Bottle Depot	Lumby	North Okanagan	Regular	New addition - Mar.18, 2014
Venture Training	Vernon	North Okanagan	Bulky & Regular	
Victoria Thrift Store (non-advertised)	Victoria	Capital	Regular	
View Royal Thrift Store	View Royal	Capital	Regular	
Village of Gold River	Gold River	Strathcona	Bulky & Regular	
Walnut Grove Bottle Depot Ltd.	Langley	Metro Vancouver	Regular	
Wastech Services (non-advertised)	Coquitlam	Metro Vancouver	Bulky & Regular	New addition - Jul.28, 2014
West 4th Avenue Thrift Store (non-advertised)	Vancouver	Metro Vancouver	Regular	
West Broadway Thrift Store (non-advertised)	Vancouver	Metro Vancouver	Regular	
West Van Thrift Store (non-advertised)	West Vancouver	Metro Vancouver	Regular	
White Rock Thrift Store (non-advertised)	White Rock	Metro Vancouver	Regular	
Wide Sky Disposal Ltd.	Fort Nelson	Northern Rockies	Regular	
Willowbrook Recycling Inc.	Langley	Metro Vancouver	Regular	
Winfield Return-It Centre	Lake Country	Central Okanagan	Regular	

APPENDIX B: AUDITED FINANCIAL STATEMENTS

**CANADIAN ELECTRICAL
STEWARDSHIP ASSOCIATION**

FINANCIAL STATEMENTS

31 DECEMBER 2014



ROLFE, BENSON LLP
CHARTERED ACCOUNTANTS

CANADIAN ELECTRICAL STEWARDSHIP ASSOCIATION

Financial Statements

For the year ended 31 December 2014

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ROLFE, BENSON LLP
CHARTERED ACCOUNTANTS



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INDEPENDENT AUDITORS' REPORT

To the Members,
Canadian Electrical Stewardship Association

Report on the Financial Statements

We have audited the accompanying financial statements of Canadian Electrical Stewardship Association, which comprise the statement of financial position as at 31 December 2014, and the statements of changes in net assets, operations and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Association's preparation and fair presentation of the financial statements 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 Association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.





ROLFE, BENSON LLP

CHARTERED ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT - Continued

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Canadian Electrical Stewardship Association as at 31 December 2014, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Rolfe, Benson LLP

CHARTERED ACCOUNTANTS

Vancouver, Canada
28 May 2015



CANADIAN ELECTRICAL STEWARDSHIP ASSOCIATION
Statement of Financial Position
31 December 2014

	2014	2013
Assets		
Current		
Cash	\$ 5,122,404	\$ 3,146,874
Accounts receivable	1,699,770	1,584,570
Prepaid expenses	25,859	25,945
	<u>6,848,033</u>	<u>4,757,389</u>
Internally restricted cash and investments (Note 3)	<u>11,021,779</u>	<u>10,352,961</u>
	<u>\$ 17,869,812</u>	<u>\$ 15,110,350</u>

Liabilities

Current		
Accounts payable and accrued liabilities	\$ 830,199	\$ 779,554
GST/HST payable	43,170	47,492
	<u>873,369</u>	<u>827,046</u>

Commitments (Note 4)

Net Assets

Unrestricted	5,974,664	3,930,343
Internally restricted - Reserve Fund (Note 5)	5,378,036	4,760,608
Internally Restricted - Program Enhancement Fund (Note 6)	5,643,743	5,592,353
	<u>16,996,443</u>	<u>14,283,304</u>
	<u>\$ 17,869,812</u>	<u>\$ 15,110,350</u>

APPROVED BY THE DIRECTORS:

_____ Director _____ Director

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

CANADIAN ELECTRICAL STEWARDSHIP ASSOCIATION

Statement of Changes in Net Assets

For the year ended 31 December 2014

	Unrestricted	Internally Restricted - Reserve Fund	Internally Restricted - Program Enhancement Fund	Total 2014	Total 2013
Balance - beginning of year	\$ 3,930,343	\$ 4,760,608	\$ 5,592,353	\$ 14,283,304	\$ 9,899,215
Excess of revenues over expenses for the year	2,713,139	-	-	2,713,139	4,384,089
Fund transfer - Reserve Fund (Note 5)	(617,428)	617,428	-	-	-
Fund transfer - Program Enhancement Fund (Note 6)	(51,390)	-	51,390	-	-
Balance - end of year	\$ 5,974,664	\$ 5,378,036	\$ 5,643,743	\$ 16,996,443	\$ 14,283,304

