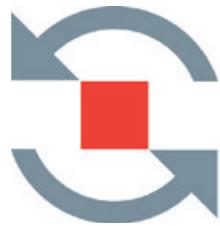




European
Recycling
Platform

2015
ANNUAL
REPORT



European Recycling Platform

ERP SPAIN 2015 ANNUAL REPORT

Edited by:

ERP Spain

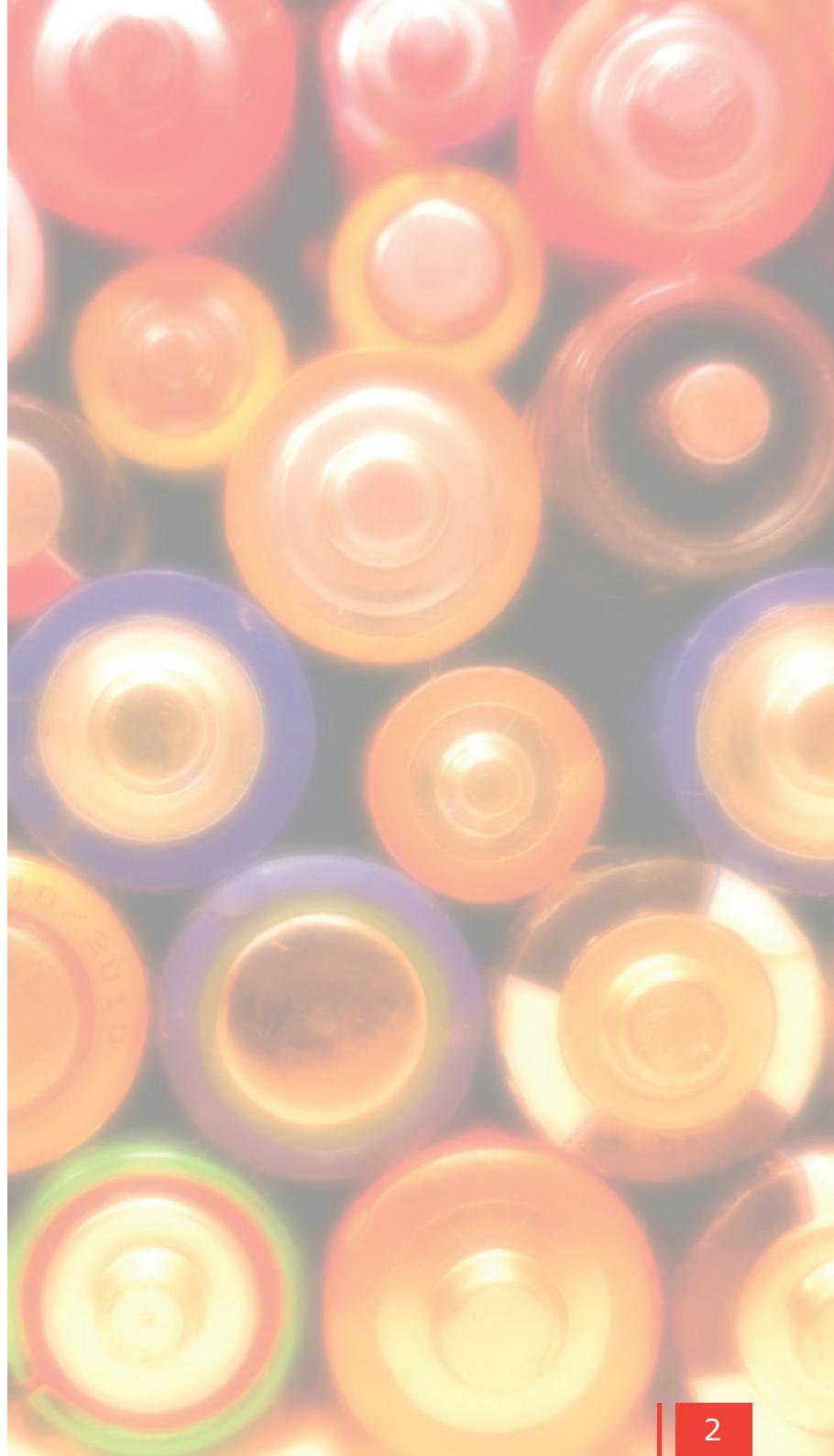
C/ Raimundo Fernández Villaverde, 30
Floor 1, Office 314
28003 Madrid

Tel: (+34) 91 806 30 42
Fax: (+34) 91 804 72 95
E-mail: empresas@erp-recycling.org

www.erp-recycling.es



Design and production: Ippi Comunicación
Translation: Ibertrad Servicios Empresariales S.L



Umberto Raiteri,
President and CEO
of ERP SAS

4

Communication
and
awareness-raising

10

Ricardo Neto,
Regional Manager
of ERP Iberia

6

Report:
Royal
Decree

16

Matias Rodrigues,
General Manager of
ERP Spain

7

2015 WEEE
management
figures

20

ERP, a decade promoting
responsible
habits

8

2015 WB&A
management
figures

28

CONTENT

ERP SPAIN 2015 ANNUAL REPORT

UMBERTO **RAITERI**

President and CEO of ERP SAS



During 2015, I had the opportunity once more to speak at the Canadian Stewardship Conference held in Banff, Alberta, Canada. Hundreds of business representatives, manufacturers, retailers, industrial associations, public administrations... from all over North America and Europe met at the conference. After conversations held with some of the 600 delegates, I was able to retrieve some interesting ideas and concepts. First of all, Europe is considered by the rest of the world as being at the forefront of managing its WEEE system. Its success derived through the implementation of the WEEE Directive over a decade ago; the challenging collection targets achieved and, a legislation extension that has no

equal overseas. Even to this day, I am honoured that we receive requests from various provincial and government representatives for advice regarding the optimisation of WEEE management.

"ERP has always fought for a fair, transparent and competitive WEEE market"

Canada has recently implemented a very similar law to that in the European Union, which will soon cover all EEE in all provinces of the country in spite of the vast extent of its geographical coverage for an area more sparsely populated than

Europe. The Canadian WEEE Compliance Scheme (EPRA) operates through ERP's IT system that was acquired under license and was customised to their local requirements.

As for the United States, unfortunately Federal legislation was not implemented with the result that each state can standardise on its own. I am disappointed to inform you that presently only half of the states implemented some form of WEEE legislation, covering only TV, monitors and IT equipment. Consequently, this involves a very high use of landfills which is at odds with the European target of 'zero landfill'. As such, some producers and distributors have put in place vol-

untary initiatives in response to the growing public concern about earth pollution. Best Buy, the largest EEE US retailer implemented free WEEE collection a few years ago in its stores. Their research suggests this service is highly valued by consumers. This responsible message is communicated by Best Buy as part of their marketing strategies.

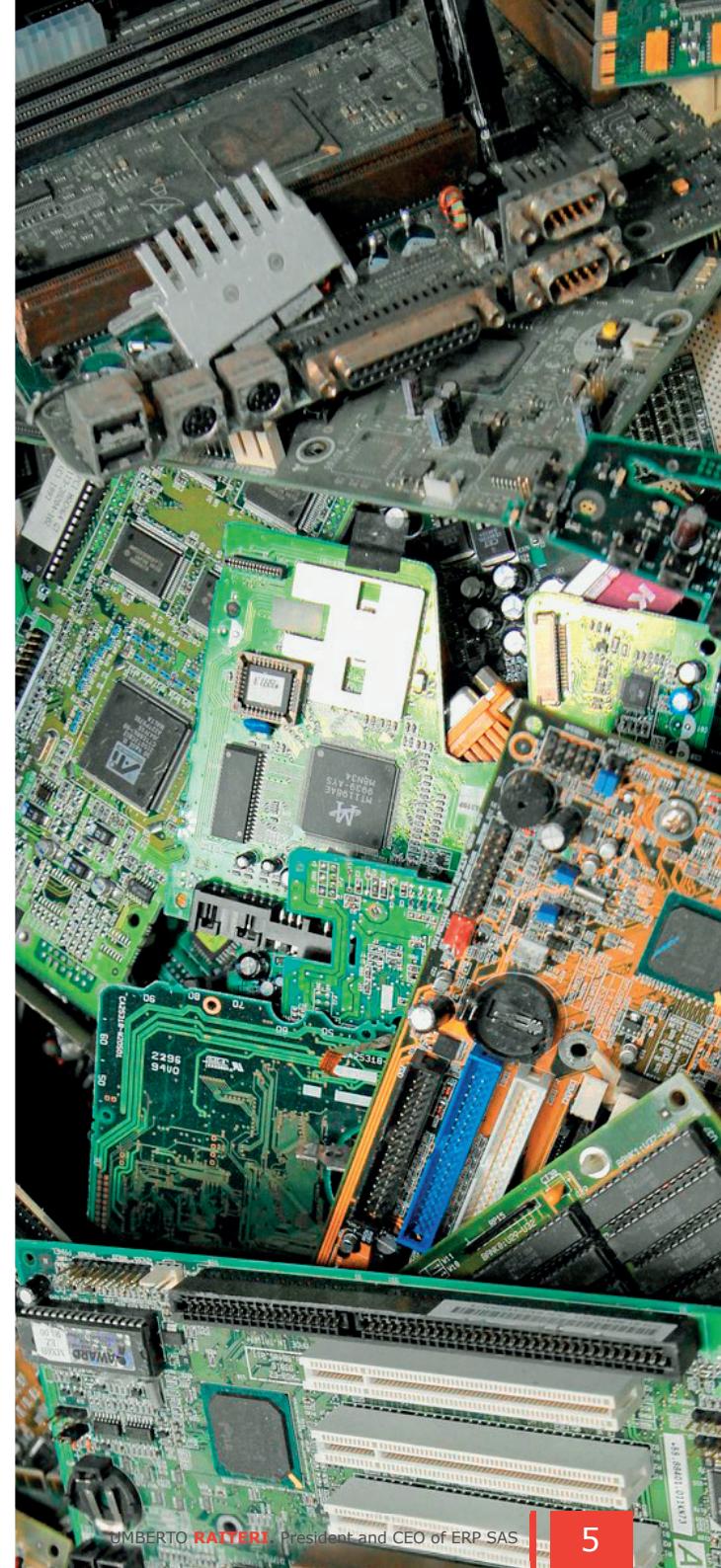
"Spain is an excellent reference for the efforts to adapt its system to the challenges of the new WEEE Directive"

During 2015, I have noticed a marked increase in interest in EEE reuse before it becomes WEEE, compared to few years ago. A few years ago, old EEE was considered without any commercial or social value, however now we see the development of a parallel market that has found channels and customers for whom it is worth offering an economical alternative to the purchase of a new product. This is happening not only for developing countries but also in Western economies where you can find various offers both in traditional and online stores. Further confirmation of this trend is the presence of a specific target on re-use in different local variations of the new WEEE Recast Directive.

Lastly, 2015 marks a fundamental milestone in the European Recycling Platform's history as we celebrate our 10th anniversary. As you know, ERP has always fought for a fair, transparent and competitive WEEE market, operated by a multitude of

efficient and professional compliance schemes offering safe, lean and trusted take-back solutions for producers, consumers and the overall community. 10 years ago, ERP started its operations in Ireland, Austria and Portugal, while other countries followed some months or years later.

Spain is an excellent reference country for all the efforts that are being made in order to adapt its system to the challenges of the new WEEE Directive. I would like to take this opportunity to thank our members in particular, the public administrations, the retail sector, and the public who, with their continued support of the WEEE Directive will take Spain onto a new plain of environmental performance in terms of WEEE management now and in the years to come.





RICARDO NETO

Regional Manager of ERP Iberia

In many countries of Europe, 2015 was characterised as a year in which the sectors associated with EEE extended producer responsibility evolved in response to the need to adapt to the requirements of the new regulations transposing the revision of the European Directive. Many of the features of this adaptation are common to all of the countries, however, in some of them the impact on the extended responsibility of the producer has gone even beyond. Spain, as a specific example, has decided on a very ambitious reformulation of the WEEE management model, mainly because the old model had not delivered the results expected in a number of key aspects, such as in the achievement of the collection targets and their distribution.

