



EOCP

ANNUAL REPORT 2025





EOCP 2021–2025 STRATEGIC PLAN

Vision

A Canada where all people have access to safe tap water and effective wastewater management. We are committed to making this a reality.

Mission

To protect human health and the environment by investing in Operators and facilities through increased knowledge, skill, and proficiency in all matters related to the water cycle.

Strategic Priorities

1

Encourage sustainability of our industry by promoting the Operator profession, education, training, and recruitment.

1. Develop regional specific promotional campaigns to reach the general public
2. Evaluate existing education programs and training providers to assess gaps
3. Increase outreach to potential students to promote water industry careers
4. Outreach to education programs to promote the water industry as 'the' career of choice

3

Develop and promote existing and new certification and classification programs.

1. Assess the industry to seek new opportunities for certification and/or classification
2. Collaborate with stakeholders to ensure programs are in the public interest
3. Oversee classification and certification for more jurisdictions
4. Continually assess and improve certification and classification programs

2

Advocate to strengthen the industry, with a focus on vulnerable communities.

1. Advocate support for small and vulnerable communities
2. Bridge connections with key stakeholders
3. Build capacity within the industry

4

Continue to develop the CRM as our primary data collection, reporting, and communication technology.

1. Prioritize the CRM to improve reporting functions
2. Increase data sharing and communication
3. Capture all facility classifications, including SWS and SWWS

MESSAGE FROM THE BOARD CHAIR



In 2025, the EOC Board and Staff worked together to advance the organization's strategic priorities and strengthen the services, resources, and support we provide to our members. Our focus remained on supporting operators, promoting the profession, and ensuring that EOC programs and initiatives continue to respond to the evolving needs of the water and wastewater industry.

The Board remained focused on providing strong leadership and oversight, while keeping our strategic priorities at the centre of our efforts. We further strengthened relationships with government and industry partners and continued to recognize the important contributions of operators across British Columbia and Yukon.

Promoting the operator profession and highlighting the vital role our members play in protecting public health and the environment remained an important priority throughout the year. Staff participated in conferences, career fairs, and industry events to raise awareness of the opportunities available within the water and wastewater sector and to help showcase the profession to the next generation of operators.

We also created opportunities to bring operators, employers, educators, and industry partners together to share knowledge, resources, and best practices. A highlight of the year was the Annual EOC Conference, which provided an opportunity for our industry to learn, connect, and celebrate the profession.

The EOC is built on the knowledge, dedication, and professionalism of the operators who make up our membership. Recognizing their achievements remains an important part of our work.

In 2025, we were proud to recognize outstanding operators, organizations, and industry leaders through our annual awards and recognition programs. These individuals and organizations demonstrate the leadership, innovation, and commitment that continue to move our industry forward.

We also continued to support aspiring operators through scholarships and initiatives that encourage education, training, and career development. Investing in the next generation of operators is essential to building a strong and sustainable future for our industry.

A significant achievement for the EOC this year was the successful recruitment and appointment of Katja Roberts as our Chief Executive Officer (CEO). The Board was pleased to lead a thoughtful and comprehensive recruitment process focused on finding the right leader to support the organization's continued growth and success.

Katja brings valuable experience, leadership, and a strong commitment to the EOC's mission and the operators we serve. Her appointment marks an exciting step forward for the organization and provides the leadership and stability needed to continue advancing our strategic priorities.

The Board looks forward to working closely with Katja as she leads the EOC into its next chapter. We are confident that her leadership will help strengthen our organization, enhance the value we provide to our members, and position the EOC for continued success in the years ahead.

As we move forward, the Board and Staff remain focused on ensuring that the EOC continues to provide meaningful value to its members and the communities they serve. We recognize that the challenges facing our industry continue to evolve, and we are committed to listening to our members, strengthening partnerships, and adapting our programs and services to meet those needs.

On behalf of the EOC Board and Staff, I would like to sincerely thank our members, volunteers, partners, educators, employers, and stakeholders for their continued support and commitment to the organization.

It is a privilege to serve this industry and the professionals who make it possible. We look forward to continuing this work together and building an even stronger future for the EOC and the operator profession.