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



CANADIAN ELECTRICAL STEWARDSHIP ASSOCIATION**Statement of Operations****For the year ended 31 December 2014**

	2014	2013
Revenues	\$ 7,547,360	\$ 8,833,374
Expenses		
Collection, transportation and processing	3,638,161	3,029,414
Communications and program administration	1,368,640	1,450,878
Amortization	-	910
	5,006,801	4,481,202
Excess of revenues over expenses from operations	2,540,559	4,352,172
Other income (expense)		
Investment income	201,516	36,109
Investment management fees	(28,936)	(4,192)
	172,580	31,917
Excess of revenues over expenses for the year	\$ 2,713,139	\$ 4,384,089

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



CANADIAN ELECTRICAL STEWARDSHIP ASSOCIATION**Statement of Cash Flows**
For the year ended 31 December 2014

	2014	2013
Cash provided by (used in):		
Operating activities		
Excess of revenues over expenses for the year	\$ 2,713,139	\$ 4,384,089
Item not involving cash		
Amortization	-	910
	<u>2,713,139</u>	<u>4,384,999</u>
Changes in non-cash working capital balances		
Accounts receivable	(115,200)	1,563,161
Prepaid expenses	86	(377)
Accounts payable and accrued liabilities	50,645	(34,147)
GST/HST payable	(4,322)	(304,166)
	<u>2,644,348</u>	<u>5,609,470</u>
Investing activities		
Transfer to Reserve Fund	(617,428)	(31,371)
Transfer to Program Enhancement Fund	(51,390)	(5,592,353)
	<u>(668,818)</u>	<u>(5,623,724)</u>
Net increase (decrease) in cash	1,975,530	(14,254)
Cash - beginning of year	3,146,874	3,161,128
Cash - end of year	\$ 5,122,404	\$ 3,146,874

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

CANADIAN ELECTRICAL STEWARDSHIP ASSOCIATION
Notes to the Financial Statements
For the year ended 31 December 2014

1. Incorporation

Canadian Electrical Stewardship Association (the "Association") was incorporated under the Canada Corporations Act on 8 March 2010 and commenced operations on 1 October 2011. The Association was issued a certificate of continuance under the Canada Not-for-Profit Corporations Act on 2 August 2012. The Association is a not-for-profit organization and it is not subject to income taxes.

The Association is a Product Stewardship Agency of manufacturers, brand owners and retailers of electrical small appliances, power tools, sewing machines, exercise, sports and leisure equipment, and arts, crafts and hobby devices. The Association's purpose is to assist manufacturers, brand owners and other legally obligated parties (e.g. retailers, importers or distributors) in discharging their obligation to establish end-of-life product collection and recycling programs under the British Columbia Recycling Regulation (Reg. 449/2004, O.C. 995/2004) (the "Regulation"). On 1 July 2012, in response to Phase 5 of the Regulation, the following product categories were added to the ElectroRecycle program operated by the Association: power tools, exercise machines, sewing and textile products, sports and leisure products.

2. Summary of significant accounting policies

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The significant policies are detailed as follows:

(a) Revenue recognition

Revenue from environmental handling fees ("EHF") is recognized at the time a EHF applicable product is sold by a member of the Association, and the EHF becomes due and payable. EHF are received from registered members which participate in the Association's program. The Association recognizes these fees as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. EHF revenues are recognized as members report and remit them as required by applicable provincial environmental legislation.

Investment income includes interest income and realized investment gains and losses. Investment income is recognized as revenue when earned.

(b) Cash and cash equivalents

The Association's policy is to disclose bank balances under cash and cash equivalents, including bank overdrafts with balances that fluctuate frequently from being positive to overdrawn and term deposits with a maturity period of three months or less from the date of acquisition.

