



2024

**BC BREWERS RECYCLED
CONTAINER COLLECTION COUNCIL
Annual Report to the Director**

Submitted to:

Executive Director
Environmental Standards Branch
Ministry of Environment
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BRCCC 2024 Annual Stewardship Report

Introduction

BRCCC is dedicated to best in class environmental stewardship by maximizing the return rate and high value recycling of alcoholic beverage containers and associated packaging. For over 90 years, predating regulatory mandates, the Beer Industry has spearheaded a deposit return system, notably as the sole system in the Country that refills glass bottles. The reusable beer bottle, reused an average of 15 times before recycling, stands as a beacon of sustainable packaging and exemplifies circular economy principles amidst the current waste crisis. Leveraging the brewers' distribution and retail networks, BRCCC's high performance and efficient collection system synchronizes empty container returns with full goods deliveries, markedly reducing greenhouse gas emissions and waste. Moreover, BRCCC implements practices such as crushing cans before shipping to streamline transportation routes and diminish the number of trucks on the road.

In 2024, the people of British Columbia returned more than 635 million BRCCC containers. This remarkable effort, combined with the support of BC residents and our partners, enabled BRCCC to maintain an overall program return rate of 91.07%. This achievement continues to mark the highest container recovery rate of all packaging sold in the Province, extending BRCCC's consistent annual program performance of over 90%.

Through its sustained performance, BRCCC demonstrates its unwavering commitment to producer responsibility and the circular economy.

KPMG was engaged to provide an assurance opinion on a selection of measures identified with this symbol '^' as at and for the period ended December 31, 2024.

1. Executive Summary

Products within plan:	Refillable Glass Beer, Cider & Cooler Containers, Metal Beverage Alcohol Cans and Secondary Packaging
Program website:	http://www.EnviroBeerBC.ca

Recycling Regulation Reference	Topic	Summary
Part 2, Section 8(2)(a)	Public Education Materials & Strategies Schedule 1 & 5	<ul style="list-style-type: none"> Updated location tool on EnviroBeerBC.ca website to make it easier to navigate and find return locations Consumer awareness survey conducted in 2021 indicated 91% awareness in Schedule 1 program and 52% awareness in Schedule 5 program Became champion partner of Circular Economy Month in 2022 and 2023, highlighting the program's circular commitments and achievements. Engaged over 22,000 pageviews during the campaign and featured in binational media Partnered with Novelis to promote aluminum recycling through social media channels
Part 2, Section 8(2)(b)	Collection Systems & Facilities Schedule 1 & 5	<ul style="list-style-type: none"> BRCCC delivers beer to retail locations and licensed establishments and collects containers at retail locations, licensed establishments, and container depots BDL operates a warehouse facility and delivery vehicles in BC There are 1,181^ container redemption facilities for BRCCC program containers in the province; see tables 1 and 2 for breakdown by return location type and by regional district, respectively
Part 2, Section 8(2)(c)	Product Environmental Impact Reduction, Reusability & Recyclability Schedule 1 & 5	<ul style="list-style-type: none"> All primary containers are either reused (refilled) or recycled All associated secondary packaging is returnable and recyclable Estimated waste diversion rate of 13,438 TN, avoided 84,395 TN of CO₂E associated with containers
Part 2, Section 8(2)(d)	Pollution Prevention Hierarchy & Product Component Management Schedule 1 & 5	<ul style="list-style-type: none"> Reduction of new materials used continues to be recognised through the reuse of refillable bottles Brewers receiving bottles for refilling have expressed intent to continue to refill those containers 100%^ of aluminum containers collected were recycled in 2024 100%^ of refillable glass collected is either sent for intended re-use by brewers or recycling (99%^ sent to brewers for re-use, 1%^ sent directly to a glass recycler for recycling) 100%^ of material reported as collected packaging, sent to a recycler for recycling

Part 2, Section 8(2)(e)	Product Sold and Collected & Recovery Rate	<ol style="list-style-type: none"> 697.6 million containers sold and 635.3 million containers recovered 91.07%^ recovery rate 68.24%^ Secondary Packaging recovery rate
Part 2, Section 8(2)(e.1)	Schedule 1 & 5	See Section 7 for estimated breakdown per regional district.
Part 2, Section 8(2)(f)	Summary of Deposits & Refunds Schedule 1	Deposits Received: \$69,358,934^ Deposits Refunded: \$63,654,465^ Audit of B.C. Brewers' Recycled Container Collection Council Financial Statements was conducted by KPMG LLP.

Comparison of Key Performance Targets Part 2 – Section 8(2)(g); See full list of targets in Plan Performance		
Priority Stewardship Target (as agreed with Ministry File Lead)	Performance	Strategies for Improvement
1. Container Return Rates 87.5% recovery/collection rate in each container category	Targets Partially Achieved: <ul style="list-style-type: none"> 97.83%^ return rate for refillable industry standard bottles (ISB) 79.71%^ return rate for refillable proprietary glass bottles 91.08%^ return rate for aluminum cans 91.07%^ return rate overall 	<ul style="list-style-type: none"> Improve strategy for collection of refillable proprietary glass bottles Continue to communicate with brewers and collection network regarding categorization of containers
2. Secondary Packaging Return Rates 75% Recovery/Collection rate of secondary packaging material	Target Not Achieved: <ul style="list-style-type: none"> 68.24%^ recovery/collection rate attained for secondary packaging 	<ul style="list-style-type: none"> Work with existing depot partners to obtain more system material Identify new partners to meet target objectives.
3. Consumer Accessibility for Containers Improve consumer access to BRCCC return locations to 385 (305 LRS, 80 depots) with at least 1 contracted return location in each regional district	Targets Partially Achieved: <ul style="list-style-type: none"> 159^ return locations (75 LRS, 84 depots) 27 of 28 regional districts with at least 1 contracted return location 	<ul style="list-style-type: none"> Continue reviewing current coverage levels to identify key areas for depot and contracted LRS expansion Undertake additional drive time studies to identify potential areas that require increased coverage

4. Consumer Accessibility for Secondary Packaging 1,160 total return locations	Target Achieved: <ul style="list-style-type: none"> 1,181^ total return locations in the BRCCC network Materials received from Recycle BC are collected through the Recycle BC network which includes additional collection locations not included in the 1,181^ reported in the BRCCC network 	N/A
5. Consumer Accessibility for Drive Time 80% of population within 10 minute drive of BRCCC authorized return location	Target Achieved: <ul style="list-style-type: none"> 80% of population within a 10 minute drive of a BRCCC authorized return location 	N/A
6. Consumer Awareness: Promotion/Education Initiatives 3 net new consumer promotion/education initiatives throughout the Schedule 1 & 5 plans	Target Achieved: <ul style="list-style-type: none"> At least one net new consumer promotion/education initiative rolled out in each program year 	N/A
7. Consumer Awareness: Level of Consumer Awareness 75% level of consumer awareness on consumer awareness survey	Target Partially Achieved: <ul style="list-style-type: none"> 52% consumer awareness survey result 	<ul style="list-style-type: none"> Continue to promote the collection system and educate the public to increase awareness
8. Pollution Prevention 100% of collected materials for re-use or to recycling commodity markets Secondary Packaging: <ul style="list-style-type: none"> Report in accordance with PHP Track end fate of materials in annual stewardship audit 	Targets Achieved: <ul style="list-style-type: none"> Aluminum: 100%^ processed for metal recovery Refillable Glass Bottles: <ul style="list-style-type: none"> 99%^ of material shipped, sent to brewers for reuse (100%^ of which were intended to be refilled) 1%^ of material shipped, sent directly to a glass recycler for recycling by BDL 100%^ of material reported as collected, sent to a recycler for recycling 	<ul style="list-style-type: none"> Continue to ensure service providers meet processing standards Work with brewers and other collection locations to strengthen reporting and tracking systems

2. Program Outline

The BC Brewers Recycled Container Collection Council (BRCCC) is a not-for-profit BC society, whose members represent over 95% of overall beer production in BC and the majority of import production. Those producers appointing BRCCC as their stewardship agency under Schedule 1 and Schedule 5 of the Recycling Regulation are comprised of breweries and other beverage alcohol manufacturers, including those operating in the province in addition to import brewers who designate BRCCC as their product steward when they obtain LDB approval to sell their products in BC.

