

**20**  
**20**

# ***ANNUAL REPORT***

***MAJOR APPLIANCE  
RECYCLING ROUNDTABLE***



100 – 4259 Canada Way, Burnaby, BC V5G 4Y2  
Tel 1-800-330-9767

**2020 ANNUAL REPORT**

# TABLE OF CONTENTS

<b>SECTION 1 – EXECUTIVE SUMMARY</b>	
1.1 Program Performance Summary	1
<b>SECTION 2 – PROGRAM OUTLINE</b>	
2.1 The Program	4
2.2 Message from the Executive Director	6
<b>SECTION 3 – PUBLIC EDUCATION MATERIALS AND STRATEGIES</b>	
3.1 Market Research and Analysis	8
3.2 Consumer Awareness	10
<b>SECTION 4 – COLLECTION SYSTEM AND FACILITIES</b>	
4.1 Success in a Challenging Year	17
4.2 How the Collection System Works	18
4.3 Collection Site Map	19
<b>SECTION 5 – ENVIRONMENTAL IMPACT</b>	
5.1 Environmental Impact	21
5.2 Pollution Prevention Hierarchy	23
5.3 Design for the Environment	24
<b>SECTION 6 – UNITS SOLD AND COLLECTED</b>	
6.1 Recycling by the Numbers	27
6.2 Regional Collection	28
6.3 Units Sold and Collected	29
<b>SECTION 7 – FINANCIAL PERFORMANCE</b>	
7.1 Follow the Money	31
7.2 Reserve Funds	32
7.3 Administrative Program Fees	33
<b>SECTION 8 – GOVERNANCE</b>	
8.1 Governance	35
8.2 Local Government Involvement	36
<b>SECTION 9 – AUDITOR’S REPORT</b>	
9.1 Independent Auditor’s Report & Financial Statements	38
9.2 2020 Assurance Report for Non-Financial Information	51
<b>APPENDIX A</b>	
MARR Site List	64

# EXECUTIVE SUMMARY

## 1.1 PROGRAM PERFORMANCE SUMMARY

The Major Appliance Recycling Roundtable (MARR) is a not-for-profit stewardship agency appointed to fulfill the requirements of the BC Recycling Regulation, Schedule 3, Electronic and Electrical Product Category (BC Reg.449/2004).

The Stewardship plan covers End-of-Life major household appliances in the province of British Columbia on behalf of the major appliance obligated producers. The MARR stewardship plan is the only approved stewardship plan for major appliances in the province.

### *Units Collected*

by collectors with MARR contracts:

**328,353**

Units where MARR managed the safe removal of ODS Gas or other halocarbons:

**83,922 units**

### *Units Sold*

by Registered MARR Participants:

**1,238,084**

Units where ODS Gas was evacuated prior to collection:

**28,268 units**



### Consumer Accessibility:

94.9% accessibility to free drop off for the full population of BC.



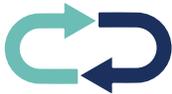
### Collection System:

190 collection sites under contract, 39 sites added and 1 site closed in 2020.



### Consumer Awareness:

80% of British Columbians are aware that there is a program/service for recycling large appliances.



### Environmental Impact:

MARR has established a Processing Standard for Collectors and Metal Processors of Major Appliances (“MARR Product Processing Standard”) qualification standard to be met by every collector under the MARR program. For more information go to section 5.1.



### Pollution Prevention Hierarchy:

MARR leverages the established market system for refurbishment, resale, and recycling of large appliances. Ozone Depleting Substances (ODS) are recycled if possible or safely destroyed by established hazardous gas processors. See section 5.2 for details.

*Revenue*

**\$7,626,474.88**

*Expenses*

**\$3,975,226.94**

- Administration: **\$967,494.49**
- Auditing: **\$172,295.02**
- Collection: **\$2,365,905.35**
- Public Education and Awareness: **\$469,532.08**

# ***PROGRAM OUTLINE***

***2.1 THE PROGRAM***

***2.2 MESSAGE FROM THE EXECUTIVE DIRECTOR***

***02***

## 2.1 THE PROGRAM

The Major Appliance Recycling Roundtable (MARR) is a not-for-profit stewardship agency appointed by the majority of obligated producers (“registered participants”) to fulfill the requirements of the BC Recycling Regulation, Schedule 3, Electronic and Electrical Product Category (BC Reg.449/2004).

The Stewardship plan (the plan) covers End-of-Life (EoL) major household appliances in the province of British Columbia (BC) on behalf of most major appliance obligated producers. The MARR stewardship plan received the approval of BC’s Ministry of Environment on June 29, 2012, and today is the only approved stewardship plan for major appliances in the province.

### **MARR’S BUSINESS MODEL**

MARR’s business model is different from most other BC product stewardship programs.

Because there exists a long-standing and effective market-based system for recycling EoL major appliances the MARR Plan differs from other programs. The market-based system exists because major household appliances, unlike most other electronic or electrical equipment, have a financial value at end of life.

Because of the effective market based system in BC for recycling large appliances MARR does not process or recycle products directly.

For decades, because of the value of the metal in major appliances, large private-sector metal processors have collected and shredded major appliances. The core business for most of these processors is shredding automobiles (which are not obligated under the Recycling Regulation).

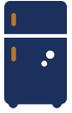
Because major appliances are not the dominant content collected and shredded by these private-sector businesses, it is challenging to achieve change in end-of-life outcomes.

The MARR Stewardship Plan is focused on enhancing the performance and transparency of the existing private-sector system that collects and shreds major household appliances in BC and in particular, the plan includes the following commitments:

1. A commitment to enhance the performance of the current system by providing incentives for the management and collection of ODS from products within the product category through a network of approved collectors.
2. A commitment to reasonable and free consumer access to collection facilities. This will be accomplished by providing incentives for administrative costs and transportation costs as required by region on a cost recovery basis.

Effective January 1, 2019 Encorp Pacific (Canada) has become the official contracted service provider for MARR to assist its Board and management in delivering a successful program under their approved Stewardship Plan. Services provided under the contract include registration of, and reporting and remission by, participants and collectors; consumer awareness, financial and non-financial reporting, and other administrative activities.

## PRODUCTS COVERED



### Full Size Refrigerators

Refrigerator and refrigerator-freezer combinations. Includes built-in and free-standing models.



### Window Air Conditioners

Operate through the wall or are window-mounted.



### Portable Air Conditioners

Can be moved from place to place.



### Clothes Washers

Top and front-loading. Includes stacked laundry units and those that also dry clothes.



### Ranges

Can include a surface cooktop and oven.



### Built-In Ovens

Can have separate warming drawers, combination with microwave oven or double-walls.



### Surface Cooking Units

Installed into the counter top where the controls are either integrated into the unit or installed separately.



### Food Waste Disposers

Integrated into the plumbing of a household.



### Electric Hot Beverage Dispensers

Mounted under the counter or built-in.



### Compact Refrigerators

Refrigerator or refrigerator-freezer combinations that are 6.4 cubic feet or less in volume. Includes beer kegs, wine dispensers and wine coolers.



### Freezers

Chest, upright, and compact freezers, plus under the counter freezer drawers and ice makers.



### Dehumidifiers

Free-standing and can be moved from place to place.



### Clothes Dryers

Top and front-loading. Includes stacked laundry units.



### Range Hoods & Downdrafts

Can be separate or connected from the cooking unit.



### Microwave Ovens

Built-in with or without hood vent combinations permanently installed microwave ovens.



### Dishwashers

Built-in, portable or convertible.



### Trash Compactors

Permanently installed or portable.



### Electric Cold Beverage Dispensers

Containing refrigerant gases for cooling purposes.

## 2.2 MESSAGE FROM MARR'S EXECUTIVE DIRECTOR

Dear Friends and Colleagues,

We will always remember the year 2020 for the serious effects that the Covid-19 Pandemic has had on our lives and our society as a whole. Many of us have suffered greatly this past year especially those who have lost a dear friend or family member; others have experienced health issues, financial hardships, isolation, and the loss of many of the freedoms and activities that many of us took for granted. Throughout this pandemic, we have also seen the beauty of the human spirit as people from around the world unite to fight this battle together. I would like to express my sincere gratitude to all the doctors, nurses, first-responders, and essential workers who have selflessly given so much to help others. I am certain that the strength of the human spirit will prevail, and we will eventually return to albeit different but more normal life.

I want to thank all of the collectors, participants, employees and stakeholders of MARR for your efforts throughout 2020. Although the pandemic affected us greatly, thanks to your efforts we were able to keep the program operating successfully in 2020. Our retail participants and many of our collection sites were forced to close in the first quarter as a result of the pandemic. Fortunately, most of our sites were deemed an essential service and therefore able to resume operating a short time later. I would like to acknowledge the efforts of the entire MARR team, especially those at Return It Large Appliances, our contracted service provider, for providing seamless and uninterrupted service as many of us transitioned to working-from-home.

Some of our key successes in 2020 include the following:

- MARR was able to grow our collection network from 152 to 190 certified collection sites that offer free drop off to 94.9% of the population in the Province of British Columbia. We also work with communities that do not have access to a collection site through collection events to remove unwanted end-of-life appliances.
- MARR remains committed to assisting any First Nation in the Province of British Columbia in recycling their end-of-life major appliances. MARR is one of the 10 stewardship agencies who support and operate the First Nations Recycling Initiative; we are an associate member of the Indigenous Zero Waste Technical Advisory Group; with the restrictions caused by the Covid-19 Pandemic MARR was still able to conduct two First Nations collection events in 2020; and we added the Lilwat First Nation (Lillooet, BC) as a certified collection site in April.

I would like to thank all of the obligated producers who have entrusted MARR to fulfill their responsibilities to manage the end-of-life large appliances for them under the BC Recycling Regulation. I would also like to acknowledge the many stakeholders throughout the province who have collaborated with us to make the program the success that it is today. In the words of Dr. Bonnie Henry, the Provincial Health Officer of BC:

Be Kind, Be Calm, Be Safe!

With best regards,

**Michael Zarbl**  
Executive Director

# ***PUBLIC EDUCATION MATERIALS AND STRATEGIES***

***3.1 MARKET RESEARCH AND ANALYSIS***

***3.2 CONSUMER AWARENESS***

***03***

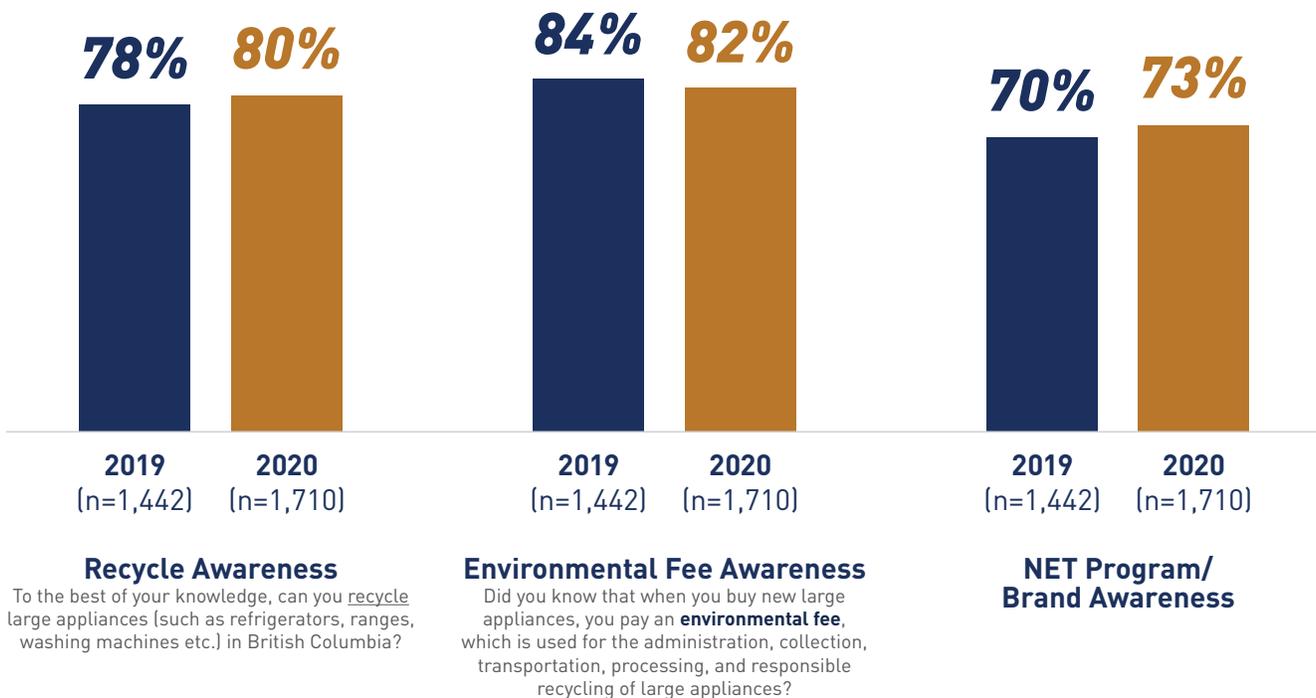
## 3.1 MARKET RESEARCH AND ANALYSIS

MARR has undertaken a robust market research study to evaluate the program knowledge, assess consumer behaviour in relation to large appliance recycling and discard habits and measure the level of program awareness in BC.