CANADIAN ELECTRICAL STEWARDSHIP ASSOCIATION
Notes to the Financial Statements
For the year ended 31 December 2014

2. Summary of significant accounting policies - Continued

(c) Financial instruments

(i) Measurement of financial instruments

The Association initially measures its financial assets and liabilities at fair value and subsequently measures all of its financial assets and financial liabilities at amortized cost.

Financial assets measured at amortized cost include cash, accounts receivable and internally restricted cash and investments.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

(ii) Impairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in the statement of operations. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in the statement of operations.

(iii) Transaction costs

The Association recognizes its transaction costs in the statement of operations in the period incurred. However, financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption.

(d) Use of estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reported period. Actual results could differ from these estimates.

CANADIAN ELECTRICAL STEWARDSHIP ASSOCIATION
Notes to the Financial Statements
For the year ended 31 December 2014

3. Internally restricted cash and investments

Internally restricted cash and investments are comprised of the assets which have been internally restricted by the Association's board of directors related to the Reserve Fund (Note 5) and the Program Enhancement Fund (Note 6):

	Cost	2014 Market	Cost	2013 Market
Investments	\$ 10,779,015	\$ 10,646,759	\$ 4,760,608	\$ 4,756,401
Cash	242,764	242,764	5,592,353	5,592,353
	<u>\$ 11,021,779</u>	<u>\$ 10,889,523</u>	<u>\$ 10,352,961</u>	<u>\$ 10,348,754</u>

4. Commitments

The Association has a lease agreement for its office premises that will expire on 31 March 2015. Assuming the lease will be renewed with similar terms for 12 more months at the end of the current lease, the minimum annual payments required by the lease are as follows:

2015	\$ 20,268
2016	<u>5,067</u>
	<u>\$ 25,335</u>

CANADIAN ELECTRICAL STEWARDSHIP ASSOCIATION

Notes to the Financial Statements

For the year ended 31 December 2014

5. Reserve Fund

The Association's Board of Directors has established a Reserve Fund for the following purposes: (1) to manage the year to year cost of fluctuations in volumes and costs and thereby stabilize recycling fees, (2) to cover the costs of winding up the Association by the decision of the members or as a consequence of regulatory change, (3) to cover any claims against the Association, its staff or Board of Directors in excess of the Association's insurance coverage, (4) to enable the Association to reduce its insurance costs for the management of environmental risk, or any other risk, and (5) to cover any unusual or extraordinary costs not accounted for in the operating budget.

The Reserve Fund is internally restricted and transfers to the Reserve Fund are at the discretion of the Board of Directors up to a maximum amount, which is the greater of the cumulative forecasted expenses for the following fiscal year and the cumulative prior year expenses, plus other amounts deemed necessary by the Board of Directors. The Reserve Fund is funded by cash and investments which have been internally restricted by the Association's Board of Directors (Note 3).

The assets in the Reserve Fund consist of cash, investments in fixed income and mutual funds and are independently managed (Note 3). All income earned and expenses paid on those investments are initially reported in the unrestricted fund and then transferred to the Reserve Fund. During the year, \$617,428 (2013 - \$31,171) was transferred from the unrestricted fund to the Reserve Fund.

6. Program Enhancement Fund

The Association's Board of Directors has established the Program Enhancement Fund which is to be used in the event that unexpected expenses to drive program collection, awareness or expansion are determined necessary to maintain operations and meet recovery targets in B.C., or any other province in which CESA may operate in the future.

The Program Enhancement Fund is internally restricted and transfers to the Program Enhancement Fund are at the discretion of the Board of Directors. The Program Enhancement Fund is funded by cash and investments which have been internally restricted by the Association's Board of Directors (Note 3).

The assets in the Program Enhancement Fund consist of cash, investments in fixed income and mutual funds and are independently managed (Note 3). All income earned and expenses paid on those investments are initially reported in the unrestricted fund and then transferred to the Program Enhancement Fund. During the year, \$51,390 (2013 - \$5,592,353) was transferred from the unrestricted fund to the Program Enhancement Fund.

CANADIAN ELECTRICAL STEWARDSHIP ASSOCIATION
Notes to the Financial Statements
For the year ended 31 December 2014

7. Financial instruments

The Association is exposed to various risks through its financial instruments. The following analysis provides a measure of the Association's risk exposure and concentrations at the statement of financial position date, 31 December 2014.