Brewers Distributor Limited (BDL) is a joint venture company owned by Labatt Breweries of Canada and Molson Coors Beverage Company that provides distribution services throughout Western Canada for the majority of brewers that sell into British Columbia. BDL operates warehouses and distribution facilities throughout British Columbia and distributes beer to provincially licenced liquor stores including government-run Liquor Distribution Branch (LDB) outlets, private licensee retail stores (LRS), and LDB rural agency stores (private businesses authorized by the LDB to sell liquor with other goods in small or remote communities), as well as bars, restaurants, and other licensed establishments.

BDL acts as the service provider to BRCCC, operating the stewardship program. On behalf of the BRCCC, BDL collects refillable glass beer, cider, and cooler bottles as well as imported and domestic metal beverage alcohol cans sold in British Columbia and the secondary packaging that accompanies those items (paperboard cartons, trays, etc.). This recovery happens predominately in conjunction with the distribution of full goods, with container returns occupying trailers returning from delivering full goods to retail and private sites.

As such, reverse logistics creates efficiency in the system in the upstream reduction of energy, materials, and water inputs. BRCCC has also long-practiced crushing cans before shipping to optimize transportation routes and reduce the need for trucks on the road, valuing efficiency and operational effectiveness that contributes to the circular economy.



BRCCC is the only packaging stewardship program that supports reuse through refill. BDL's return collection system includes the beer industry standard refillable glass bottle (ISB), non-standard proprietary refillable beer, cider, and cooler bottles and metal beverage alcohol cans as well as the packaging that accompanies these containers, and the packaging associated with non-refillable beer containers as applicable. BDL's distribution and collection also extends to beer kegs. Beverage alcohol sold in these containers includes a deposit which is paid by the consumer at the point of purchase and returned at the point of return. BRCCC has also established a cost recovery mechanism for cans and secondary packaging, which funds BRCCC's product stewardship

functions through its subscribers. All costs associated with BRCCC and its container recovery system are internalized within the brewers' operating costs.

Consumers are able to return all program containers and associated packaging to any retail location where beer is sold or to a BRCCC authorized container return depot. BDL collects containers and packaging from these retail locations and authorized depots, as well as from licensees like bars and restaurants. Intact refillable containers are returned to the brewers to be reused in the brewing process an average of 15 times, while damaged or broken bottles are sent to be recycled into new, high-end products including new bottles and fibreglass insulation. Aluminum cans are compacted and were sent to be recycled into new cans and other aluminum-based products. Paper packaging is sent to a number of recyclers to be turned into liner board used to make drywall, boxboard rolls to create packaging such as cereal boxes and tissue rolls.

Information on BRCCC's product stewardship systems can be found at EnviroBeerBC.ca.

3. Public Education Materials & Strategies

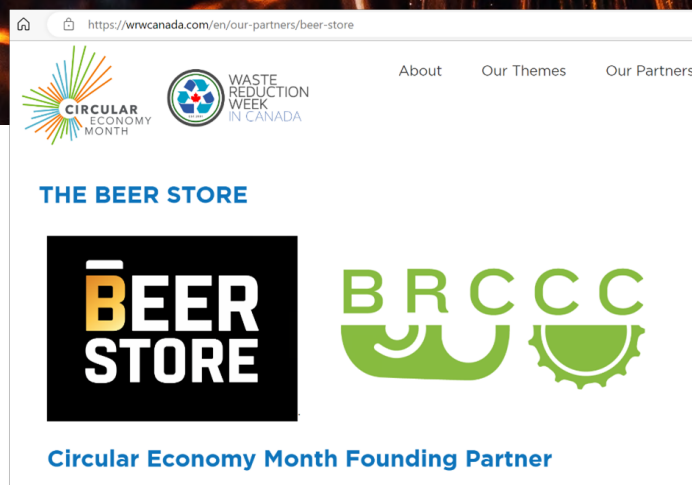
BRCCC updated the location tool on the EnviroBeerBC.ca website to make it easier to find return locations around the province. New posters were issued to some depot locations to help reduce confusion regarding bringing BRCCC containers to the counter for refund at applicable locations.

BRCCC enjoys strong consumer awareness levels in BC for its recovery program, with very high

levels of consumer satisfaction with regards to service at return locations. In 2021, the BRCCC undertook a consumer awareness survey with respect to its container (Schedule 1) and secondary packaging (Schedule 5) stewardship programs in BC. Results of the survey confirmed that BRCCC's program for beer containers was very well-known with 91% of respondents being aware of the deposit program for beverage alcohol containers. 52% of respondents knew that the original packaging of these containers can also be returned as part of the program, however 61% of respondents did return the original packaging along with the containers. BRCCC will continue to ramp up awareness efforts about secondary packaging recovery in BC, including social media campaigns.

The secondary packaging program was launched in 2017 and saw a number of announcements and updates made to help educate stakeholders about the program to reinforce the effectiveness of the container recovery program while at the same time introducing the complimentary secondary packaging program. BRCCC also features can and bottle recycling videos on the homepage of its website <http://www.envirobeerbc.ca>. The videos provide tips on returning empty containers and associated packaging and show what happens to those containers after they have been returned. In 2022, BRCCC was a founding partner of Canada's very first Circular Economy Month campaign which highlighted the program's circular commitments and achievements. BRCCC was a champion partner in 2023 that engaged over 22,000 webpage views during the campaign and achieved 200M binational media impressions to support waste reduction and the circular economy.

In 2023, BRCCC also partnered with Novelis to promote aluminum can recycling through social media channels (see image on next page). Overall, BRCCC continues efforts to a) educate

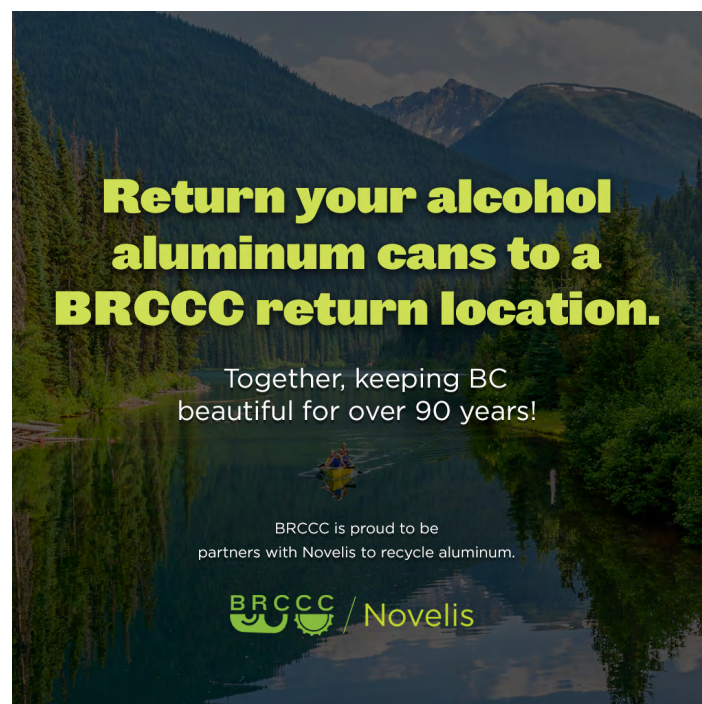


Recycling Hotline, the RCBC website and the Recyclepedia. BRCCC also directs consumers to the 'BC Recycles' portal as a one-stop location for information on recycling in BC. Additionally, BRCCC actively participates and sponsors stewardship and recycling related events, such as the annual conference of Coast Waste Management Association (CWMA).

stakeholders – principally the consumer – about BRCCC and how its stewardship system operates and the environmental benefits it delivers; and b) promoting the authorized return locations within its stewardship network.

BRCCC worked with ABLE BC in 2023 to secure additional private retail liquor locations to support collections. BRCCC sponsored ABLE BC's Spark Conference in 2023 as they regularly inform their members of this benefit through newsletters, publications, and surveys.

Finally, BRCCC continues to maintain its membership through 2024 in the Stewardship Agencies of BC (SABC). As a member of SABC, BRCCC funds the Recycling Council of BC's (RCBC) various consumer information vehicles, such as the



4. Collection System and Facilities

Consumers can return all program containers and related secondary packaging to BRCCC Authorized Depots, Licensee Retail Stores (LRS), Government Liquor Stores (GLS) and Rural Agency Locations (RAL) for their deposit redemption. BRCCC, through BDL, also provides on-site collection services through thousands of licensed establishments (i.e. restaurants and bars). Table 1

provides the number and type of operating collection facilities within the province. In 2024, BDL consolidated collection, sorting, and storage of containers into one warehouse location. Transport and distribution of product and collection of containers is supported by an internal fleet of BDL vehicles as well as use of third-party carriers, where required. BRCCC also accepts all secondary packaging associated with containers for return and recycling.