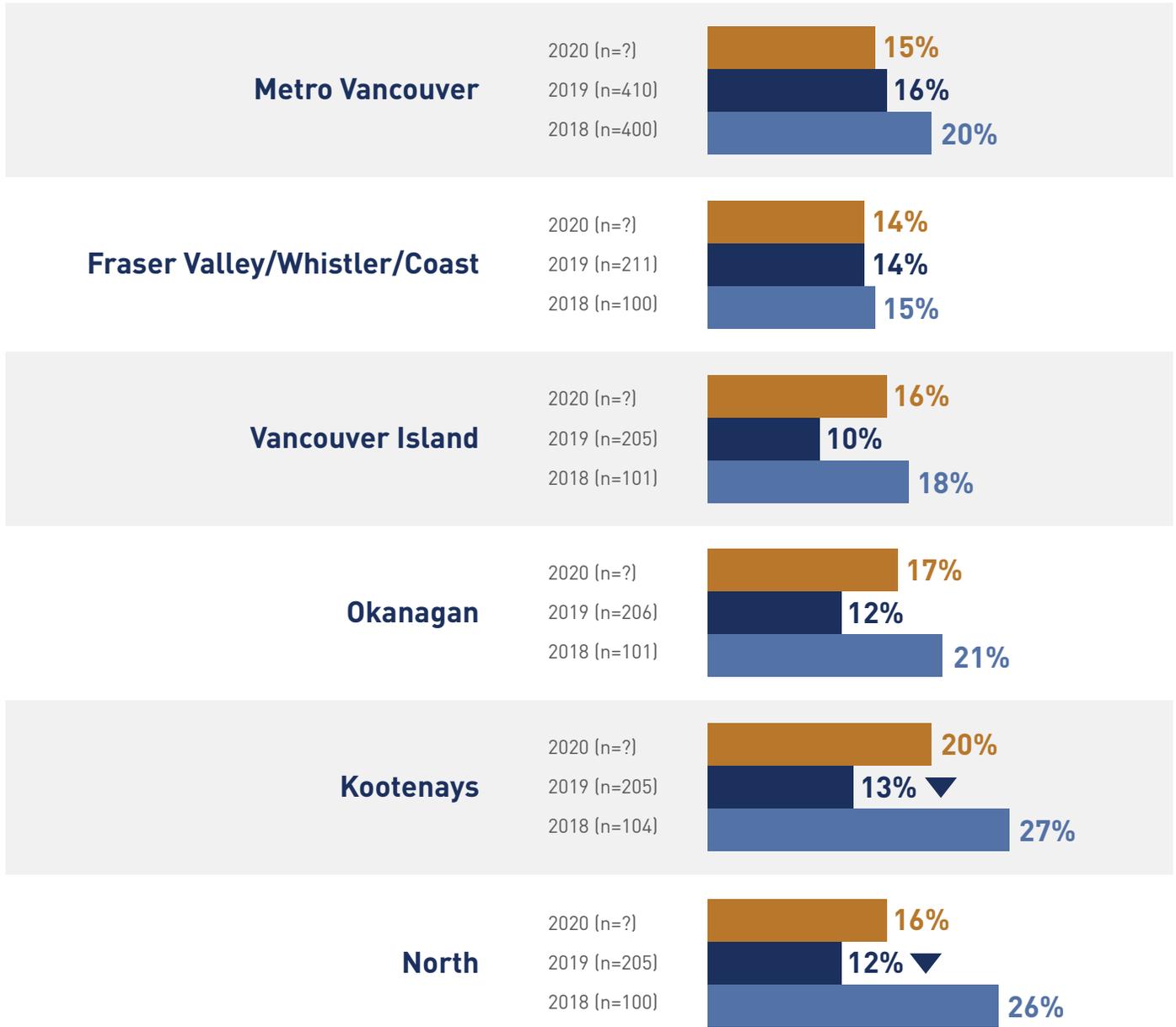
An online survey was conducted between August 31, and Sept 7, 2020 and quotas were put into place by region to ensure sufficient sample for regional analysis.

The total sample was weighted by age, gender and region according to Census Canada figures (to ensure accurate representation of the general population). In total 1,710 surveys were completed providing a margin of error of  $\pm 2.4\%$ .

### RECYCLE AWARENESS/FEE AWARENESS/NET PROGRAM AWARENESS



## UNWANTED APPLIANCES IN HOMES BY REGION



## LIKELY DISPOSAL METHODS



Retailer  
**31%**



Recycling Facility  
**29%**



Donation  
**16%**



Junk Removal  
**7%**



Transfer Station  
**8%**

## 3.2 CONSUMER AWARENESS

Support for the MARR program continues through various advertising mediums helping to achieve a new level of awareness for the program. Ad placements with connected topics such as home renovations were carefully chosen to serve the right message when it was relevant and meaningful. Targeted media such as television, radio, digital and social media were purchased.

### PUBLIC INFORMATION TOOLS

#### Brochures & Rack Card

Each year, we print a detailed consumer brochure and rack card. Collectors and Retailers can request printed copies that are supplied free of charge and they are available for download on [marrbc.ca/participants/pos](http://marrbc.ca/participants/pos)

#### Annual Report

Our comprehensive and interactive Annual Report can be found on our website at [www.marrbc.ca/about](http://www.marrbc.ca/about). Visitors can view the Annual Report either on our website or choose to download a PDF file.

**RECYCLE YOUR LARGE APPLIANCES**  
Keep BC Green

**What's Accepted**  
Here are the large appliances accepted at certified Major Appliance Recycling Roundtable (MARR) drop-off locations.

- Full Size Refrigerators
- Compact Refrigerators
- Freezers
- Window Air Conditioners
- Portable Air Conditioners
- Dehumidifiers
- Clothes Washers
- Clothes Dryers
- Ranges
- Range Hoods & Downdrafts
- Built-In Ovens
- Built-In & Over the Range Microwave Ovens
- Surface Cooking Units
- Dishwasher
- Food Waste Disposers
- Trash Compactors
- Electric Hot Beverage Dispenser
- Electric Cold Beverage Dispenser

Recycling is Free at Certified Drop-Off Locations

To find the full list and a site near you visit [return-it.ca/](http://return-it.ca/) Large-Appliances

For more program information visit [marrbc.ca](http://marrbc.ca)

**Return-It** | **MARR**

**WHAT IS AN APF?**

An APF is an Administrative Program Fee. APFs are charged at the point of sale for new appliances sold in BC. It's not a tax, nor is it a refundable deposit.

APFs for different products are established by MARR having regard to the cost to recycle the materials contained in the product and the cost of administering the program generally.

Here are the fees for appliances covered by the MARR stewardship plan:

Regulated Products	APF
Full-size Refrigerators	\$11.50
Compact Refrigerators	\$11.50
Freezers	\$11.50
Window Air Conditioners	\$11.50
Portable Air Conditioners	\$11.50
Dehumidifiers	\$11.50
Clothes Washers	\$3.50
Clothes Dryers	\$3.50
Ranges	\$3.50
Range Hoods & Downdrafts	\$3.50
Built-In Ovens	\$3.50
Built-In and Over the Range Microwaves	\$3.50
Surface Cooking Units	\$3.50
Dishwashers	\$3.50
Food Waste Disposers	\$3.50
Trash Compactors	\$3.50
Electric Hot Beverage Dispensers	\$3.50
Electric Cold Beverage Dispensers	\$11.50

Published April 1, 2019

To find the full list and a site near you visit [return-it.ca/](http://return-it.ca/) LargeAppliances

For more information visit [marrbc.ca](http://marrbc.ca)

**Return-It** | **MARR**

**2019 ANNUAL REPORT**  
MAJOR APPLIANCE RECYCLING ROUNDTABLE

**MARR**  
Major Appliance Recycling Roundtable

**EXECUTIVE SUMMARY**

1.1 PROGRAM PERFORMANCE SUMMARY

The Major Appliance Recycling Roundtable (MARR) is a not-for-profit stewardship agency operated by MARR in accordance with the requirements of the BC Recycling Regulation, Schedule 2, Electrical and Electronic Product Category (B.C. Reg. 416/2008).

The Stewardship plan covers 20 of the major household appliances in the province of British Columbia as listed in the Major Appliance Stewardship program. The MARR stewardship plan is the only approved stewardship plan for major appliances in BC.

Units Collected	Units Sold
211,340	1,148,178
63,818 units	14,518 units

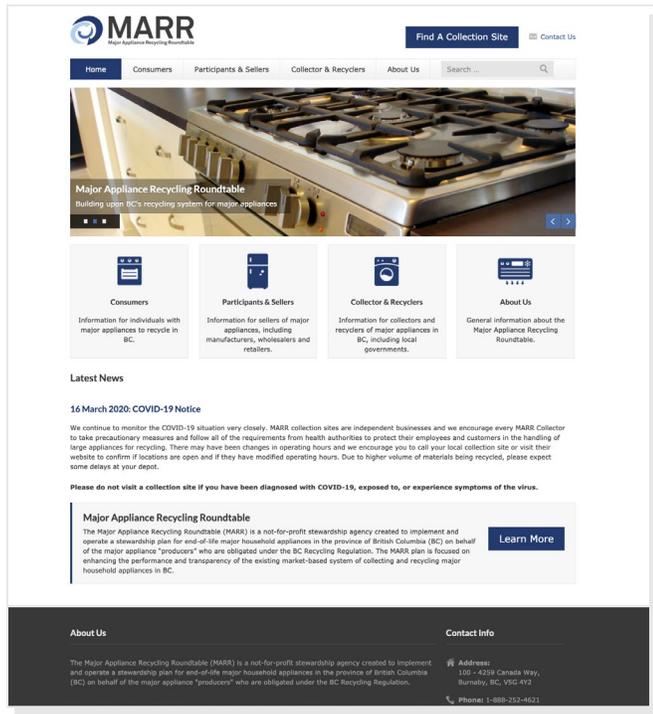
Revenue: \$5,600,411  
Expenses: \$2,752,328

Assets: \$1,022,047  
Liabilities: \$1,150,231  
Net Assets: \$521,816

# PUBLIC INFORMATION TOOLS

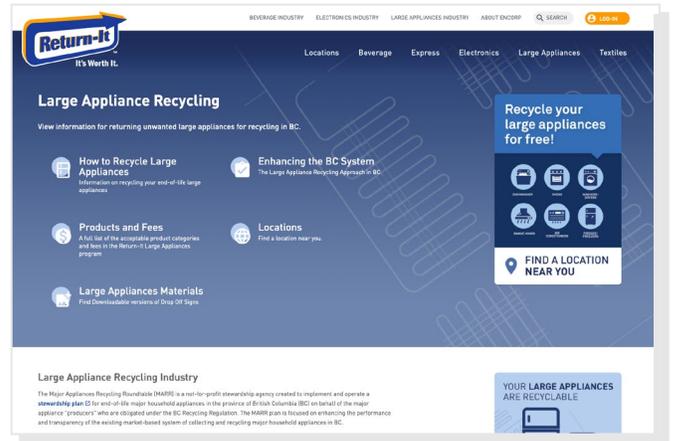
## Marrbc.ca

MARR maintains a corporate website that gives public access to program information, documents like historical annual reports and a collection sites locator. The MARR website ([www.marrbc.ca/](http://www.marrbc.ca/)) had 318,161 hits this year.



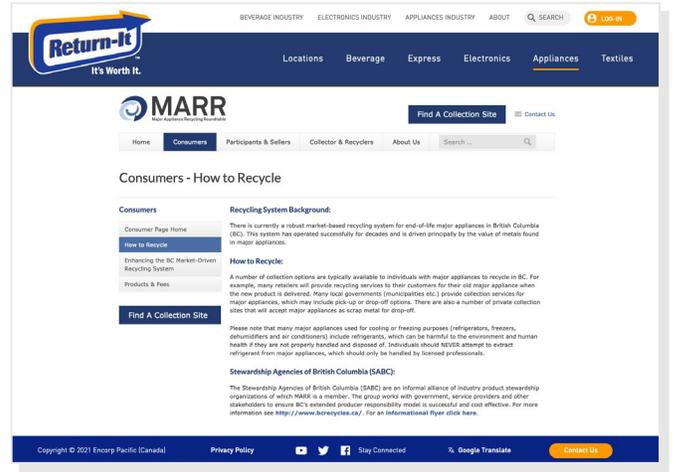
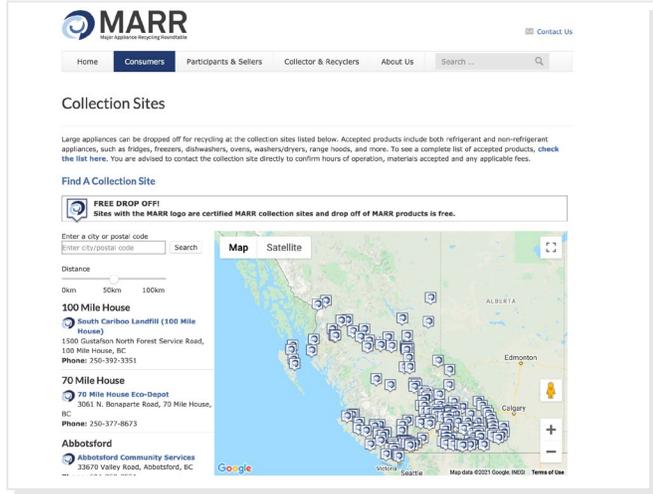
## Return-It.ca/LargeAppliances

As part of our strategic partnership with Return-It, key information about recycling large appliances can be found on Return-It.ca In 2020 there were 245,290 visits which show that both websites are a key resource for the public. ([www.return-it.ca/large-appliances/](http://www.return-it.ca/large-appliances/))



## Recycling Council of British Columbia (RCBC) hotline

Established in 1990, the RCBC Recycling Hotline is a free, province-wide live information service for recycling, pollution prevention, waste avoidance, safe disposal options and regulations. Today the hotline has expanded to include phone, web and app services. In 2020, the RCBC responded to 10,234 inquiries related to Large Appliance Recycling.



## MAJOR APPLIANCE EDUCATION & AWARENESS

Support for the MARR program continues through various advertising mediums helping to achieve a new level of awareness for the program. Ad placements with connected topics such as home renovations were carefully chosen to serve the right message when it was relevant and meaningful. Targeted media such as television, radio, digital and social media were purchased.

Due to COVID-19 pandemic outbreak in the early-Spring, planned Spring marketing activity around Earth Day was shifted towards marketing efforts in the summer leading up to Waste Reduction Week in the Fall. This year reaching audiences on digital touchpoint inside the home were important as lockdowns changed consumers media consumption patterns.



### Television

Television ads ran on CBC and Global TV networks in the late summer. All stations performed well delivering a 2,515,700 impressions, province wide.

[View video here](#)



### Radio

Over the summer :15 second radio ads ran in the Lower Mainland, Capital Regional District and on Community Radio stations, these stations provided substantial bonusing opportunities delivering 15,515,135 total impressions.

### Pre-Roll Advertising

To extend our reach to our audience while they are engaged in online shopping or renovation planning we utilized pre-roll ads. Using the same creative as the TV ads these ads appeared on websites, online video sites like YouTube and through connected TV for people in BC and reminded people to recycle their large appliances and support a sustainable BC. Overall these videos achieve a view completion rate of 86.3



## MAJOR APPLIANCE EDUCATION & AWARENESS

### Search Engine Marketing - Google AdWords

To round out our digital strategy and compliment offline media efforts, search engine marketing (SEM) was implemented to serve ads for Large Appliance Recycling to consumers if they searched related terms on Google. In total we achieved 12,651 impressions, the best performing keywords were:

- recycle fridge
- recycle large appliance
- large appliance removal
- recycle fridge bc
- refrigerator pick up
- appliance disposal near me
- recycle fridge bc



### Social Media

Two flights of social media advertising took place, one in August and one in October (to support Waste Reduction Week). For both flights social media ads ran on Facebook, Instagram and Twitter with the budget split with a heavier focus on Facebook and Instagram to suit our target audience.

