
annual report
European
Recycling
Platform
2014

European Recycling Platform

ERP Spain 2014 Annual Report

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ERP Spain

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Content

Umberto Raiteri,

ERP SAS President and CEO

As expected, 2014 results were ambiguous: extremely positive in terms of territorial expansion of ERP's services in Europe with a slight decline in collected volumes in various countries.

In 2014 ERP began operations in Sweden and Israel, our first country outside Europe. This expansion was accompanied by the EuropePlus package launch which is offered to producers that want to cover their European obligations using a single service provider. As already announced, the corporate structure of ERP has been enriched with the addition of a new shareholder. This allows ERP to extend its expertise in the management of packaging waste and maintain its planned expansion into new countries with different products. As I have stated before, the negative forces that have influenced collection volumes have continued to prevail over the efforts made, not only by ERP, but by all compliance schemes which have attempted to increase the environmental awareness of citizens.

Unauthorised operators and other economic forces working outside the WEEE system have distracted the growing WEEE volumes flows managed by the legitimate compliance schemes, stalling the volume collection growth. This trend is worrying considering the new collection target set under the new European Directive, which provides for a substantial increase in volume collection in the coming years, but falls short of strictly standardising the participation of other WEEE system operators.

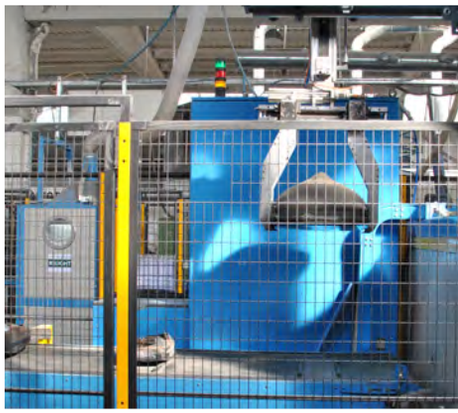
ERP is committed to drawing legislators' attention to the dangers of legislation that brings about tight control on operators' quality and legitimacy in the WEEE and batteries market. Legislation should not restrict the freedom of compliance schemes to organize themselves at their best so as to increase the collection and treatment system efficiency. To do this, the ERP management has lobbied the European Parliament in Brussels to seek the proper implementation of the regulations in countries such as Italy, France, Portugal and Ireland.

ERP, ALONG WITH ITS 2,600 PRODUCERS, IS READY TO FACE THESE NEW CHALLENGES

Through this lobbying, ERP has drawn attention to the fact that the current system, which is based on free competition and focused on cost containment for the entire community, will suffer from an imposition of new rules that will reduce competition for the majority of compliance schemes and step back to dangerous and harmful monopolies.

In such a scenario ERP, along with its 2,600 producers is ready to face these new challenges, using the experience gained after nearly a decade of compliance scheme management. We are pursuing one of the goals contained in the original mission defined in 2005 which was to fight the creation of monopolies in European WEEE systems and to ensure efficient, secure and economical management of collection and recycling in Europe.

European Recycling Platform



Ricardo Neto,

ERP Iberia Regional Manager

On the European level, the introduction of the compliance schemes as collective instruments for complying with the obligations arising from extended producer responsibility, in a competitive framework, has shown itself to be the most effective model for equitably distributing the costs of management among a considerable diversity of producers. In addition, these schemes have implemented mechanisms for the supervision of managers which, in the end, have furthered the professionalization of the sector. In this context, the entities renamed in Spain as "extended producer responsibility collective schemes" (EPRCS) will continue to be the cornerstone of the growth of the entire WEEE market in Europe.

However, to be able to take full advantage of all of the experience accumulated, we must not overlook the improvements necessary, particularly in the countries which have not succeeded in attaining the previous targets. In Spain we can identify as major areas for improvement, among others, a clearer definition of the responsibilities of each of the players involved and better performance of the mechanisms of adjustment among the compliance schemes. An Integrated Management System before and an EPRCS now, both base their entire raison d'être on offering true compliance and security to their member companies. Now that the new regulation is in force, ERP, faced with the enormous challenge of the increase in collection targets, will put into place, with the support of its group, all of the resources necessary to ensure the compliance of its producers, by acting -as we have done up to now- as the leader and driving force of the market. We are backed by our track record of compliance with the legal targets in all of the countries where we operate, including -and most especially- Spain, where the rest of the market has not made the grade.