Table 1 – BC Container Redemption Locations for Beer Containers & Secondary Packaging

Return Location Type	2024	2023
BDL Authorized Depots	84	84
Licensee Retail Stores	672	675
Government Liquor Stores	198	198
Rural Agency Locations	227	225
Grand Total	1181[^]	1182[^]

Currently (2024), there are 1,181^ retail and authorized depot redemption centres available for container collections across British Columbia. This is a decrease of one from the number of locations from 2023. BRCCC, through BDL, continues to monitor coverage levels to identify key areas for LRS contracted expansion that would improve the consumer experience as well as overall

productivity of the program. BRCCC facilitates a high rate of return of containers through its convenient and numerous collection facilities within all regional districts of British Columbia, as outlined in Table 2. BRCCC does not currently have a contracted location in Central Coast and is actively exploring unlimited return options in that Regional District.

Table 2 – Number of Collection Locations by Regional District

Regional Districts	2024 (All Locations)	2023 (All Locations)	2024 (Contracted Locations)	2023 (Contracted Locations)
Alberni - Clayoquot	17^	17^	6^	6^
Bulkley - Nechako	21^	21^	5^	5^
Capital	87^	86^	15^	15^
Cariboo	40^	40^	6^	5^
Central Coast	4^	4^	0^	0^
Central Kootenay	42^	42^	5^	5^
Central Okanagan	52^	53^	4^	5^
Columbia - Shuswap	37^	37^	3^	2^
Comox Valley	24^	24^	4^	4^
Cowichan Valley	29^	29^	6^	6^
East Kootenay	35^	35^	3^	3^
Fraser - Fort George	38^	37^	12^	12^
Fraser Valley	79^	80^	8^	9^
Greater Vancouver	320^	316^	34^	36^
Kitimat - Stikine	16^	176^	7^	7^
Kootenay Boundary	15^	16^	1^	1^
Mount Waddington	18^	18^	2^	2^
Nanaimo	50^	50^	6^	7^
North Okanagan	34^	34^	2^	2^
Northern Rockies	3^	3^	1^	1^
Okanagan - Similkameen	39^	38^	5^	5^
Peace River	30^	32^	4^	4^
qathet	14^	14^	2^	2^
Skeena - Queen Charlotte	10^	10^	2^	2^
Squamish - Lillooet	21^	21^	4^	4^
Strathcona	28^	28^	4^	5^
Sunshine Coast	16^	16^	2^	2^
Thompson - Nicola	62^	64^	6^	6^
Grand Total	1181^	1182^	159^	163^

In 2018, the BRCCC conducted a drive time study and concluded that 80% of British Columbia residents are within a 10-minute drive of a BRCCC authorized return location. Furthermore, BRCCC reviewed its program coverage in 2021 based on SABC's accessibility standard that determined 98% of communities in British Columbia (with a population greater than 4,000) have access to a BRCCC authorized return location. Consumers can visit www.EnviroBeerBC.com/Locations/ to search for the closest authorized BRCCC Depot or retail location by postal code.

With the introduction of Schedule 5, secondary packaging (beer, cider, and cooler packaging), the reporting rights to some material is also purchased in accordance with contractual arrangements between BRCCC and other recyclers. In 2024, 1,230 tonnes of material were acquired from Recycle BC in the calendar year. In total, the reporting rights purchased from other recyclers was 1,925.9 tonnes. This partnership supports additional capture of secondary packaging associated with one-way glass containers and other beer and cider packaging that may not have otherwise come back with the containers. This material was collected via the Recycle BC network, adding to the collection locations outlined in the tables above.

5. Product Environmental Impact Reduction, Reusability and Recyclability

BRCCC's mission is to continue to lead the way in environmental stewardship to achieve the highest return rate for alcoholic beverage containers and related packaging. The beer industry has taken back containers and packaging in the province since the end of Prohibition over 90 years ago and this practice continues today. The foundation of

BDL's business strategy remains the efficient collection and recycling of containers and packaging, maximizing return rates, fundamental to achieving environmental goals, and ensuring fewer raw materials are in use in the brewing process. Providing consumers with the ability to take-back returns at retail establishments generates high returns on containers and packaging and does so in a cost-effective manner. Coordinating the redistribution of trailer space between full goods and returned containers reduces fuel consumption, which minimizes environmental impact and operating costs. The cost-effectiveness of the system enables the brewing sector to maintain production in refillable containers and encourages new brewers in BC to prefer refillable over non-refillable containers. Each new entrant who chooses to use refillable containers continues to reduce the environmental impact of the industry and contributes to its exceptional return rates.

The pillar of BDL's business model is the recovery rates of the containers and by extension the related secondary packaging as the majority of the bottles returned to a collection location are done so in their original packaging. All secondary packaging produced by brewers in BC is 100% recyclable and by returning it to a collection location along with the containers, it ensures that cardboard and plastic are being kept out of landfills. Through the network of return locations, these resources are optimized for high-end recycling and sold back to industry to be used again.

In order to maximize the efficiency of the production cycle, the Canadian beer industry has developed an industry standard bottle (ISB), which is available to every brewer in the country. The use of a standard bottle limits the need and cost for specialized handling and storage of bottles returning to different brewers, significantly improving the production efficiencies by eliminating the need for



brewers to perform costly packaging line change-overs. Presently there are numerous western Canadian breweries that are signatories to the Standard Mould Bottle Agreement (sometimes referred to as the Industry Standard Bottle Agreement) and sell their products in the ISB. The closed-loop cycle and economic efficiency of the British Columbia brewers' reuse and recycling system extends its benefits as savings to the consumers and to the environment, making it an exemplary model of a circular economy.

BRCCC's container redemption system generates one of the highest return rates for aluminum cans in North America. Producing cans from recycled aluminum instead of virgin aluminum reduces the energy resources used and associated pollution.

The secondary packaging (the outer box) acts as the transportation vessel that the refillable containers are transported back to brewers in.

6. Pollution Prevention Hierarchy and Product/Component Management

The Schedule 1 product stewardship plan outlines two types of containers to be used by the BRCCC brand owners: refillable glass bottles and recyclable metal (principally aluminum) cans. According to the expanded pollution prevention hierarchy of material management, reuse and recycle are among the most favourable forms of prevention (see Figure 1)¹. BRCCC remains committed to ensuring the use of 100% recyclable and non-toxic containers, each with their own well-established secondary markets. The long-standing history of the refillable glass bottle along with its substantial environmental benefits sets its precedent as the preferred container type among brewers, especially when compared to one-way glass containers. Each time a glass bottle is reused, the total amount of raw materials needed to produce new is reduced, as well as the associated energy resources needed to produce new glass stock. This helps the beer industry significantly reduce its CO2 emissions and energy. Operationally, the washing and cleaning of refillable bottles requires much less energy and water as compared to the



Cans are crushed before shipping to optimize transportation routes and to reduce need for trucks on the road.

production of new glass. For each tonne of aluminum recycled, over 200 GJ of energy are saved in avoided production processes including: bauxite mining, alumina refining, and electrolysis².

The number of refillable glass bottles shipped to brewers for re-use is tracked and recorded by BDL, as well as the weight of broken or culled glass shipped directly to glass recyclers. BDL's records also include the weights of aluminum cans that are crushed into "biscuits" and shipped to aluminum recyclers. In 2024, 100% of the aluminum and glass containers sent from BDL to recyclers was recycled. By reusing and recycling containers and packaging, then releasing the containers back into the market, brewers maintain their commitment to the environment and ensure that the recycling operations done by BDL are utilized to the fullest. Table 3 shows the results for the materials recovered in 2024.