Tara Macrae
Board Chair
Environmental Operators Certification Program (EOCP)



Recognizing Thirty Years of Service as a Certified Operator

Each year, the EOC is pleased to recognize the dedication and commitment of Operators who have reached the milestone of 30 years of service in the water and wastewater industry.

As a symbol of our appreciation, these Operators receive a special 30-year service pin and pen. In recognition of their longstanding commitment to the industry, they are also exempt from annual membership dues going forward.

In 2025, the EOC was proud to recognize 11 Operators for their outstanding dedication and commitment to the water and wastewater industry.

Brian Carter
Bob Mandryk
Christopher Carew

Henry Kohout
Jeffery Galley
Michael Oliver

Scott Hayton
Shawn Hughes
Timothy Olson

Tresa Daoust
William Phillips

MESSAGE FROM THE CEO



As I reflect on the past year, I am filled with a deep sense of gratitude and optimism. This has been a year defined by growth, resilience, learning, and collaboration. On behalf of the entire EOCP team, thank you for your continued trust, engagement, and commitment to our shared mission of supporting water and wastewater professionals across British Columbia and Yukon.

For me personally, this first year as Chief Executive Officer has been one of tremendous growth and continuous learning. It has been an incredible privilege to step into this role, connect with our members, and gain a deeper understanding of the challenges and opportunities facing our industry. Every conversation, facility tour, and meeting has reinforced the critical role operators play in protecting public health and the environment.

One of our first major priorities was the development of EOCP's Strategic Plan, establishing a clear vision for the organization's future. This collaborative process helped shape not only the direction of EOCP but also my own understanding of the leadership role we must play in supporting operators, employers, and the broader water and wastewater community. With this strong foundation in place, we have begun building the framework that will guide EOCP into the future.

Another significant focus this year has been laying the groundwork for the modernization of our software platform. Recognizing the importance of providing a more efficient and user-friendly experience for our members, we undertook an extensive review of available systems. Working alongside a consultant with expertise in software procurement, we carefully evaluated numerous platforms to identify the solution that best meets the needs of both our members and our organization. Although much of this work has taken place behind the scenes, it represents a significant investment in EOCP's future. Our staff have dedicated countless hours to researching, evaluating, and planning for a system that will ultimately enhance certification management, examination registration, record keeping, and member services while improving the efficiency of our day-to-day operations.

Throughout the year, we also explored new ways to strengthen engagement with our membership across the province and territory. By listening to feedback from conference attendees and members, we identified opportunities to expand how EOCP delivers professional development and networking opportunities. These conversations reinforced the importance of making our programs more accessible and responsive to the diverse needs of operators throughout British Columbia and Yukon and will help shape our approach in the years ahead.

One of the highlights of the year was EOCP2025: Strengthening Operators: Innovating for a Sustainable Future. Having joined EOCP only two months before the event, it was both an exciting and rewarding opportunity to meet so many of our members, industry partners & exhibitors in person. The Trade Show and Education Sessions showcased the strength, innovation, and expertise within British Columbia's & Yukon's water and wastewater sector, while creating valuable opportunities for learning, networking, and the exchange of ideas.

For me, the EOCP2025 event was the beginning of many meaningful conversations. It provided an opportunity to listen to our members, better understand the opportunities and challenges facing operators across the landscape, and begin building collaborative relationships with industry partners. Those conversations have already helped shape EOCP's priorities and reinforced the importance of working together to strengthen our profession and better serve our membership.

None of our accomplishments would have been possible without the people who make EOCP the organization it is today.

To our dedicated staff, thank you for your unwavering support throughout my transition into the CEO role. Your professionalism, commitment, adaptability, and willingness to embrace new ideas have made this past year both successful and rewarding. I truly could not have asked for a better team.

To our Board of Directors, thank you for your confidence in me, your thoughtful guidance, and your steadfast commitment to ensuring EOCP remains a strong, relevant, and member-focused organization. Your leadership and support have been invaluable throughout this first year.

To our industry partners, thank you for your collaboration, openness, and willingness to share ideas. Building strong relationships across our sector benefits us all, and I look forward to continuing to work together to advance our profession.

And finally, to our members—thank you. Your warm welcome, your willingness to share your experiences, and your dedication to excellence have been truly inspiring. Throughout the year, I had the privilege of visiting treatment facilities across the province, hearing firsthand about your successes, your challenges, and, on occasion, discovering the unexpected "Easter egg" that seems to exist in every plant. These visits have provided invaluable insight into the realities of your work and continue to shape the way EOCP serves its membership.