(a) 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 Association's main credit risks relate to its cash and accounts receivable. Cash is in place with major financial institutions. Concentrations of credit risk with respect to accounts receivable are limited due to the large number of members. The Association has evaluation and monitoring processes in place and writes off accounts when they are determined to be uncollectible.

(b) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Association is exposed to this risk mainly in respect of its accounts payable and accrued liabilities. The Association is not exposed to this risk due to its strong working capital position.

(c) 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. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Association is mainly exposed to interest rate risk and other price risk.

(d) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Association is exposed to interest rate risk on its fixed and floating interest rate financial instruments. Fixed-rate instruments subject the Association to a fair value risk while the floating-rate instruments subject it to a cash flow risk. The Association does not use financial instruments to reduce its risk exposure.

(e) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in market. The Association is exposed to other price risk through its investments.

CANADIAN ELECTRICAL STEWARDSHIP ASSOCIATION
Notes to the Financial Statements
For the year ended 31 December 2014

8. Subsequent event

During the year the Association conducted a review of operations which resulted in an adjustment to the recycling fees charged on products which will be effective 1 July 2015. Management estimates that this will result in a 15% - 25% decrease in the Association's revenue in the 2015 fiscal year.

APPENDIX C: INDEPENDENT ASSURANCE REPORT



June 29, 2015

Independent Reasonable Assurance Report

To the Directors of the Canadian Electrical Stewardship Association on selected non-financial information included in the CESA 2014 Annual Report

We have been engaged by the Canadian Electrical Stewardship Association ("CESA") to perform a reasonable assurance engagement in respect of the following information (the "Selected Information") detailed in Appendix A, and also included within CESA's Annual Report to the Director, Waste Management for the year ended December 31, 2014:

1. The location of collection facilities, and any changes in the number and location of collection facilities from the prior year in accordance with Section 8 (2) (b) of the Recycling Regulation;
2. The description of how recovered product was managed in accordance with the pollution prevention hierarchy in accordance with 8(2)(d) of the Recycling Regulation;
3. The total amount of the producers' product sold and collected and the recovery rate for the year ended December 31, 2014 in accordance with 8(2)(e) of the Recycling Regulation; and
4. The description of performance for the year in relation to targets in the approved stewardship plan under Sections 8(2)(b), (d) and (e), in accordance with Section 8(2)(g) of the Recycling Regulation.

Our opinion does not constitute a legal determination on CESA's compliance with the British Columbia Regulation 449/2004 Recycling Regulation ("Recycling Regulation").

Responsibilities

Preparation and fair presentation of the Selected Information in accordance with the evaluation criteria as listed in Appendix A is the responsibility of CESA's management. Management is also responsible for such internal control as management determines is necessary to enable the preparation of the Selected Information such that it is free from material misstatement. Furthermore management is responsible for preparation of suitable evaluation criteria in accordance with the *Third Party Assurance Requirements for Non-Financial Information in Annual Reports, Version 3*, dated February, 2015 ("Assurance Requirements") as specified by the Director under section 8(2)(h) of the Recycling Regulation of the Province of British Columbia.

Our responsibility is to express an opinion on the Selected Information based on the procedures we have performed and the evidence we have obtained.

Methodology and Assurance Procedures

We conducted our reasonable assurance engagement in accordance with the International Standard on Assurance Engagements 3000 (ISAE 3000), "*Assurance Engagements other than Audits or Reviews of*

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"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.



Historical Financial Information" published by the International Federation of Accountants. This standard requires that we comply with independence requirements and plan and perform the engagement to obtain reasonable assurance about whether the Selected Information is free of material misstatement. A reasonable assurance engagement includes examining, on a test basis, evidence supporting the amounts and disclosures within the Selected Information. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement in the Selected Information due to omissions, misrepresentation and errors. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the Selected Information in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing a conclusion on the effectiveness of the entity's internal control. A reasonable assurance engagement also includes assessing the evaluation criteria used and significant estimates made by management, as well as evaluating the overall presentation of the Selected Information.