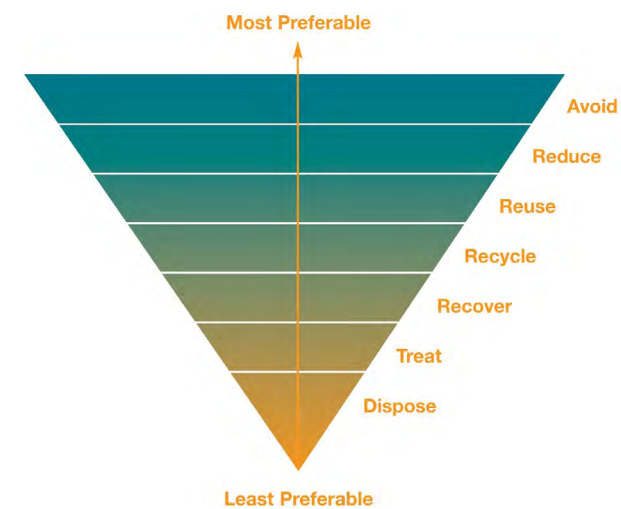


Figure 1 - Pollution Prevention Hierarchy

¹ See Zero Waste SA: South Australia's Waste Strategy 2011-2015. 2011 Report

² PE Americas. Life Cycle Impact Assessment of Aluminum Beverage Cans. 2010 Report

Table 3: Results of Recovered Containers & Packaging 2024

Type of Container	Results of Recovered Material	
Aluminum Cans	100%^ Processed for metal recovery	
Refillable Glass Bottles	100%^ of the material sent to brewers were intended to be refilled	
	99%^ of material shipped, sent to brewers for reuse	1%^ of material shipped, sent directly to a glass recycler for recycling by BDL
Secondary Packaging	100%^ of material reported as collected, sent to a recycler for recycling	

BRCCC’s product stewardship system for containers also results in energy savings and reduced greenhouse gas (GHG) emissions, which are significant and are outlined in Table 4. The estimated GHG reductions associated with the program’s recycling and reuse in 2024 are equivalent to pulling over 19,686³ cars off provincial roads.

³ <https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>

Table 4 - Energy, Greenhouse Gas, and Avoided Pollutants Associated with BRCCC Container Recovery 2024

Pollution Prevention Metric	Glass Reuse & Recycling	Aluminum Recycling	Total Diversion
Weight of Materials Diverted (tonnes)	4,895	8,544	13,438
Avoided GHG Emissions (MT-CO2-eq)	1,860	82,535	84,395
Avoided Energy Consumption (GJ)	33,283	746,400	779,683
Avoided Pollution - Nitrogen Oxides (tonnes)	8	268	277
Avoided Pollution - Sulphur Oxides (tonnes)	30	780	810
Avoided Pollution - Particulate Matter (tonnes)	18	271	289
Avoided Pollution - Solid Waste (tonnes)	326	36,713	37,040

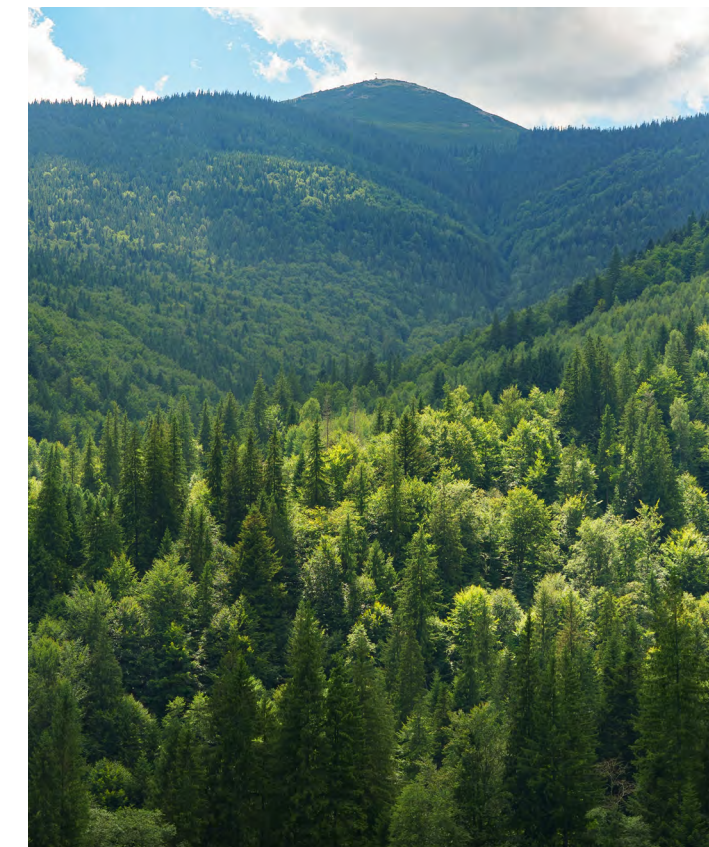
Note: Figures in table have been rounded

The significant environmental savings associated with recycling aluminum extend from energy reduction to direct atmospheric emissions. Nitrogen oxides, sulphur dioxides, and particulate matter emissions are reduced by over 60%, 90%, and 95% respectively when aluminum products are made from recycled materials. In 2024, the estimated total emission reductions of nitrogen oxides, sulphur oxides and particulate matter from recycling aluminum and reusing glass bottles in BC are 277, 810, and 289 metric tonnes respectively.

Additionally, the production of aluminum generates solid waste that is four and a half times heavier than the resulting aluminum. The BRCCC container recovery system ensures the reduction of significant quantities of virgin aluminum or glass production through reuse and recycling. An estimated 37,040 metric tonnes of solid waste were prevented in 2024 as a result of BRCCC’s container management. This prevented waste figure excludes approximately 13,438 tonnes of reused or recycled materials already diverted from provincial landfills in 2024 due to BRCCC’s efforts. Combined, these totals represent BRCCC’s accumulative impact of roughly 50,478 tonnes of reduced solid waste production annually – equivalent to approximately \$7.1 million in Vancouver tipping fees⁴. In summary, BRCCC continues to deliver outstanding results for British Columbia’s environment through its product stewardship program.

Since BRCCC began to run its schedule 5 program to recover secondary packaging associated with beer and cider, the vast majority of this packaging is boxboard/cardboard, such as can cases and beer boxes. These materials are then sent to a recycler and eventually make their way into a variety of products including cereal boxes and drywall components.

⁴ Based on Vancouver tipping fee of \$141 per tonne for waste disposal. [Tipping Fee | Metro Vancouver](#)



7. Product Sold and Collected and Recovery Rate

Return, reuse, and recycling rates for most BRCCC container categories exceeded the 87.5% performance target established under the stewardship plan and also greatly exceed the 75% mandated target set under the Environmental Management Act. Refillable proprietary bottles which represent only 1.1% of total container sales, were below plan targets at 79.71%^ . In 2024, BRCCC’s product stewardship plan collected over 635 million containers with an overall program return rate of 91.07%^ which means that BRCCC has consistently achieved an overall return rate above the mandated target for well over a decade. Table 5 outlines a summary of the recovery rate by container type for 2024.

Table 5a – BRCCC Container Recovery Rates 2024

Container Type	Sales Dozens	Returns Dozens	Recovery Rate (%)
Cans	56,440,565 [^]	51,406,542 [^]	91.08% [^]
<i>Refillable Glass Containers</i>			
Industry Standard Bottles	1,033,850 [^]	1,011,418 [^]	97.83% [^]
Non-Standard Bottles	655,664 [^]	522,633 [^]	79.71% [^]
<i>Total Refillables</i>	1,689,514 [^]	1,534,051 [^]	90.80% [^]
Total All Containers	58,130,079 [^]	52,940,593 [^]	91.07% [^]

Note: Figures in Table 5 have been rounded

Table 5b – BRCCC Secondary Packaging Recovery Rates 2024

Packaging Type	Tonnes Generated	Tonnes Recovered	Recovery Rate (%)
Secondary Packaging	4,072 [^]	2,779 [^]	68.24% [^]

Secondary Packaging and Other Containers

BRCCC is proud to have been collecting and recycling secondary packaging included in Schedule 5 (Packaging and Printed Paper) of the BC Recycling Regulation for decades prior to its enactment. Since 2017, in addition to refillable beer and alcohol containers, the BRCCC has been operating a program that formally includes the collection of associated secondary packaging as well as imported beer and ciders. BRCCC provides a return and recycle option for all associated packaging related to every product sold to customers.

BDL also sells and facilitates the collection and reuse of beer kegs. Steel beer kegs have an expected service life of over 30 years and require no additional packaging. In 2024, BDL sold approximately 226,093 kegs primarily to licensed establishments. The efficiency of the closed loop collection system offered by BDL ensures similar results for kegs as other stewardship program containers. In 2024, the return rates for these container types were in excess of 96%. This volume is equivalent to over 3.2 million cases of packaged beer⁵, which translates to approximately 513.6 tonnes of aluminum or 10,292.9 tonnes of glass bottles⁶.

Table 6 below provides estimated diversion rates by regional district. As BRCCC does not compile sales or collection data by Regional District, the values for diversion estimates were assumed to follow the per capita distribution for each district. Population distribution estimates for 2024 were obtained from the BC Stats website⁷.