As we close another successful year, I am encouraged by the momentum we have built together. The work accomplished throughout 2025 has strengthened our organization, clarified our direction, and reinforced our commitment to continuous improvement. While our industry continues to evolve, EOCP remains dedicated to supporting operators through high-quality certification programs, professional development, advocacy, and responsive member services.

Thank you for being part of the EOCP community. It is an honour to serve this organization and its members, and I look forward to building on the strong foundation we have established together.

Respectfully submitted,

A handwritten signature in black ink, reading "Katja", is positioned to the left of the printed name and title.

Katja Roberts
Chief Executive Officer
Environmental Operators Certification Program (EOCP)



GOVERNANCE



The Environmental Operators Certification Program (EOCP) is incorporated as a not-for-profit society under the Societies Act of British Columbia. As such, the EOCP operates in accordance with a constitution and bylaws that establish the framework for its governance and operations.

In accordance with the bylaws, the EOCP is governed by a Board of Directors that reflects the water and wastewater industry and provides oversight and strategic direction for the organization.



2025 Board of Directors



Tara Macrae
Board Chair



Darcy Dion
Chair-Elect



Tina Henderson
Treasurer



John Bergese
Secretary



Barnett Stewart
Director



Ben Kineshanko
Director



Ewan McDonald
Director



Chris Ford
Director



Rob Fleming
Director



Natasha Cvenkel
Past Chair

Recognizing Our Volunteers

EOCP's work is strengthened by the many volunteers who generously share their time, knowledge, and expertise throughout the year. We extend our sincere thanks to those who supported EOCP2025, as well as the subject matter experts who dedicate their time to reviewing course applications and the contributors who share their knowledge and experience through the Operator Digest.

Your contributions help maintain the quality of our programs, support professional development, and keep our industry connected. Most importantly, your willingness to give your time and expertise helps strengthen our community and contributes to the success of everything we do.

As the saying goes, "Volunteers do not necessarily have the time; they have the heart." We are grateful to everyone who continues to make time to support the EOCP and the water and wastewater community.

Thank You
VOLUNTEERS



EOCP ANNUAL METRICS & MILESTONES

■ EXAMS

1,512 Exams Written

490 Operators successfully certified for the first time

452 Exam sessions in 70 communities in BC & Yukon

■ FACILITIES

458 Facilities Upgraded

7 Facilities Pre-Classified

■ CONTINUING EDUCATION UNITS (CEUS)

3,365 Operators Submitting CEUs

11,705 CEUs Earned

■ OUTREACH

1,802 LinkedIn 

125 Instagram 

637 YouTube 

122 Tiktok 

30,386 Operator Digests

176 Jobs Posted and Shared on EOCP's Social Media Platforms

65 Operators attended the AGM held on September 22, 2025

■ SCHOLARSHIPS

\$2,500 Beth O'Reilly, BCIT

\$2,500 Jake McCabe, TRU

\$2,500 Tom Willbrink, OUC

■ SPONSORSHIPS

\$5,000 to the Small Water System Online Help Centre for support with their free ERCP, Disinfection and Water Monitoring courses.

\$1,949.75 to Operators Without Borders for an EOCP Operator to travel to Ghana to conduct an operational assessment.

\$183.05 to the Okanagan College Water Engineering Technology Program Industry Networking Event

\$200 to the Vancouver Region Educational Services Youth Event to provide teens with information about the EOCP and careers in the water and wastewater industry. EOCP supported the event by providing a PowerPoint presentation including "Operator on the Job" videos, and promotional swag to help introduce youth to opportunities in the industry.

■ PARTNERSHIPS

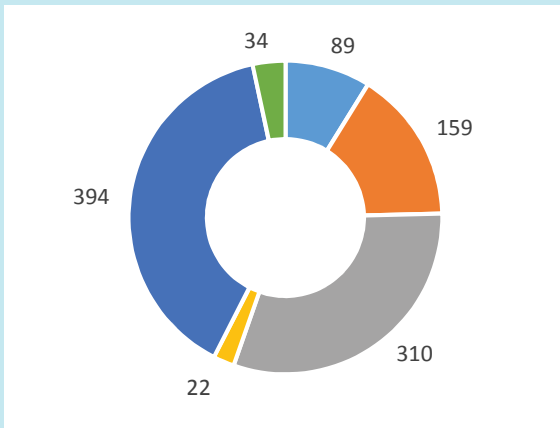
EOCP in partnership with BCMSA and CMHA put on four free lunch & learn webinars in 2025.