The main elements of our work were:

- Obtaining an understanding of the management systems, processes, and controls used to generate, aggregate and report the data;
- Testing relevant controls, documents and records on a sample basis;
- Testing and re-calculating quantitative information related to the Selected Information on a sample basis; and,
- Reviewing the consistency of the Selected Information with the related disclosures in the Annual Report of CESA.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Inherent limitations

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the Selected Information and the methods used for determining and calculating such information. Qualitative interpretations of relevance, materiality and the accuracy of data are subject to individual assumptions and judgements. Furthermore, the nature and methods used to determine such information, as well the evaluation criteria and the precision thereof, may change over time. It is important to read our report in the context of evaluation criteria.

Conclusion

In our opinion, the Selected Information for the year ended December 31, 2014 presents fairly, in all material respects, in accordance with the evaluation criteria listed in Appendix A:

1. The location of collection facilities, and any changes in the number and location of collection facilities from the prior year;
2. The description of how the recovered product was managed in accordance with the pollution prevention hierarchy;
3. The total amount of the producers' product sold and collected and the recovery rate; and
4. The description of performance for the year in relation to targets in the approved stewardship plan.

**Emphasis of matter**

Without qualifying our opinion, we draw your attention to Appendix B which describes why certain items required by the Assurance Requirements to be included in the Appendix A have been excluded. Our opinion is not qualified in respect of this matter.

Other matters

Our report has been prepared solely for the purposes of CESA's compliance with the reporting requirements relating to Sections 8(2)(b), (d), (e) and (g) of 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 CESA, and accordingly, we do not accept any responsibility for loss occasioned to any other party acting or refraining from acting based on this report.

PricewaterhouseCoopers LLP

Chartered Professional Accountants

June 29, 2015



Appendix A to the Assurance Report

1. The location of collection facilities, and any changes in the number and location of collection facilities from the previous report as presented in Section 4 on page 11 and 12 of CESA's Annual Report to the Director, Waste Management.

"At the end of 2014, the program had 176 contracted collection facilities for CESA products."

"Throughout 2014, the collection network expanded to include 13 additional contracted collection facilities for CESA products."

"No collection facilities closed during 2014"

The contents of Table 1: Number of Collection Facilities by Regional District

Evaluation criteria:

- "Collection Facilities" are centres that have a signed contract with Product Care Association (PCA) for the collection of Program Products during the reporting year and may include the following types of centres:
 - Retailers;
 - Recycling Organizations (both for profit and non-profit);
 - Local government recycling centres or transfer stations; or
 - Other associations or businesses.
- Reporting Period: January 1st to December 31st annually
- "Program Products" are all products included in the program as listed in the currently approved product stewardship plans dated August 17, 2011 and March 9, 2012. CESA defines two streams of products included in the program in sourcing collection facilities: "regular" and "very large items." Products that are considered "very large items" include treadmills, elliptical trainers, stationary cycling machines (Category 19) and large, free-standing power tools with built-in stands (select products in Category 17). All other products are considered "regular."
- The number of Collection Facilities is reported on the basis of the number of Collection Facilities that have signed contracts with PCA during the reporting year including those that accept "regular" products and/or "very large items".
- The number of Collection Facilities and the location of each facility are documented in PCA's Access database. Collection Facilities are entered into the database as of the date of the contract.
- The changes in number and location of Collection Facilities are calculated by summing the Collection Facilities that signed contracts within a given reporting year and those that closed within that year. This value is then compared to the difference in total number of collection facilities reported and the equivalent data from the prior year.



2. The description of how the recovered product was managed in accordance with the pollution prevention hierarchy under Section 8(2)(d) of the Recycling Regulation as presented in Section 6 on page 14 and page 15 of the Annual Report to the Director, Waste Management.

"CESA's processor made estimates based on industry knowledge for 11% of the total reported values (7.3% of ferrous metals, 0.5% of wire and cables, 3.1% of copper and 0.1% of circuit boards), in cases where it was difficult to separate items into their pure material commodities."

"For the processor data outlined below, the majority of commodities achieve end-fate within North America, while a proportion of circuit boards are sent overseas."