The implementation of a new and more efficient WEEE management model, which ERP applauds, poses a challenge for the sector overall, given the peculiarities of the Spanish scenario: considerable territorial diversity, decentralisation of competencies in terms of waste management or the significant role of horizontal distribution in the sale of electrical appliances.

In the face of these challenges, our response as a collective extended producer responsibility organisation is being characterised by an ongoing effort of adaptation of our supply. For this purpose, we have made our WEEE collection and management models more flexible, adapting them to the diversity of the channels of access to waste, both on the regional as well as the local level. In municipal collection, we have opted for the consolidation of the frameworks of collaboration between the EPR organisations and the other players involved. In the context of the distribution channel, we have

worked on the implementation of more efficient collection systems, particularly in small and medium-sized shops.

If to this we add some of the measures of the new regulation, which make legal compliance by the producers even more complex, the challenge we are facing in the short and medium term is significant. However, on the other hand, if among all of us we are successful in establishing the new system adequately in Spain, it could serve as a reference for other countries in Europe and on other continents, particularly in the Latin American countries, given their cultural proximity.

*"An adequate **implementation** of the new system in Spain could serve as a reference for other countries"*

We can also add that, for ERP, the experience in Spain is also serving to enrich our models and work tools on the group level, particularly in terms of the operating requirements and the traceability and documentary control system.

To sum up, we are very satisfied to be able to affirm that all of the knowledge obtained in Spain has become an important asset of our group when developing global compliance services, materialising, for example, as the Europa Plus offer, as well as for the implementation of extended producer responsibility in new countries. We are convinced that in the years to come Spain will continue to play this important role.



MATIAS RODRIGUES

General Manager of ERP Spain

The extended producer responsibility associated both with WEEE as well as with WB&A had to undertake in 2015 a significant updating process on the legal level, with the transposing of the new Directives on this waste. These regulatory changes, particularly in the case of WEEE, involve a profound transformation of a number of aspects which have not functioned as well as could be desired in the last few years.

"ERP ended 2015 by ranking as the third and first EPR organisation, respectively, in terms of market share"

However, putting into practice changes, with an impact that affects in one way or another all of the players in the sector, is an enormous challenge for all, which, inevitably, will continue during the next few years. To start, the authorities must update all of the permits of the Collective Extended Producer Responsibility Organisations (EPR organisations) and of the waste managers in a coordinated manner -a process in which we are engaged at the present time. Although this coordination could involve an added complexity at the start, I feel that it is necessary and beneficial for all concerned. The establishment of common criteria is essential for achieving the implementation of the Royal Decrees to satisfy all parties, but also for providing an incentive to fair competition that will enhance the development of the sector.

In the specific case of ERP, in 2015 we initiated the administrative procedure for the adaptation of our permits to the new legal frameworks. In our application, in addition to meeting all of the requirements defined in the legislation, we

have reflected our vision of how the EPR organisations should function, both from the technical and the financial perspective, as well as with respect to the decision-making by their members. In the meantime, in this transitional stage, we have been concerned to give continuity to the instruments which are already operational, such as the framework agreements with the Autonomous Communities for the management of municipal WEEE and for the organisation of communication campaigns; the bilateral agreements with a number of municipalities or with the distribution sector or the traceability tools already in existence. In this regard, our intention has been to preserve the quality of the services provided to our member producers, as well as to the rest of the players, taking advantage of the experience acquired for building a more efficient system.

All of these changes are taking place in a context of moderate, although continuous, growth in the market, both of electrical and electronic equipment as well as of batteries, and in this regard, we can note that ERP ended 2015 by ranking as the third and first EPR organisation, respectively, in terms of market share. Insofar as the quantities of waste collected, in line with our past performance, ERP has achieved its legal target. Nevertheless, the new legal targets will call for a significant effort starting from 2016, particularly in terms of WEEE, which we should all take into account. WB&A are found in a similar compliance situation: the challenge posed for the coming year is going to consist of maintaining the battery collection rates achieved in 2015 in a context of accentuated growth in the volume of market placement, which means that we must also accelerate the growth of the volumes collected. At ERP Spain we are confident of being able to successfully meet these important challenges.

ERP, A DECADE PROMOTING RESPONSIBLE HABITS FOR WEEE AND WB&A MANAGEMENT IN SPAIN

In 2015, European Recycling Platform España (ERP Spain) reached the milestone of ten years of operation in our country, where it was founded only three years after the creation of its parent company. A decade of experience during which it has expanded its scope of action, advancing from the management of electrical and electronic equipment waste only (WEEE) to the inclusion of other waste such as batteries and accumulators (WB&A), to which it was soon to add solar panels, with a category of their own within the WEEE. In the course of these ten years, ERP has expanded and improved its management network in Spain which, together with its experience in other countries and the synergies this fact creates, has enabled it to become a successful option for the management of WEEE and WB&A in our country.

ERP is the only collective Extended Producer Responsibility organisation (EPR organisation) operating in our country that belongs to an international company. This circumstance provides the local members of the Spanish subsidiary the possibility of benefiting from the synergies produced by operating in a global environment and enables multinational companies to deal with a single manager throughout Europe.

Centralisation of services, reduction of costs and the possibility of sharing software, R&D&I or quality management systems, among others, are just a few of the advantages which ERP, present in 14 countries, provides to its members. In short, innovative and high-quality waste management, operating as a driving force and stimulus of the recycling industry worldwide.

By the end of 2015, there were as many as 176 member companies in ERP's WEEE and WB&A collective Extended Producer Responsibility organisations. During the last decade, the company has managed the recycling in Spain of more than 210,000 tonnes of WEEE and more than 7,800 tonnes of portable WB&A. At the present time, ERP offers its management services on an international scale for the recycling of WEEE and WB&A to nearly 2,600 producers in 14 countries, to which packaging and solar panels can be added in a number of cases.

ERP also has offices in 17 countries: Austria, Denmark, Finland, France, Germany, Ireland, Israel, Italy, the Netherlands, Norway, Poland, Portugal, Slovakia, Spain, Sweden, UK and Taiwan, from which location service is provided to exporters in Southeast Asia.

EPR organisations or SIGs?

The SIGs (compliance schemes), like ERP, have gone on to be called EPR organisations (collective Extended Producer Responsibility organisations) with the publication of the sector-wide regulations for WEEE and WB&A, pursuant to Act 22/2011 on waste and soil pollution. Although in 2015 these regulations had not yet been fully implemented, ERP has decided to use solely the term EPR organisations in this annual report, to avoid confusion.

WEEE or WB&A?

ERP manages in Spain both electrical and electronic equipment waste, as well as used batteries and accumulators. For this purpose, ERP has two separate companies but which share the same shareholder composition: ERP SAS Sucursal en España, devoted to the management of WEEE, and ERP España SLU, concerned with the management of WB&A. Both collective Extended Producer Responsibility organisations are non-profit entities, as required by law in Spain. The new Spanish regulatory framework maintains this requirement, even though it is not a condition imposed by the European directive. In fact, in other countries the operation of these EPR organisations is not subject to this restriction and they function like any other enterprise.



10 YEARS IN SPAIN

210,000 t of WEEE managed

7,800 t of WB&A managed



176 companies belonging to the **WEEE** and **WB&A EPR** organisations



1,361 WEEE collection points

6,677 WB&A collection points



26 audits of suppliers performed*

20 awareness-raising **campaigns** carried out*

*Annual average figures.



ERP IN THE WORLD

More than 2.5 million tonnes of **WEEE** managed

Close to **30,000 tonnes** of WB&A managed



32 companies on the **Fortune-500** list are members of **ERP**



30 EPR ORGANISATIONS in **14 countries**



More than **100 employees** supervise and manage **ERP's services**

More than **3,000 agreements** in place with producers

COMMUNICATION AND AWARENESS-RAISING



To succeed in attaining the increasingly more demanding legal targets set for the collection of WEEE and WB&A, communication and dissemination campaigns have become an essential element. As a result, in 2015 ERP carried out many such campaigns, both individually as well as in conjunction with other players such as other EPR organisations, autonomous communities, town councils, provinces or companies (particularly in the distribution sector).

These campaigns were focussed on raising the awareness of society, from the youngest to the oldest and including university students in between, or the professionals in the sector, with respect to the importance of the involvement of all of the members of the community in the management of the waste they generate, emphasising the environmental benefits of these practices and warning of the dangers of failing to manage such waste properly. Workshops for children, sports activities and the creation of musical instruments from WEEE are examples of some of the activities organised.

AWARENESS-RAISING ACTIVITIES

Given the similarities in subject matter and target audiences in the scope of communication and awareness-raising in terms of the recycling of electrical and electronic equipment and of batteries and accumulators, and the synergies any action in either of these recycling subsectors is able to produce, all of the communication activities carried out by ERP in both of these environments during 2015 are included on a general basis in this section.

Workshops for creating musical instruments using WEEE in Pamplona

More than 300 participants, mostly school children, attended workshops in Pamplona during June 2015, for creating musical instruments from waste materials, with the slogan “¿Te suenan los RAEE?” [Does WEEE sound familiar to you?]. The purpose of this event, organized by ERP, the Asociación de Educación Ambiental y del Consumidor (ADEAC-Environmental and Consumer Education Association) and the Basurama group, was primarily to raise the awareness of school children, university students and families about the importance of proper WEEE management when such equipment is no longer serviceable. With this purpose in mind, the Environmental Education Museum of Pamplona was chosen as the venue for organising entertaining workshops for children and adults alike, at which participants were able to create unique musical instruments, such as homemade guitars and kalimbas, with sounding boards built from the casings of different types of electronic devices, and had the chance to deposit their WEEE for recycling in cages set up for this purpose in the museum.

At the same time, WEEE collection points were installed around the University of Navarre and the Public University of Navarre, in Pamplona. As an incentive, all of those who deposited an item of WEEE participated in a draw for a 350 € coupon which the winner could exchange for tickets to his or her favourite music festival. A total of 775 kilograms of WEEE was collected, which ERP transported to the appropriate facilities for proper treatment.



2,152 kg of WEEE collected in the second "Game in support of Recycling"

A total of 2,152 kg of WEEE was collected in the second edition of the "Game in support of Recycling", a sports event organised by ERP Spain and the Association of People with Disabilities in the Province of Albacete, AMIAB. More than 600 spectators gathered at the Blanca (Murcia) sports centre to attend the wheelchair basketball game between the CDM ELCHE and the BSR AMIAB club, and took advantage of the opportunity to discard their WEEE. The objective of this game was to raise social awareness in two directions: equal opportunities for people with disabilities and the importance for the environment and society of the proper recycling of electronic waste.

With this same environmental awareness-raising purpose in mind, ERP and AMIAB also created a travelling "recycling school" which, in the course of the months of May and June, visited a number of schools in the province and in other autonomous communities where awareness talks were given on WEEE recycling and the 'First Battery Recycling Contest' was held.



Agreement between Media Markt, the Red Cross and ERP for improving success rates at school through technology

The Spanish Red Cross National Manager of Fundraising, Jaime Gregori; Media Martk Spain General Manager, Ferran Reverter, and ERP Spain General Manager, Matias Rodrigues, signed, on 27 May 2015, a cooperation agreement for supporting the School Success Promotion Project of the humanitarian institution and bringing school children into closer contact with technology, with a view to reducing school absenteeism and drop-out rates.

The first activity carried out in the framework of this agreement coincided with Media Markt's "Renovator Plan" campaign: all of the laptops, desktop computers and netbooks in good condition and suitable for reuse, collected during the campaign, were used for the Red Cross School Success Promotion Project, the objective of which is to reduce school absenteeism and to improve the basic educational skills of girls and boys in a difficult social situation. ERP was responsible for verifying the condition of all of the laptops, desktop computers and netbooks, and for enhancing the reuse of these devices. This was the first step in a long-term cooperation arrangement among the three entities.

Raising of the first Green Flags in Spanish universities

The Pontevedra Campus of the University of Vigo together with the Faculty of Health Sciences and the University Technical Architecture School, both in the University of Corunna, raised their Green Flags in November of last year, becoming the first Spanish university centres to fly the flag of the Green Campus programme.

