

**BRITISH COLUMBIA USED OIL MANAGEMENT ASSOCIATION
(DBA as INTERCHANGE RECYCLING)**

**INDEPENDENT REASONABLE ASSURANCE REPORT ON SELECTED NON-FINANCIAL INFORMATION
INCLUDED IN THE BRITISH COLUMBIA USED OIL MANAGEMENT ASSOCIATION'S (DBA INTERCHANGE
RECYCLING) 2024 ANNUAL REPORT**

**To the Directors of
British Columbia Used Oil Management Association**

We have been engaged by the management of British Columbia Used Oil Management Association (dba Interchange Recycling) ("the Entity") to undertake a reasonable assurance engagement in respect of the following disclosures within the Entity's Annual Report for the year ended December 31, 2024 (together the "Subject Matter"):

- 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 sold and collected and, if applicable, the producer's recovery rate in accordance with Section 8(2)(e) of the Recycling Regulation; and,
- Performance for the year in relation to the approved targets under Section 8(2)(b), (d), and (e) of the Recycling Regulation in accordance with Section 8(2)(g) of the Recycling Regulation.

RESPONSIBILITIES

The Subject Matter is the responsibility of the Entity's management, who have prepared the Subject Matter in accordance with the evaluation criteria, which are an integral part of the Subject Matter. Our responsibility in relation to the Subject Matter is to perform a reasonable assurance engagement and to express a conclusion based on the work performed. Our audit does not constitute a legal determination on the Entity's compliance with the Recycling Regulation.

EVALUATION CRITERIA

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

SCOPE OF THE AUDIT

We carried out our reasonable assurance engagement in accordance with the International Standard on Assurance Engagements 3000 (ISAE 3000) published by the International Federation of Accountants ("IFAC"). This Standard requires, amongst other things, that the assurance team possesses the specific knowledge, skills and professional competencies needed to understand and audit the information included within the Subject Matter, and that they comply with the independence and other ethical requirements of the IFAC Code of Ethics for Professional Accountants.

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

- Understanding and evaluating the design of the key processes and controls for managing and reporting the Subject Matter information used by management in preparing the Annual Report Subject Matter;
- Assessing the risks that the Subject Matter may be materially misstated;
- Responding to assessed risks through testing, on a test basis, the Subject Matter information used by management in preparing the Annual Report Subject Matter;
- Procedures such as inquiring, inspecting, observing, vouching to independent sources, recalculating and re-performing procedures were performed to obtain corroborating evidence to address assessed risks linked to the Annual Report Subject Matter; and
- Evaluating the sufficiency and appropriateness of the evidence obtained.

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

INHERENT LIMITATIONS

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

OPINION

In our opinion, the Subject Matter for the year ended December 31, 2024 presents fairly, in all material respects, based on the evaluation criteria listed in Appendix A:

- 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;
- 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 amounts of the producer's product sold and collected and, if applicable, the producer's recovery rate calculated in accordance with Section 8(2)(e) of the Recycling Regulation; and,
- The performance for the year in relation to the approved targets under Section 8(2)(b), (d), and (e) of the Recycling Regulation in accordance with Section 8(2)(g) of the Recycling Regulation.

OTHER MATTERS

Our report has been prepared solely for the purposes of the Entity's compliance with the reporting requirements relating to Sections 8(2)(b), (d), (e) and (g) of the Recycling Regulation and is not intended to be and should not be used for any other purpose. Our duties in relation to this report are owed solely to the Entity, and accordingly, we do not accept any responsibility for loss incurred to any other party acting or refraining from acting based on this report.

Green Horwood & Co LLP

GREEN HORWOOD & CO LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

Victoria, BC, Canada
April 14, 2025

Appendix A to the Independent Reasonable Assurance Report

COLLECTION FACILITIES

Section 8(2)(b) the location of its collection facilities (RCFs), and any changes in the number and location of collection facilities from the previous report, including the contents of the Annual Report Appendix A – Public Recycling Centre Locations by City.

Specific Disclosures in the 2024 annual report for which evaluation criteria were developed	
Claim in the Report	Reference
In 2024, there were 285 publicly accessible recycling centres located in high traffic retail locations, industrial sites, multi-material private depots (bottle depots), and local government recycling/landfill sites.	<i>Collection Network Performance</i> on page 28
Year Number of Facilities	Appendix 'A' on pages 38-41 lists the 285 RCFs by Community.
2024 285	
2023 288	

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:

Collection Facility refers to locations that are owned by Program Participants (“Members”), registered collectors, local governments and not-for-profit organizations where:

- The collection facility operator(s) have a signed contract or registration form or verbal agreement with the Entity for the collection and redemption of Program Products.
- The location(s) is recorded by the Entity in a website database.

Collection Facilities include the following types of centres:

- Registered collection facilities (“RCF”) collect used oil and antifreeze materials from the do-it-yourself customer at no charge. These facilities may make a semi-annual claim to the Entity for payment for collecting used oil and/or antifreeze materials.
- Facilities that have entered into verbal agreement with the Entity and collect used oil and antifreeze materials. These facilities do not submit a RCF registration form.

Evaluation Criteria

- Reporting Period: January 1st to December 31st.
- The number of Collection Facilities and the location of each facility are documented in a database maintained by the Entity. Collection Facilities are entered into the database as of the date of registration.
- The total number of Collection Facilities is obtained by adding the total number of registered collection facilities and facilities with verbal agreements listed in the website database as of December 31st of the reporting year.
- The changes in number and location of Collection Facilities are determined by adding the total number of Collection Facilities added in the reporting year less the total number of Collection Facilities removed during the reporting year. Locations that have moved during the reporting year (i.e., an operator that closed a location to move it to a new location) are captured in the total number of collection facilities added and removed throughout the year.
- A summary reconciliation is completed at year-end identifying the Collection Facilities at the beginning of the year, changes during the year and the number of facilities at the end of the year.