To do so, we are wagering on the development of a network for attracting new members with greater capillarity and specialisation in those fractions where necessary, intensifying collaboration with all kinds of collection points. In addition, we are also improving our computerised traceability system to align it fully with the new legislative requirements.

From a more global point of view, our renewed Europe Plus offer for transnational producers, with account managers who act as the single contact point between the individual producers and each local ERP, is moving in the direction of offering increasingly simpler integrated solutions for all. We are also continuing our expansion to new countries and sectors, as well as increasing the portfolio of the services we offer. The dimension of ERP provides us with a privileged overview of the sector, of the needs of each domestic market and also of the successful experiences and their potential for being reproduced in other contexts. That is our principal asset as a group and our primary mark of identity, on which we will continue to build ERP.

Matias Rodrigues,

ERP Spain General Manager

The total volumes sold in the Spanish electrical and electronic equipment market increased throughout 2014, underpinning the trend already noted in 2013. The overall growth in the declared kilograms of household devices was 6 % with respect to 2013. The good performance of the categories of computer and telecommunications equipment and consumer electronics and toys deserves particular mention. Moreover, in view of the provisional numbers available to date, we can venture to say that this trend will intensify, although to a varying extent depending on each category of waste.

The public consultation process was carried out during 2014 and led to the publication of the new WEEE Royal Decree in February 2015. ERP, as a relevant player in the sector, made an active contribution throughout the process, offering our experience both on the domestic level as well as in other countries. Our intention was to contribute to ensuring that the new legal text would be useful for enabling Spain to succeed in meeting its collection targets. We also believe that the new text can serve as a stimulus for the sector to progress towards more effective involvement by all of the players associated with WEEE management. We have done all of this by keeping in mind the different points of view and needs of the producers who have delegated their extended responsibility to us.

Considering that we should give continuity to the instruments and mechanisms already in place that have demonstrated their usefulness, ERP has maintained its wager on the framework agreements regulating our relationship with the local authorities. In this direction, we have concluded the renewal process -with the necessary adaptations- of the framework agreements in Andalusia, Castile and León and Valencia. With the intention of applying similar dynamics in our relations with small retailers, ERP has furthered agreements of this kind between the compliance schemes and the sector associations with a view to establishing a technical/economic framework capable of guaranteeing service to shops, regardless of their size or location, which has translated into an increase in the quantities reaching us through this channel. These initiatives already anticipate the key role to be played by retailers in proper WEEE management under the new regulations and the response which the collective extended producer responsibility systems must provide.

Our 2014 results are frankly good and ensure compliance with the legal targets both in terms of WEEE as well as of WB&A by all of our producers. The excellent outcome in portable batteries and accumulators deserves to be highlighted, achieving a collection rate in excess of 42 % through the effort initiated in previous years. The work that we have been carrying out has left us well positioned for addressing the ambitious challenges posed by the new regulations for WEEE and WB&A producers in terms of increases in the volumes collected and in recycling rates.

ERP, twelve years operating on a global and local level

2014 marked nine years of activity by **European Recycling Platform Spain** (ERP Spain) in our country. Almost a decade of experience which, added to the 12 years of international presence of its parent, has enabled this compliance scheme to consolidate its supply of high-quality recycling services, with a strong implementation of economies of scale that have led to a reduction in general expenses, consequently benefiting producers, consumers and, in the end, the environment and society in general.

ERP is an international organisation created in the European Community environment in 2002, in response to the first EU Directive on Waste Electrical and Electronic Equipment (WEEE), expanding its scope of operations in 2008 to include Waste Batteries and Accumulators (WB&A), with the entry into force of this new regulation. Its founders were four multinational companies (Braun, Electrolux, HP and Sony) who joined forces at the start of the 21st century to create the first compliance scheme, thereby complying with the WEEE regulations applicable in those EU countries where they had a presence. A clearly beneficial management model for companies with a similar profile who soon became members of ERP's extended European family.