⁵ Assumed 58.67L Kegs and 12 x341 glass bottles as a package

⁶ Assumed 7lbs/case of glass bottles and 1lbs per 33 355ml cans

⁷ Source: <https://www2.gov.bc.ca/gov/content/data/statistics/people-population-community/population/population-estimates>

Table 6 - 2024 Program Diversion Estimates by Regional District (Based on Collected Materials)

Regional Districts	Aluminum Units (000)	Aluminum Weight (Tonnes)	Glass Units (000)	Glass Weight (Tonnes)	Total Units (000)	Total Schedule 1 Weight (Tonnes)	Secondary Packaging Weight (Tonnes)	Total Weight (Tonnes)
Alberni-Clayoquot	3,921	54	117	31	4,038	85	18	103
Bulkley-Nechako	4,267	59	127	34	4,394	92	19	112
Capital	49,831	685	1,487	393	51,318	1,078	224	1,303
Cariboo	7,231	99	216	57	7,447	156	33	189
Central Coast	435	6	13	3	448	9	2	11
Central Kootenay	7,440	102	222	59	7,662	161	34	195
Central Okanagan	27,250	375	813	215	28,063	590	123	712
Columbia-Shuswap	6,755	93	202	53	6,957	146	30	177
Comox Valley	8,582	118	256	68	8,838	186	39	224
Cowichan Valley	10,313	142	308	81	10,620	223	46	270
East Kootenay	7,852	108	234	62	8,086	170	35	205
Fraser-Fort George	11,502	158	343	91	11,845	249	52	301
Fraser Valley	39,257	540	1,171	310	40,428	850	177	1,026
Greater Vancouver	336,554	4,626	10,043	2,657	346,597	7,283	1,516	8,799
Kitimat-Stikine	4,567	63	136	36	4,704	99	21	119
Kootenay Boundary	3,828	53	114	30	3,942	83	17	100
Mount Waddington	1,235	17	37	10	1,272	27	6	32
Nanaimo	20,148	277	601	159	20,750	436	91	527
North Okanagan	10,804	149	322	85	11,126	234	49	282
Northern Rockies	502	7	15	4	517	11	2	13
Okanagan-Similkameen	10,166	140	303	80	10,470	220	46	266
Peace River	7,294	100	218	58	7,511	158	33	191
qathet	2,496	34	74	20	2,570	54	11	65
Skeena - Queen Charlotte	2,065	28	62	16	2,126	45	9	54
Squamish-Lillooet	6,109	84	182	48	6,291	132	28	160
Strathcona	5,571	77	166	44	5,738	121	25	146
Sunshine Coast	3,703	51	111	29	3,814	80	17	97
Thompson-Nicola	17,199	236	513	136	17,712	372	77	450
British Columbia	616,879	8,479	18,409	4,871	635,287	13,350	2,779	16,129

Summary of Deposits, Refunds, Revenues and Expenditures

Costs associated with the collection systems are managed by BRCCC, which operates on a non-profit basis.

a. Refillable Bottles

In the case of refillable bottles, manufacturers are assessed a per-dozen fee for the collection, sorting and return of containers based on projected and audited costs. Costs associated with cleaning and reusing refillable bottles are borne by the manufacturer.

b. Recycled Cans

BRCCC retains unredeemed deposits with respect to can sales as well as revenues from aluminum material sales to offset costs related to administration, transportation, collection, sorting fees, and

infrastructure. BDL, on behalf of BRCCC, has also entered into service agreements with several container return depots for collection and sorting services. BRCCC revenues collected from both cans and bottles pay return location partners for the collection, sorting, and return of BRCCC containers.

In the case of the Liquor Distribution Branch, BRCCC continues to operate under an agreement with the agency offering handling fees for each container collected from its stores. Licensee retail stores that sign up as contracted collection partners are also paid a handling fee for each container collected.

In accordance with the Recycling Regulation, Table 7 outlines the deposits received and paid for each container type.

Table 7 2024 Deposit Summary

	Cans	Industry Standard Bottles (ISB)	Non-ISB Refillable Bottles	Total
Deposits Received (\$)	\$67,341,507 [^]	\$1,230,933 [^]	\$786,494 [^]	\$69,358,934 [^]
Refunds Paid (\$)	\$61,776,098 [^]	\$1,251,208 [^]	\$627,160 [^]	\$63,654,465 [^]

Note: An audit of B.C. Brewers' Recycled Container Collection Council Financial Statements was conducted by KPMG LLP.

Secondary Packaging

Costs related to the recovery of secondary packaging are assessed to program brewers based on a per tonne rate set annually which is intended to cover any costs related to the collection of secondary packaging. The efficient collection method has been in place for decades and is critical to maintaining cost efficiencies.

8. Plan Performance

Target	2024 Performance	Strategies for Improvement
87.5% recovery/collection rate in each container category	<ul style="list-style-type: none"> 97.83%[^] return rate for refillable industry standard bottles (ISB) 79.71%[^] return rate for refillable proprietary glass bottles 91.08%[^] return rate for aluminum cans 91.07%[^] return rate overall 	<ul style="list-style-type: none"> Improve strategy for collection of refillable proprietary glass bottles Continue to communicate with brewers and collection network regarding categorization of containers
75% Recovery/Collection Rate of secondary packaging material	<ul style="list-style-type: none"> 68.24%[^] recovery/collection rate attained for secondary packaging 	<ul style="list-style-type: none"> Work with existing depot partners to obtain more system material Identify new partners to meet target objectives.
Accessibility Targets: Containers – Improve consumer access to BRCCC return locations to 385 (305 LRS, 80 depots) with at least 1 contracted return location in each regional district	<ul style="list-style-type: none"> 159[^] return locations (75 LRS, 84 depots) 27 of 28 regional districts with at least 1 contracted return location 	<ul style="list-style-type: none"> Continue reviewing current coverage levels to identify key areas for depot and contracted LRS expansion Undertake additional drive time studies to identify potential areas that require increased coverage
Accessibility Targets: Secondary Packaging –1,160 total return locations	<ul style="list-style-type: none"> 1,181[^] total return locations in the BRCCC network Materials received from Recycle BC are collected through the Recycle BC network which includes additional collection locations not included in the 1,181[^] reported in the BRCCC network 	N/A
Accessibility Targets: Drive Time – 80% of population within 10 minute drive of BRCCC authorized return location	<ul style="list-style-type: none"> 80% of population is within a 10 minute drive of a BRCCC authorized return location 	N/A
Consumer Awareness: Promotion/Education Initiatives – 3 net new consumer promotion/education initiatives throughout the Schedule 1 & 5 plans	<ul style="list-style-type: none"> At least one net new consumer promotion/education initiative rolled out in each program year 	N/A

<p>Consumer Awareness: Level of Consumer Awareness</p> <p>– 75% level of consumer awareness on consumer awareness survey</p>	<ul style="list-style-type: none"> • 52% consumer awareness survey result 	<ul style="list-style-type: none"> • Continue to promote the collection system and educate the public to increase awareness
<p>Pollution Prevention Hierarchy/ Product Life Cycle Targets:</p> <p>100% of collected materials for re-use or to recycling commodity markets</p> <p>Secondary Packaging:</p> <ul style="list-style-type: none"> • Report in accordance with PHP • Track end fate of materials in annual stewardship audit 	<ul style="list-style-type: none"> • Aluminum: 100%^ processed for metal recovery • Refillable Glass Bottles: <ul style="list-style-type: none"> - 99%^ of material shipped, sent to brewers for reuse (100%^ of which were intended to be refilled) - 1%^ of material shipped, sent directly to a glass recycler for recycling by BDL • 100%^ of material reported as collected, sent to a recycler for recycling 	<ul style="list-style-type: none"> • Continue to ensure service providers meet processing standards • Work with brewers and other collection locations to strengthen reporting and tracking systems

In closing, BRCCC sincerely thanks all British Columbians and its service partners for their ongoing support and participation in its program. We remain firmly committed to improving the system’s effectiveness, convenience, and sustainability. Our consistent and best in class performance and the success of container reuse across the province are a direct result of the dedication of our partners and BC residents. As we look ahead to 2025, BRCCC is committed to continuously evaluating and improving the program, increasing public awareness, and upholding our role as a leader in environmental stewardship.