Notified membership of 12 additional free CEU educational events.

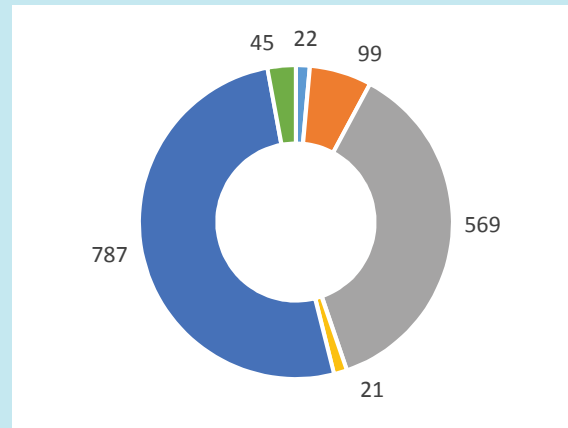
OPERATOR CERTIFICATION 2025



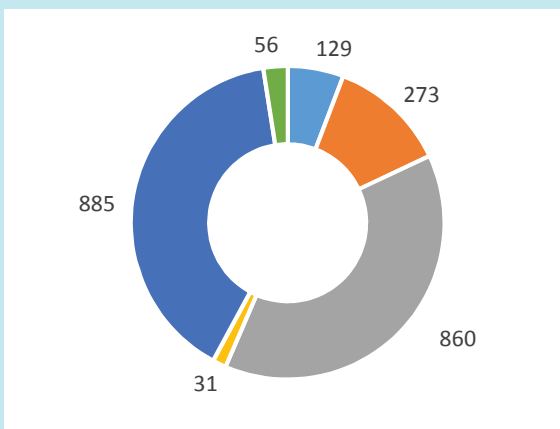
WT Operator Certifications



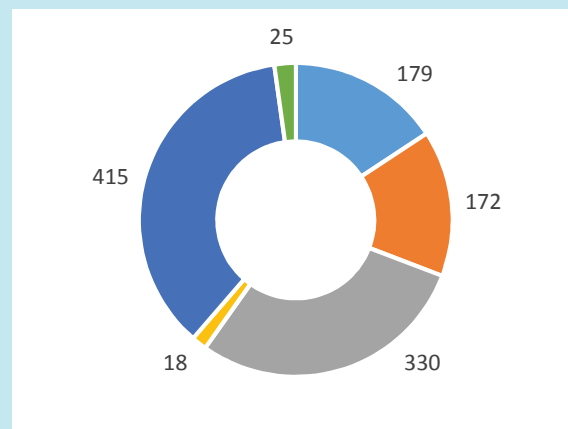
WWC Operator Certifications



WD Operator Certifications

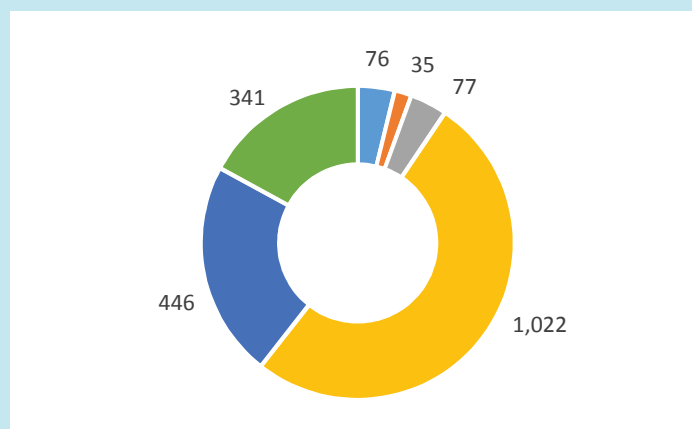


WWT Operator Certifications



- MU II
- MU I
- IV
- III
- II
- I

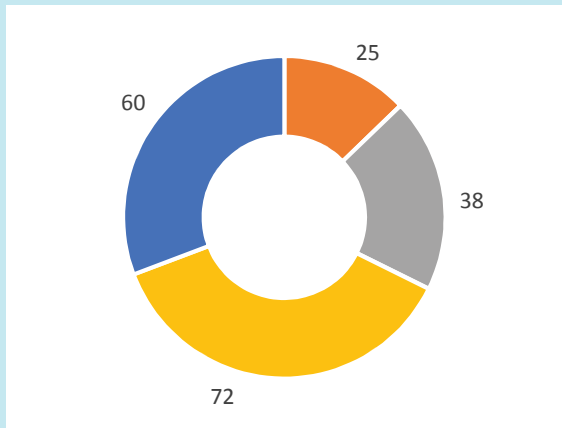
Other Operator Certifications



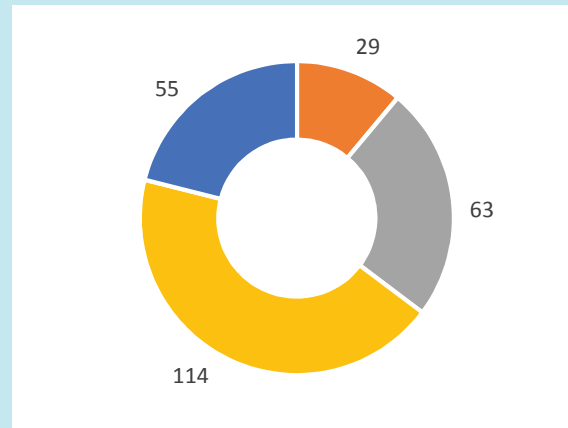
- BWD
- BWS
- SCS
- SWS
- SWWS
- OIT

FACILITY CLASSIFICATION 2025

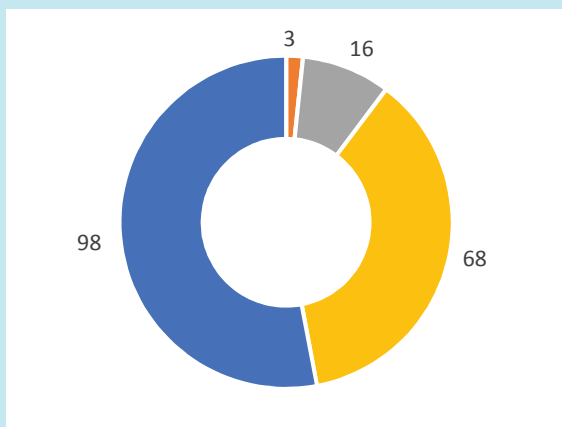
WT Facility Classifications



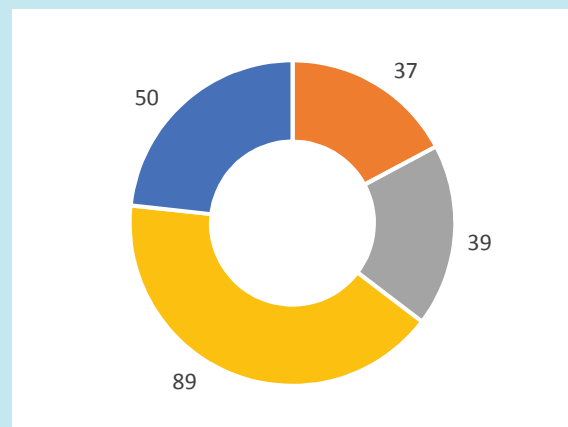
WD Facility Classifications



WWC Facility Classifications

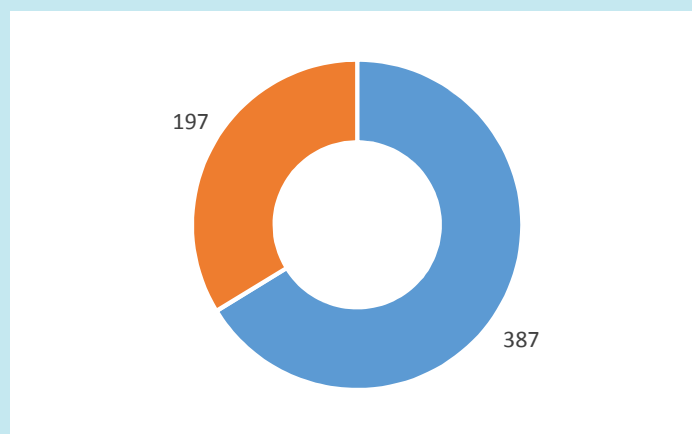


WWT Facility Classifications



IV
III
II
I

Small Systems Classifications



SWS

SWWS

ENVIRONMENTAL OPERATORS CERTIFICATION PROGRAM
Statement of Financial Position
December 31, 2025

	2025	2024
ASSETS		
CURRENT		