In Spain, ERP's presence goes back as far as 2005, the year when the Government transposed the European legislation on WEEE recycling through Royal Decree 208/2005, operating since 2008 as a WB&A Compliance Scheme as well. By the end of 2014, ERP already had 162 companies as members of its WEEE and WB&A compliance schemes in our country. During the last decade ERP has managed the recycling in Spain of more than 191,000 tonnes of WEEE and more than 6,200 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 more than 2,600 producers in 17 countries, to which packaging and PV (photovoltaic) panels can be added in a number of cases. Moreover, its experience in the European Union has enabled it to consolidate a model of proven efficiency for waste management, which opened the doors for approaching our non-EU neighbours initially and, later, for reaching countries on other continents where, little by little, similar regulations are being put into place, following the European example.

As a significant new development deserving of mention, ERP began to manage solar panel waste at the end of 2014, becoming, once again, the sole provider on a pan-European scale of compliance schemes for all of the parts and components of PV installations. The new European directive on waste electrical and electronic equipment has expanded the concept of "extended producer responsibility" to include the producers of photovoltaic modules.

ERP now has offices in 18 countries. To those already consolidated in Austria, Denmark, Finland, France, Germany, Ireland, Italy, the Netherlands, Norway, Poland, Portugal, Slovakia, Spain and the United Kingdom, offices were opened during 2014 in Israel, Sweden, Turkey and Taiwan, from which location service is provided to exporters in Southeast Asia. The next challenge facing the compliance scheme is to expand its experience to new territories and to pursue the development of new recycling services.

ERP's multinational structure has enabled it to centralise services, thereby facilitating a reduction in costs and the establishment of

synergies in different areas of its activity (R&D, quality, computer software…). All of this translates into the development of high-quality innovative waste management strategies which act as an engine and stimulus driving the recycling industry throughout the world.

Moreover, ERP's work model prioritises not only waste management, but also environmental protection and people's safety. In this context, the required level of compliance with a number of key indicators in the performance of these functions is controlled and audited on a regular basis. This has made it possible to guarantee the proper application of the relevant legislation for the members of the scheme, whether producers or importers, thereby allowing them to concentrate their efforts on their main business.

In red, the countries where ERP provides its services as a compliance scheme.

ADVANTAGES OF BELONGING TO ERP

QUALITY AND EXPERIENCE
We deliver the highest quality and most cost-effective solutions for ensuring compliance. We also have a single network that places its resources at the service of innovation, efficiency, quality and the capacity to respond to client needs. Thanks to this, we offer our clients the best solutions at the lowest possible cost.

CUSTOMISED SERVICES
We offer an extensive range of customised solutions for fully meeting our clients' needs. All of our solutions are based on efficiency, transparency and the rationalisation of processes.

PAN-EUROPEAN SERVICES
We offer a complete portfolio of solutions that makes it possible to comply with producer responsibility obligations in terms of WEEE, WB&A, solar panels and packaging in all parts of Europe. Since we are the sole pan-European organisation in this field, we offer the widest range of services available. Our solutions offer simplicity (individual account managers and standardised services throughout Europe) together with the possibility of expanding such services as necessary.

SUSTAINABILITY
We continuously seek improvement and innovation in our services. In accordance with producer responsibility regulations, we promote reuse, thereby encouraging the minimisation of waste. We always select the most adequate and advanced recovery and recycling technologies from among those available and strive to reduce the environmental impact of our activities.

OUR VALUES

INTEGRITY
Committed to integrity and ethics.

RESPONSIBILITY
Transparency and responsibility in the way we work.

INNOVATION
Focussed on identifying solutions and obtaining results.

PASSION
We value, promote and protect our reputation.

COLABORATION
We are responsible partners of all of our clients and suppliers.

DIVERSITY
We share, provide and respect different points of view and encourage dialogue.

SIMPLICITY
We simplify and continuously improve all of our processes, procedures and activities.

In figures *

32 compliance schemes in 17 countries.

One hundred employees supervise and manage the ERP Services.

ERP has more than 3,000 agreements in place with member producers.

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

More than 2.3 million tonnes of WEEE managed.