Financial Statements of

BC BREWERS RECYCLED CONTAINER COLLECTION COUNCIL

And Independent Auditor's Report thereon

Year ended December 31, 2024





KPMG LLP

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Vaughan, ON L4K 0J3
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INDEPENDENT AUDITOR'S REPORT

To the Directors of BC Brewers Recycled Container Collection Council

Opinion

We have audited the financial statements of BC Brewers Recycled Container Collection Council (the Entity), which comprise:

- the statement of financial position as at December 31, 2024
- the statement of operations and changes in net assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2024, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for non-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "**Auditor's Responsibilities for the Audit of the Financial Statements**" section of our auditor's report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for non-for-profit organizations, and for such



Page 2

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.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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 Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such



disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Chartered Professional Accountant, Licensed Public Accountants

Vaughan, Canada

June 23, 2025

BC BREWERS RECYCLED CONTAINER COLLECTION COUNCIL

Statement of Financial Position

December 31, 2024, with comparative information for 2023


	2024	2023
Assets		
Current assets:		
Cash and cash equivalents	\$ 11,069,531	\$ 15,965,262
Accounts receivable (notes 2 and 7)	10,323,549	8,108,810
Goods and services tax receivable (note 3)	121,471	253,294
	\$ 21,514,551	\$ 24,327,366

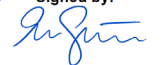
Liabilities and Net Assets

Current liabilities:		
Accounts payable and accrued liabilities (note 7)	\$ 4,208,485	\$ 5,526,014
Deferred revenue (note 4)	11,374,963	9,860,823
	15,583,448	15,386,837
Net assets:		
Accumulated surplus	5,931,103	8,940,529
	\$ 21,514,551	\$ 24,327,366

See accompanying notes to financial statements.

On behalf of the Board:

Signed by:  _____ Director
845DDF6E5E8F4BA...

Signed by:  _____ Director
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BC BREWERS RECYCLED CONTAINER COLLECTION COUNCIL

Statement of Operations and Changes in Net Assets

Year ended December 31, 2024, with comparative information for 2023

	2024	2023
Revenue:		
Regulated deposits	\$ 69,815,228	\$ 72,845,287
Deposits refunded	(63,317,203)	(66,689,551)
	6,498,025	6,155,736
Sale of recyclable material	14,767,870	14,794,691
Brand owner fees (note 7)	18,790,885	13,960,363
	40,056,780	34,910,790
Expenses:		
Processing fees (note 7)	43,380,817	40,295,548
Exchange (gain)/loss	(237,348)	44,974
General and administration	408,506	443,492
Interest income	(485,769)	-
	43,066,206	40,784,014
Deficiency of revenue over expenses	(3,009,426)	(5,873,224)
Net assets, beginning of year	8,940,529	14,813,753
Net assets, end of year	\$ 5,931,103	\$ 8,940,529

See accompanying notes to financial statements.

BC BREWERS RECYCLED CONTAINER COLLECTION COUNCIL

Statement of Cash Flows

Year ended December 31, 2024, with comparative information for 2023

	2024	2023
Cash provided by (used in):		
Operating activities:		
Deficiency of revenue over expenses	\$ (3,009,426)	\$ (5,873,224)
Change in non-cash operating working capital:		
(Increase) decrease in accounts receivable	(2,214,739)	348,803
Decrease (increase) in goods and services tax receivable	131,823	(88,691)
(Decrease) increase in accounts payable and accrued liabilities	(1,317,529)	2,530,573
Increase in deferred revenue	1,514,140	666,856
Decrease in cash and cash equivalents	(4,895,731)	(2,415,683)
Cash and cash equivalents, beginning of year	15,965,262	18,380,945
Cash and cash equivalents, end of year	\$ 11,069,531	\$ 15,965,262

See accompanying notes to financial statements.

BC BREWERS RECYCLED CONTAINER COLLECTION COUNCIL

Notes to Financial Statements

Year ended December 31, 2024

BC Brewers Recycled Container Collection Council ("BRCCC") is a common collection agent for the collection of regulated beer containers. BRCCC is registered as a not-for-profit entity and, accordingly is exempt from tax under Section 149 (1) (l) of the Income Tax Act. BRCCC facilitates the transparent oversight of refillable glass beer containers and alcoholic beverage can recycling in British Columbia as required by regulation.

BC Brewers Recycled Container Collection Council ("BRCCC") is a common collection agent for the collection of regulated beer containers. BRCCC is registered as a not-for-profit entity and, accordingly is exempt from tax under Section 149 (1) (l) of the Income Tax Act. BRCCC facilitates the transparent oversight of refillable glass beer containers and alcoholic beverage can recycling in British Columbia as required by regulation.

BRCCC uses Brewers' Distributor Ltd. ("BDL") as a service provider for facilitating the operations of the entity.

1. Significant accounting policies:

The financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations in accordance with Part III of the Chartered Professional Accountants of Canada Handbook - Accounting.

(a) Foreign currency translation:

Items included in the financial statements are measured using the currency of the primary economic environment in which BRCCC operates (the functional currency). These financial statements are presented in Canadian dollars, which is BRCCC's functional and presentation currency. Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation when the items are remeasured.

BC BREWERS RECYCLED CONTAINER COLLECTION COUNCIL

Notes to Financial Statements (continued)

Year ended December 31, 2024

1. Significant accounting policies:

(b) Revenue recognition:

- (i) Sale of recyclable material is recognized as revenue when containers are shipped to recyclers.
- (ii) Deposit and brand owner fees are receivable when containers are sold and reliably measured. Revenue is recognized based on historical experience of non-redemption rate calculated as the average non-return rate for containers, using a seven-week liability.

(c) Deferred revenue:

Revenue related to deposits and brand owner fees is deferred until the container is returned. BRCCC estimates that the last seven-week sales are outstanding at any particular point in time.

(d) Cash and cash equivalents:

Cash and cash equivalents include cash on hand and cash balances with a major financial institution.

(e) Financial instruments:

Financial instruments consist of cash and cash equivalents, accounts receivable, accounts payable, accrued liabilities and deferred revenue having carrying values that approximate their fair values because of the relatively short periods to maturity of these financial instruments. Interest income is earned from the cash balances with a major financial institution.

BC BREWERS RECYCLED CONTAINER COLLECTION COUNCIL

Notes to Financial Statements (continued)

Year ended December 31, 2024

1. Significant accounting policies (continued):

(f) Use of estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Actual results could differ from these estimates. These estimates are reviewed annually and as adjustments become necessary, they are recognized in the financial statements in the year in which they become known.

(g) Processing fees:

Processing fees include agent handling fees paid to liquor retail stores/government liquor stores and stewardship depots, warehousing, and transportation.

2. Accounts receivable:

	2024	2023
Container deposits	\$ 4,225,683	\$ 3,843,077
Brand owner fees	2,956,159	1,801,081
Sale of recyclable material	3,109,301	2,464,652
Other	32,406	-
	\$ 10,323,549	\$ 8,108,810

A provision for impairment is recorded for accounts receivable at nil (2023 - nil) based on aging and other relevant information. Amounts charged to the provision are generally written off when there is no expectation of recovering additional amounts.

3. Goods and services tax:

BRCCC is in a refund position in both 2024 and 2023 as certain revenue is zero rated, causing input tax credits to exceed amounts collected.

BC BREWERS RECYCLED CONTAINER COLLECTION COUNCIL

Notes to Financial Statements (continued)

Year ended December 31, 2024

4. Deferred revenue:

Deferred revenue includes a liability for unreturned deposits.

	2024	2023
Cans	\$ 7,949,677	\$ 7,960,133
Standard bottles	168,839	210,096
Non-standard bottles	77,046	99,021
Unearned brand owner fees	3,179,401	1,591,573
	\$ 11,374,963	\$ 9,860,823

5. Return rate for the periods ended December 31, 2024 (C24) and 2023 (C23):

Category	Sales C24 (dozens)	Returns C24 (dozens)	Return rate C24	Sales C23 (dozens)	Returns C23 (dozens)	Return rate C23
Can	56,440,565	51,406,542	91.08%	58,702,650	53,734,737	91.54%
Industry standard bottle	1,033,850	1,011,418	97.83%	1,183,639	1,225,853	103.57%
Non-standard bottle	655,664	522,633	79.71%	842,668	707,296	83.94%

6. Financial risks:

(a) Liquidity risk:

Liquidity risk is the risk that an organization will be unable to fulfill its obligations on a timely basis. BRCCC manages its liquidity risk by monitoring its operating requirements. There has been no change to the risk exposure from 2023.