Budgets were split evenly amongst 13 geographic areas and served as location based ad-sets.

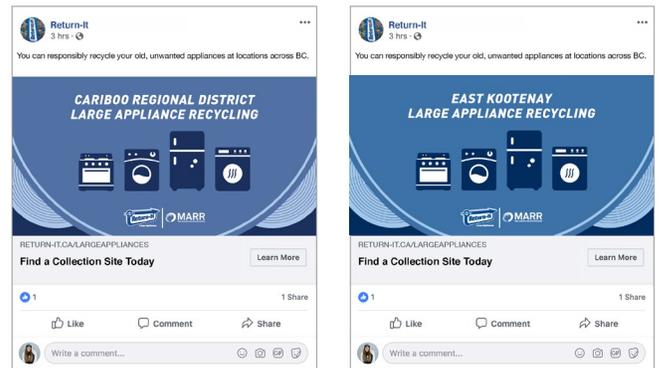
For the location specific ad sets, the creative called out the specific regional district so that the messaging was tailored and contextualize for each community. The best performing geographic areas (based on click-through rates) were Kitimat, Kootenay and Columbia Shuswap. Metro Vancouver and Vancouver Island has the lowest cost per thousand impressions.

We also had general awareness ad-sets that were not location specific and automatically targeted the best performing areas of BC. Total impressions for the two campaigns were 3,672,286 on Facebook, 2,065,879 on Instagram and 1,558,661 on Twitter.

### General Awareness Ads



### Regional/Community Ads



# MAJOR APPLIANCE EDUCATION & AWARENESS

## Waste Reduction Week – Advertorial

In the Vancouver Sun and Victoria Times Colonist a full page advertorial ran promoting Large Appliance recycling.

ADVERTISEMENT

## LARGE APPLIANCES. HUGE BENEFITS.

**Recycle Your Old Large Appliances Today**

Michael Zarbl  
Executive Director | Major Appliance Recycling Roundtable

Home appliances certainly make life easier. But even when they stop working, they can still be useful. By recycling your old, worn out large appliances, like fridges, air conditioners, and more, you can help protect the environment and keep the planet green.

Many large appliances used for cooling and refrigeration – like fridges, freezers, and air conditioners – use chemical refrigerants that as a group are classified as ozone-depleting substances (ODS). These chemicals are harmful to the environment so it's important they're handled and disposed of carefully by licensed professionals.

You can recycle 17 different categories of large appliances, at more than 170 drop-off locations across BC. In addition to the refrigerated appliance categories mentioned above, you can also recycle your old stoves, dishwashers, clothes washers and dryers, plus less "obvious" categories like dehumidifiers, electric cold-water dispensers, and more. Recycling them properly also means that the recyclable materials go back into the manufacturing cycle, to help make new items. For a full list of all of the items and categories visit [return-it.ca/large-appliances/recycling/products](http://return-it.ca/large-appliances/recycling/products)

**RETURN-IT & MARR**

The Return-It Large Appliance Program operates on behalf of the Major Appliance Recycling Roundtable (MARR) is a not-for-profit stewardship agency responsible for managing end-of-life large household appliances in British Columbia. Together we're working to enhance the performance and transparency of BC's existing system of collecting and recycling major household appliances. And we need your help. As British Columbians, we're all in it together when it comes to protecting our environment. Recycling your large appliances is an important way to help preserve our environment, so do your part and make sure they always get dropped off at a certified collection site.

Find a free certified MARR collection site near you at [return-it.ca/Large-Appliances/locations](http://return-it.ca/Large-Appliances/locations)

Call us at **1.800.330.9767**

**OVER 170 FREE DROP-OFF SITES ACROSS BC**

**HOW LARGE APPLIANCE RECYCLING WORKS**

**INDEPENDENT PROCESSORS**

For more program information visit [marrbc.ca](http://marrbc.ca)

## Waste Reduction Week - Sponsored Content

For Waste Reduction Week we partnered with Daily Hive to create sponsored content that was shared on their properties. An article “5 Facts about recycling large appliances you probably didn’t know” was created and amplified through Daily Hive’s social channels (Facebook, Instagram and Twitter). The campaign exceeded industry benchmark of 1,750 reads with 2,883 for the article.

The full article can be found here: <https://dailyhive.com/vancouver/return-it-recycling-large-appliances-marr-bc>

**5 facts about recycling large appliances you probably didn't know**

Although many British Columbians may not have planned it this way, 2020 has become the year of home renovations and DIY projects.

While most people wait until a reno is complete to invest in new large appliances, replacement sometimes needs to happen earlier. But this doesn't mean you have to leave a defective washing machine in your backyard for six months.

Almost all large appliances (99.9%) have a lifespan of around 10 to 20 years, and many can actually be recycled once you're done with them. In BC, the not-for-

**DON'T BE A DRIP. RECYCLE YOUR OLD, BROKEN WATER COOLER**

Ultimately, the large appliance stewardship plan is focused on enhancing the performance and transparency of BC's existing system of collecting and recycling major household appliances.

To learn more about the impact that recycling large appliances has on BC's sustainable future, visit [return-it.ca](http://return-it.ca).

**DailyHive BRANDED CONTENT**

**Help, My Laundry Smells Musty**

If your laundry smells like wet towels, try this simple fix.

**Conversation**

## COLLABORATION & SUPPORT INITIATIVES

### Community Calendars

MARR partners with local communities when opportunities arise. Presence in community calendars and support for local collection events establish MARR as a partner with local governments and community organizations.

### Collaboration

MARR maintains partnerships with organizations in the waste management and recycling industry. Currently MARR is a proud member of Coast Waste Management Association, the Indigenous Zero Waste Technical Advisory Group (IZWTAG), The Recycling Council of BC, and the Pacific Chapter of SWANA.



### Direct Mail

Because of the rapid expansion of the collection network we distributed brochures to addresses within a 1km radius around MARR collection sites and regional district offices to promote new collection sites locally.



#### WHO WE ARE

The Major Appliance Recycling Roundtable (MARR) is a not-for-profit stewardship agency responsible for managing end-of-life major household appliances in British Columbia. MARR works on behalf of major appliance producers to meet BC Recycling Regulations, making it an Extended Producer Responsibility (EPR) program.

The Return-It Large Appliance program operates on behalf of MARR in BC. The large appliance stewardship plan is focused on enhancing the performance and transparency of BC's existing system of collecting and recycling major household appliances.

#### HOW IT'S FUNDED

MARR is funded through Administrative Program Fees (APFs) that are charged at the point of sale for new appliances sold in BC. It's not a tax, nor is it a refundable deposit.

APFs for different products are established by MARR having regard to the cost to recycle the materials contained in the product and the cost of administering the program generally.

#### WHERE TO RECYCLE

There are 272 drop-off sites that accept major appliances in BC—that's in addition to the pick-up services offered by retailers and some municipalities. Your large appliances will be recycled responsibly regardless of whether you use a certified drop-off site or a pick-up service, so choose the option that works best for you. To find your nearest certified MARR collection site, visit [return-it.ca/LargeAppliances](http://return-it.ca/LargeAppliances).

#### WHY IT'S IMPORTANT

Large appliances contain recoverable metals and getting them back into the supply chain reduces the need for new raw materials. Also many large appliances contain refrigerants: a group of chemicals that collectively are called ozone-depleting substances. By responsibly recycling your large appliances, you ensure that any ozone-depleting substances will be handled and disposed of carefully by licensed professionals.

#### What's Accepted

Here are the large appliances accepted at certified MARR drop-off locations.

- Full Size Refrigerators**  
Refrigerator and refrigerator-freezer combinations. Includes built-in and free-standing models.
- Freezers**  
Chest, upright, and compact freezers, plus under the counter freezer drawers and ice makers.
- Portable Air Conditioners**  
Can be moved from place to place.
- Clothes Washers**  
Top and front-loading. Includes stacked laundry units and those that use dry clothes.
- Ranges**  
Can include a surface cooking unit and oven.
- Built-In Ovens**  
Can have separate warming drawers, combination with microwave oven or double-wall.
- Surface Cooking Units**  
Installed into the counter top where the controls are either integrated into the unit or installed separately.
- Food Waste Disposers**  
Integrated into the plumbing of a household.
- Electric Hot Beverage Dispenser**  
Mounted under the counter or built-in.
- Compact Refrigerators**  
Refrigerator or refrigerator-freezer combinations that are 6.6 cubic feet or less in volume. Includes beer kegs, wine dispensers and wine coolers.
- Window Air Conditioners**  
Operate through the wall or are window-mounted.
- Dehumidifiers**  
Free-standing and can be moved from place to place.
- Clothes Dryers**  
Top and front-loading. Includes stacked laundry units.
- Range Hoods & Downdrafts**  
Can be separate or connected from the cooking unit.
- Built-In & Over the Range Microwave Ovens**  
Built-in with or without hood vent combinations or permanently installed microwave ovens.
- Dishwasher**  
Built-in, portable or convertible.
- Trash Compactors**  
Permanently installed or portable.
- Electric Cold Beverage Dispensers**  
Containing refrigerant gases for cooling purposes.

# ***COLLECTION SYSTEM AND FACILITIES***

***4.1 SUCCESS IN A CHALLENGING YEAR***

***4.2 HOW THE COLLECTION SYSTEM WORKS***

***4.3 COLLECTION SITE MAP***

***04***

## 4.1 SUCCESS IN A CHALLENGING YEAR

Like all organizations across the globe, MARR and the MARR collectors worked hard to adapt to the challenges that COVID-19 presented. During the second quarter of 2020, 25 MARR collection sites temporarily closed to protect the health and safety of their staff and the public. Teams worked hard to modify operations to ensure that they could receive end-of-life appliances safely and in accordance with all provincial health regulations. We are happy to report that by the start of Q3 only 3 sites remained closed and those sites were able to resume operations by the end of the year.

### Collection Network Update

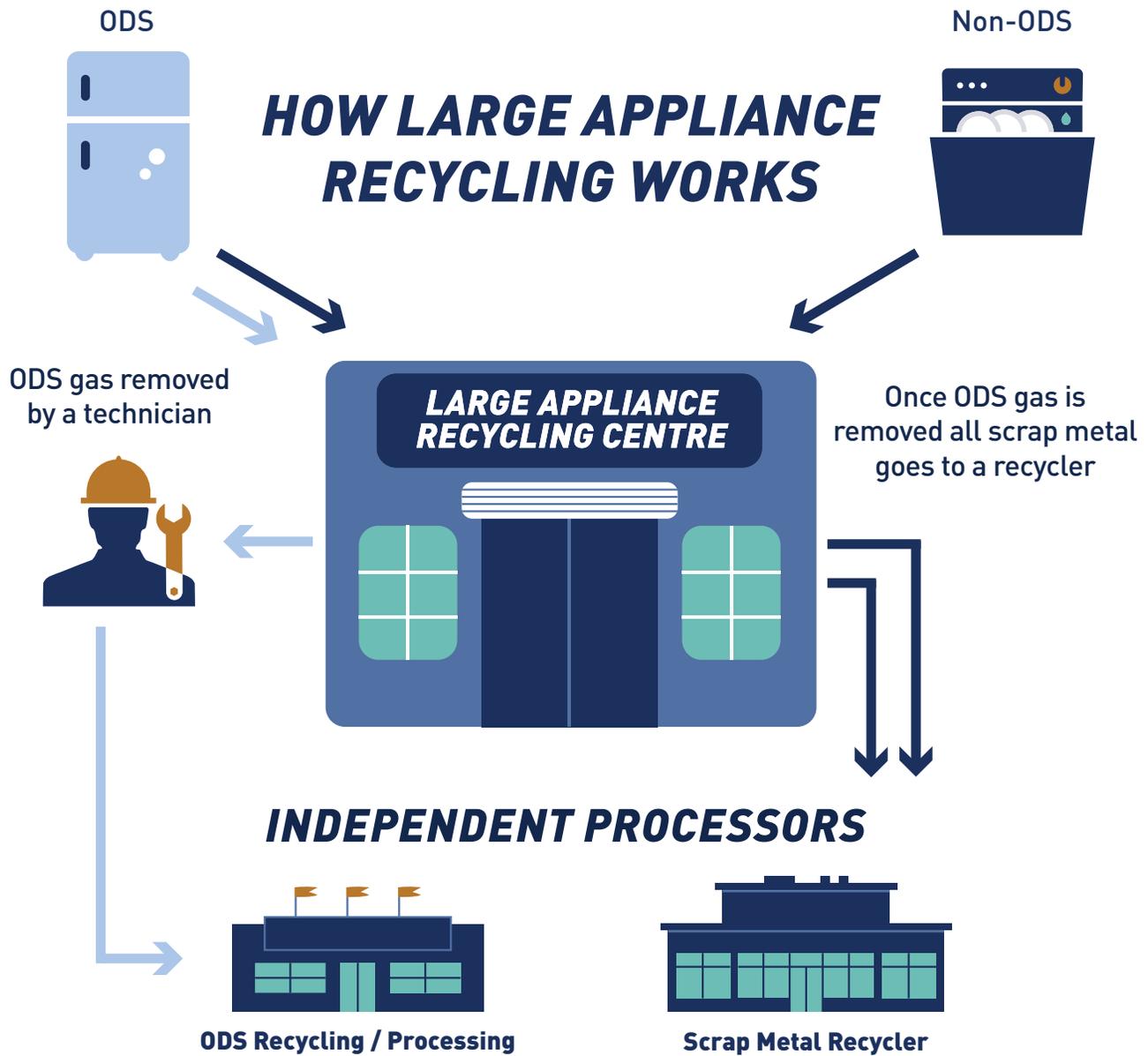
In many rural and remote areas of British Columbia communities are best served by holding end-of-life appliance collection events as needed. MARR's policy is to fully support all collection events by partnering with communities to remove and recycle all MARR product they collect. Unfortunately due to COVID-19 many communities restricted non-essential travel to protect their residents. MARR was able to hold two collection events in 2020, the first in October in Sayward BC and then in December at the Takla Lake First Nation.

MARR has continued to increase the number of collection sites and has added 39 new collectors to the program increasing the network to 190 sites across the province.

Under the MARR collection site program, collectors must contract individually with MARR. The terms of the contract require collectors to adhere to terms and conditions set out in MARR's collection site agreement, which include complying with MARR's Processing Standard, offering to accept all program products from consumers at no charge, as well as tracking and reporting on units collected and the volume of ozone depleting substances (refrigerant) removed from appliances. In return, contracted collectors receive compensation for costs associated with removal of ozone depleting substances and other halocarbons from refrigerating products, as well as administrative costs for tracking and reporting program products.