This programme is a very useful initiative for promoting responsible WEEE and WB&A management habits in the university community, through educational activities and the improvement of the environmental management of campuses overall or individual buildings, which must be achieved through the cooperation and participation of the entire university community. In turn, the Green Campus centres wishing to obtain Green Flag status must comply with a minimum number of points contained in the Decalogue of basic themes and address at least three of them in depth each year. Examples could include optimising water and energy consumption, reducing the generation of waste and improving the selective collection or proper management of WEEE and WB&A, among others. >>



>> ERP Spain sponsors and gives technical support to this initiative, in addition to offering all of the participating universities free collection and the proper management of the electronic waste generated in their facilities.

The two Galician academic institutions are the first in Spain to join a group of 24 European faculties in ten countries which have already obtained this distinction, granted by the Foundation for Environmental Education (FEE), whose Spanish branch is the Asociación de Educación Ambiental y del Consumidor (ADEAC-Environmental and Consumer Education Association).

School campaign for raising awareness about the recycling of batteries in Malaga

Within the framework of the RconArte project, in April 2015 the Town Council of Malaga, the waste management company, Emma Medioambiental Andaluza, and ERP launched an awareness-raising campaign for encouraging the recycling of batteries in the city.

On this occasion, the schools were the leading players in the campaign, as activities were organised in a number of schools in each of the 11 districts of Malaga, including awareness-raising workshops using recycled materials.

The workshops were supplemented by awareness-raising actions in the immediate surroundings of the educational centres, where the students became "recycling agents" for drawing the attention of local merchants and residents to the importance of recycling batteries and informing about where the nearest containers are located. In addition, at the end of the campaign, a public closing ceremony was held which coincided with the World Environment Day, on the 5th of June last year.

Design contest for renovating the outer surface of battery containers

Last year, ERP launched a highly original contest for the purpose of renovating the design of the outer surface of its containers for collecting used batteries and accumulators in our country. The intention was also to raise the awareness of society about the need for the proper recycling of used batteries, in addition to letting people know how easy it is to do so. For this purpose, students and professionals in the field of graphic design and illustration were invited to submit their proposals for the containers. Among the requirements to be met by the designs, one of the most important was that the work was to serve to enhance the container as a vehicle of communication for encouraging the selective collection of waste batteries.

The contest was well received: more than one hundred proposals for the containers were submitted. The prize finally went to the Catalan designer Ana Isabel García Justicia, who convinced the members of the jury by her creativity and potential for inspiring citizens to adopt responsible behaviour with respect to the management of waste batteries. The winner was also given by ERP Spain General Manager, Matias Rodrigues, a cheque for 2,000 euros, together with a diploma.



At the end of the time limit for the submission of proposals, and with the aim of involving and raising the awareness of the users of the social networks, ERP organised a survey to enable Internet users to give their opinion on the best design from among those submitted. This survey did not influence the decision of the jury, which was guided exclusively by technical criteria, but it did provide an opportunity for drawing the attention of users to the existence of the battery recycling containers and the importance of using them.

Through a random system set up on the Easypromos platform where the survey was housed, ERP organised a draw for a Sony PS4 500 GB console among the more than 700 participants who voted on their favourite design and made it go viral among their contacts.



Competition Finalist Designs



CAMPAIGNS TOGETHER WITH OTHER EPR ORGANISATIONS DURING 2015

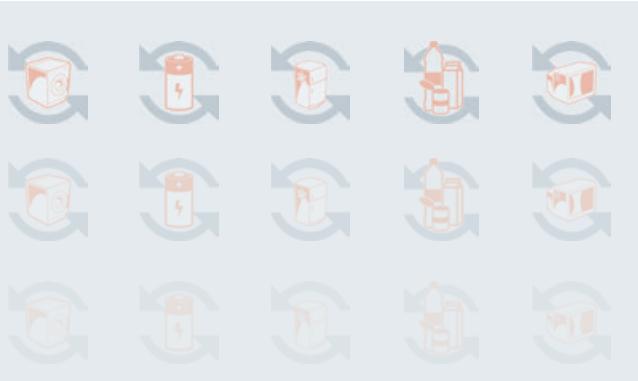
ERP Spain works in close collaboration with other WEEE and WB&A EPR organisations. Functions include the organisation of communication campaigns funded jointly in proportion to the market share of each organisation and taking into account other parameters such as the degree of target compliance. A number of the most significant activities organised in 2015 are highlighted below.

The “Recycle with All Five Senses” campaign continued on course in 2015

The successful “Recycle with All Five Senses” (Recicla Amb els Cinc Sentits) campaign continued its activities during 2015, aimed at involving the entire population -ranging from the youngest to the oldest and including university students in between- in the recycling of municipal waste.

The campaign, still active and organised by the Regional Government of Valencia, together with the Extended Producer Responsibility organisations of various types of waste, including ERP, was launched in 2014, with the objective of raising the awareness of the citizenry about the importance of the proper recycling of waste as well as with respect to the need for implementing environmental best practices, such as reuse.

The campaign consists of learning activities, free workshops, informative talks, and also includes participation in environmental fairs and events.



Battery collection contest in Catalan schools: “Les Piles, a l’Apilo de l’Escola”

During the first half of 2015, a battery collection contest was organised in Catalan schools in the framework of the campaign for encouraging the selective collection of batteries and accumulators in Catalonia, Apilo XII. For the purpose of raising the awareness of the children and their families about the importance of the proper recycling of this waste, the participating schools were invited to make their very best effort to collect the largest quantity of batteries possible during one full month, thanks to containers previously provided at their facilities.

The winning school was Tuixent, which collected 23.75 kg per child. The two runners-up were the l’Espíglol school, with 18.12 kg of used batteries per student, and the Finestres school, which collected 15.55 kg of batteries per student. These schools received a cheque for school materials at an awards ceremony marked by a festive atmosphere.

Promoted by the Regional Government through its waste agency, Agència de Residus de Catalunya (ARC), and with the support of ERP among other EPR organisations, Apilo XII -with the slogan: “Mission: battery launch to Planet Recycling”- is carrying out a number of activities aimed at the citizenry overall and focussing particularly on schools, with the goal of increasing the recycling of batteries and accumulators in Catalonia in an effort to adapt to the new legal requirements contained in the Royal Decree.



Winning Schools Awards Ceremony of “Les Piles, a l’Apilo de l’Escola” contest.





Inauguration of the campaign for promoting SDA recycling in Andalusia "La naturaleza no necesita que le echemos ningún cable"

A significant campaign commenced in September 2015 for promoting the collection of WEEE, particularly small domestic appliances (SDAs) in Andalusia, under the title: "La naturaleza no necesita que le echemos ningún cable" (An Spanish pun with the word "wires" meaning nature does not need your WEEE).

ERP, together with Ecolec, Ecotic and Recyclia, is participating in this information and awareness campaign which is focussed on the collection of SDAs and is promoted jointly by the Regional Government of Andalusia and the Andalusian Small Domestic Appliance Federation (FAEL) with additional support from the Recilec waste treatment plant. The campaign arose in the framework of the collaboration agreement signed in November 2013 by FAEL/AAEL and the ERP, Ecolec, Ecotic and Recyclia schemes and Recilec, for promoting and furthering the proper collection and subsequent recycling of waste of this kind.

The objective of the campaign is to increase the quantities of WEEE collected, particularly SDAs, in the small-scale distribution sector in Andalusia, through awareness-raising, not only aimed at the citizenry in general but also targeting the business community, with respect to the importance of recycling these appliances properly.

Since the beginning of the campaign, 800 collection containers have been distributed throughout Andalu-

sia among the businesses included in the agreement with FAEL, to enable the public to deposit unused small appliances, such as electric razors or hair dryers.

In this way, more than 80% of the population of Andalusia has been reached and now has an orange container available for discarding this waste. Since the signature of the agreement and up to the end of 2015, 55,000 kilograms of this kind of waste have been collected. In view of the success obtained, the campaign, which was scheduled to end in March 2016, has been extended up to December of this year.

Family picture of the represents of organisms involved in the campaign.



PRESS OFFICE

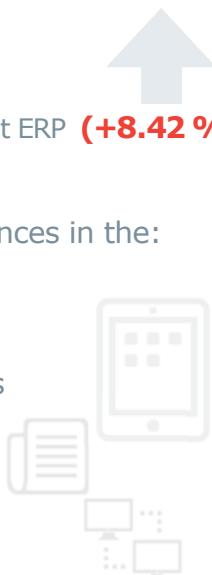
The media are also key players in raising the awareness of society and in conveying the successes of the companies associated with ERP that manufacture or market electrical and electronic equipment and batteries and accumulators. ERP, conscious of this situation, maintains a good working relationship with the journalists specialised in this area, which materialises in the publication of news items, interviews and reports, on a local as well as a national scale.

Media relations

9 press releases issued

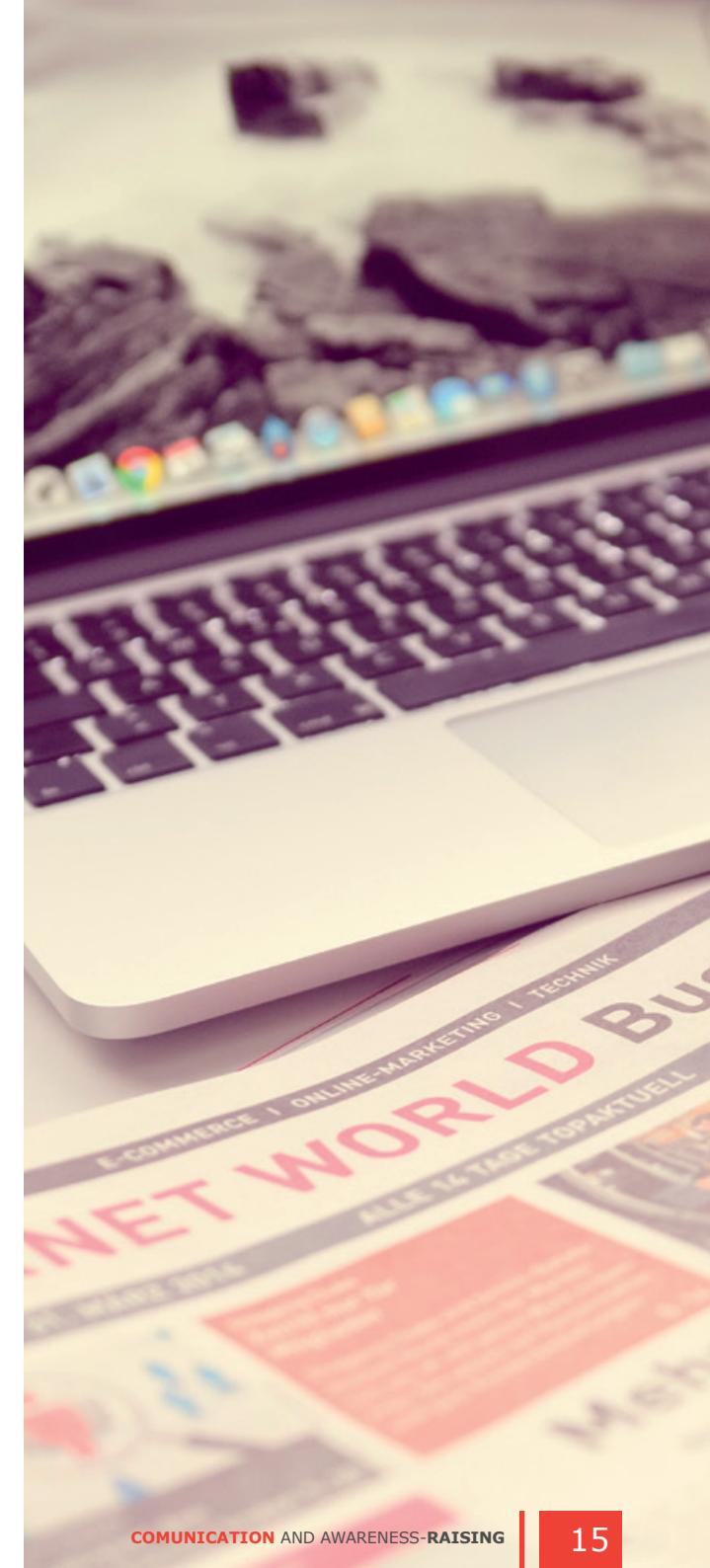
502 news items published about ERP (**+8.42 %**)

- ▶ **OUTSTANDING** appearances in the:
 - ▶ **Generalist** press
 - ▶ **Specialised** magazines
 - ▶ **On-line** media
 - ▶ **Radio**
- ▶ **SUBJECTS** communicated:
 - ▶ **Proper management** of WEEE and WB&A
 - ▶ **Main activities of ERP** in Spain and in other countries
 - ▶ **Positioning of ERP** in the current context of the sector



Internet and Social Networks

In 2014, ERP Spain continued to increase its profiles in Twitter and Facebook. In both social networks it publishes news items of interest to the waste and environmental sector on a regular basis, in addition to news on ERP España. On the other hand, ERP also updates their web page, erp-recycling.es.