(b) Currency risk:

BRCCC is exposed to currency risks as a result of exchange rate fluctuations and the volatility of these rates. In the normal course of business, BRCCC makes sales of recyclable material denominated in U.S. dollars. BRCCC does not currently enter into forward contracts to mitigate this risk. There has been no change to the risk exposure from 2023.

BC BREWERS RECYCLED CONTAINER COLLECTION COUNCIL

Notes to Financial Statements (continued)

Year ended December 31, 2024

6. Financial risks (continued):

(c) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations, resulting in a financial loss. BRCCC is exposed to credit risk with respect to the accounts receivable. BRCCC assesses, on a continuous basis, accounts receivable and provides for any amounts that are not collectible.

(d) Commodity price risk:

BRCCC is exposed to commodity price risks as a result of fluctuations and the volatility of certain commodity markets. In the normal course of business, BRCCC makes sales of recyclable material at a predetermined discount of market price. BRCCC does not currently enter into forward contracts to mitigate this 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. Given the short-term nature of BRCCC's financial instruments, management believes the exposure to interest rate risk is minimal.

7. Related party transactions:

BRCCC's related parties are BDL and the associated brewers that participate in the recycling program. Unless otherwise stated, none of the transactions incorporate special terms and conditions and no guarantees were given or received. Outstanding balances are settled in cash and recorded at cost.

Transactions between BRCCC and its related parties are summarized in the table below:

	2024	2023
Revenue from related parties	\$ 9,795,618	\$ 8,006,067
Services received from related parties	42,249,091	39,231,944

Trade balances:

BC BREWERS RECYCLED CONTAINER COLLECTION COUNCIL

Notes to Financial Statements (continued)

Year ended December 31, 2024

	2024	2023
Due from related parties	\$ 1,187,975	\$ 959,887
Due to related parties	3,147,575	4,496,360



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INDEPENDENT PRACTITIONER'S REASONABLE ASSURANCE REPORT

To the Directors of BC Brewers Recycled Container Collection Council

We have undertaken a reasonable assurance engagement of the accompanying subject matter information (the "subject matter information") of BC Brewers Recycled Container Collection Council's (the Entity) for the year ended December 31, 2024:

Management's Responsibility

Management is responsible for measuring and evaluating the underlying subject matter information against the applicable criteria (the "applicable criteria") and for its assertion.

Management is responsible for determining the appropriateness of the use of the applicable criteria.

Management is also responsible for such internal control as management determines necessary to enable the preparation and presentation of the Entity's Schedule in Appendix I which includes the metrics being assured that is free from material misstatement, whether due to fraud or error.

Practitioner's Responsibilities

Our responsibility is to express a reasonable assurance opinion on the subject matter information based on the evidence we have obtained. We conducted our reasonable assurance engagement in accordance with Canadian Standard on Assurance Engagements (CSAE) 3000, *Attestation Engagements Other than Audits or Reviews of Historical Financial Information*. This standard requires that we plan and perform this engagement to obtain reasonable assurance about whether the subject matter information is free from material misstatement.

Reasonable assurance is a high level of assurance, but is not a guarantee that an engagement conducted in accordance with this standard will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users of our report.



The nature, timing and extent of procedures performed depends on our professional judgment, including an assessment of the risks of material misstatement, whether due to fraud or error, and involves obtaining evidence about the subject matter information.

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

Practitioner's Independence and Quality

We have complied with the relevant rules of professional conduct/code of ethics applicable to the practice of public accounting and related to assurance engagements, issued by various professional accounting bodies, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies Canadian Standard on Quality Management 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements* which requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Opinion

In our opinion, the subject matter information of the Entity for the year ended December 31, 2024 is fairly stated, in all material respects.

Specific Purpose of Subject Matter Information

The subject matter information has been evaluated and measured against the applicable criteria. As a result, the subject matter information may not be suitable for another purpose.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, slightly slanted style. Below the signature is a horizontal line that tapers at both ends, serving as a decorative underline.

Chartered Professional Accountants, Licensed Public Accountants

Vaughan, Canada

June 23, 2025

ENTITY'S SCHEDULE

Subject Matter Information

EVALUATION CRITERIA

COLLECTION FACILITIES

Specific Disclosures in the annual stewardship report for which evaluation criteria were developed	
Disclosure per annual report	Annual Report Reference
Total collection facilities- 1,181 locations	4. Collection System and Facilities table 1 (part 2)
Total contracted collection facilities – 159 locations	4. Collection System and Facilities table 2
Location of collection and contracted collection facilities -- by region	4. Collection System and Facilities table 2

Change in the number and locations of collection and contracted collection facilities in 2024 -- Comparison between 2024 and 2023

Regional Districts	2024 (All Locations)	2023 (All Locations)	2024 (Contracted Locations)	2023 (Contracted Locations)
Alberni - Clayoquot	17	17	6	6
Bulkley - Nechako	21	21	5	5
Capital	87	86	15	15
Cariboo	40	40	6	5
Central Coast	4	4	0	0
Central Kootenay	42	42	5	5

Central Okanagan	52	53	4	5
Columbia - Shuswap	37	37	3	2
Comox Valley	24	24	4	4
Cowichan Valley	29	29	6	6
East Kootenay	35	35	3	3
Fraser - Fort George	38	37	12	12
Fraser Valley	79	80	8	9
Greater Vancouver	320	316	34	36
Kitimat - Stikine	16	17	7	7
Kootenay Boundary	15	16	1	1
Mount Waddington	18	18	2	2
Nanaimo	50	50	6	7
North Okanagan	34	34	2	2
Northern Rockies	3	3	1	1
Okanagan - Similkameen	39	38	5	5
Peace River	30	32	4	4
qathet	14	14	2	2
Skeena - Queen Charlotte	10	10	2	2
Squamish - Lillooet	21	21	4	4
Strathcona	28	28	4	5
Sunshine Coast	16	16	2	2
Thompson - Nicola	62	64	6	6

Grand Total	1181	1182	159	163
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Applicable Definitions

Collection facility: Any facility that collects containers from customers for recycling, whether or not it accepts unlimited returns.

Contracted collection facility: Contracted collection facilities are unlimited collection partners active as of December 31, 2024 that have a contractual relationship with BDL to collect unlimited containers from customers, and refund customers the full amount of the deposit per bottle or can. Contracted collection facilities include Licensee Retail Stores and Brewers Distributor Limited (BDL) authorized depots and their satellites that BDL has a contractual relationship with.

The following evaluation criteria were applied to the assessment of the location of BC Brewers Recycled Container Collection Council (“BRCCC” or the “Company”) collection facilities, and any changes in the number and location of collection facilities from the previous report in accordance with Section 8(2)(b) of the Recycling Regulation:

1. The number of collection facilities is based on the number of facilities as reported by BDL. The number of contracted collection facilities are based on the presence of an unlimited return contract.
2. Total collection and contracted collection facilities are divided into 28 regional districts, defined by the Liquor Distribution Branch (LDB) in BC based on the address in BDL’s SAP system. Addresses of the facilities per BDL are reconciled with those provided by the LDB at a regional district level.
3. Changes in the number and location of both collection and contracted collection facilities are calculated based on comparison to the previous year’s list by regional district.

PRODUCT SOLD AND COLLECTED

Specific Disclosures in the annual stewardship report for which evaluation criteria were developed	
Disclosure per annual report	Annual Report Reference
<u>BRCCC Container Sales 2024 (dozens):</u> Industry Standard Bottle (ISB) – 1,033,850 Non-ISB – 655,664 <i>Total Refillables – 1,689,514</i>	7. Product Sold and Collected and Recovery Rate Table 5a

<p><i>Cans – 56,440,565</i></p> <p><u>BRCCC Container Recovery 2024 (dozens):</u></p> <p>ISB – 1,011,418</p> <p>Non-ISB – 522,633</p> <p><i>Total Refillable – 1,534,051</i></p> <p><i>Cans – 51,406,542</i></p> <p><u>BRCCC Container Recovery Rates 2024:</u></p> <p>ISB – 97.83 %</p> <p>Non-ISB – 79.71 %</p> <p><i>Total Refillables – 90.80 %</i></p> <p><i>Cans – 91.08 %</i></p>	
<p><u>Secondary Packaging 2024 (in tonnes):</u></p> <p><i>Generated – 4,072</i></p> <p><i>Recovered – 2,779</i></p> <p><i>Recovery Rate 2024: 68.24%</i></p>	<p>7. Product Sold and Collected and Recovery Rate Table 5b</p>

The following evaluation criteria were applied to the assessment of the description of how total amounts of the Company’s product sold and collected, the tonnes of secondary packaging generated and recovered and the recovery rates has been calculated in accordance with Section 8(2)(e):

1. Containers sold: The total number of bottles or cans sold is based on the sales figures received from the Liquor Distribution Branch (LDB)
2. Containers collected - bottles: The total number of bottles collected is based on the deposits paid figure received from BDL’s SAP system.
3. Containers collected - cans: Total number of can returns is based on the total recorded in the SAP system.
4. Container recovery rates: Total number of containers collected during the period divided by containers sold during the period for each container type.