## 4.2 HOW THE COLLECTION SYSTEM WORKS



## 4.3 COLLECTION SITE MAP

We estimate that 94.9% of the population of BC have accessibility to free drop off of large appliances in BC. To view the full coverage of the MARR network visit: <https://www.return-it.ca/locations/coverage-marr-2020>

MARR is committed to providing service to all of BC. That means that if there is currently no permanent collection site close to a community MARR will arrange transport to move large appliances to a collection site. If possible we will arrange for an ODS technician to remove ODS gas prior to transport. In 2020 MARR finished the year with a total of 190 sites. There were 39 sites added and Gold Trail Recycling ended their contract with MARR and closed as a collection site. For a full list of MARR collection sites go to appendix A.



### COLLECTION SITES BY REGIONAL DISTRICT

Alberni - Clayoquot	2	East Kootenay	14	North Okanagan	5
Bulkley - Nechako	8	Fraser-Fort George	12	Northern Rockies*	0
Capital	6	Fraser Valley	6	Okanagan - Similkameen	6
Cariboo	12	Kitimat - Stikine	7	Peace River	1
Central Coast	0	Kootenay Boundary	7	qathet	1
Central Kootenay	14	Metro Vancouver	24	Squamish - Lillooet	3
Central Okanagan	4	Mount Waddington	4	Strathcona	6
Columbia - Shuswap	13	Nanaimo	3	Sunshine Coast*	0
Comox Valley	4	North Coast	6	Thompson - Nicola	19
Cowichan Valley	3				

\*Northern Rockies holds large appliance collection events as needed and although the Sechelt Landfill is not a MARR collector, appliances collected in the Sunshine Coast Regional District are collected by a processor in Metro Vancouver and counted into the MARR system.

# ***ENVIRONMENTAL IMPACT***

***5.1 ENVIRONMENTAL IMPACT***

***5.2 POLLUTION PREVENTION HIERARCHY***

***5.3 DESIGN FOR THE ENVIRONMENT***

***05***

## 5.1 ENVIRONMENTAL IMPACT

MARR has established a Processing Standard for Recyclers of Major Appliances (“MARR Product Processing Standard”) this qualification standard is to be met by every collector under the MARR program.

The purpose of MARR Product Processing Standard is to articulate best practices in, and support efforts of, all participants in the metal recycling industry to improve the environmental practices associated with the decommissioning and recycling of end-of-life major appliances.

The MARR Processing Standard has been developed by the Major Appliances Recycling Roundtable (MARR) in fulfillment of its commitment under Stewardship Plan for the management of major household appliances at end-of-life. It exists for the use of individuals, corporations and municipal governments in BC who are engaged in the pre-processing or decommissioning of some or all of the products covered under the Stewardship Plan.

MARR’s stewardship plan works with the pre-existing private-sector businesses that collect and process major appliances. MARR’s approach is to work within the existing market based supply chain creating a hybrid system. Processors purchase major appliances from contracted collectors: MARR has no involvement in those business relationships.

The standard is based largely on existing regulatory requirements applicable to the management of end-of-life major appliances. Members of the metal collection industry are encouraged to become a signatory to the MARR Processing Standard as a statement to consumers and the rest of the metal recycling industry of their

commitment to the responsible management of end-of-life appliances and their compliance with all applicable laws and regulations.

Collectors are responsible to work with metal recyclers for all products covered by MARR that adhere to the applicable environmental, health & safety laws and regulations as specified in the Processing Standard.

Prior to metal recycling, products undergo decommissioning to remove refrigerant and to look for any other substances of concern. MARR collection sites are required to have all refrigerant gasses removed by a Technician and the gas is subsequently sent for recycling or destruction.

While the major appliance industry continues to make advances in methods for providing refrigeration that are less environmental harmful, refrigerant in current refrigerating appliances are ozone depleting substances and other halocarbons and must be evacuated and managed responsibly according to regulations when a refrigerating appliance reaches end-of-life.

MARR’s Processing Standard requires that all contracted collection sites adhere to provincial regulations for the handling of ozone depleting substances and other halocarbons, as well as use “approved persons” as defined by regulation to track and report out on the amount of refrigerant or ozone depleting substances and other halocarbons evacuated from decommissioned refrigerating units.

In 2020 97 collection site audits were performed by MARR to review the adherence to the processing standard and to validate that the procedures used by approved ODS technicians follows the guidelines established by provincial regulations.

## FINAL DISPOSITION OF MATERIAL COMPONENTS

Acceptable final disposition of material components, in accordance with the approved Major Appliance Stewardship Plan:

Material Component	Recycled	Reuse	Landfilled	Safely Destroyed
Ferrous Metal	X			
Non-Ferrous Metal	X			
Plastic			X	
Refrigerant		X		X
Other <sup>1</sup>			X	X <sup>2</sup>

<sup>1</sup> Major appliances are primarily metal and plastic with smaller amounts of other materials like glass, rubber, foam, paper, electronics, oils, and mercury.

<sup>2</sup> The Processing Standard requires safe handling of all substances of concern, such as mercury or oils, in line with applicable laws and regulations.

## ESTIMATED CONFORMANCE WITH ACCEPTABLE FINAL DISPOSITION

Material Component	Recycled	Reuse	Landfilled	Safely Destroyed
Ferrous Metal	74% <sup>1</sup>			
Non-Ferrous Metal				
Plastic				
Refrigerant <sup>2</sup>				
Other				

<sup>1</sup> At this time, MARR is unable to obtain information from third party vendors regarding the exact volume of material components of major appliances and the degree of certainty over the processing pathways. Therefore, end fate data is based on estimates from two BC-based metal processors surveyed in the System Study. These processors estimate the material composition of major appliances to be approximately 75% metal. Of this metal, processors estimate that 98% of ferrous and non-ferrous metal is recovered and recycled back into the commodities market. It is unknown at this time which geography the metals are processed and re-entered into the commodities market. The remaining 26%, other than substances of concern, do not undergo further processing, and is currently sent to landfill.

<sup>2</sup> During 2020, MARR managed the safe removal of ODS gas or other halocarbons by 'approved persons' as defined by the BC regulation from 83,922 units. At this time, MARR is unable to obtain government manifests specifying final disposition of these substances as ownership of the product is not transferred to MARR. To mitigate the risk of unsafe disposal, delivery records are received from collectors confirming delivery of ODS gas and other halocarbons to refrigerant wholesalers for safe reuse or disposal. However, it is not possible to reconcile details, such as weight of ODS removed, as recorded on internal records, to the delivery records provided by collectors.

## 5.2 POLLUTION PREVENTION HIERARCHY

MARR strives to promote the principles of the pollution prevention hierarchy as much as possible including environmental impact initiatives outlined above. According to research conducted for the System Study\*, 99.9% of major appliances have a lifespan of between 10 and 20 years. This long life often results in a product having many different owners over its lifetime, usually facilitated by a used appliance retailer or refurbisher. Refurbishers are organizations involved in appliance reuse or the reuse of parts. They generally receive used major appliances from commercial generators or through retailers. The main goal of the refurbisher is to resell the unit into the second hand market, or at least use some of the parts for appliance repair.

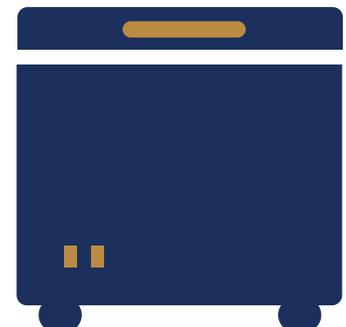
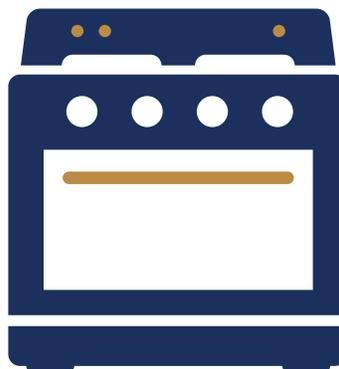
Once an appliance is retired, or reaches EoL, it enters the collection system described in Section 4. Major appliances are primarily metal (both ferrous and non-ferrous) with smaller amounts of other materials like glass, rubber, foam, paper, plastics, electronics, refrigerants, oils and other substances where applicable.

Based on the System Study that includes responses from the BC based processors, the material composition of major appliances is reported to be approximately 75% metal. Of this metal, processors report that 98% of ferrous and non-ferrous metal that enters the shredder is recovered and recycled back into the commodities market.

The processors estimate that 74% of materials are recycled (mostly ferrous and non-ferrous metal). The remaining 26%, other than substances of concern, do not undergo further processing and is currently sent to landfill.

MARR continues to examine the management of shredder residue and identify opportunities for achieving higher end uses of residual materials.

\*Based on findings from a 2005 report produced by R.W. Beck and Weston for the Association of Home Appliance Manufacturers titled "Recycling, Waste Stream Management and Material Composition of Major Home Appliances" referenced in MARR's "Study on the Operations and Effectiveness of the Major Appliance Collection and Recycling System in British Columbia". The study also included weighted average composition for new and old appliances



## 5.3 DESIGN FOR THE ENVIRONMENT

The home appliance industry has a history of implementing design changes and transitioning to the use of materials that lessen the environmental footprint of home appliances both in their use and management at the end of life. This includes the more environmentally friendly refrigerants, dramatically reducing the energy and water use, and recyclable materials in both appliances and appliance packaging.

In the past, the home appliance industry transitioned to refrigerants to improve energy efficiency, cost-effectiveness and safety, and reduce environmental impacts. The industry is currently transitioning away from very high-GWP (global warming potential) hydrofluorocarbon (HFC) refrigerants in refrigerators and freezers, room air conditioners, portable air conditioners and dehumidifiers.<sup>1</sup> The appliance industry will phase out the use of HFCs in full size refrigerators and freezers by 2022 (compact units in 2021 and built-ins in 2024) as mandated by several US state laws.<sup>2</sup> In addition, Environment and Climate Change Canada (ECCC) has issued regulations that will prohibit the use of HFC with global warming potential as a blowing agent or refrigerant in household refrigerators starting January 1, 2021 and January 1, 2025, respectively.<sup>3</sup>

The home appliance industry is a leader in environmental excellence. Innovations over time have led to significant efficiency gains that have dramatically reduced the energy and water use of these products. Clothes washers now hold 20 percent more volume than they did in 2000 while using less water.<sup>4</sup> The average amount of water used in a dishwashing cycle is down more than 41 percent since 2005.<sup>5</sup> Many of today's refrigerators use less than half of the energy of models sold 25 years ago.<sup>6</sup>

Home appliances are a recycling success story. Major appliances are recycled at a high rate, driven by the market value of the metals used in their manufacturing.

Recent consumer surveys that AHAM (Association of Home Appliance Manufacturers) conducted show that major appliances have an average lifespan of 10 years with some variation based on product type. This data is consistent with previous studies.<sup>7</sup> At the end of life, major appliances take on new value as an important manufacturing raw material, including as scrap steel. In major appliances, ferrous material can account for 40 to 60% of the product's total weight. Furthermore, the most used materials, by weight, for appliance packaging are paper and wood, materials that are highly recyclable.

1 See [https://www.aham.org/AHAM/News/Latest\\_News/Home\\_Appliance\\_Industry\\_Sets\\_Goals\\_to\\_Eliminate\\_Use\\_of\\_HFC\\_Refrigerants.aspx](https://www.aham.org/AHAM/News/Latest_News/Home_Appliance_Industry_Sets_Goals_to_Eliminate_Use_of_HFC_Refrigerants.aspx).

2 [California](#), [Vermont](#), and [Delaware](#) are just a few of the states setting regulations to mandate the HFC phase out.

3 Ozone-depleting Substances and Halocarbon Alternatives Regulations (SOR/2016-137), <https://laws.justice.gc.ca/eng/regulations/SOR-2016-137/index.html>

4 See <https://appliance-standards.org/blog/new-spin-clothes-washer-efficiency-coming-january-2018>.

5 See <https://appliance-standards.org/product/dishwashers>

6 See <https://www.energy.gov/articles/proof-pudding-how-refrigerator-standards-have-saved-consumers-billions>.

7 Burns & McDonnell, Analysis of Appliance Recycling in the U.S. and Canada (2017).

Over the past decade, AHAM embarked on an initiative to create a series of sustainability standards covering all of its products, and has published standards for refrigeration products, portable and floor care appliances, clothes washers, clothes dryers, kitchen cooking appliances (both microwave and cooktop/ranges), room air conditioners, and household dehumidifiers.<sup>8</sup> AHAM partnered with UL Environment, the CSA Group, and internationally recognized sustainability experts to develop the standards, which are based on a life-cycle analysis methodology. The goal of these standards is to provide manufacturers, consumers, retailers and other stakeholders with a technically-based methodology to assess the relative environmental impacts of home appliances. The standards were released over the course of several years, beginning in 2012, and AHAM and its partners are now in the process of updating those standards. AHAM is publishing an industry-wide environmental report in Spring 2021.



<sup>8</sup> The standards are available as the AHAM/UL/CSA 7000 series of standards.