ROYAL DECREE 110/2015

ON WASTE ELECTRICAL AND ELECTRONIC EQUIPMENT

Following lengthy negotiations, approval was given on 20 February 2015 to the new Royal Decree 110/2015 on Waste Electrical and Electronic Equipment which, in turn, transposes the European Directive 2012/19/EU. This provision regulates, as did the earlier decree, the extended responsibility of manufacturers and importers with respect to the end of the life cycle of the electrical and electronic equipment they place on the market, by meeting the costs of the appropriate management of such waste. However, it also improves some of the more problematic aspects of the previous regulation, adds other new elements and increases the target compliance requirements for all of the players involved.

General remarks

The collection targets are even more ambitious than those of the Directive and will consequently exert an influence on WEEE management costs in the next few years. Specifically, for 2016, the requirement is for managing 45% of the average volume of the electrical and electronic equipment placed on the market in the last three years. That 45% must be met in each of the 10 categories of electrical and electronic equipment, in each use (household and professional) and in each of the 19 Autonomous Communities and Cities.

In addition to specifying the collection targets, the Royal Decree includes targets for reuse, specifically in fractions 4 (large domestic appliances with at least one dimension in excess of 50 cm) and 6 (small informatics and telecommunications equipment), which are completely new and will have an impact on the management costs supported at the present time by producers. Measures are also included for improving the traceability of the waste and for preventing it from ending up in the hands of illegal managers as far as possible.

Obligation to obtain a financial guarantee

In addition, an obligation is established for the producers of household appliances to arrange a financial guarantee to ensure the financing of the management of the WEEE originating from the equipment placed on the market by producers, in the event of insolvency, noncompliance with the terms & conditions of approval or the dissolution of the EPR organisation to which they belong.

It is also established that the producers of household appliances must finance the adaptation of the municipal collection facilities to the requirements of the Royal Decree.

With respect to the professional WEEE, there are a number of changes of interest: in the previous Royal Decree, the professional WEEE did not have collection targets associated with them, but now they do. Moreover, the EEE that can be considered as both household and professional, known as dual-use, will be considered in any case as household EEE.

The separate collection of professional WEEE can also be channelled through the same allocation office as that created for the distribution of the quantities of household WEEE. This involves a significant change since, up to now, the collection of professional WEEE was only made on demand. Even so, the possibility is maintained for the producers of professional EEE and users to enter into agreements stipulating other methods of financing.



WEEE classification categories

14

Up to 14 August 2018

The current ten categories will be maintained, however, there will be seven collection streams.



Significant novelty: Solar panels will begin to be reported.



15

As from 15 August 2018

The categories will be reduced to seven, including a differentiated category for solar panels. These categories are equivalent to the seven collection streams defined previously.



Significant novelty: Specific category for monitors and screens. Includes all devices with a screen of more than 100 cm² (laptops, tablets, etc.).

Principal changes affecting all of the types of producers

Particularly significant among the principal new developments introduced by the legislation affecting all of the types of producers (manufacturers, distributors, importers...) is the creation of a working group within the Waste Coordination Commission, which will be specific of the WEEE flow. This group will evaluate and coordinate the management of WEEE, propose targets and prepare a report in the event of noncompliance with such targets by any of the organisations. The group is made up by the competent government administrations (Ministry and Autonomous Communities), but can also consult experts and the various players involved.

An electronic WEEE management platform is created

Moreover, provision is made for the creation of an electronic WEEE management platform, where all of the players involved (local entities, distributors, producers, managers, negotiators...) will be under the obligation of entering their data on the WEEE collected and managed and of keeping this information updated, in such a way that the traceability of the waste is guaranteed at all times. The platform must be co-financed by the producers of both household as well as professional EEE and the various government administrations.

Provision is also made for the creation of the collection allocation office, mentioned previously, which will also keep an account of all of the collections of household and professional WEEE on the basis of the information available on the WEEE management platform. This office must be financed and managed by the EEE producers, both household as well as professional EEE, and compliance with its allocations will be mandatory.

A collection allocation office is created

In addition, there will be a requirement to include the Integrated Industrial Register identification number (former REI-RAEE No.) on all of the invoices or documents relating to trading transactions between EEE producers and distributors, including distance selling.

Finally, according to the new regulation, producers can set up alternative collection networks for the collection of their own products. Producers will be able to organise and finance home collection. Likewise, the possibility of including the annual WEEE management costs actually incurred on the website or in brochures (never on invoices) is offered.

WEEE collection targets

(% on the average volume of electrical and electronic equipment placed on the market in the three preceding years)

2019	►	►	►	65% / 85%
2018	►	►	►	55%
2017	►	►	►	50%
2016	►	►	►	45%

In 2019 the State will choose between:

- 1) 65% of the average volume placed on the market during the three preceding years or
- 2) 85% of the WEEE generated.

Specific targets for the preparation of WEEE for reuse

(% with respect to the total WEEE collected in that stream)

From 1 January 2017 to 15 August 2018

Collection stream 4	►	►	2%
Collection stream 6	►	►	3%

As from 15 August 2018

Collection stream 4	►	►	3%
Collection stream 6	►	►	4%



Principal new developments for manufacturers, distributors and importers

With the new legislation, manufacturers must focus on durability and potential reuse in the design and production of their equipment. Product instructions must specify that batteries should be removed for separate collection before discarding them as WEEE. Moreover, manufacturers will have to provide the information necessary for the recycling and reuse of their equipment. If a new type of equipment is placed on the market, manufacturers have one year in order to provide all of this information.

Distributors are one of the sectors most seriously affected by the new law. Several of the most significant changes fall upon them directly, with impacts not only for them but also for consumers, who are going to benefit from some of the measures introduced. A highlight among the principal new developments is that the Royal Decree makes specific mention of the distance selling vendors who are not established in Spain as producers and who will now have to comply with their obligations through an authorised representative. Moreover, the distributors will only be able to market the EEE of producers who have obtained the Integrated Industrial Register number.

The obligation of accepting WEEE equivalent to the EEE purchased through home delivery free of charge for the consumer is also regularised, including for the distance selling distributors. Provision is also made for the deferred return of WEEE

(at least during 30 calendar days) showing the receipt of purchase of the replacement EEE.

In addition, an obligation is established (for distributors with an EEE sales area of at least 400 m²) to accept very small WEEE (with no dimension of more than 25 cm) without the need for an EEE purchase. Moreover, a delivery note or a receipt must be given to the user who returns the WEEE, who must sign it. In the case of the return of an item of EEE in home delivery (including distance selling), the distributor will request information from the buyer on the buyer's intention to return a WEEE item. If the purchaser finally waives returning a WEEE item, this waiver must be expressly recorded on the delivery note. This will enable greater control of delivery services to prevent the deviation of WEEE from the official circuit.



HIGHLIGHTS

MANUFACTURERS



Design and production: Products must be more durable and potentially reusable.

WEEE with batteries: The instructions must warn that the batteries are to be recycled separately from the WEEE.

Information on recycling: Manufacturers must provide the information necessary for the recycling and reuse of their equipment.

DISTRIBUTORS

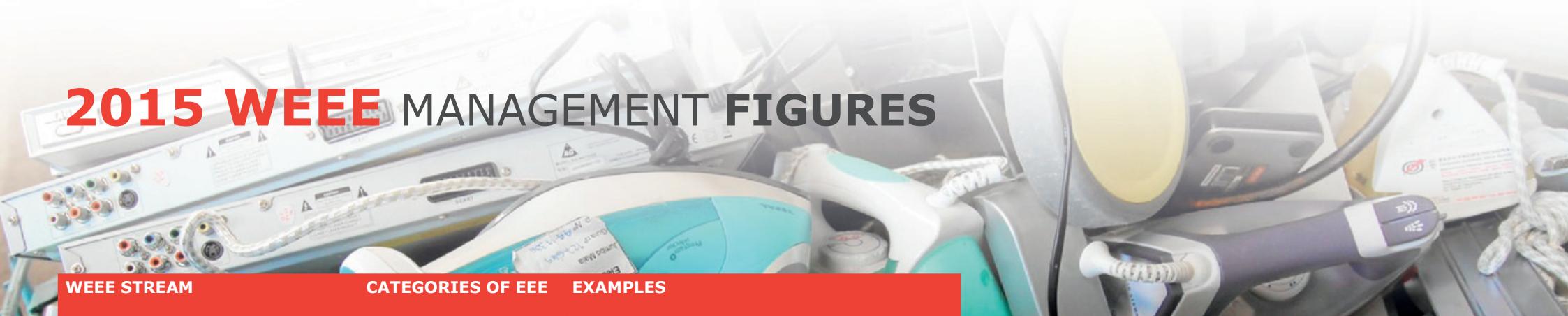


WEEE in shops: The major retailers will collect very small WEEE, even though another equivalent item has not been purchased.

Free home collection: Free collection of an item of WEEE equivalent to the device purchased.

On-line selling: The on-line distributors established outside of the country will have the same obligations as the rest of the producers.

2015 WEEE MANAGEMENT FIGURES



WEEE STREAM	CATEGORIES OF EEE	EXAMPLES
LDA: Large Domestic Appliances	Part of category 1	Washing machines, ovens, dishwashing machines, glass-ceramic stovetops, exhaust fans...
	Part of category 10	Automatic tellers, non-refrigerated vending machines, gaming machines...
Cold: Appliances with refrigerants	Part of category 1	Refrigerators, freezers, freezer chests...
	Part of category 10	Cold beverage vending machines, refrigerated hospitality industry display cases...
TV/Monitors	Part of category 3	Computer monitors
	Part of category 4	Television screens
Others	Category 2	Irons, toasters...
	Part of category 3	Telephones, computers, routers, peripherals, mp3 players...
	Part of category 4	Radios, hi-fi equipment, video players...
	Part of category 5	Luminaries
	Category 6	Drills, electric sanders, planning machines...
	Category 7	Video game consoles, battery toys, bicycle odometers...
	Category 8	X-ray machines, electronic thermometers...
	Category 9	Control panels, alarms...
Lamps	Part of category 5	Fluorescent tubes, energy saving light bulbs, LED lamps...

What does the term **WEEE** mean?

This is the term applied to waste electrical and electronic equipment and to the materials comprising, such equipment, originating from households as well as from professional uses. This waste refers to devices which must be plugged into an electric power outlet or which require batteries and, therefore, the definition of WEEE takes in devices ranging from appliance as large as a washing machine through to battery-operated toys or mobile telephones.

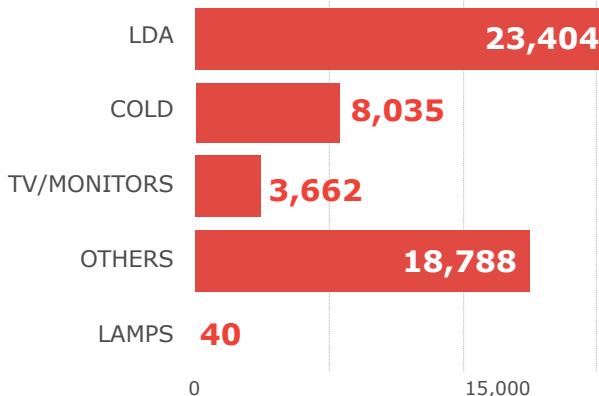
At the present time, as we can see on the table, electrical and electronic devices are classified in ten categories. And, in addition, they can also be grouped together into five collection streams according to the type of management required by the device. In this regard, it should be emphasised that although on an operating level, such classification into collection streams has always been used, this method of categorisation was not legally defined until the publication of Royal Decree 110/2015 on WEEE. The new regulation stipulates a new system of categorisation of WEEE starting from August 2018, which reduces the categories to seven in order to bring them closer into line with the reality of the waste and establishes seven collection streams. However, in this 2015 annual report, which still refers to data existing before the regulatory change, the management data are shown broken down into the five collection streams used prior to the publication of the new Royal Decree.