Cash	\$ 143,568	\$ 298,117
Term deposits (Note 3)	824,191	307,957
Accounts receivable (Note 4)	6,783	12,090
Prepaid expenses	43,629	40,912
	<u>1,018,171</u>	<u>659,076</u>
CAPITAL ASSETS (Note 5)	<u>331,608</u>	<u>391,792</u>
	<u>\$ 1,349,779</u>	<u>\$ 1,050,868</u>
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities	\$ 52,971	\$ 89,375
Goods and services tax payable	33,397	30,736
Wages payable	-	4,137
Deferred income	368,465	318,075
	<u>454,833</u>	<u>442,323</u>
NET ASSETS	<u>894,946</u>	<u>1,217,090</u>
	<u>\$ 1,349,779</u>	<u>\$ 1,050,868</u>

ENVIRONMENTAL OPERATORS CERTIFICATION PROGRAM**Statement of Operations****Year Ended December 31, 2025**

	2025	2024
REVENUES		
Member dues	\$ 633,427	\$ 674,186
Services	507,101	501,267
Conference revenues	209,091	219,766
Contracts	151,500	236,688
Investment income	20,084	19,795
	<u>1,521,203</u>	<u>1,651,702</u>
DIRECT COSTS	<u>9,968</u>	<u>13,771</u>
	<u>1,511,235</u>	<u>1,637,931</u>
ADMINISTRATIVE EXPENSES		
Salaries and wages (Note 7)	459,594	570,261
EOCP Conference	183,274	343,875