The contents of Table 3: Percent of Weight Collected by Material Commodity in 2014

- The Pollution Prevention Hierarchy includes the following:
 - "Reuse" includes all Program Products that are refurbished or can be reused "as-is" through either, resale, return to inventory, or given away as a donation.
 - "Recycle" includes:
 - Any Program Product that cannot be Re-used.
 - Any Program Product where the sales agreement strictly prohibits the reuse of that product or requires its destruction.
 - Any Program Product that is harvested for parts.
 - Any commodities that are captured from the recycling process.
 - "Recover" relates to processing activities after the recycling stage and includes:
 - Any element of the Program Product that is harvested to generate energy.
 - "Waste" includes any products not captured in the three streams above.
 - "End of fate" is defined as final processed state of each material commodity before reuse in another product or shipment to landfill.
 - Reporting Period: January 1st to December 31st annually.

Method of reporting

- Processor selection is based on a thorough due diligence process that includes assessment of certifications.
- Materials collected are reported by end of fate both by material commodity and by process on the Pollution Prevention hierarchy:
 - Reuse: No products collected are currently reused.
 - Recycle: Products are listed and quantified by End of fate commodity (e.g., Ferrus Steel, Plastics, Aluminum, Copper, Glass, etc.)
 - Recover: No products collected are currently recovered.



- Waste: Amount of waste going to landfill is quantified.
- End of fate quantities have been determined by sampling CESA Program Product that has been collected and processed by CESA's three primary processors and are expressed as a percentage of total weight collected.



3. The description of total amount of the producer's product sold and collected, and if applicable, the producer's recovery rate, as presented in Section 7.1 and Section 7.2b on page 16 of CESA's Annual Report to the Director, Waste Management.

"The number of CESA products sold, as reported by CESA members for the year 2014, in British Columbia was 7,280,609 units."

"According to weights reported to the program by contracted consolidation facilities, the program collected approximately 3,672,265 kg of regular CESA products between January 1 and December 31, 2014 from contracted collection facilities, large volume end-users and collection events."

Note: Products sold by fee category not subject to assurance. Table 4 ("Approximate Weights Collected by Regional District for Regular Products and Collection Events in 2014") not subject to assurance. Recovery rate has been excluded.

Evaluation criteria:

- "Program Products" are all products included in the program as listed in the currently approved product stewardship plans dated August 17, 2011 and March 9, 2012. CESA defines two streams of products included in the program in sourcing collection facilities: "regular" and "very large items." Products that are considered "very large items" include treadmills, elliptical trainers, stationary cycling machines (Category 19) and large, free-standing power tools with built-in stands (select products in Category 17). All other products are considered "regular."
- "Product Sold" is the amount of all Program Products sold in BC.
- "Product Collected" is the amount of all regular Program Products collected at BC Collection Facilities.
- "Recovery Rate" is the % growth in tonnes of CESA products collected year over year.
- Reporting Period: January 1st to December 31st annually.

Product Collected:

- Quantification of Product Collected is based on an estimated portion of the weight of "regular" products collected at the Collection Facilities.
- These reports are generated by the primary processor(s) who receive comingled CESA Program Products and Program Products from another program (i.e. LightRecycle) in addition to other waste.
- The estimate of CESA's portion of the collected material is based on a monthly sample of 10% of the first shipment received at each processor. The sampling data received from each recycler, for each month, was extrapolated to determine the proportion of CESA products collected versus the proportion of LightRecycle products collected in each particular month. This percentage is applied to the weight of every pick-up from contracted collection facilities during that month.
- The "other waste" is included in the total weight being split between the two programs as the program retains responsibility for disposing of it.
- These collected weights, now adjusted for LightRecycle tonnage, are then summed to provide the total weight of CESA products collected, as reported by the program's consolidation facilities, by Regional District, or for the province as a whole.
- "Very large items" are not managed through the program's recycling process and are therefore not



included in the total weight of Product Collected or the breakdown of collection by region.

- The majority of collection facilities submit monthly unit-based tracking forms to PCA with the number of very large products collected but not their weights.
- Collection Facilities are required to arrange the recycling of these items through a metal recycler of their choice.
- Products Collected are reported by weight broken down by region (based on location of Collection Facility).
- If the conversion of weight to units is conducted, conversion factors used for converting weight to number of units are based on industry provided information per fee category.