HOUSEHOLD WEEE

Household WEEE (Business to Consumer, or B2C) refer to all devices originating both from private households as well as from commercial, industrial, institutional and other sources which, by their nature and quantity, are similar to those typical of households. With the entry into force of the new Royal Decree, this definition has been expanded to include all devices with a dual use (household and professional) as household WEEE.

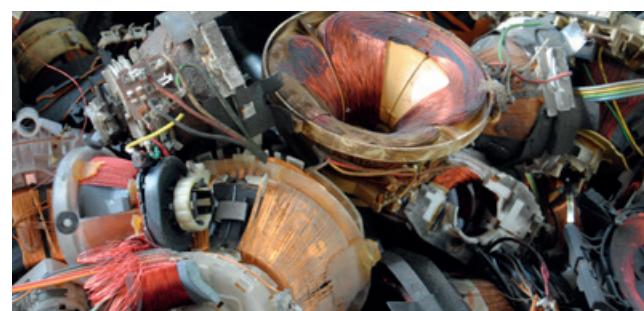
Household WEEE is considered to be municipal waste, and the management of such waste is channelled through a network of collection points available to the end user.

Tonnes of household EEE placed on the market by ERP member companies in 2015



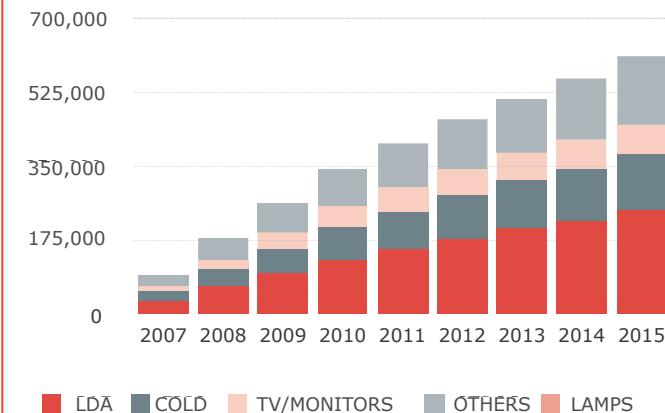
The market share of each EPR organisation is the parameter which establishes its WEEE collection and management obligations. This means that such obligations are proportionate to the figures of the kilograms placed on the market by its member companies. The market share is also the basis for the calculation of other obligations of the EPR organisation, such as the financing of the joint communication campaigns which the EPR organisations carry out for raising the awareness of society about the importance of recycling this waste. In 2015, **ERP Spain's market share** for household devices was established at **10.46 %**.

Reflecting the figures of the placement of household EEE on the market as accurately and truthfully as possible is essential for enabling an equitable distribution of the costs associated with WEEE management. For this reason, ERP Spain audits the figures furnished by its members on a yearly basis through an external independent firm. In 2015, these audits involved a review of **10.66 %** of the total quantities declared to the register by the companies belonging to ERP Spain (the two uses and also including the quantities exported).

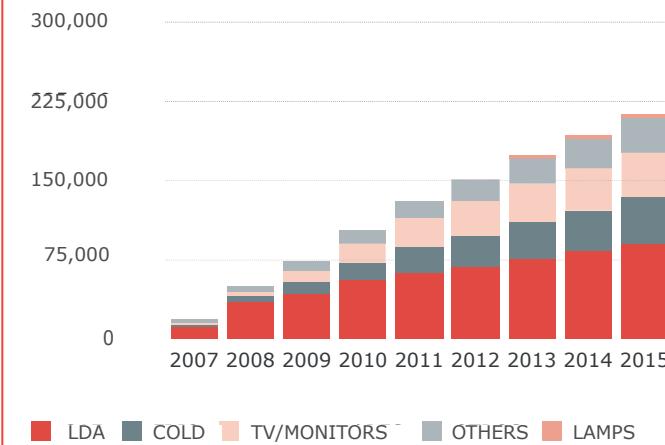


Nine years managing WEEE

Accumulated tonnes of EEE placed on the market



Accumulated tonnes of WEEE collected



Collection and management figures

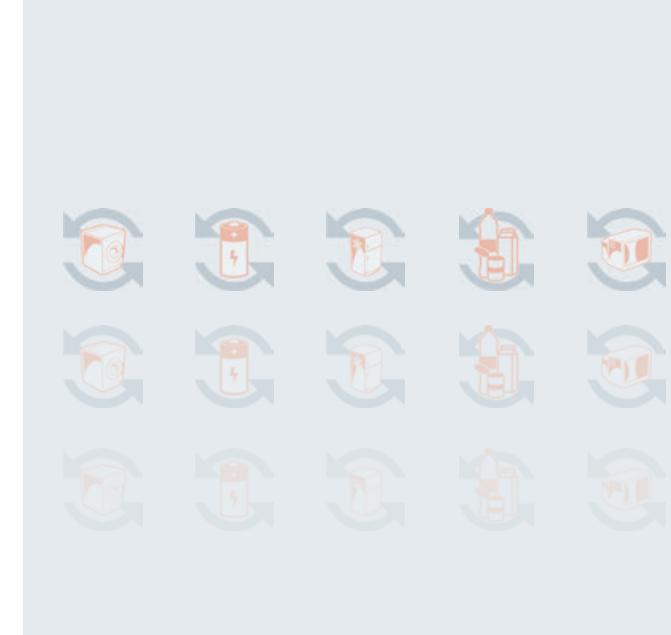
The amounts collected in 2015 declared in the annual reports to the various Public Administrations represent a total of **19,217 tonnes**, with a breakdown by stream as shown on the following table:

STREAM	DECLARED TONNAGE COLLECTED (t)
LDA	7,565
COLD	4,331
TV/MONITORS	2,450
OTHERS	4,857
LAMPS	14
TOTAL	19,217

These numbers do not represent the total tonnes actually collected by the ERP network due to the fact that, in addition to these amounts, during 2015, ERP transferred a total of **4,200 tonnes** of WEEE to other EPR organisations. This brings the total figure actually collected to **23,418 tonnes** (21.86% more), with the following breakdown:

FRACCIÓN	TOTAL COLLECTED (t)
LDA	9,246
COLD	5,602
TV/MONITORS	3,389
OTHERS	5,166
LAMPS	14
TOTAL	23,418

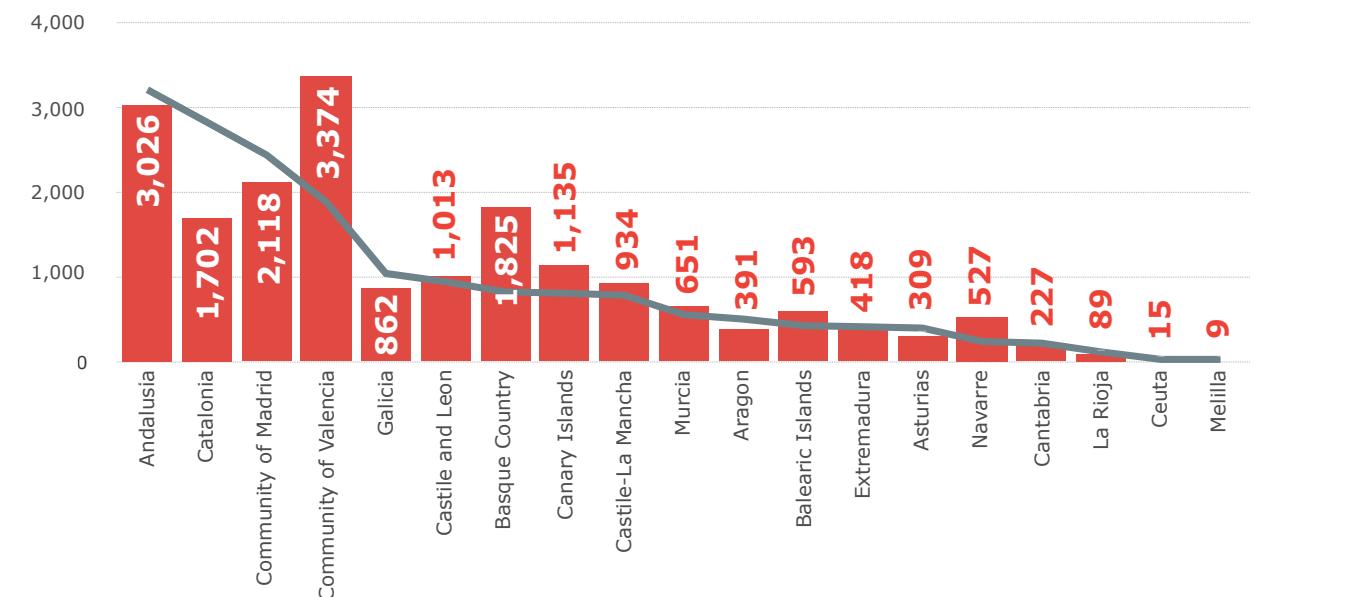
In terms of ERP's market share in 2015 and the total Spanish population, the total actually collected represents a ratio of 4.82 kg/inhabitant/year, while the total declared (after the transfers) shows a collection ratio of 3.96 kg/inhabitant/year. In one of its transitional provisions, Royal Decree 110/2015 establishes that the legal collection target for 2015 should be measured by taking the 2014 market share as the basis (in the case of ERP that figure was 9.56%). Therefore, ERP's results in 2015 (considering the collections after the transfers) place its degree of compliance at **4.33 kg/inhabitant/year**, above the target of 4 kg/inhabitant/year.



Tonnes collected by Autonomous Community in 2015

(Autonomous Communities arranged according to population)

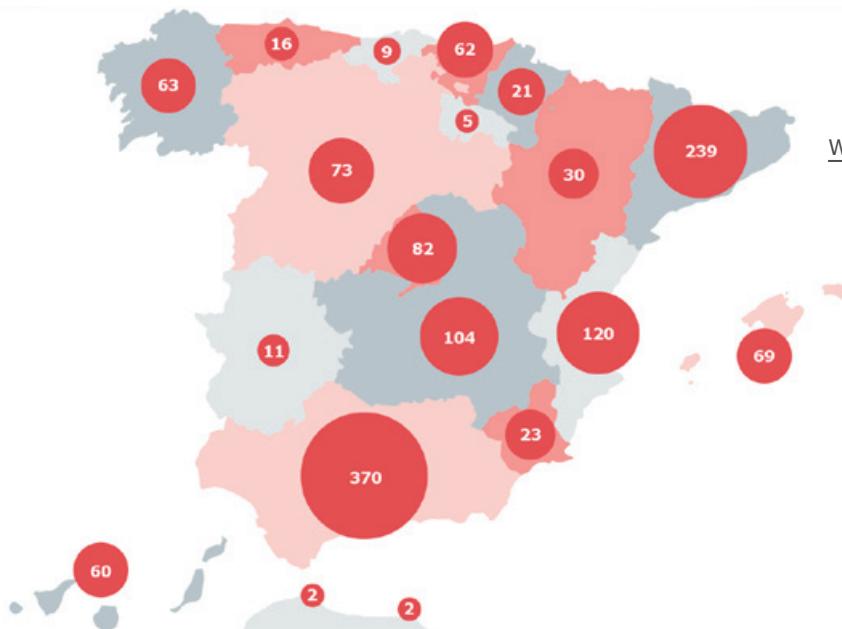
█ Tonnes collected in 2015
— Target compliance according to Royal Decree



Collection network

The ERP Spain collection network for household WEEE is structured on the basis of the municipal clean points, EEE points of sale (small, medium and large retailers) and others (primarily industrial and services companies, public administrations, schools, etc.). These collection points form an extensive and multipurpose network which services the entire country and is ERP's principal strength enabling it to meet the legal collection targets year after year.