# ***UNITS SOLD AND COLLECTED***

***6.1 RECYCLING BY THE NUMBERS***

***6.2 REGIONAL COLLECTION***

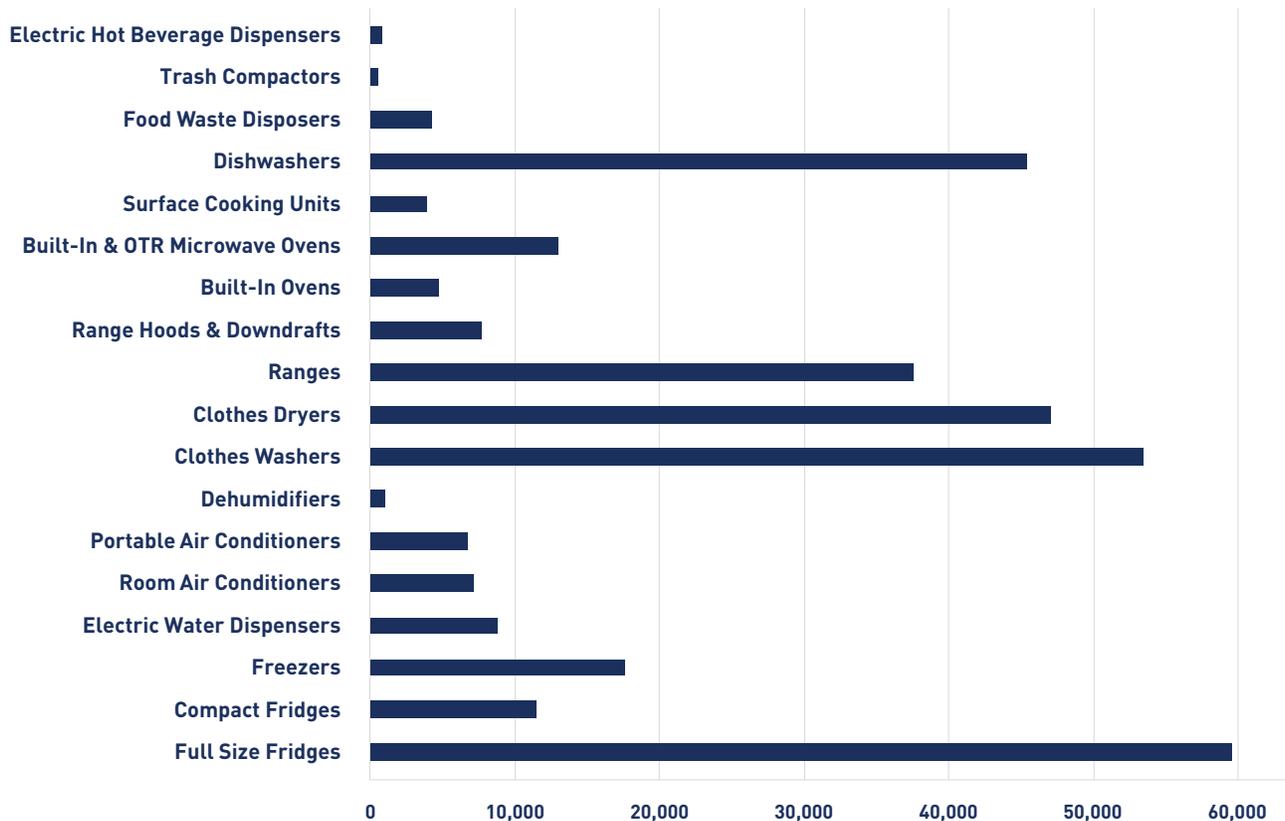
***6.3 UNITS SOLD AND COLLECTED***

***06***

## 6.1 RECYCLING BY THE NUMBERS

In 2020 MARR collectors reported 328,353 units which is a significant increase from the 211,340 units collected in 2019. Of the units collected 112,190 contained gasses known as ozone depleting substances (ODS) and MARR managed the removal of ODS gas from 75% of the units collected.

### UNITS OF MARR PRODUCTS CLAIMED (YTD)



ODS units serviced by independent technician	90,173
ODS serviced by collector technician	22,017
<i>Subtotal ODS units</i>	<i>112,190</i>
Non-ODS units	216,163

ODS units are serviced and counted by independent third-party certified technicians or serviced by collectors' staff who are certified technicians.

<b>Total Collected Units</b>	<b>328,353</b>
------------------------------	----------------

## 6.2 REGIONAL COLLECTION

### MARR REGIONAL RETURNS (UNITS /CAPITA PER 000)

REPORTING PERIOD: JANUARY 1, TO DECEMBER 31, 2020

Region	2020 # of Sites	2020 Collection	Population	Units/Capita (per000)
Alberni - Clayoquot	2	2,957	33,885	87.27
Bulkley - Nechako	8	3,581	39,713	90.17
Capital	6	28,150	425,503	66.16
Cariboo	12	2,792	65,575	42.58
Central Coast	0	-	3,565	-
Central Kootenay	14	6,865	63,911	107.41
Central Okanagan	4	14,056	222,748	63.10
Columbia - Shuswap	13	11,625	56,899	204.31
Comox Valley	4	3,957	73,664	53.72
Cowichan Valley	3	1,177	90,776	12.97
East Kootenay	14	7,418	65,782	112.77
Fraser-Fort George	12	7,011	103,975	67.43
Fraser Valley	6	11,434	335,229	34.11
Kitimat - Stikine	7	1,094	39,921	27.40
Kootenay-Boundary	7	3,866	33,430	115.64
Metro Vancouver	24	168,416	2,737,681	61.52
Mount Waddington	4	555	11,770	47.15
Nanaimo	3	20,119	171,990	116.98
North Coast	6	-	19,414	-
North Okanagan	5	9,158	92,184	99.34
Northern Rockies*	0	-	4,996	-
Okanagan - Similkameen	6	5,317	90,057	59.04
Peace River	1	449	67,284	6.67
Qathet	1	111	21,224	5.23
Squamish - Lillooet	3	307	47,363	6.48
Strathcona	6	4,084	49,308	82.83
Sunshine Coast*	0	-	31,723	-
Thompson - Nicola	19	13,854	147,432	93.97

\*Northern Rockies holds large appliance collection events as needed and although the Sechelt Landfill is not a MARR collector, appliances collected in the Sunshine Coast Regional District are collected by a processor in Metro Vancouver and counted into the MARR system.

See appendix A for a detailed list of collection sites.

## 6.3 UNITS SOLD AND COLLECTED

### MAJOR APPLIANCES RECYCLING ROUND TABLE UNITS SOLD AND COLLECTED

YEAR ENDING DECEMBER 31, 2020

Category	2020			2019			2020 vs. 2019		
	Units Sold	"Units Collected"	% Units Collected over Sales	Units Sold	"Units Collected"	% Units Collected over Sales	Increase / (Decrease) in % of Units Collected over Sales	Increase / (Decrease) of Units Sold from Prior Year	Increase / (Decrease) of Units Collected from Prior Year
<b>Refrigerant Appliances:</b>									
Full-Size Fridges	194,571	59,362	30.5%	180,175	43,749	24.3%	6.2%	14,396	15,613
Compact Fridges	63,470	11,520	18.2%	57,391	6,992	12.2%	6.0%	6,079	4,528
Freezers	99,984	17,601	17.6%	50,923	12,649	24.8%	-7.2%	49,061	4,952
Electric Water Dispensers	14,649	8,794	60.0%	11,659	5,618	48.2%	11.8%	2,990	3,176
Room Air Conditioners	12,155	7,187	59.1%	11,558	5,309	45.9%	13.2%	597	1,878
Portable Air Conditioners	43,954	6,702	15.2%	57,536	3,511	6.1%	9.1%	(13,582)	3,191
Dehumidifiers	21,564	1,024	4.7%	16,551	508	3.1%	1.7%	5,013	516
<b>Subtotal</b>	<b>450,347</b>	<b>112,190</b>	<b>24.9%</b>	<b>385,793</b>	<b>78,336</b>	<b>20.3%</b>	<b>4.6%</b>	<b>64,554</b>	<b>33,854</b>
<b>Non-Refrigerant Appliances:</b>									
Clothes Washers	166,914	54,272	32.5%	160,718	33,555	20.9%	11.6%	6,196	20,717
Clothes Dryers	123,193	45,034	36.6%	117,719	27,218	23.1%	13.4%	5,474	17,816
Ranges	118,924	38,273	32.2%	112,413	24,252	21.6%	10.6%	6,511	14,021
Range Hoods & Downdrafts	90,962	7,719	8.5%	89,130	5,048	5.7%	2.8%	1,832	2,671
Built-In Ovens	33,833	4,758	14.1%	37,461	2,541	6.8%	7.3%	(3,628)	2,217
Built-In & OTR Microwave Ovens	44,977	13,073	29.1%	46,534	7,388	15.9%	13.2%	(1,557)	5,685
Surface Cooking Units	26,804	3,953	14.7%	26,183	1,962	7.5%	7.3%	621	1,991
Dishwashers	149,339	43,381	29.0%	145,131	26,849	18.5%	10.5%	4,208	16,532
Food Waste Disposers	28,899	4,303	14.9%	25,571	3,119	12.2%	2.7%	3,328	1,184
Trash Compactors	1,550	551	35.5%	440	437	99.3%	-63.8%	1,110	114
Electric Hot Beverage Dispensers	2,342	846	36.1%	1,085	635		36.1%	1,257	211
<b>Subtotal</b>	<b>787,737</b>	<b>216,163</b>	<b>27.4%</b>	<b>762,385</b>	<b>133,004</b>	<b>17.4%</b>	<b>10.0%</b>	<b>25,352</b>	<b>83,159</b>
<b>Total</b>	<b>1,238,084</b>	<b>328,353</b>	<b>26.5%</b>	<b>1,148,178</b>	<b>211,340</b>	<b>18.4%</b>	<b>8.1%</b>	<b>89,906</b>	<b>117,013</b>

MARR will continue to review the collection performance for the subcategories of products covered by the plan. In 2021 we will continue to expand the collection network, maintain an effective consumer awareness campaign and build historical data to better evaluate performance.

MARR will not be reporting collection based on a capture rate. Historically the capture rate used mathematical calculation to estimate the number of units that are potentially available for collection. However, because of the extended lifespan of large appliances the capture rate is highly subjective. MARR will report on units sold and collected in a calendar year. MARR has submitted plan amendments to the Ministry of Environment which contains this update which was approved as of April, 2021.

# ***FINANCIAL PERFORMANCE***

***7.1 FOLLOW THE MONEY***

***7.2 RESERVE FUNDS***

***7.3 ADMINISTRATIVE PROGRAM FEES***

***07***

## 7.1 FOLLOW THE MONEY

### REVENUES

MARR is funded through Administrative Program Fees (APFs) that are charged at the point of sale for new appliances sold in BC. It's not a tax, nor is it a refundable deposit. APFs for different products are established by MARR having regard to the cost to recycle the materials contained in the product and the cost of administering the program generally.

### EXPENDITURES

#### Administration

Management of contracts, service providers and system development studies.

#### Audit

As an extended producer responsibility program under BC's Recycling Regulation and approved by the Ministry of Environment and Climate Change MARR is required to undertake internal and third party audits of financial and non-financial audits.

### Collection Costs

MARR pays the cost for collection at each collection site. In return each site provides no cost drop off to the public for all products covered in the MARR program and report collection statistics to MARR on a monthly basis. MARR also reimburses the cost of ODS removal to the collector by an approved person.

### Consumer Education and Awareness

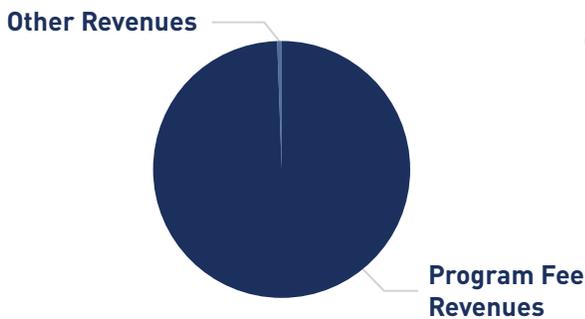
Information provided to the public to encourage people to recycle their large appliances in a responsible way.

### Transportation

Should commodity values be insufficient to pay for the cost of transporting the Program Products to market, MARR will compensate the Collector for the difference between transportation invoices for the major appliance portion (by weight) of any load and the price received for the metal.

MARR pays the transportation costs for all drop off events held by remote and rural communities where accessibility to the collection network is unavailable.

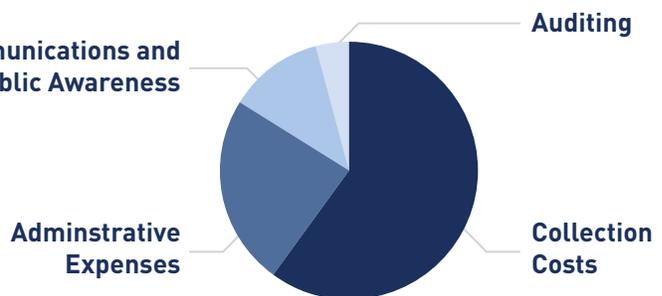
### REVENUES



Program Fee Revenues	\$	7,600,717.10	99.7%
Other Revenues	\$	25,757.78	0.3%

**Total Revenues \$ 7,626,474.88**

### EXPENSES



Administrative Expenses	\$	967,494.49	24%
Auditing	\$	172,295.02	4%
Collection Costs	\$	2,359,783.17	59%
Research and Studies	\$	6,122.18	0.2%
Communications and Public Awareness	\$	469,532.08	12%

**\$ 3,975,226.94**

## 7.2 RESERVE FUND

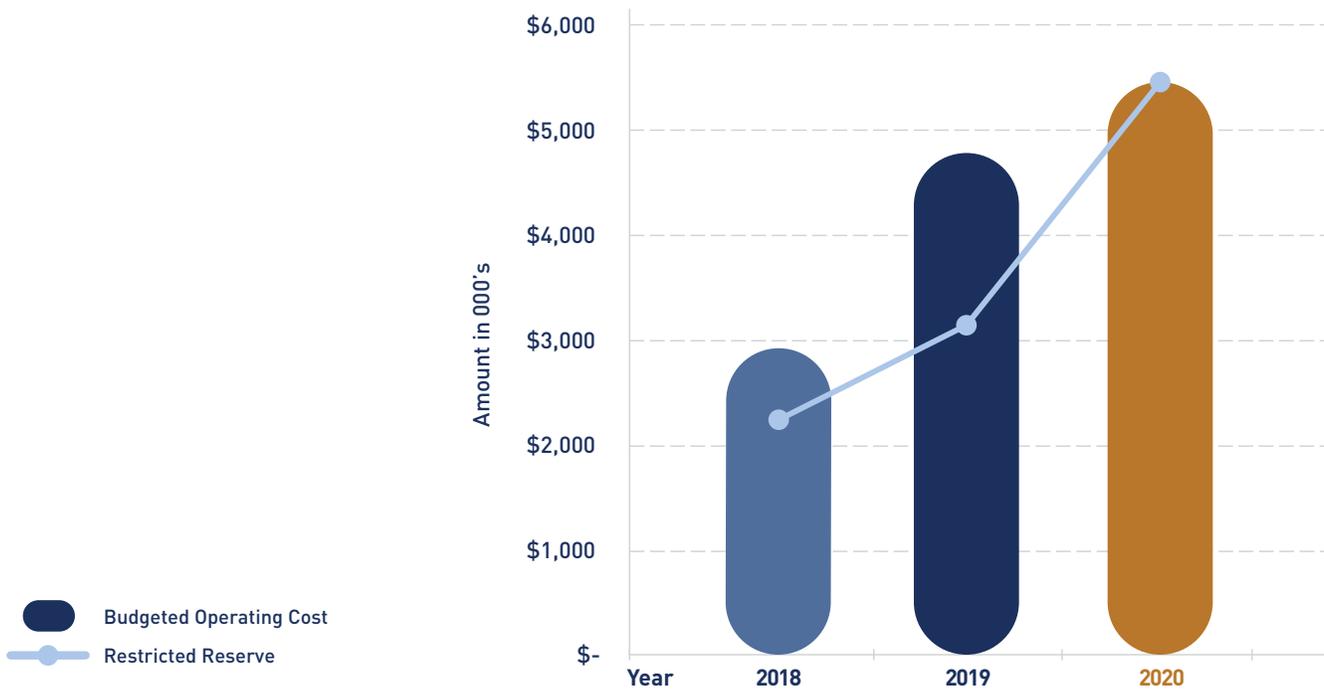
In 2015, the Board of Directors passed a resolution to establish a Reserve Fund. The purposes of the Reserve Fund are:

- To assist in stabilizing APFs by being available to manage year to year revenue and costs due to volume fluctuations.
- To cover the costs of dissolving program by the decision of the members or because of regulatory change, in an orderly manner.
- To cover any claims against the program, Board of Directors or staff in excess of the program’s insurance coverage.