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

** Figures at the end of 2014*

Communication and awareness-raising

As is the case each year, ERP continues to include increased social awareness of waste recycling among its main objectives. For this reason, the communication campaigns carried out by ERP -or those in which it actively participates- are focussed on the importance of teaching the citizenry what recycling consists of, what can be recycled and why it is so important to do so. Workshops for children and adults, informative talks, battery recycling contests, gymkhanas, prizes for designs and similar activities are some of the initiatives through which both the compliance schemes as well as the national, regional and local government administrations participating in these campaigns hope to achieve the involvement of one and all in the process of recycling both WEEE and WB&A, an issue which, without a doubt, is vital for the environment.

Accordingly, in 2014, ERP Spain participated –individually, or collectively with the rest of the approved compliance schemes- in a number of communication campaigns targeting these audiences, in collaboration with Autonomous Communities and local corporations, among others.

Awareness-raising activities

Given the similarities in subject matter and target audiences in terms of communication and awareness-raising with respect to the recycling of electrical and electronic equipment and of batteries and accumulators, and the synergies produced by any actions in either of these recycling subsectors, all of the communication activities carried out by ERP in general during 2014 are included in this section.

First "Game in Support of Recycling"

Hundreds of people attended the first wheelchair basketball "Game in Support of Recycling", held in June 2014 in the city of Albacete and organised by ERP and the association of people with disabilities in the province of Albacete, AMIAB. This event wrapped up an intense campaign carried out by the two institutions during the month of May for raising the awareness of the local population of the need to recycle household electronic waste properly.

To attend the game, spectators were required to deposit an item of WEEE as a "ticket", which also entitled them to participate in a draw following the game with a number of electronic devices as prizes, including consoles, tablets, mp4's and similar. Thanks to the strong support given by the spectators attending the event, more than two tonnes of WEEE were collected during the game.

The event had been advertised previously through an intense communication campaign on a local scale through the social networks, radio, press and television, providing information at the same time on the proper recycling and collection of WEEE.

The aim of this event, which featured a game between two teams belonging to the National Wheelchair Basketball League (NWBL) -the BSR Albacete and the CDM Elche- was to awaken social awareness in two directions: equal opportunities for people with disabilities, represented by the adapted sport, and the importance for the environment and society of the proper recycling of electronic waste.

With this same purpose in mind, ERP and AMIAB had previously created a travelling "recycling school" which, in the course of the month of May, visited a number of educational centres in the province where awareness talks were given on WEEE recycling.

"Recycle your batteries and run": Gymkhanas for raising awareness about battery recycling

With the aim of raising the awareness of schoolchildren and their families about the importance of recycling used batteries properly, ERP, in conjunction with the Association of Environmental and Consumer Education, ADEAC, organised two orienteering events by teams, one in Barcelona and the other in Calvià (Majorca) during 2014, under the slogan "Recycle your batteries and run". This was a ground-breaking initiative in Spain that was highly successful in terms of participation, achieving the proposed goal of conveying to society the important message of recycling batteries properly in order to care, not only for the environment, but also for people's own health. Each of the races had a requirement to be met for participation: the deposit of at least 20 used batteries. The event included several competitions relating to the life cycle of this waste, such as the tossing of objects with the appearance of batteries into cardboard containers, like basketball shooting drills, or carrying fictitious batteries in a relay race.

Thanks to both events, ERP succeeded in collecting more than 200 kg of used batteries that were taken to appropriate facilities for proper recycling.

Barcelona, a well-attended event

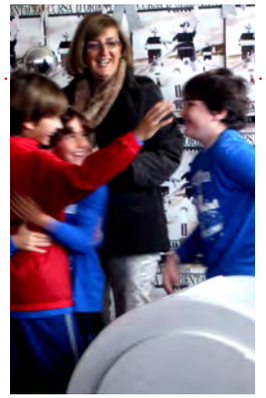
Hundreds of people congregated on the 23rd of February at the Montjuïc Olympic Stadium in order to participate in the first "Recycle your batteries and run" orienteering event by teams. On this occasion, ERP and ADEAC counted on the support of the INEF of Catalonia, ARC (Catalonia Waste Agency) and AMB (Barcelona Metropolitan Area). Adults and children alike enjoyed an entertaining day of sport in an orienteering competition.

From left to right, participants in the Barcelona gymkhana enjoying the event.
On the previous page, a view of the first wheelchair basketball "Game in Support of Recycling", held in Albacete.