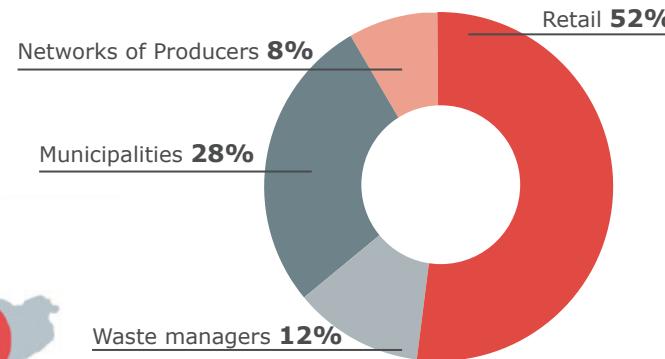
No. of B2C WEEE collection points*



*Only those points have been included where ERP made at least one collection in 2015.

The new Royal Decree establishes a new categorisation of types of collection points. On this basis and in terms of the nature of the collection points themselves, the percentage of distribution of the quantities of WEEE collected by ERP in 2015 is as follows:

Distribution of quantities collected by origin, according to type - Royal Decree 110/2015



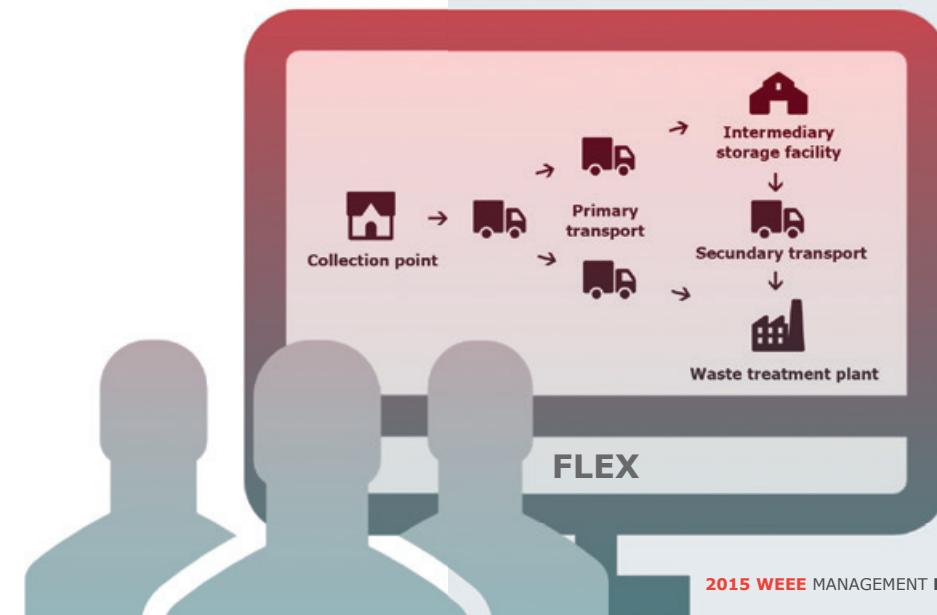
Logistics and treatment network

ERP Spain has an extensive logistics and treatment network, established thanks to the signature of a number of agreements with a group of operators. This network allows ERP to successfully develop its work and meet its goals.

These agreements guarantee uniform coverage throughout the country, from the major cities through to the most distant municipalities, as well as a standard of service that meets the demanding requirements defined on the domestic and supranational levels by ERP in terms of the environment, quality, occupational risk prevention, among others.

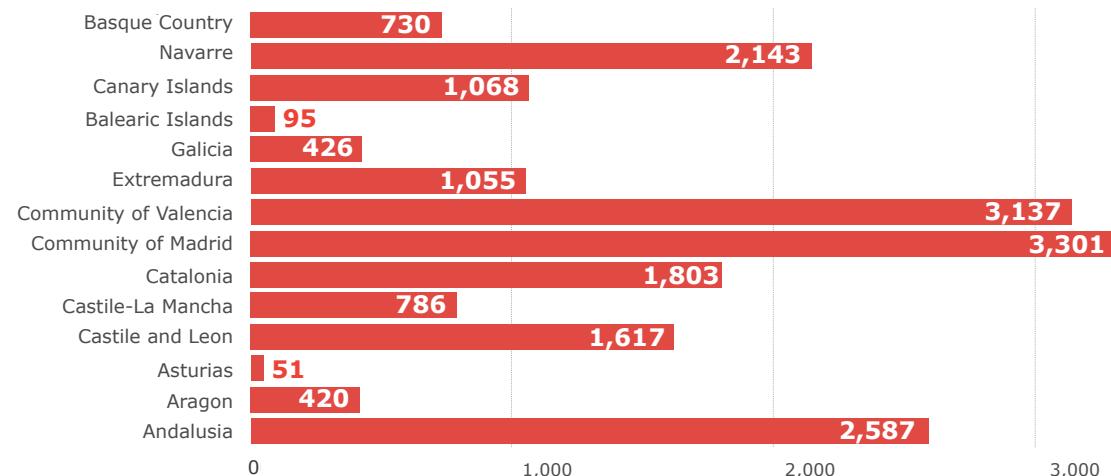
ERP controls the logistics network through a single web tool, called Flex, which manages and monitors all of the operations from the collection point through to the disposal of the waste.

Thanks to this exhaustive system, ERP is able to control all of the operations performed by each supplier (starting from the request through to the time of its completion), together with the documentation associated with these operations, making it possible to guarantee the documentary traceability of the waste.

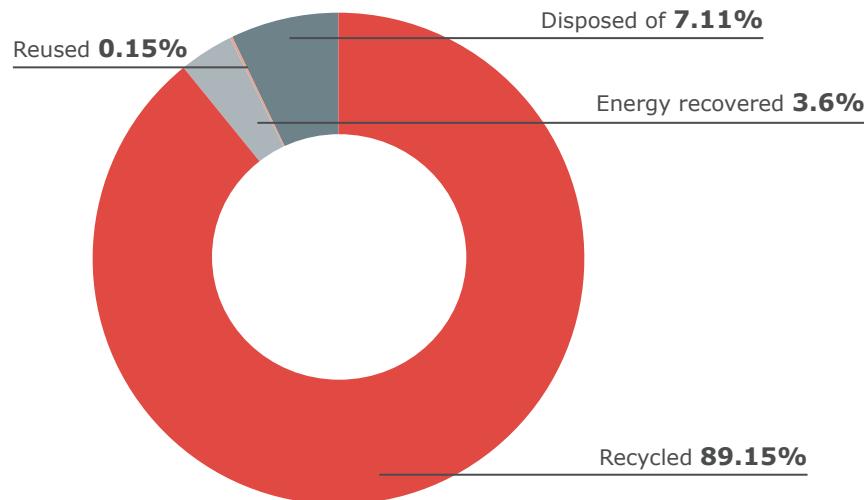


WEEE	NO. COLLECTORS / HAULIERS	NO. CONSOLIDATION CENTRES	NO. TREATMENT FACILITIES
LDA	38	16	33
COLD	34	26	18
TV/MONITORS	40	26	15
OTHERS	35	25	28
LAMPS	6	0	5
TOTAL (not classified by stream)	54	38	46

Tonnes managed by managers of each Autonomous Community in 2015



Final destiny of the weee collected and managed (2015)



PERMITS, FRAMEWORK AGREEMENTS AND AGREEMENTS

At the end of 2015, ERP had permits for operating in all of the Autonomous Communities. In August of that same year, the processing of the adaptation of its permit to the terms defined in the new Royal Decree 110/2015 was initiated. The new regulation eliminates the obligation of having a permit for each Autonomous Community and establishes that it is only necessary to obtain the permit of the Autonomous Community where the headquarters of the EPR organisation are located (in the case of ERP, the Community of Madrid), which will coordinate the content and terms & conditions of the permit with the rest of the Autonomous Communities.

With respect to the framework agreements, ERP has agreements in place with 11 Autonomous Communities, where the relationship and the way operations are to be performed are established between the Autonomous Community, the approved EPR organisations and the local entities. For example, the agreements set the terms and conditions of the collections at clean points, the fees for access to the waste and the amounts of funds to be used for communication and awareness-raising campaigns. Finally, ERP has established other collection agreements with local entities (municipalities, associations of municipalities, consortia, public entities concerned with collection services, among others), in addition to other kinds of institutions such as universities, distributors' associations, hospitals...

AUTONOMOUS COMMUNITIES	WEEE PERMITS	WEEE FRAMEWORK AGREEMENT	NO. COLLECTION AGREEMENTS
ANDALUSIA	06/02/2013	12/01/2015	9
ARAGON	20/10/2014	04/12/2007	2
ASTURIAS	03/06/2009		2
BALEARIC ISLANDS	25/03/2011		5
CANARY ISLANDS	10/06/2011		6
CANTABRIA	13/10/2011	12/02/2013	1
C-LA MANCHA	11/07/2013		4
CASTILE AND LEON	18/02/2014	18/02/2014	8
CATALONIA	11/10/2012	11/07/2012	5
CEUTA	26/04/2011	01/04/2009	1
EXTREMADURA	08/10/2012	27/10/2008	1
GALICIA	18/11/2013	15/01/2015	2
LA RIOJA	14/04/2013		
MADRID	04/06/2012	29/12/2010	2
MELILLA	16/04/2012		
MURCIA	24/01/2008		4
NAVARRE	25/09/2006	17/03/2009	5
BASQUE COUNTRY	01/07/2013		7
VALENCIA	17/07/2013	27/05/2014	5
OTHERS (Transregional bilateral agreements)			10

In bold print, date of first renewal



PROFESSIONAL WEEE

By exclusion, WEEE not belonging to the household use categories according to current legislation are considered to be professional WEEE. This type of WEEE has specific collection and management channels that normally involve collections on demand. For this reason, the management outcomes of this category of WEEE are significantly different from those obtained in the case of household WEEE.

Placement on the market

STREAM	QUANTITIES PLACED ON THE MARKET 2015 (t)
LDA	1,270
COLD	3,147
TV/MONITORS	1,385
OTHERS	7,982
LAMPS	0
TOTAL 2015	13,784

Collection

STREAM	QUANTITIES COLLECTED 2015 (t)
LDA	0.00
COLD	1.86
TV/MONITORS	0.02
OTHERS	0.40
TOTAL	2.28

Final destiny of the professional weee collected (2015)



EUROPEAN RECYCLING PLATFORM - ERP, SAS

BALANCE SHEETS FOR FISCAL YEARS ENDED 31.12.2015 AND 31.12.2014

ASSETS		2015	2014
A)	NON-CURRENT ASSETS	39,008.32	49,241.39
I	Intangible fixed assets	2,139.73	8,059.84
II	Tangible fixed assets	10,263.48	14,576.44
V	Long-term financial investments	26,605.11	26,605.11
B)	CURRENT ASSETS	8,500,259.49	8,438,072.66
II	Inventories	0.00	0.00
	Advances Suppliers	0.00	0.00
III	Trade debtors and other accounts receivable	8,232,638.67	8,056,713.41
1	Clients from sales and provision of services	7,685,068.72	7,976,038.92
2	Clients, group & associated companies	75,603.89	66,940.19
3	Sundry debtors	30,097.05	0.00
6	Other credits with Public Administrations	441,869.01	13,734.30
IV	Short-term investments in group companies	800.00	
V	Short-term financial investments	222,310.73	223,509.03
VI	Short-term end-of-period adjustments	194.61	247.12
VII	Cash and cash equivalents	44,315.48	157,603.10
	TOTAL ASSETS	8,539,267.81	8,487,314.05