5. Secondary Packaging - The tonnes generated is based on information provided by the brewers that have signed BRCCC as their steward.
6. Secondary Packaging - The tonnes recovered is based on:
 - The amount of acquired material from Recycle BC and other recyclers.
 - The amount of secondary packaging that the LDB has reported as recovered; this is determined based on the rate of beer packaging material as a percentage of total packaging material recovered by the LDB.
 - The amount of secondary packaging the brewers report as recovered.
 - The amount of material recycled from BDL's Port Coquitlam distribution centre.
7. Secondary packaging recovery rate: Secondary packaging recovered during the period divided by secondary packaging generated during the period.

MANAGEMENT OF RECOVERED PRODUCT

Specific Disclosures in the annual stewardship report for which evaluation criteria were developed	
Disclosure per annual report	Annual Report Reference
Aluminum cans: <ul style="list-style-type: none"> • 100% processed for metal recovery Refillable glass bottles: <ul style="list-style-type: none"> • 1 % of material shipped, sent directly to a glass recycler for recycling by BDL • 99 % of material shipped, sent to brewers for reuse Secondary Packaging: <ul style="list-style-type: none"> • 100% of material reported as collected, sent to a recycler for recycling 	6. Pollution Prevention Hierarchy and Product/Component Management Table 3

The following evaluation criteria were applied to the assessment of 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:

1 Aluminum cans

The total weight of cans received by the aluminum recycler is based on the aluminum recycler's confirmation of each shipment by BDL during calendar year 2024. Total weight confirmed by the aluminum recycler is reconciled with total weight shipped by BDL. End fate of aluminum cans is based on qualitative end fate data reported by the aluminum recycler to BDL.

2 Refillable bottles sent directly from BDL for recycling

The quantity of bottles/glass sent by BDL to glass recycler(s) for recycling is determined based on SAP system data on empty shipments to the glass recycler with the description "ditched bottles".

The percentage sent directly from BDL for recycling is calculated as: the quantity of bottles/glass sent to the glass recycler during the reporting year (equivalent of dozens) divided by the total quantity of bottles/glass sent to the glass recycler and bottles sent to brewers during the reporting year (equivalent of dozens). End fate of glass is based on qualitative end fate data reported by the glass recycler to BDL.

3 Refillable bottles sent to brewers:

The quantity of bottles sent to brewers for reuse is determined based on BDL's SAP system data on the deposits paid figure.

The percentage sent to brewers is calculated as: the quantity of bottles sent to brewers during the reporting year (equivalent of dozens) divided by the total quantity of ditched bottles/glass sent to glass recycler and bottles sent to brewers during the reporting year (equivalent of dozens).

Following the instruction in Waste Prevention Branch's email to Stewards on February 18, 2016: *"Reuse" of a product as it was originally intended (e.g. bottles) does not need to be assured beyond when the product is shipped from the program if evidence is provided that demonstrates the intent is reuse (e.g. the auditor will not need to confirm the actual reuse of the individual product).*

4 Secondary Packaging

All secondary packaging collected is sent to a recycler for recycling as reported by the brewers that have signed BRCCC as their steward, Recycle BC and other recyclers, the LDB, and BDL's Port Coquitlam distribution centre.

TARGETS

Specific Disclosures in the annual stewardship report for which evaluation criteria were developed	
Disclosure per annual report	Annual Report Reference
Recovery Targets (Containers): 2024 Assertion – Targets partially achieved: <ul style="list-style-type: none"> • 97.83 % return rate for refillable industry standard bottles (ISB) • 79.71 % return rate for refillable proprietary glass bottles • 91.08 % return rate for aluminum cans • 91.07% return rate overall 	8. Plan Performance
Recovery Targets (Secondary Packaging): 2024 Assertion – Target not achieved <ul style="list-style-type: none"> • 68.24 % recovery/collection rate attained for secondary packaging 	8. Plan Performance

<p>Accessibility Targets (Containers):</p> <p>2024 Assertion – Targets partially achieved:</p> <ul style="list-style-type: none"> • 75 private licensee retail stores • 84 depots 	<p>8. Plan Performance</p>
<p>Specific Disclosures in the annual stewardship report for which evaluation criteria were developed</p>	
<p>Disclosure per annual report</p>	<p>Annual Report Reference</p>
<p>Accessibility Targets (Secondary Packaging): 2024 Assertion – Targets achieved:</p> <ul style="list-style-type: none"> • 1,181 total return locations in the BRCCC network • Materials received from Recycle BC are collected through the Recycle BC network which includes additional collection locations not included in the 1,181 reported in the BRCCC network 	<p>8. Plan Performance</p>
<p>Pollution Prevention Hierarchy/Product Life Cycle Targets:</p> <p>2024 Assertion – Targets achieved:</p> <ul style="list-style-type: none"> • Aluminum: 100% Processed for metal recovery <p>Refillable Glass Bottles:</p> <ul style="list-style-type: none"> • 99 % of material shipped, sent to brewers for reuse (100% of which were intended to be refilled) • 1 % of material shipped, sent directly to a glass recycler for recycling by BDL <p>Secondary Packaging:</p> <ul style="list-style-type: none"> • 100% of material reported as collected, sent to a recycler for recycling 	<p>8. Plan Performance</p>

The following evaluation criteria were applied to the assessment of the description of performance for the year in relation to targets in the approved stewardship plan under Section 8(2)(b), (d) and (e) of the Recycling Regulation.

1. Recovery Targets: Recovery/collection rate of 87.5% overall and for each container type

Recovery rate is calculated as follows: container returned during the period divided by containers sold during the period. The description of progress against targets to date is supported by records of progress maintained by the Company.

2. Recovery Targets: Recovery/collection rate of 75% of secondary packaging material

Recovery rate is calculated as follows: secondary packaging recovered during the period divided by secondary packaging generated during the period. The description of progress against targets to date is supported by records of progress maintained by the Company.

3. Accessibility Targets (Containers): 385 unlimited return locations (305 Licensee Retail Stores (LRS), 80 depots) and at least 1 unlimited return location in each regional district.

Unlimited Collection Partners are contracted collection locations active as of Dec 31 that have a contractual relationship with BDL to collect unlimited containers from customers, and refund customers the full amount of the deposit per bottle or can. The description of progress against targets to date is supported by records of progress maintained by the Company.

Regional district is allocated based on address of the collection facility.

4. Accessibility Targets (Secondary Packaging): 1,160 total authorized return locations to which consumers can make returns.

Total collection facilities in the BRCCC network as disclosed in Table 1 of annual report.

5. Pollution Prevention Hierarchy/Product Life Cycle Targets: 100% of collected materials for re-use or to recycling commodity markets.

The percentage of material components reused or recycled is estimated based on general representations from third party processors.

DEPOSIT RECEIVED AND REFUNDS PAID OF CANS

Specific Disclosures in the annual stewardship report for which evaluation criteria were developed	
Disclosure per annual report	Reference
<p>Deposits Received:</p> <ul style="list-style-type: none"> • Cans:- \$67,341,507 • ISB: - \$1,230,933 • Non-ISB Refillable Bottles - \$786,494 • Total - \$69,358,934 <p>Refunds Paid:</p> <ul style="list-style-type: none"> • Cans: - \$61,776,098 • ISB - \$1,251,208 • Non-ISB Refillable Bottles - \$627,160 • Total - \$63,654,465 	<p>7. <i>Product Sold and Collected and Recovery Rate</i> Table 7</p>

The following evaluation criteria were applied to the assessment of the description of total amount of deposits received and refunds paid for cans, ISB and non-ISB as required under Section 8(2)(f)(i):

1. The deposits received are based on funds received from the LDB by BRCCC during the period from January 1, 2024 to December 31, 2024 recorded in the general ledger of BRCCC.
2. The refunds paid are based on payments to collection facilities during the period from January 1, 2024 to December 31, 2024 as reported by BDL.