Exam fees and costs	120,700	106,399
Computer Expenses	89,972	114,097
Amortization	82,180	85,672
Rental	48,610	47,623
Office	45,298	50,532
Advertising and promotion	34,463	21,909
Professional fees	33,479	63,144
Sub-contracts	32,245	10,970
Bank charges	23,177	24,513
Industry conferences	22,931	22,947
Board Meeting Expenses	17,112	36,588
Insurance	11,738	10,520
Repairs and maintenance	5,438	5,745
Telephone and utilities	5,230	7,089
Equipment rentals	4,478	3,592
Meetings and travel	5,263	14,508
Meals and entertainment	2,337	4,680
Staff training	2,098	3,478
Project expenses	-	36,688
Bad debts expense (recovery)	(4,783)	22,332
	<u>1,224,834</u>	<u>1,607,162</u>
EXCESS OF REVENUES OVER ADMINISTRATIVE EXPENSES	<u>\$ 286,401</u>	<u>\$ 30,769</u>

ENVIRONMENTAL OPERATORS CERTIFICATION PROGRAM

Statement of Changes in Net Assets

Year Ended December 31, 2025

	2025	2024
NET ASSETS - BEGINNING OF YEAR	\$ 608,545	\$ 577,776
EXCESS OF REVENUES OVER ADMINISTRATIVE EXPENSES	286,401	30,769
NET ASSETS - END OF YEAR	\$ 894,946	\$ 608,545