NET ASSETS AND LIABILITIES		2015	2014
A)	NET ASSETS	0.00	45,325.73
A-1)	Equity	-15,576.05	29,749.68
V	Results carried forward	29,749.68	29,749.68
VII	Results for the year	-45,325.73	
A-2)	Adjustment for changes in value	15,576.05	15,576.05
C)	CURRENT LIABILITIES	8,539,267.81	8,441,988.32
II	Short-term provisions for personnel expenses	30,097.05	
III	Short-term debts	(1,649.14)	(2,088.85)
5	Other financial liabilities	(1,649.14)	(2,088.85)
IV	Short-term debts owed to group & associated companies	1,863,495.07	1,774,321.46
V	Trade creditors and other accounts payable	6,647,324.83	6,299,589.30
1	Suppliers	2,384,377.11	2,253,861.42
2	Suppliers, group & associated companies	306,178.68	228,245.86
3	Creditors	3,908,232.02	3,773,744.47
4	Remunerations pending payment	0.00	0.00
6	Public Administrations	48,537.02	43,737.55
VI	Short-term end-of-period adjustments		370,166.41
	TOTAL NET ASSETS AND LIABILITIES	8,539,267.81	8,487,314.05

EUROPEAN RECYCLING PLATFORM - ERP, SAS

PROFIT AND LOSS ACCOUNTS FOR THE FISCAL YEARS ENDED 31.12.2015 AND 31.12.2014

	(DEBIT) CREDIT	2015	2014
A)	CONTINUING OPERATIONS		
1	Net turnover	6,134,287.35	8,458,392.83
b)	Provision of services	6,134,287.35	8,458,392.83
4	Supplies	(5,378,024.39)	(7,651,129.27)
c)	Work performed by other companies	(5,378,024.39)	(7,651,129.27)
5	Other operating revenues	591,207.56	520,566.12
6	Personnel expenses	(662,477.37)	(550,248.86)
a)	Wages, salaries and similar	(548,679.16)	(444,870.08)
b)	Employee welfare expenses	(113,798.21)	(105,378.78)
7	Other operating expenses	(681,770.02)	(651,902.49)
a)	Outsourcing	(659,292.21)	(644,734.04)
b)	Taxes	(1,630.40)	(1,911.21)
c)	Losses, impairment and changes in provisions for trade transactions	(20,847.41)	(5,257.24)
8	Depreciation of fixed assets	(10,233.07)	(13,274.96)
13	Other results	21,457.74	(65,160.21)
A.1)	OPERATING RESULT	14,447.80	47,243.16
14	Financial revenues	0.00	0.00
b)	From negotiable securities and other financial instruments	0.00	0.00
15	Financial expenses	(59,575.23)	(49,024.28)
b)	For debts owed to third parties	(59,575.23)	(49,024.28)
16	Change in fair value of fin. Instruments	(198.30)	1,781.12
a)	Trading portfolio	(198.30)	1,781.12
A.2	FINANCIAL RESULT	(59,773.53)	(47,243.16)
A.3	RESULT BEFORE TAXES	(45,325.73)	0.00
	Company Tax		
A.5	RESULT FOR THE YEAR	0.00	0.00

2015 WB&A MANAGEMENT FIGURES

USE	TYPE	TECHNOLOGY
PORTABLE (Unit weight under 1kg)	BUTTON CELLS (Diameter greater than height)	Zinc Air Silver Oxide Manganese Oxide Lithium Button Cell Mercury Button Cell Others (button cell)
	STANDARD BATTERIES (Not rechargeable)	Alkaline Zinc Carbon Non-rechargeable Lithium Others (standard)
	PORTABLE ACCUMULATORS (Neither industrial nor automotive)	Nickel Cadmium Nickel-Metal Hydride Rechargeable Lithium-ion Lead Acid Others (accumulators)
AUTOMOTIVE (Starter or ignition of vehicles)	AUTOMOTIVE BATTERIES AND ACCUMULATORS	Lead Acid (automotive) Others (automotive)
INDUSTRIAL (Unit weight over 1kg)	INDUSTRIAL BATTERIES AND ACCUMULATORS	Alkaline (industrial) Lead Acid (industrial) Nickel Cadmium (industrial) Nickel-Metal Hydride (industrial) Others (industrial)

What are WB&A?

Batteries and accumulators belong to the most highly polluting fraction of household waste, together with paint, solvents and aerosols. Moreover, of all of these products, batteries are the ones we find most frequently in a household. Although due to their small size, batteries constitute an insignificant fraction of the total kilograms of the waste we generate, the danger lies in their components, principally the heavy metals (mercury, cadmium, zinc...) and transition metals such as manganese, very persistent substances in the natural environment (some last for thousands of years) and capable of polluting large volumes of water, even in very small amounts.

When we toss batteries into the bin, the casings eventually corrode, allowing their components to leak. With the passage of time and due to decomposition, their elements become oxidised, and toxic substances, called lixiviates, are released and absorbed by the soil and water and can even evaporate into the air. However, the proper management of this waste, starting with the selective collection, neutralises the risks which these products pose for the environment and people's health, and also make it possible to recover the metals they contain, some of which are scarce or very costly to extract from nature.

Quantities placed on the market

According to the overall market placement figures for 2015, ERP Spain ranks first among Spanish EPR organisations by market share of portable batteries and accumulators, accounting for **45.35%** of the Spanish market, a percentage exceeding the figure achieved in 2014 by almost 10 points, when its share reached **36.26%**. If we examine the figures by type of battery or accumulator, we find that the result for the standard battery (the most common battery found in households and which includes, for example, the alkaline batteries) is the most significant and is where ERP has a market share of more than 50%, followed by portable accumulators (principally batteries for mobile phones, tablets and computers) and finally button cells (for watches, calculators, etc.).

	MARKET PLACEMENT 2015	UNITS	WEIGHT (kg)	% MARKET
PORTABLES	BUTTON CELLS (Diameter > height)	22,129,633	30,544.95	19.36%
	STANDARD BATTERIES (Not button, weight < 1k)	220,970,320	4,791,362.21	51.46%
	PORTABLE ACCUMULATORS (Not industrial or automotive)	15,858,981	903,505.90	28.49%
	TOTAL PORTABLE (includes other portable types)	259,401,011	5,745,130.20	45.35%
	AUTOMOTIVE BATTERIES AND ACCUMULATORS	27,849	56,592.66	0.04%
	INDUSTRIAL BATTERIES AND ACCUMULATORS	327,851	2,494,865.46	9.30%

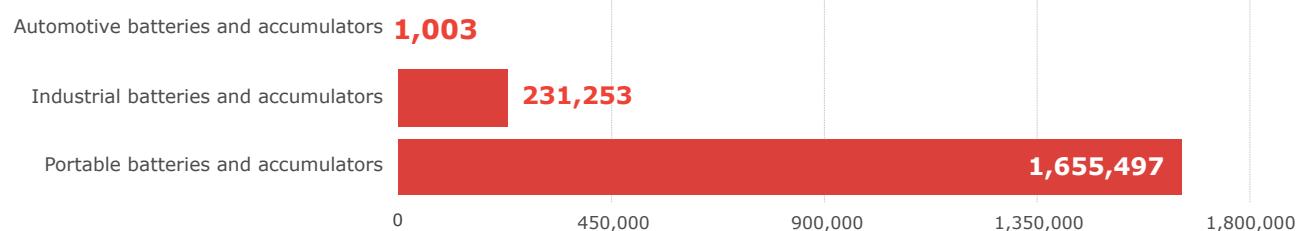
Quantities collected and managed

ERP Spain collected **1,655,497 kg** of waste **portable** batteries and accumulators in 2015, which represents an increase of **2.3%** with respect to 2014. **ERP's waste battery and accumulator collection rate** in 2015 was placed at **36.75%**, six percentage points less than the figure attained in 2014 (42.79%). This reduction in the collection rate, although not in the total volume collected, is explained by the significant increase in the quantities of batteries placed on the market by ERP member companies in 2015. In any case, the legal target, set at 25%, was amply met.

In addition, the collection of waste **industrial** batteries totalled **231,253 kg** in 2015, while the collection of waste **automotive** batteries reached **1,003 kg**.

PORTABLE BATTERIES	PLACED ON MARKET (Kg)			COLLECTED (Kg)	COLLECTION RATE
	2013	2014	2015		
SPAIN	3,836,420.61	3,931,060.25	5,745,318.20	1,655,497.08	36.75

Kilograms collected in 2015

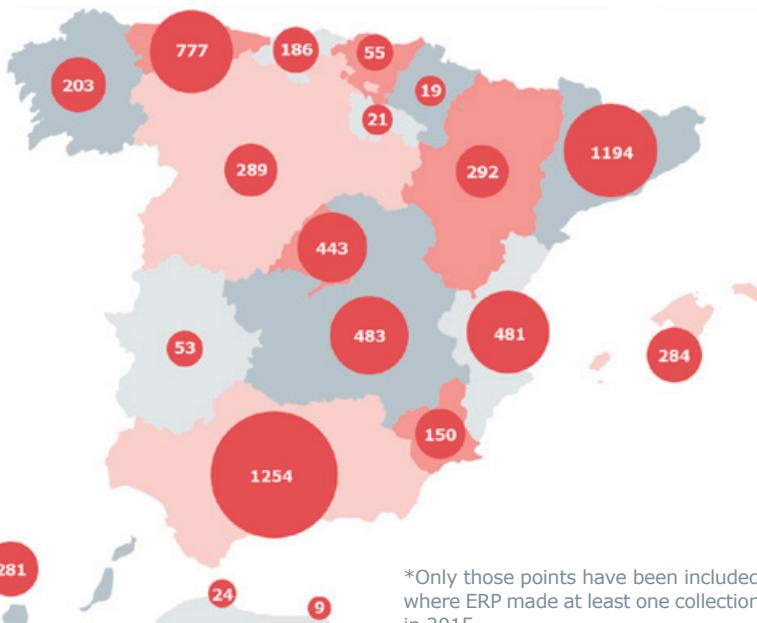


Collection network

In 2015, ERP made collections at **6,677 points deployed throughout the country**. These points refer to a range of types, from selective collection points (municipal clean points or containers placed with street furniture, in shops or supermarkets, among others) to consolidation centres where other entities (public or private) make available to us the waste they have collected at several selective collection points.

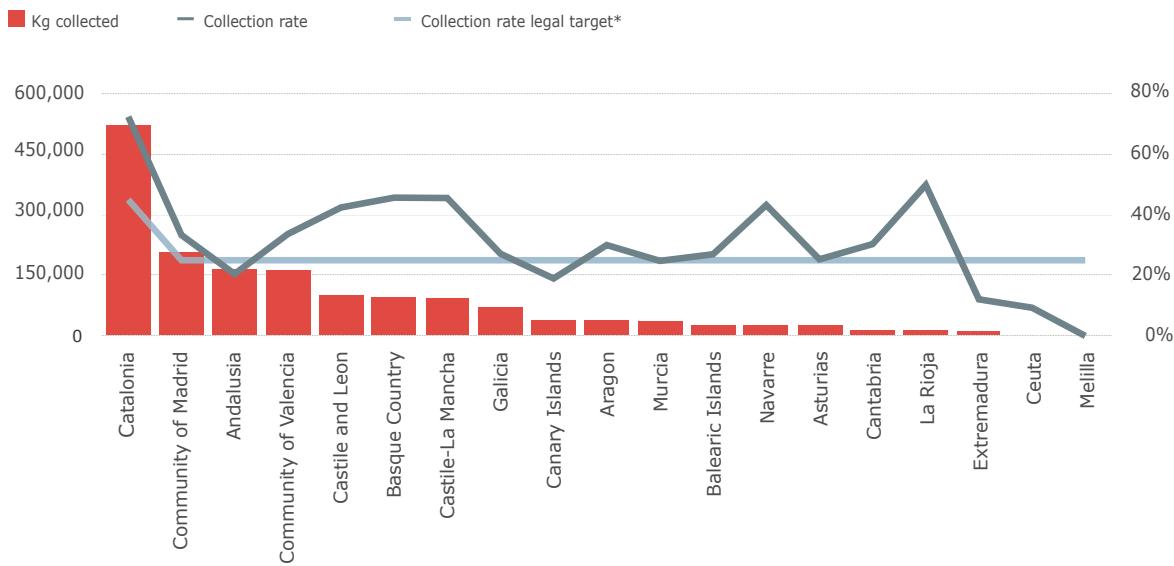
This makes the effective extension of the collection network on which ERP operates much more extensive than what these figures reflect. The rational and sustainable growth of this widespread collection network is one of the most effective tools for increasing collection rates.