- To cover the costs of any unanticipated or extraordinary items.
- To fund other special projects to enhance the recycling of major appliances.
- To fund the purchase of capital equipment.
- To cover the cost of managing products with long life spans, for which collection may occur well in the future.

Transfers to the fund are made upon resolutions passed by the Board of Directors. Total contributions to the Reserve Fund are targeted to be approximately one year’s operating expenses.

For the reserve fund to be effective MARR has established that a reasonable reserve fund is expected to be around the annual budgeted operating cost of the program.



## 7.3 ADMINISTRATIVE PROGRAM FEES

APF stands for Administrative Program Fees. These are the fees MARR charges on the sale of all new appliances in BC. It's not a tax, nor is it a refundable deposit. APFs for different products are established by MARR having regard to the cost to recycle the materials contained in the product and the cost of administering the program generally.

Appliance Type	Effective APFs Apr 1 - Dec 31, 2020
 Full-Size Refrigerators	\$11.50
 Compact Refrigerators	\$11.50
 Freezers	\$11.50
 Window Air Conditioners	\$11.50
 Portable Air Conditioners	\$11.50
 Dehumidifiers	\$3.50
 Clothes Washers	\$3.50
 Clothes Dryers	\$3.50
 Ranges	\$3.50
 Range Hoods & Downdrafts	\$3.50
 Built-In Ovens	\$3.50
 Built-In & OTR Microwaves	\$3.50
 Surface Cooking Units	\$3.50
 Dishwashers	\$3.50
 Food Waste Disposers	\$3.50
 Trash Compactors	\$3.50
 Electric Hot Beverage Dispensers	\$3.50
 Electric Cold Beverage Dispensers	\$11.50

# ***GOVERNANCE***

***8.1 GOVERNANCE***

***8.2 LOCAL GOVERNMENT INVOLVEMENT***

***08***

## 8.1 GOVERNANCE

MARR recognizes that the responsibilities of a Product Stewardship Organization require a governance model that places great emphasis on high standards of accountability and transparency.

MARR is a not-for-profit stewardship agency incorporated under the *Canada Not-for-Profit Corporations Act* on July 17, 2012. The Retail Council of Canada and the Association of Home Appliance Manufacturers are the corporation's two members. MARR is governed by a board of directors appointed for three-year terms, in equal numbers, by the two trade associations (members). Directors are not compensated by MARR. MARR reimburses directors for reasonable expenses including travel and accommodation related to attending board meetings.



**WARRINGTON ELLACOTT**  
Whirlpool Canada LP



**JEFFREY VAN DAMME**  
Samsung Electronics  
Canada Inc.



**MEAGAN HATCH**  
Association of Home  
Appliance Manufacturers  
Canada (AHAM Canada)



**KIMBERLEE JOHNSON**  
Danby Appliances



**GRANT GARRARD**  
The Home Depot Canada



**JORDANE FERRON**  
Lowe's of Canada



**GREG WILSON**  
Retail Council of Canada



**JULIE YAN**  
Hudson's Bay Company

## 8.2 LOCAL GOVERNMENT INVOLVEMENT

In 2013 MARR created the Local Government Advisory Council (LGAC) to provide a forum for local government representatives to provide their unique perspective and advice to MARR.

The LGAC included representatives from:

 <b>METRO VANCOUVER</b> metrovancover	 <b>CITY OF VANCOUVER</b>
 <b>REGIONAL DISTRICT OF BULKLEY-NECHAKO</b>	 <b>REGIONAL DISTRICT OF KOOTENAY BOUNDARY</b>
 <b>REGIONAL DISTRICT OF NORTH OKANAGAN</b>	 <b>MOUNT WADDINGTON REGIONAL DISTRICT</b>
 <b>FIRST NATIONS RECYCLING INITIATIVE</b>	 <b>CAPITAL REGIONAL DISTRICT</b>
 <b>REGIONAL DISTRICT OF CENTRAL KOOTENAY</b>	

The LGAC includes representation from Regional Districts and municipalities representing urban, rural and remote communities in BC allowing MARR to better understand and service the needs of diverse communities in BC.

MARR also participates in meetings with local governments organized by the Stewardship Agencies of British Columbia (SABC) and BC Product Stewardship Council (BCPSC). These are often held in conjunction with the Recycling Council of British Columbia and Coast Waste Management Association annual conferences.

# ***AUDITOR'S REPORT***

***9.1 INDEPENDENT AUDITOR'S REPORT & FINANCIAL STATEMENTS***

***9.2 2020 ASSURANCE REPORT FOR NON-FINANCIAL INFORMATION***

***09***

## 9.1 INDEPENDENT AUDITOR'S REPORT & FINANCIAL STATEMENTS

Financial Statements of

### **MAJOR APPLIANCE RECYCLING ROUNDTABLE**

And Independent Auditors' Report thereon

Year ended December 31, 2020



KPMG LLP  
PO Box 10426 777 Dunsmuir Street  
Vancouver BC V7Y 1K3  
Canada  
Telephone (604) 691-3000  
Fax (604) 691-3031

## INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Major Appliance Recycling Roundtable

### **Qualified Opinion**

We have audited the financial statements of Major Appliance Recycling Roundtable (the "Entity"), which comprise:

- the statement of financial position as at December 31, 2020
- the statement of operations for the year then ended
- the statement of 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

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

In our opinion, except for the possible effects of the matter described in the "**Basis for Qualified Opinion**" section of our auditors' report, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2020, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

### **Basis for Qualified Opinion**

The Entity provides financial support to collectors of major appliances participating in their claims program based on the number of units self-reported by the collector. We were not able to verify the completeness or accuracy of claims reported by collectors relating to ODS units serviced by collector technicians and for non-ODS units for the year ended December 31, 2020 and for any of the collections expense for the year ended December 31, 2019. Accordingly, verification of collections expense for these units was limited to the amounts recorded in the records of the Entity.

KPMG LLP, an Ontario limited liability partnership and member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. KPMG Canada provides services to KPMG LLP.



Therefore, we were not able to determine whether any adjustments might be necessary to:

- the current liabilities and unrestricted net assets reported in the statements of financial position as at December 31, 2020 and December 31, 2019
- the collections expense for ODS units serviced by collector technician and Non-ODS units and excess of revenue over expenses reported in the statements of operations for the years ended December 31, 2020
- the total collections expense and excess of revenue over expenses reported in the statement of operations for the years ended December 31, 2019
- the unrestricted net assets, at the beginning and end of the year, and excess of revenue over expenses reported in the statements of changes in net assets for the years ended December 31, 2020 and December 31, 2019.
- the excess of revenue over expenses reported in the statements of cash flows for the years ended December 31, 2020 and December 31, 2019.

Our opinion on the financial statements for the year ended December 31, 2019 was qualified because of the possible effects of the limitation in scope relating to self-reported units.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the **"Auditors' Responsibilities for the Audit of the Financial Statements"** section of our auditors' 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 qualified opinion.

#### **Other Information**

Management is responsible for the other information. Other information comprises:

- the information, other than the financial statements and the auditors' report thereon, included in Major Appliance Recycling Roundtable 2020 Annual Report to the Director.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit and remain alert for indications that the other information appears to be materially misstated.



We obtained the information, other than the financial statements and the auditors' report thereon, included in Major Appliance Recycling Roundtable 2019 Annual Report to the Director as at the date of this auditors' report.

If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditors' report.

As described in the "**Basis for Qualified Opinion**" section above, we were unable to obtain sufficient appropriate evidence about collections expense. Accordingly, we are unable to conclude whether or not the other information is materially misstated with respect to this matter.

**Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of the 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.

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.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

**Auditors' 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 auditors' 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.



Major Appliance Recycling Roundtable  
Page 4

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 auditors' 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 auditors' 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.

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.

Chartered Professional Accountants

Vancouver, Canada  
June 3, 2021

**MAJOR APPLIANCE RECYCLING ROUNDTABLE**

Statement of Financial Position

December 31, 2020, with comparative information for 2019

	2020	2019
<b>Assets</b>		
Current assets:		
Cash	\$ 7,188,720	\$ 4,017,026
Accounts receivable (note 2)	2,353,332	1,885,871
Restricted short-term investments (note 3)	-	50,574
Prepaid expenses	31,416	29,981
	<u>9,573,468</u>	<u>5,983,452</u>
Tangible capital assets	3,782	-
	<u>\$ 9,577,250</u>	<u>\$ 5,983,452</u>
<b>Liabilities and Net Assets</b>		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 689,318	\$ 616,291
GST payable	136,021	266,497
	<u>825,339</u>	<u>882,788</u>
Net assets		
Unrestricted	3,326,011	4,799,851
Reserve fund (note 4)	5,425,900	300,813
	<u>8,751,911</u>	<u>5,100,664</u>
Commitments (note 6)		
	<u>\$ 9,577,250</u>	<u>\$ 5,983,452</u>

See accompanying notes to financial statements.

Approved on behalf of the Board:

 Director
  Director

**MAJOR APPLIANCE RECYCLING ROUNDTABLE**

Statement of Operations

Year ended December 31, 2020, with comparative information for 2019

	2020	2019
Revenue:		
Administrative program fees	\$ 7,600,717	\$ 5,600,441
Expenses:		
Collections:		
ODS units serviced by independent technician	1,137,046	767,901
ODS units serviced by collector technician	297,409	101,186
Non-ODS units	905,903	407,638
Other	19,425	34,006
Total collections	2,359,783	1,310,731
Program administration	1,139,790	1,002,417
Communications	469,532	434,680
Research and studies	6,122	4,500
	3,975,227	2,752,328
Excess of revenue over expenses before the undemoted	3,625,490	2,848,113
Interest income	25,757	22,013
Excess of revenue over expenses	\$ 3,651,247	\$ 2,870,126

See accompanying notes to financial statements.

## MAJOR APPLIANCE RECYCLING ROUNDTABLE

Statement of Changes in Net Assets

Year ended December 31, 2020, with comparative information for 2019

	Unrestricted	Reserve fund	Total 2020	Total 2019
Balance beginning of year	\$ 4,799,851	\$ 300,813	\$ 5,100,664	\$ 2,230,538
Excess of revenues over expenses	3,651,247	-	3,651,247	2,870,126
Interfund transfers (note 4)	(5,125,087)	5,125,087	-	-
<b>Balance, end of year</b>	<b>\$ 3,326,011</b>	<b>\$ 5,425,900</b>	<b>\$ 8,751,911</b>	<b>\$ 5,100,664</b>

See accompanying notes to financial statements.

## MAJOR APPLIANCE RECYCLING ROUNDTABLE

### Statement of Cash Flows

Year ended December 31, 2020, with comparative information for 2019

	2020	2019
Cash provided by (used in):		
Operating:		
Excess of revenue over expenses	\$ 3,651,247	\$ 2,870,126
Items not involving cash:		
Depreciation	473	-
Accrued interest on restricted short term investments	-	(307)
Changes in non-cash operating working capital:		
Accounts receivable	(467,461)	(1,525,645)
Prepaid expenses	(1,435)	(19,895)
Accounts payable and accrued liabilities	73,027	362,245
GST payable	(130,476)	294,411
	3,125,375	1,980,935
Investing:		
Purchase of tangible capital assets	(4,255)	-
Redemption of restricted short-term investments	50,574	-
	46,319	-
Increase in cash	3,171,694	1,980,935
Cash, beginning of year	4,017,026	2,036,091
Cash, end of year	\$ 7,188,720	\$ 4,017,026

See accompanying notes to financial statements.

## MAJOR APPLIANCE RECYCLING ROUNDTABLE

Notes to Financial Statements

Year ended December 31, 2020

---

### Nature of operations:

Major Appliance Recycling Roundtable ("MARR") was incorporated under the Canada Not-for-Profit Corporations Act on July 17, 2012 and commenced operations on August 1, 2013. MARR is a not-for-profit organization and it is exempt from income taxes under the Income Tax Act. MARR operates a stewardship program in British Columbia ("BC") to assist the major appliance producers in discharging their obligation to establish end of life product collection and recycling programs further to the Recycling Regulation under the Environmental Management Act (British Columbia) (the "Regulation").

In March of 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization. Governments worldwide, including the Canadian federal and provincial governments, enacted emergency measures to combat the spread of the virus. Due to the essential nature of MARR's services, there has not been an adverse impact to MARR's revenues and cashflows as a result of this pandemic. The situation is dynamic and the ultimate duration and magnitude of the impact on the economy and MARR are not determinable.

### 1. Significant accounting policies:

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the CPA Canada Handbook - *Accounting*. The significant policies are as follows:

#### (a) Revenue recognition:

Administrative program fees ("APFs") relate to fees charged at the point of sale for regulated new major appliance products sold in BC. Registered participants of MARR are agents of MARR and collect, report, and remit the APFs to MARR in accordance with the Regulation. Revenue from APFs is recognized when the APF is charged and invoiced at the point of sale, the amount to be received can be reasonably estimated, and collection is reasonably assured.

#### (b) Cash and cash equivalents:

Cash and cash equivalents include cash on hand and short term deposits which are highly liquid with original maturities of less than three months at the date of acquisition. These financial assets are convertible to known amounts of cash and are subject to an insignificant risk of changes in value. There were no cash equivalents held as at December 31, 2020 and 2019.

#### (c) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently measured at cost or amortized cost, unless management has elected to carry the instruments at fair value. MARR has not elected to carry any such financial instruments at fair value.

## MAJOR APPLIANCE RECYCLING ROUNDTABLE

Notes to Financial Statements (continued)

Year ended December 31, 2020

### 1. Significant accounting policies (continued):

#### (c) Financial instruments (continued):

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs. These costs are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, MARR determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount MARR expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial impairment charge.