ENVIRONMENTAL OPERATORS CERTIFICATION PROGRAM

Statement of Cash Flows

Year Ended December 31, 2025

	2025	2024
OPERATING ACTIVITIES		
Excess of revenues over administrative expenses	\$ 286,401	\$ 30,769
Item not affecting cash:		
Amortization of capital assets	82,180	85,672
	<u>368,581</u>	<u>116,441</u>
Changes in non-cash working capital:		
Accounts receivable	5,307	40,062
Accounts payable and accrued liabilities	(36,404)	22,832
Deferred income	50,390	(40,976)
Prepaid expenses	(2,717)	(12,504)
Goods and services tax payable	2,661	1,192
Wages payable	(4,137)	(5,808)
	<u>15,100</u>	<u>4,798</u>
Cash flow from operating activities	<u>383,681</u>	<u>121,239</u>
INVESTING ACTIVITIES		
Purchase of capital assets	(21,996)	(116,773)
Proceeds from sale of marketable securities	-	102,072
Cash flow used by investing activities	<u>(21,996)</u>	<u>(14,701)</u>
INCREASE IN CASH FLOW	361,685	106,538
Cash and cash equivalents - beginning of year	<u>606,074</u>	<u>499,536</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 967,759	\$ 606,074
CASH AND CASH EQUIVALENTS CONSIST OF:		
Cash	\$ 143,568	\$ 298,117
Term deposits (Note 3)	<u>824,191</u>	<u>307,957</u>
	<u>\$ 967,759</u>	<u>\$ 606,074</u>

ENVIRONMENTAL OPERATORS CERTIFICATION PROGRAM
Notes to Financial Statements
Year Ended December 31, 2025

1. DESCRIPTION OF BUSINESS

Environmental Operators Certification Program Society is a not-for-profit organization incorporated provincially under the Society Act of British Columbia. Management has determined that they are exempt from payment of income tax under Section 149(1) of the Income Tax Act.

The Society's mandate is to protect human health, the environment and the investment in facilities through increased knowledge, skill and proficiencies of the members of the program in all matters relating to water treatment and distribution and wastewater collection, treatment and disposal.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFP). Canadian accounting standards for not-for-profit organizations are part of Canadian GAAP.

Cash and cash equivalents

Cash includes cash and cash equivalents. Cash equivalents are cashable guaranteed investment certificates and are valued at cost plus accrued interest having a term of one year.

Capital assets

Capital assets are stated at cost less accumulated amortization. Capital assets are amortized over their estimated useful lives at the following rates and methods:

Computer equipment	30%	declining balance method
Computer software	20%	declining balance method
Furniture and fixtures	20%	declining balance method

The Program regularly reviews its capital assets to eliminate obsolete items.

Revenue recognition

Environmental Operators Certification Program follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

Membership fees are recognized as revenue in the year to which they are applicable.

Service revenue represents revenue earned through certification, application, exam, operator, and facilities fees. These revenues are recognised in the period when the service is complete and the amount can be reasonable estimated and collection is reasonable ensured.

Deferred income arises from prepaid membership dues.

Contractual financial obligations are recognized as revenue when all agreement deliverables have been completed and the related expenses are incurred.

Grants are recorded as revenue when received or receivable if the amount receivable can be reasonably estimated and collection is reasonably assured.

ENVIRONMENTAL OPERATORS CERTIFICATION PROGRAM
Notes to Financial Statements
Year Ended December 31, 2025

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Foreign currency translation

The Program's foreign subsidiaries are integrated foreign operations. Currency translations into Canadian dollars are made as follows:

- a) monetary assets and liabilities at the rates of exchange prevailing at the balance sheet date;
- b) non-monetary items at rates prevailing when they are acquired;
- c) exploration costs and administration costs at average rates for the period.

Financial instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. The transaction costs are adjusted to the carrying value of the financial instrument, recorded at amortized cost.

3. TERM DEPOSITS

	Purchase date	Maturity date	Interest rate %	2025	2024
Scotia Bank Non-redeemable GIC	December 3, 2024	December 3, 2025	3.25%	\$ -	\$ 200,516
Scotia Bank Cashable GIC	October 4, 2024	October 4, 2025	3.4%	-	107,440
Scotia Bank Cashable GIC	January 6, 2025	January 6, 2026	2.75%	120,866	-
Scotia Bank Cashable GIC	October 1, 2025	October 1, 2026	2.25%	30,170	-
Scotia Bank Cashable GIC	November 24, 2025	November 24, 2026	2.15%	150,336	-
Scotia Bank Cashable GIC	December 3, 2025	December 3, 2026	2.15%	206,853	-
Scotia Bank Cashable GIC	December 18, 2025	December 18, 2026	2.15%	140,115	-
Scotia Bank Non-redeemable GIC	October 4, 2025	November 4, 2026	3.05%	110,999	-
Scotia Bank Non-redeemable GIC	October 1, 2025	November 2, 2026	3.05%	64,852	-
				\$ 824,191	\$ 307,956