No. of WB&A collection points*



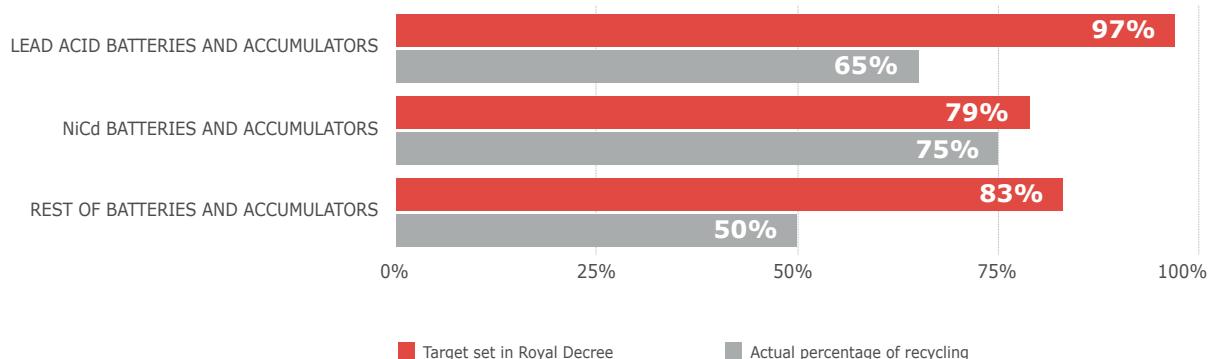
*Only those points have been included where ERP made at least one collection in 2015.

Kilograms of portable WB&A collected by Autonomous Community (2015)



*The legal target in Catalonia for 2015 was 45%, since this Autonomous Community managed WB&A prior to the entry into force of the RD for the whole of Spain. In the rest of the Autonomous Communities, it is 25%.

WB&A management results (2015)



Logistics and treatment network

ERP Spain has a network of WB&A managers that guarantees uniform coverage throughout the country, with the particularity of being more concentrated than the WEEE network. Given the logistic characteristics and the treatment technologies of the WB&A, this concentration makes it possible to ensure the proper application of the service throughout the country. In addition, it is very important to ERP for the operators with which it works to comply scrupulously with the requirements defined both by ERP Spain and by its central headquarters in key areas, such as the environment, quality and occupational risk prevention. In this context, the agreements reached with the operators define a standard of reliable service that meets all of the prescribed requirements.

As is also the case with WEEE, the full control of the logistics network is achieved through a single web tool, called Flex, which manages and monitors all of the logistics operations from the collection point through to the disposal of the waste.

TYPE OF WASTE	COLLECTORS/ HAULIERS	ISF*	TREATMENT PLANTS
WB&A	48	50	8

*Intermediary Storage Facility

Permits, framework agreements and agreements

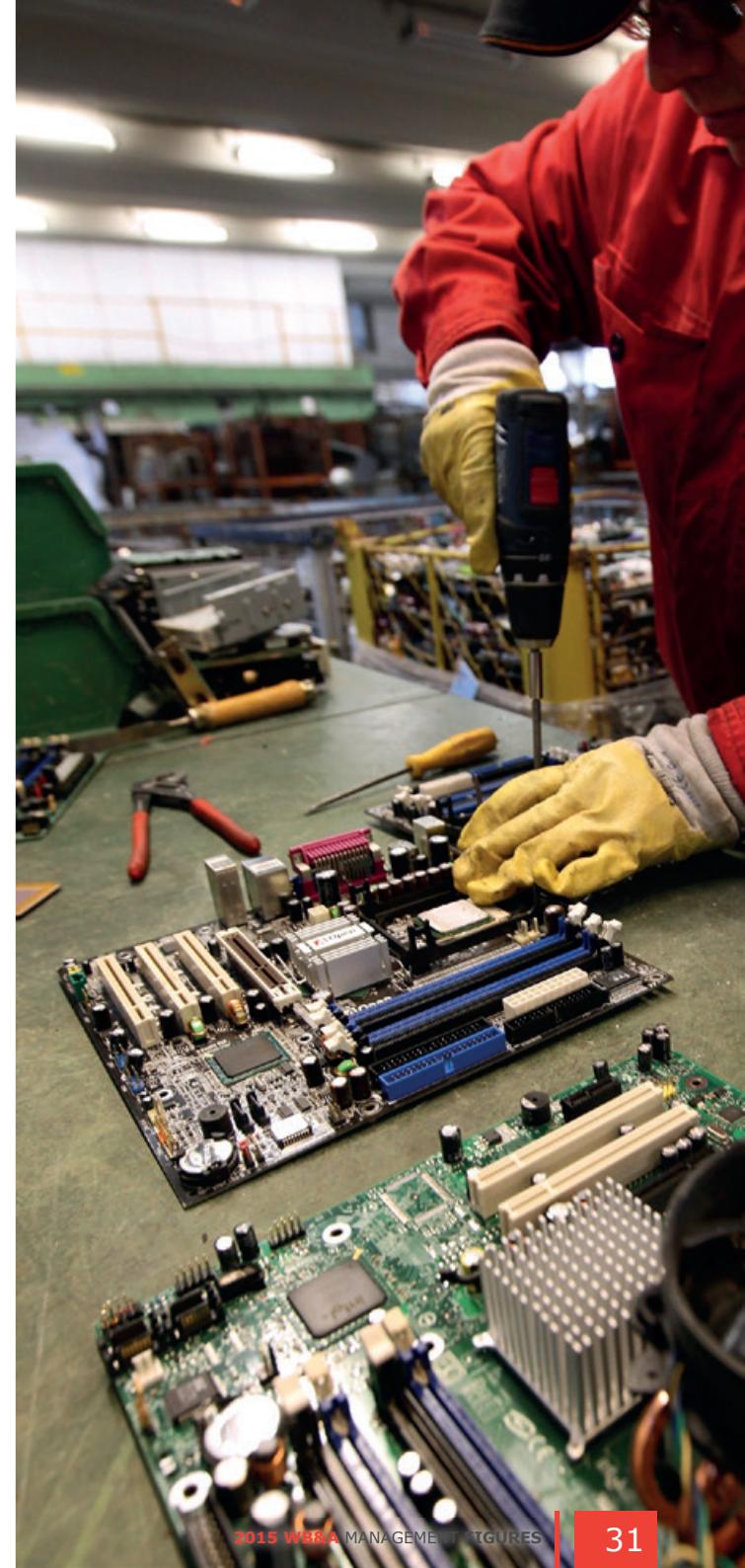
At the end of the 2015 financial year, ERP Spain had secured permits to operate as a battery and accumulator EPR organisation in all of the Autonomous Communities, as can be observed on the following table.

ERP Spain has signed framework agreements for the management of WB&A with the Autonomous Communities of Asturias, the Balearic Islands, Catalonia and Galicia and the Autonomous Cities of Ceuta and Melilla, and has similar processes underway in many others.

Moreover, at the end of 2015, ERP Spain had a total of 55 collaboration agreements in place with a range of companies, municipalities and public entities for managing their battery collection services.

AUTONOMOUS COMMUNITIES	BATTERY PERMIT	BATTERY FRAMEWORK AGREEMENT	NUMBER OF COLLECTION AGREEMENTS
ANDALUSIA	27/03/2014		9
ARAGON	07/12/2011		4
ASTURIAS	16/01/2014	30/12/2014	
BALEARIC ISLANDS	17/03/2011	03/06/2013	
CANARY ISLANDS	15/12/2011		
CANTABRIA	12/08/2014		1
C-LA MANCHA	18/11/2013		2
CASTILE AND LEON	21/11/2014		8
CATALONIA	25/11/2010	26/07/2010	2
CEUTA	29/10/2013	19/02/2013	
EXTREMADURA	26/11/2014		1
GALICIA	02/02/2012	01/08/2012	2
LA RIOJA	01/04/2011		
MADRID	05/05/2010		4
MELILLA	19/10/2010	24/04/2013	
MURCIA	14/10/2009		3
NAVARRE	21/12/2009		
BASQUE COUNTRY	27/09/2011		
VALENCIA	17/07/2015		4
OTHERS (transregional agreements)			15

In bold print, date of first renewal



EUROPEAN RECYCLING PLATFORM ESPAÑA, S.L.U

BALANCE SHEET FISCAL YEARS ENDED 31 DECEMBER 2015 AND 2014 (FIGURES IN EUROS)

ASSETS	31/12/2015	31/12/2014
A) NON-CURRENT ASSETS	881.68	8,957.19
II Tangible fixed assets	881.68	8,957.19
2 Technical plant and other tangible fixed assets	881.68	8,957.19
B) CURRENT ASSETS	5,569,638.09	4,821,161.46
II Inventories		
III Trade debtors and other accounts receivable	2,570,432.08	2,417,941.80
1 Clients from sales and provision of services	2,229,968.18	2,111,077.87
3 Sundry debtors	0.00	0.00
6 Other credits with Public Administrations	340,463.90	306,863.93
IV Short-term investments in group & associated companies	1,863,495.07	1,771,591.83
5 Other financial assets	1,863,495.07	1,771,591.83
V Short-term financial investments	99,939.60	80,050.12
3 Debt instruments	99,939.60	80,050.12
VI Short-term end-of-period adjustments	645.14	645.14
VII Cash and cash equivalents	1,035,126.20	550,932.57
1 Cash in hand and in banks	1,035,126.20	550,932.57
TOTAL ASSETS (A+B)	5,570,519.77	4,830,118.65

NET ASSETS AND LIABILITIES	31/12/2015	31/12/2014
A) NET ASSETS	83,442.81	83,442.81
A-1) EQUITY		
I Capital	5,000.00	5,000.00
1 Capital formalised in deed of incorporation	5,000.00	5,000.00
III Reserves	78,442.81	78,442.81
1 Legal Reserve	4,623.50	4,623.50
2 Voluntary Reserve	73,819.31	73,819.31
VII Result for the year	0.00	0.00
C) CURRENT LIABILITIES	5,107,076.96	4,746,675.84
IV Short-term debts owed to group & associated companies	0.00	2,742.00
V Trade creditors and other accounts payable	2,269,457.39	2,626,381.09
1 Suppliers, short-term	11,296.93	413,501.96
2 Suppliers, group & associated companies	36,601.74	(8,501.21)
3 Sundry creditors	2,221,536.82	2,220,689.60
6 Other debts owed to Public Administrations	21.90	690.74
VI Short-term end-of-period adjustments	2,837,619.57	2,117,552.75
TOTAL NET ASSETS AND LIABILITIES (A+B+C)	5,190,519.77	4,830,118.65

EUROPEAN RECYCLING PLATFORM ESPAÑA, S.L.U

PROFIT AND LOSS ACCOUNT FISCAL YEARS ENDED 31 DECEMBER 2015 AND 2014 (FIGURES IN EUROS)

	(DEBIT) CREDIT	31/12/2015	31/12/2014
A)	CONTINUING OPERATIONS		
1	Net turnover	2,957,427.72	2,638,939.49
b)	Provision of services	2,957,427.72	2,638,939.49
4	Supplies	(2,275,247.54)	(2,157,525.62)
c)	Work performed by other companies	(2,275,247.54)	(2,157,525.62)
7	Other operating expenses	(730,401.59)	(628,740.16)
a)	Outsourcing	(726,198.30)	(604,788.92)
b)	Taxes	(1,253.29)	(2,332.41)
c)	Losses from failed trade credits	(2,950.00)	(21,618.83)
8	Depreciation of fixed assets	(11,300.51)	(52,255.56)
13	Other results	139.88	146,336.02
A,1)	OPERATING RESULT (1+4+5+6+7+8+10)	(59,382.04)	(53,245.83)
A,2)	FINANCIAL RESULT (14+15)	59,382.04	53,245.83
A,3)	RESULT BEFORE TAXES (A,1+A,2)	0.00	0.00
17	Tax on Profits	0.00	0.00
A,4)	RESULT FOR THE YEAR FROM CONTINUING OPERATIONS (A,3+17)	0.00	0.00
A,5)	RESULT FOR THE YEAR (A,3+17)	0.00	0.00



European
Recycling
Platform

2015
ANNUAL
REPORT

www.erp-recycling.es