PRODUCT MANAGEMENT

Section 8(2)(d) the description of how the recovered product was managed in accordance with the pollution prevention hierarchy.

Specific Disclosures in the 2024 annual report for which evaluation criteria were developed	
Claim in the Report	Reference
Collected products are managed in accordance with the Pollution Prevention Hierarchy as outlined in the BC Recycling Regulation.	<i>Product Management</i> on page 35 outlines how the Entity's products are reused and/or recycled.

The following definitions were applied to the assessment of how the recovered product was managed:

Oil – The amount of uncontaminated used oil recovered, less the water content, that is received at a used oil processing facility is reported as either reused (re-refined) or recycled.

Antifreeze – The amount of used antifreeze that is received at a used antifreeze processing facility is reported as reused (re-refined) or recycled.

Filters – The amount of metal filters processed and received at a steel recycler will be reported as recycled.

Containers – The amount of containers received at a facility that manufactures plastic resin (pellets) or a steel recycler will be reported as recycled.

Evaluation Criteria

- Products collected are shipped to registered processors that are waste management companies or recyclers.

PRODUCT SOLD AND COLLECTED

Section 8(2)(e) the total amount of the producer's product sold and collected and the producer's recovery rate.

Specific Disclosures in the 2024 annual report for which evaluation criteria were developed					
Claim in the Report					Reference
	Used Oil (millions of litres)	Filters (millions of units)	Containers (million kg's)	Used Antifreeze (millions of litres)	<i>Capture Rates in 2024 on page 32, Product Collection on page 33, 2024 Collections by Regional District on page 36, and Summary of 2024 Collection & Consumer Returns on page 37.</i>
Sold (2024)	82.0	6.0	1.8	9.9	
Consumed in use	(24.0)	n/a	n/a	(6.1)	
Repurposed	(15.0)	n/a	n/a	n/a	
Available for collection	43.0	6.0	1.8	3.7	
Collected	47.7	5.9	1.6	2.3	
Capture rate	111.1%	97.4%	88.8%	61.9%	

Evaluation Criteria

Products sold

- Total product sold volumes are based on EHC remittance forms submitted by registrants on either a monthly, quarterly, or annual basis in unit sales.
- The reported sold volumes are subject to compliance reviews which are completed for all registrants on a three to four year rotational basis.
- The product sold is reconciled to the numbers published in the Annual Report.

Product recovered

- Total product recovered volumes are based on return incentive claims (RI claims) submitted by registrants.
- The reported recovered volumes are subject to Desk Review to ensure that RI claims contain required supporting documentation as per the Manual for Registered Processors and Collectors.
- The Consumed in Use amount for oil is calculated by multiplying products sold by the rate (29.3%) obtained from a 2021 independent report commissioned by the Entity using market data from 2019. The Repurposed amount was calculated by subtracting the Consumed in Use amount from products sold and multiplying the result by the rate (25.89%) obtained from a 2018 independent report commissioned by the Entity.

- The Consumed in Use amount for antifreeze is calculated by multiplying products sold by the rate (62.1%) obtained from a 2021 independent report commissioned by the Entity using market data from 2019.
- The Available for Collection amount is calculated by subtracting the Consumed in Use and Repurposed amounts, if applicable, from products sold.
- The recovery rate is presented as Capture Rate and is calculated by dividing actual collections by the amount determined to be available for collection.
- The product recovered is reconciled to the numbers published in the Annual Report.

PERFORMANCE IN RELATION TO TARGETS

Section 8(2)(g) the performance for the year in relation to targets in the approved EPR plan that relate to Section 8(2)(b), (d) and (e).

Specific disclosures in the 2024 annual report for which criteria were developed		
Disclosed Targets in the Report	Claim in the Report	Reference
Targets associated with Section 8(2)(b) per Approved Stewardship Plan: A specific target was not identified in the approved EPR plan.	The Entity has identified 285 Return Collection Facilities (RCFs).	<i>Collection Network Performance</i> on page 27 Appendix 'A' on pages 38-41 lists the 285 RCFs by Community.
Targets in relation to Section 8(2)(d): End fate for products collected a) Used Oil – recycled or reused b) Filters – recycled c) Containers – recycled d) Used Antifreeze – reused or recycled	The Entity describes how products are reused and/or recycled and the calculated percentage between reused and/or recycled.	<i>End Fate for Products Collected</i> on page 34 and <i>Product Management</i> on page 35.
Targets in relation to Section 8(2)(e): Collection Targets (capture rates) a) Used Oil (millions of litres) – 109.1% b) Filters (units) – 93.9% c) Containers (million kgs) – 93.5% d) Used Antifreeze (millions of litres) – 45.7%	Collection Results (capture rates) a) Used Oil (millions of litres) – 111.1% b) Filters (units) – 97.4% c) Containers (million kgs) – 88.8% d) Used Antifreeze (millions of litres) – 61.9%	<i>Capture Rates in 2024</i> on page 32 and <i>Product Collection</i> on page 33

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:

- Targets have been identified and reported on by management in the annual report.
- The Capture Rate targets reported were obtained from the approved stewardship plan.
- The Capture Rate calculation method is the same as that used in the approved stewardship plan (calculated by dividing actual collections by the amount determined to be available for collection).
- The comparison with the targets is supported by records maintained by the Entity.