(continues)

ENVIRONMENTAL OPERATORS CERTIFICATION PROGRAM
Notes to Financial Statements
Year Ended December 31, 2025

4. ACCOUNTS RECEIVABLE

	2025	2024
Accrued dues/invoices rec.	\$ 37,566	\$ 47,762
Allowance for doubtful accounts	(30,783)	(35,673)
	\$ 6,783	\$ 12,089

The Company has recognized a specific allowance of \$30,783 (2024-\$35,672.21) for accounts receivable pertaining to membership dues deemed uncollectible based on individual member assessments.

5. CAPITAL ASSETS

	Cost	Accumulated amortization	2025 Net book value	2024 Net book value
Computer equipment	\$ 61,905	\$ 47,322	\$ 14,583	\$ 12,994
Computer software	1,110,696	799,050	311,646	372,075
Furniture and fixtures	32,551	27,172	5,379	6,723
	\$ 1,205,152	\$ 873,544	\$ 331,608	\$ 391,792

6. LEASE COMMITMENTS

The Society renewed the lease agreement for premises with The Salvation Army for the term ending on July 31, 2028. At the balance sheet date, the base rent per month is \$2,612 and for Year 3 is \$2,819. In addition, the lease requires payment of additional rent and utilities of approximately \$1,634 per month throughout the lease term. Future minimum lease payments as at year end are as follows:

Contractual obligation repayment schedule:

2026	\$ 35,227
2027	35,809
2028	19,309
2029	998
	\$ 91,343

Photo Copier Lease

The Society entered into a lease agreement for the use of an office photo copier with CBSC Capital Inc. expiring May 31, 2029. The term of the lease is 66 months constituting a total of 22 quarterly payments of \$599, plus applicable taxes. Future minimum lease payments as at year end are as follows:

2026	\$ 2,396
2027	2,396
2028	2,396
2029	998
	\$ 8,186

Office Postage Meter Lease

The Society entered into a lease agreement for use of an office postage meter with Pitney Bowes Leasing with effect from May 20, 2021. The term of the lease is 60 months with monthly payments of \$60, plus applicable taxes. Future minimum lease payments as at year end are as follows:

2026	\$ 243
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ENVIRONMENTAL OPERATORS CERTIFICATION PROGRAM
Notes to Financial Statements
Year Ended December 31, 2025

7. REMUNERATION

During the year, the Society paid compensation in excess of \$75,000 to two employees. The total amount paid was \$262,036 (2024 - \$262,036). This disclosure is in accordance with a requirement of the BC Societies Act which came into effect November 28, 2016.

8. FINANCIAL INSTRUMENTS

A financial instrument is defined as any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

The Program is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Program's risk exposure and concentration as of December 31, 2025.

(a) Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Program is exposed to credit risk from customers and members. In order to reduce its credit risk, the Program reviews a new customer's credit history before extending credit and conducts regular reviews of its existing customers' credit performance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The Program has a significant number of customers which minimizes concentration of credit risk.

The society is also exposed to credit risk related to its cash and investments, which is mitigated by holding these funds with high-quality financial institutions.

(b) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Program is exposed to this risk mainly in respect of its receipt of funds from its customers and other related sources, long term debt, obligations under capital leases, contributions to the pension plan, and accounts payable.

(c) Currency risk

Currency risk is the risk to the Program's earnings that arise from fluctuations of foreign exchange rates and the degree of volatility of these rates. The Program is exposed to foreign currency exchange risk on cash, accounts receivable, and accounts payable held in U.S. dollars. The Program does not use derivative instruments to reduce its exposure to foreign currency risk.

(d) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument and future cash flows might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the Program manages exposure through its normal operating and financing activities. The Program is exposed to interest rate risk primarily through its current and non-current term deposits interest rate bank indebtedness and credit facilities. Changes in interest rates may also affect future cash flows from these deposits.

Unless otherwise noted, it is management's opinion that the Program is not exposed to significant other price risks arising from these financial instruments. Risks arising from financial instruments have not changed significantly from the previous year.