#### (d) Tangible capital Assets:

Tangible capital assets are stated at cost less accumulated amortization which is recorded over the useful life of the assets on a straight-line basis as follows:

Asset	Rate
Computer equipment	3 years

When conditions indicate that a tangible capital asset is impaired and no longer contributes to MARR's ability to provide services, the net carrying amount is written down to the asset's fair value or replacement cost. Write-downs are recognized as an expense in the statement of operations, and are not reversed.

#### (f) Collections expense:

Collections relate to financial support provided to registered collectors of major appliances to offset the costs associated with removal of ozone depleting substances ("ODS") and to ensure that ODS is being removed and managed responsibly. Compensation is also provided for tracking, counting and reporting units of MARR products collected. Collections expenses is accrued when units of MARR products collected are reported by the collectors to MARR.

#### (g) 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, revenues and expenses and disclosure of contingencies at the date of statement of financial position. Actual results could differ from those estimates.

## MAJOR APPLIANCE RECYCLING ROUNDTABLE

Notes to Financial Statements (continued)

Year ended December 31, 2020

### 2. Accounts receivable:

No provision for doubtful accounts was recognized at December 31, 2020 (2019 - nil).

### 3. Restricted short-term investments:

As at December 31, 2019, restricted short-term investments were comprised of term deposits held as security for credit card facilities by financial institutions and had interest rates of 1.10% to 1.15% with maturities during fiscal 2020. These short-term investments were redeemed during the year ended December 31, 2020.

### 4. Reserve fund:

In 2016, the Board of Directors passed a resolution to establish the Reserve Fund. The purposes of the Reserve Fund are as follows:

- (a) To assist in stabilizing eco fees by being available to manage year to year volume fluctuations;
- (b) To cover the costs of winding up MARR by the decision of the members or as a consequence of regulatory change, in an orderly manner, not to exceed one year;
- (c) To cover any claims against MARR, Board of Directors or staff in excess of the Program's insurance coverage;
- (d) To cover the cost of unanticipated or extraordinary items; and
- (e) To make available interim funding for program expansion;

Transfers to the Reserve Fund are made upon resolutions passed by the Board of Directors. Total contributions to the Reserve Fund are not to exceed one year's operating expenses.

The Reserve Fund consists of an investment in a commercial savings account and is managed in accordance with MARR's investment policy.

During the year ended December 31, 2020, the Board of Directors approved the transfer of \$5,125,087 from unrestricted net assets to the Reserve Fund (2019 - nil).

### 5. Financial risks:

#### (a) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. MARR's main credit risks relate to its cash and cash equivalents and accounts receivable. Cash and cash equivalents is in place with major financial institutions. MARR deals with creditworthy counterparties to mitigate the risk of financial loss from defaults. Concentrations of credit risk with respect to accounts receivable are limited due to the large number of registered participants. MARR has evaluation and monitoring processes in place and writes off accounts when they are determined to be uncollectible. There has been no change to the risk exposure from 2019.

## MAJOR APPLIANCE RECYCLING ROUNDTABLE

Notes to Financial Statements (continued)

Year ended December 31, 2020

---

### 5. Financial risks (continued):

#### (b) Other financial risks:

MARR is not exposed to significant liquidity, interest rate, currency, or market risk arising from its financial instruments.

### 6. Commitments:

MARR has made commitments to outside vendors for the provision of services, with payments over the next three years as follows:

---

2021	\$ 500,000
2022	450,000
2023	450,000
	<hr/> \$ 1,400,000 <hr/>

### 7. Comparative information:

Certain comparative information has been reclassified to conform to the financial statement presentation used in the current year. The changes do not affect prior year excess of revenue over expenses.

## 9.2 2020 ASSURANCE REPORT FOR NON-FINANCIAL INFORMATION



**KPMG LLP**  
777 Dunsmuir Street  
Vancouver BC  
V7Y 1K3

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

### 2020 INDEPENDENT REASONABLE ASSURANCE REPORT FOR SELECTED NON-FINANCIAL INFORMATION

To the Directors of Major Appliance Recycling Roundtable:

#### *Assurance Level and Subject Matter*

We have undertaken a reasonable assurance engagement in respect of the following disclosures within Major Appliance Recycling Roundtable (MARR)'s Annual Report to the Director (the 'Report') and contained in Appendix 1, for the year ended December 31, 2020 (together the 'Subject Matter'):

- The location of collection facilities, and any changes in the number and location of collection facilities from the previous report in accordance with Section 8(2)(b) of BC Regulation 449/2004 (the Recycling Regulation);
- The description of how the recovered product was managed in accordance with the pollution prevention hierarchy in accordance with Section 8(2)(d) of the Recycling Regulation;
- The total amount of the producer's product collected in accordance with Section 8(2)(e) of the Recycling Regulation; and,
- The performance for the year in relation to approved targets under Sections 8(2)(b), (d) and (e) in accordance with Section 8(2)(g) of the Recycling Regulation.

The objective of this report is to express an opinion on how MARR's management has discharged its responsibility to report on the Subject Matter in accordance with Section 8(2)(b), (d), (e) and (g) of the Recycling Regulation.

#### *Responsibilities*

Management is responsible for the preparation and presentation of the Subject Matter in accordance with the evaluation criteria which are integral to the Subject Matter and are presented current as at the date of our report in Appendix 1. Management is also responsible for such internal control as management determines necessary to enable the preparation and presentation of the subject matter information that is free from material misstatement, whether due to fraud or error.

Our responsibility is to express a reasonable assurance opinion on the subject matter information based on the evidence we have obtained. Our opinion does not constitute a legal determination on MARR's compliance with the Recycling Regulation.

***Assurance Standard and Professional Requirements***

We conducted our reasonable assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised) *Assurance Engagements other than Audits or Reviews of Historical Financial Information*, published by the International Federation of Accountants.

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 Control 1, *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance Engagements* and, accordingly, maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

***Applicable Criteria***

Management is responsible for determining the appropriateness of the evaluation criteria. The evaluation criteria presented in Appendix 1 are an integral part of the Subject Matter and address the relevance, completeness, reliability, neutrality and understandability of the Subject Matter.

***Summary of Work Performed***

ISAE 3000 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 ISAE 3000 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.

***Inherent Limitations***

Non-financial information, such as that included in the Report, is subject to more inherent limitations than financial information, given the characteristics of the subject matter and the availability and relative precision of methods used for determining both qualitative and quantitative information. The absence of a significant body of established practice on which to draw allows for the selection of different, but acceptable, measurement techniques which can result in materially different measurements and can impact comparability. The nature and methods used to determine such information, as described in management's internally developed criteria, may change over time. It is important to read the applicable criteria in Appendix 1.

***Basis for Qualified Opinion***

As required by Section 8(2)(e) of the Regulation, MARR discloses the total amount of producers' product collected during the year based on the number of units self-reported by collectors which comprises units containing ozone depleting substances ("ODS units") and serviced by collector technicians, ODS units serviced by independent technicians and units that do not contain ODS ("non-ODS units").

The scope of our work was limited as we were not able to verify the existence and accuracy of the recorded number of non-ODS units collected and ODS units serviced by collector technicians. Accordingly, verification of product collected for these units was limited to the amounts recorded in the records of MARR and we were not able to determine whether any adjustments might be necessary to these units.

***Opinion***

In our opinion, except for the possible effects of the matter described above in the "***Basis for Qualified Opinion***", the Subject Matter presented in Major Appliance Recycling Roundtable's

Annual Report to the Director for the year ended December 31, 2020 is prepared, in all material respects, in accordance with the applicable criteria.

***Emphasis of Matter***

Without further qualifying our opinion above, we draw attention to the following:

- As noted in section 5.1 of the Report, MARR is unable to obtain government manifests indicating final disposition of ODS collected but does receive delivery records from collectors confirming delivery of ODS and other halocarbons to refrigerant wholesalers for safe reuse or disposal. However, MARR is unable to reconcile details, such as the volume of ODS removed, as recorded on internal records, to the delivery records provided by collectors.
- MARR has a capture rate target of 90% for product managed under the approved stewardship plan. As noted in section 6.3 of the Report, the capture rate is undeterminable based on current data collection methods and the nature of the target.

***Specific Purpose of Subject Matter Information***

The subject matter information has been prepared in accordance with the evaluation criteria. As a result, the subject matter information may not be suitable for another purpose.



Chartered Professional Accountants

Vancouver, Canada

June 3, 2021

**APPENDIX 1**

**SUBJECT MATTER, APPLICABLE DEFINITIONS AND EVALUATION CRITERIA**

**COLLECTION FACILITIES**

**SUBJECT MATTER**

<b>Specific Disclosures in the annual stewardship report for which evaluation criteria were developed</b>		
<b>Disclosed information</b>	<b>2020 Claim in the Report</b>	<b>Report Reference</b>
Number of collection facilities	Total Collection Sites: 190 facilities	<i>Section 4.3 Collection Site Map Page 19</i>
Changes in number of collection facilities	During the past year the network has grown from 152 to 190 collection sites across the province. There were 39 new sites and 1 closed site.	

**APPLICABLE DEFINITIONS**

The following definitions were applied to the assessment of the location of collection facilities, and any changes in the number and location of collection facilities from the previous report in accordance with Section 8(2)(b) of the Recycling Regulation:

- a. Collection Facility: defined as a “collector” by MARR, is any facility that has a signed a Collection Agreement with MARR for collection of end-of-life major appliances.
- b. Program products: all major appliance products managed by MARR pursuant to the BC Major Appliances Stewardship Plan, as amended from time to time, as set out in the MARR website.

**EVALUATION CRITERIA**

The following evaluation criteria were applied to the assessment of the location of collection facilities, and any changes in the number and location of collection facilities from the previous report in accordance with Section 8(2)(b) of the Recycling Regulation:

- 1. The number of collection facilities is determined based on the number of collectors with signed Collection Agreements in place with MARR for collection of end-of-life program products.
- 2. The number of collection facilities reported in the annual report is reconciled to the total number of contracted collectors accepting end-of-life program products on MARR’s list of collectors as of December 31, 2020.

3. All collection facilities in MARR's listing have signed Collection Agreements in place with MARR for collection of end-of-life program products as of December 31, 2020.
4. The change in number of collection facilities is determined by comparing the total number of collection facilities at December 31, 2020 to the total number and location of collection facilities at December 31, 2019.

**PRODUCT MANAGEMENT**

**SUBJECT MATTER**

<b>Specific Disclosures in the annual stewardship report for which evaluation criteria were developed</b>		
<b>Disclosed information</b>	<b>Claim in the Report</b>	<b>Report Reference</b>
A description of how the recovered product was managed in accordance with the pollution prevention hierarchy (S.8(2)(d))	<ul style="list-style-type: none"> <li>• Description of the Processing Standard for Recyclers of Major Appliances</li> <li>• Description of the pollution prevention hierarchy</li> <li>• Disclosure of total number of units collected containing ODS</li> </ul>	<b>Sections 5.1 Environmental Impact and 5.2 Pollution Prevention Hierarchy Pages 21-23</b>

**APPLICABLE DEFINITIONS**

The following definitions were applied to the assessment of the description of how the recovered product was managed in accordance with the pollution prevention hierarchy in accordance with Section S.8(2)(d):

- i. The System Study refers to a study of the BC market driven system for major appliance recycling conducted in 2013 by waste consultant, Ecoinspire Planning Services, on MARR's behalf. *The Study on the Operations and Effectiveness of the Major Appliance Collection and Recycling System in British Columbia, May 8, 2014* report examined the operation and performance of the existing collection and recycling system.
- ii. The MARR Processing Standard for Recyclers of Major Appliances ("MARR Processing Standard") is a standard that has been developed by MARR for application of best practices in the management of major household appliances at end-of-life, and includes guidance on regulatory compliance, environmental control, health and safety and recordkeeping and reporting.
- iii. Processors are defined as operations or facilities that initiate the recycling process through activities such as bailing, shredding or dismantling for the purpose of reclaiming recyclable materials and other approved management of residuals. A processor can also be a collector, as defined earlier.
- iv. Substances of concern are defined as any of the following wastes (i) refrigerant, (ii) mercury switches, (iii) PCB capacitors, and (iv) compressor oil

#### EVALUATION CRITERIA

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 in accordance with Section S.8(2)(d):

1. Acceptable end fates are determined in accordance with MARR's approved stewardship plan, applicable regulation and qualitative information on processing methods and end fate of materials/components obtained through the System Study.
2. Because of the value of the metal in major appliances, a market-based system exists whereby large private-sector metal processors collect and shred major appliances. MARR does not process or recycle products directly and therefore does not track and monitor qualitative data on processing pathways or quantitative data on program product shipped from collectors to the next point in the recycling process.
3. The percentage of material components recycled, landfilled or safely destroyed as presented in the Annual Report is estimated based on general representations from third party processors obtained through the System Study.
4. Collectors have agreed to comply with the MARR Processing Standard as a term in their signed Collection Agreement, which includes maintaining legally required permits, licenses and authorizations for processing substances of concern.
5. MARR requires collectors to safely remove of ODS gas from units collected that contain refrigerant gasses used for cooling purposes through engaging a technician that possesses a valid certificate number for refrigerant handling under current BC regulation and requiring collectors report weight, tank numbers and certificate of destruction/recycling to MARR on a timely basis.
6. As stated in the MARR Processing Standard, collectors are also responsible for selection of processors who maintain legally required permits, licenses and authorizations for processing substances of concern.
7. MARR conducts site visits to approved collectors to evaluate their awareness of the MARR Processing Standard, capabilities for the appropriate removal of refrigerants and other substances of concern, and their process for reporting units collected.

**PRODUCT SOLD AND COLLECTED**

**SUBJECT MATTER**

<b>Specific Disclosures in the annual stewardship report for which evaluation criteria were developed</b>		
<b>Disclosed information</b>	<b>Claim in the Report</b>	<b>Report Reference</b>
Product collected	<b>Total number of units collected – 328,353 units</b> Non-ODS units – 216,163 ODS units serviced by a collector technician – 90,173 ODS units serviced by an independent technician - 22,017	<i>Section 6.1 Recycling By The Numbers page 27 and 6.3 Units Sold and Collected Page 29</i>
Product sold	Total number of units sold 1,238,084*	
Recovery rate	See the evaluation criterion for performance for the year in relation to targets in the approved stewardship plan below	

\*claims marked with an asterisk were not subject to audit for 2020

In accordance with the Ministry of Environment and Climate Change Strategy’s latest guidance on *Third Party Assurance for Non-Financial Information in Annual Reports*, assurance is not required for product sold data if the stewardship program does not report a recovery rate, as defined in the Regulation, in accordance with the approved stewardship plan. Consistent with MARR’s approved stewardship plan, there are no targets associated with recovery rate. Therefore, no evaluation criteria are required over Product Sold and an assurance opinion is not required over the reported amount of product sold.