Product Sold:

- Quantification of Product Sold is based on monthly self-declared values as reported to CESA by its members through a web portal. This web portal feeds into PCA's accounting software system.
- Product Sold sales figures have associated eco fees which are subject to a financial audit.
- Product Sold is calculated by extracting a report from PCA's accounting software for the reporting period.
- Product Sold is reported in units by fee category. These categories are:
 1. Kitchen Countertop – Motorized Appliances
 2. Kitchen Countertop – Heating Appliances
 3. Kitchen Countertop – Heating Appliances (coffee/tea)
 4. Microwave – 1 cu. Ft and over
 5. Microwave – less than 1 cu. Ft
 6. Time Measurement and Display Devices
 7. Weight Measurement
 8. Garment Care Appliances
 9. Air Treatment Appliances
 10. Desk and Table Top Fans
 11. Full-size Floor Cleaning Appliances
 12. Smaller Floor/Surface Cleaning Appliances
 13. Personal Care Appliances
 14. Designated Very Small Items - Part 1 (categories 1-13)
 15. Test and Measurement tools
 16. Hand-Held Power Tools
 17. Bench, Demolition or Free-Standing Power Tools
 18. Exercise Equipment
 19. Sewing and Textile Machines
 20. Sports/Leisure/ & Arts/Crafts/Hobby Devices
 21. Designated Very Small Items - Part 2 (categories 15-20)

Recovery Rate:

- Is not currently calculated by CESA as a target was not set per the approved stewardship plan.
 - In 2014, a proposed recovery target of 5% greater than the previous year, by tonnage, in each of the years 2014, 2015 and 2016 was sent to the Ministry of Environment.
 - The total amount of product collected will be calculated as per the process outlined above.



4. The description of performance for the year in relation to targets in the approved stewardship plan under Sections 8(2)(b), (d) and (e) in accordance with 8(2)(g) of the Recycling Regulation as presented in Section 9, Table 6 on page 19 of CESA's Annual Report to the Director, Waste Management.

Performance Measure	Plan Target	2014 Result
# of Collection Sites	75 by the end of 2013; 100 by the end of 2014	176
Absolute Collection and Recovery Rate (if applicable)	5% annual increase in total tonnage collected for each year between 2014 and 2016	Absolute collection for the program grew by 15% from 2013 to 2014.

Note: Greenhouse gas emissions not subject to assurance. Performance for the year in relation to select targets in the approved stewardship plan under Sections 8(2) (d) and (e) of the Recycling Regulation have been excluded. See evaluation criteria below.

Evaluation criteria:

- Specific targets set out in the approved "CESA BC Product Stewardship Plan - Part 1: Phase 4 Products (October 1, 2011)" and "CESA BC Product Stewardship Plan - Part 2: Phase 5 Products (July 1, 2012)".
 - Section 8(2)(b) – "Number of collection sites - 60 by the end of 2012, 75 by the end of 2013 and 100 by the end of 2014"
 - Section 8(2)(d) - no target set for how the product is managed in accordance with the pollution prevention hierarchy
 - Section 8(2)(e) - no targets set for product sold
 - Section 8(2)(e) – "absolute collection (units and/or weight collected) - target is that CESA will have a 5% annual increase in total tonnage collected for each year between 2014 and 2016"
 - Section 8(2)(e) – no target for recovery rate



Appendix B to the Assurance Report

CESA has not reported the recovery rate for the year in accordance with 8(2)(e) of the Recycling Regulations for the year ended December 31, 2014 as the approved stewardship plan does not outline the requirement to report recovery rates. Alternatively, an absolute collection recovery target of 5% greater than the previous year, by tonnage, in each of the years 2014, 2015 and 2016 was established by CESA and reported in the Annual Report.

CESA has not reported its performance for the year in relation to approved targets under 8 (2)(d) and (e) in accordance with 8 (2) (g) of the Recycling Regulation for the year ended December 31, 2014 as CESA is not required to report this to the Director as there are no targets set in the approved stewardship plan for these sections applicable to the reporting year.