**APPLICABLE DEFINITIONS**

There are no applicable definitions.

**EVALUATION CRITERIA**

The following evaluation criteria were applied to the assessment of total amounts of the producer’s product collected in accordance with Section 8(2)(e):

1. Product Collected: the number of units collected is based on the number of units and product types received and recorded by collectors on count sheets and reported to MARR on a monthly basis.

2. A sample of monthly count sheets received from collectors are reviewed and recalculated and MARR will follow up with collectors for any significant discrepancies.
3. The number of units reported by MARR as containing Ozone Depleting Substances ('ODS') or other halocarbons are reported monthly to MARR by collectors and are based on count sheets completed by a technician that is an "Approved Person" as defined by the BC Waste Management Act. The count sheet also includes the type of refrigerant removed, tank number and weights in and out. The technician also records if the unit was already evacuated prior to arriving at the collector's facility.

TARGETS

SUBJECT MATTER

Specific Disclosures in the annual stewardship report for which evaluation criteria were developed		
Quantitative targets disclosed per Stewardship Plan approved April 30, 2021:	Claim in the Report	Report Reference
Targets associated with Section 8(2)(b): <ul style="list-style-type: none"> <li>Achieve accessibility to free drop-off locations for more than 90 % of BC population</li> </ul>	% of the population covered by collection sites – estimated 94.9% *	<i>Section 4.3 Collection Site Map Page 19</i>
Targets associated with Section 8(2)(d): <ul style="list-style-type: none"> <li>No quantitative performance target identified in the approved Stewardship Plan</li> </ul>	Not applicable.	
Target associated with Section 8(2)(e): <ul style="list-style-type: none"> <li>Recovery rate</li> </ul>	<ul style="list-style-type: none"> <li>MARR will not be reporting collection based on a capture rate. Historically the capture rate used mathematical calculation to estimate the number of units that are potentially available for collection. However, because of the extended lifespan of large appliances the capture rate is highly subjective. MARR will report on units sold and collected in a calendar year.</li> </ul>	<i>Section 6.3 Units Sold and Collected Page 29</i>

\*claims marked with an asterisk were not subject to audit for 2020

In accordance with the Ministry of Environment and Climate Change Strategy’s latest guidance on *Third Party Assurance for Non-Financial Information in Annual Reports*, assurance in relation to the accessibility performance target is not required this year. As such, no evaluation criteria are required and an assurance opinion is not required in 2020.

APPLICABLE DEFINITIONS

The following definitions were applied to the description of performance for the year in relation to the specific targets associated with Section 8(2)(b), (d) and (e) of the Recycling Regulation in the approved stewardship plan:

- i. In accordance with MARR's approved stewardship plan, there are no targets associated with recovery rate or capture rate. Capture rate is defined as the estimated weight of products collected divided by the estimated weight of products "available to collect."

#### EVALUATION CRITERIA

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

1. Targets in the approved stewardship plan as of April 30, 2021 have been identified and reported on by management in the annual report.
2. The MARR 2020 Annual Report accurately discloses that the capture rate is undeterminable based on current data collection methods and the nature of the target.
3. The description of progress against targets to date is supported by records of progress maintained by the Company.

# ***APPENDIX***

# **A**

## MARR SITE LIST

### SITES ADDED IN 2020

Site Name	Regional District
Area "D" Transfer Station	Bulkley - Nechako
Burns Lake Transfer Station	Bulkley - Nechako
Fort St. James Transfer Station	Bulkley - Nechako
Granisle Transfer Station	Bulkley - Nechako
Southside Transfer Station	Bulkley - Nechako
Vanderhoof Transfer Station	Bulkley - Nechako
Knockholt Sub-Regional Landfill	Bulkley - Nechako
Smithers - Telkwa Transfer Station	Bulkley - Nechako
Schnitzer Steel Victoria	Capital Regional District
Baker Creek Transfer Station	Cariboo
Central Cariboo Transfer Station	Cariboo
West Chilcotin Landfill	Cariboo
Puntzi Lake Refuse Site	Cariboo
Powerhouse Recycled Auto and Truck Parts, Ltd	Comox Valley
TX2 Material Solution Inc.	Fraser - Fort George
Mission Recycling Depot	Fraser Valley
Bailey Sanitary Landfill	Fraser Valley
Abbotsford Community Services	Fraser Valley
Thornhill Transfer Station	Kitimat - Stikine
Pan Pacific Recycling Inc.	Metro Vancouver
Fraser Valley Metal Exchange	Metro Vancouver
Rypac Metal Recycling	Metro Vancouver
Aldergrove Return-It	Metro Vancouver
PoCo Return-It	Metro Vancouver
7 Mile Transfer Station	Mount Waddington
Schnitzer Steel Nanaimo	Nanaimo
Trail Appliances - Nanaimo	Nanaimo
North Coast Regional Recycling	North Coast
Island Solid Waste Management	North Coast

Site Name	Regional District
Masset Transfer Station	North Coast
Sandspit Transfer Station	North Coast
Skidegate Transfer Station	North Coast
T-2 Market	Okanagan - Similkameen
Texada Metal Transfer Station	qathet
Squamish Landfill	Squamish - Lillooet
Lilwat Nation	Squamish - Lillooet
RMOW Transfer Station	Squamish - Lillooet
Tahsis Recycling Depot	Strathcona
Schnitzer Steel Campbell River	Strathcona

## SITES ADDED BEFORE 2020

Site Name	Regional District
Alberni Valley Landfill	Alberni - Clayoquot
West Coast Landfill	Alberni - Clayoquot
Hartland Landfill	Capital Regional District
Port Renfrew Recycling Depot	Capital Regional District
Trail Appliances - Victoria	Capital Regional District
Williams Scrap Iron + Metals Ltd - Munn Road	Capital Regional District
Williams Scrap Iron + Metals Ltd - Terlson Lane	Capital Regional District
150 Mile House Transfer Station	Cariboo
Forest Grove Transfer Station	Cariboo
Frost Creek Transfer Station	Cariboo
Interlakes Landfill	Cariboo
Lac La Hache Transfer Station	Cariboo
South Cariboo Landfill (100 Mile House)	Cariboo
Watch Lake Landfill	Cariboo
Wildwood Transfer Station	Cariboo
Balfour Transfer Station	Central Kootenay
Boswell Transfer Station	Central Kootenay
Burton Transfer Station	Central Kootenay
Castlegar/Ootischenia Landfill	Central Kootenay
Crawford Bay Transfer Station	Central Kootenay
Creston Landfill	Central Kootenay
Edgewood Transfer Station	Central Kootenay
Kaslo Transfer Station	Central Kootenay
Marblehead Transfer Station	Central Kootenay
Nakusp Landfill	Central Kootenay
Nelson/Grohman Narrows Transfer Station	Central Kootenay
Rosebery Transfer Station	Central Kootenay

Site Name	Regional District
Salmo Central Landfill	Central Kootenay
Slocan Transfer Station	Central Kootenay
ABC Recycling Ltd. - Kelowna	Central Okanagan
Westside Transfer Station	Central Okanagan
Planet Earth Recycling Ltd.	Central Okanagan
Trail Appliances - Kelowna	Central Okanagan
Falkland Transfer Station	Columbia - Shuswap
Glenemma Transfer Station	Columbia - Shuswap
Golden Landfill	Columbia - Shuswap
Malakwa Transfer Station	Columbia - Shuswap
Parson Transfer Station	Columbia - Shuswap
Revelstoke Landfill	Columbia - Shuswap
Salmon Arm Landfill	Columbia - Shuswap
Scotch Creek Transfer Station	Columbia - Shuswap
Seymour Arm Transfer Station	Columbia - Shuswap
Sicamous Landfill	Columbia - Shuswap
Sikimkin Transfer Station	Columbia - Shuswap
Trout Lake Transfer Station	Columbia - Shuswap
Scrappy's Metal Recycling	Columbia - Shuswap
Comox Valley Waste Management Centre	Comox Valley
Hornby Island Recycling Depot	Comox Valley
Courtenay Return-It Depot	Comox Valley
Bings Creek Recycling Centre	Cowichan Valley
Meade Creek Recycling centre	Cowichan Valley
Peerless Road Recycling Centre	Cowichan Valley
Brisco Transfer Station	East Kootenay
Canal Flats Transfer Station	East Kootenay
Central Subregion Landfill	East Kootenay
Columbia Valley Landfill	East Kootenay
Cranbrook Transfer Station	East Kootenay

## SITES ADDED BEFORE 2020 CONT'D

Site Name	Regional District
Edgewater Transfer Station	East Kootenay
Elkford Transfer Station	East Kootenay
Fairmont Transfer Station	East Kootenay
Fernie Transfer Station	East Kootenay
Kimberley Transfer Station	East Kootenay
Sheep Creek Transfer Station	East Kootenay
Sparwood Transfer Station	East Kootenay
Tie Lake Transfer Station	East Kootenay
Wasa Transfer Station	East Kootenay
ABC Recycling Ltd. - Prince George	Fraser - Fort George
Bear Lake Regional Transfer Station	Fraser - Fort George
Cummings Road Transfer Station	Fraser - Fort George
Foothills Boulevard Regional Landfill	Fraser - Fort George
Hixon Regional Transfer Station	Fraser - Fort George
Mackenzie Regional Landfill	Fraser - Fort George
McBride Regional Transfer Station	Fraser - Fort George
Quinn Street Regional Recycling Depot	Fraser - Fort George
Shelley Regional Transfer Station	Fraser - Fort George
Valemount Regional Transfer Station	Fraser - Fort George
Vanway Regional Transfer Station	Fraser - Fort George
Everclear Metal Recycling	Fraser Valley
Pacific Mattress Recycling Inc.	Fraser Valley
Regional Recycling - Abbotsford	Fraser Valley
ABC Recycling Ltd. - Terrace	Kitimat - Stikine
Hazelton Waste Management Facility	Kitimat - Stikine
Kitwanga Transfer Station	Kitimat - Stikine
Meziadin Landfill	Kitimat - Stikine
Rosswood Landfill	Kitimat - Stikine
Stewart Transfer Station	Kitimat - Stikine

Site Name	Regional District
Beaverdell Solid Waste Transfer Station	Kootenay Boundary
Christina Lake Solid Waste Transfer Station	Kootenay Boundary
Grand Forks Regional Landfill	Kootenay Boundary
McKelvey Creek Landfill	Kootenay Boundary
Rock Creek Solid Waste Transfer Station	Kootenay Boundary
West Boundary Regional Landfill	Kootenay Boundary
Tervita Metals Recycling	Kootenay Boundary
ABC Recycling Ltd. - Burnaby	Metro Vancouver
ABC Recycling Ltd. - Surrey	Metro Vancouver
Allied Salvage & Metals (1985) Ltd.	Metro Vancouver
Burnaby Eco-Centre	Metro Vancouver
Vancouver Landfill	Metro Vancouver
Vancouver Zero Waste Centre	Metro Vancouver
Coquitlam Recycling and Waste Centre	Metro Vancouver
Langley Recycling and Waste Centre	Metro Vancouver
North Shore Recycling and Waste Centre	Metro Vancouver
North Surrey Recycling and Waste Centre	Metro Vancouver
Regional Recycling - Richmond	Metro Vancouver
Regional Recycling Vancouver	Metro Vancouver
Regional Recycling - Cloverdale	Metro Vancouver
Richmond Recycling Depot	Metro Vancouver
Ridge Meadows Recycling	Metro Vancouver
Schnitzer Steel - Surrey	Metro Vancouver
Surrey Central Return-It Centre	Metro Vancouver
Trail Appliances - Annacis	Metro Vancouver
West Coast Metal Recycling LLP	Metro Vancouver
Malcolm Island Transfer Station	Mount Waddington

**SITES ADDED BEFORE 2020 CONT'D**

Site Name	Regional District
Quatsino Transfer Station	Mount Waddington
Woss Transfer Station	Mount Waddington
ABC Recycling Ltd. - Nanaimo	Nanaimo
Gitxaala Nation	North Coast
Armstrong/Spallumcheen Diversion and Disposal Facility	North Okanagan
Cherryville & Area "E" Diversion & Disposal Facility	North Okanagan
Greater Vernon Diversion & Disposal Facility	North Okanagan
Kingfisher Transfer Station	North Okanagan
Lumby & Area "D" Diversion & Disposal Facility	North Okanagan
Campbell Mountain Landfill	Okanagan - Similkameen
Keremeos Transfer Station	Okanagan - Similkameen
Okanagan Falls Landfill	Okanagan - Similkameen
Oliver Landfill	Okanagan - Similkameen
Summerland Sanitary Landfill	Okanagan - Similkameen
ABC Recycling Ltd. - Fort St. John	Peace River
ABC Recycling Ltd. - Campbell River	Strathcona
Campbell River Waste Management Centre	Strathcona
Cortes Island Waste Management Centre	Strathcona
Gold River Waste Management Center	Strathcona
Barnhartvale Landfill	Thompson - Nicola
Mission Flats Landfill	Thompson - Nicola
70 Mile House Eco-Depot	Thompson - Nicola
Blue River Eco-Depot	Thompson - Nicola
Cache Creek Refuse Transfer Station	Thompson - Nicola

Site Name	Regional District
Clearwater Eco-Depot	Thompson - Nicola
Clinton Eco-Depot	Thompson - Nicola
Heffley Creek Eco-Depot	Thompson - Nicola
Knutsford Transfer Station	Thompson - Nicola
Logan Lake Eco-Depot	Thompson - Nicola
Loon Lake Transfer Station	Thompson - Nicola
Louis Creek Eco-Depot	Thompson - Nicola
Lower Nicola Eco-Depot	Thompson - Nicola
Lytton Eco-Depot	Thompson - Nicola
Paul Lake Transfer Station	Thompson - Nicola
Savona Transfer Station	Thompson - Nicola
South Thompson Eco-Depot	Thompson - Nicola
Spences Bridges Transfer Station	Thompson - Nicola
Westwold Eco-Depot	Thompson - Nicola

**SITES CLOSED IN 2020**

Site Name	Regional District
Gold Trail Recycling	Cariboo





100 – 4259 Canada Way, Burnaby, BC V5G 4Y2  
Tel 1-800-330-9767 Fax 604-473-2411

**2020 ANNUAL REPORT**