Second edition of the race, in Majorca

Following the Barcelona success, the organisers decided to hold a similar event in Majorca on the 15th of December, specifically in the Majorcan town of Calvià. More than 300 schoolchildren participated in the second edition of "Recycle your batteries and run". On this occasion, the Government of the Balearic Islands, the Town Council of Calvià and the Son Caliu kindergarten and primary school were the collaborating institutions. The facilities of the school and the neighbouring rugby field were the venue chosen for holding this entertaining event, which enabled the entire school to become involved with the competition.

The teams were made up by one child from each school year, from the first to the sixth grade of primary school, while the teachers and dozens of volunteers helped the teams to successfully complete the trials.



Calvià (Majorca) schoolchildren during the gymkhana and the awards ceremony held afterwards.

Why does E-waste matter?

In July 2014, ERP, ADEAC and the association called Obsoletos organised a free activity at La Casa Encendida in Madrid for raising WEEE awareness and for the collection of waste electrical and electronic devices under the slogan "Why does E-waste matter?". The catch for attracting the public included a number of entertaining workshops on the reuse of WEEE, geared to young people and families. The workshops were organised by Obsoletos, the branch of the Basurama association devoted entirely to the issue of technological waste. Some of the WEEE items brought by those in attendance could be reused on site, and the participants had the chance to learn how this type of waste is recycled.

In addition, the organisers arranged a number of containers in the patio of the building that were later taken to the appropriate treatment plants. Consequently, participants were requested to bring a WEEE item with them for recycling, for example, a mobile phone, a hair dryer or even a screen. Any WEEE item served the purpose.

One of the most outstanding workshops was "chipbot", where participants were able to create a small robot manufactured from a mobile phone motherboard, a toothbrush and a button cell.

Adults and children learning together about the reuse of waste during the activity "Why does E-waste matter?"

Media relations

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. 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.

Internet and Social Networks

In 2014, ERP Spain continued to increase its Twitter and Facebook feeds. 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 Spain. Moreover, in 2014, ERP Spain updated its website: http://www.erp-recycling.es/, in the framework of a European project, creating several sections devoted to dissemination and awareness-raising. In this context, the new section called "publications", stands out, in which all parties with an interest can download the newsletters and the annual reports published by ERP cost-free.

Internal Communication

The actions undertaken in this area are geared to the present and potential members of ERP Spain, as well as to their employees and suppliers, and provide a closer look at the reality of the sector from a more technical point of view. Two editions of the half-yearly bilingual (Spanish and English) "ERP Iberia Newsletter" newsletter, with a circulation of 5,000 copies, were distributed to the members in 2014.

16 press releases issued.

463 news items published about ERP (+ 87 %).

***Outstanding* appearances in the:**

- **Generalist press.**
- **Specialised magazines.**
- ***Online* media.**

***Subjects* communicated:**

- **Proper management of WEEE and WB&A.**
- **Main actions of ERP in Spain and in other countries.**
- **Positioning of ERP in the current context of the sector.**

Campaigns together with other compliance schemes during 2014

ERP Spain maintains a close collaboration with other compliance schemes through Ofiraee and Ofipilas, the coordination offices created by all of the schemes. The functions of the offices include the organisation of communication campaigns funded jointly in proportion to the market share of each scheme and in view of other parameters such as the degree of target compliance. A number of the most significant actions undertaken in 2014 are highlighted below:

Raising awareness about battery recycling in Catalonia with the Apilo XII campaign

The Apilo XII campaign for encouraging the selective collection of batteries and accumulators commenced in December 2014. Promoted by the Regional Government through the waste agency, Agència de Residus de Catalunya (ARC), the campaign, which is continuing during 2015, has been given financial support by ERP Spain, among other compliance schemes, and is intended to increase the battery recycling figures in Catalonia with a view to adapting to the new legal requirements soon to be introduced.

Featuring the slogan: "Mission: battery launch to Planet Recycling", Apilo XII is carrying out a number of activities aimed at the citizenry overall and focussing particularly on schools. One of the first actions undertaken in December 2014 consisted of the distribution –inserted in many of the newspapers circulated on the regional level- of 400,000 "Mini-Apilos": small foldable cardboard boxes with a drawing of the rocket that was the campaign symbol. The objective was to raise awareness of the need for recycling batteries, especially during a season of high battery consumption as is Christmastime, when battery sales increase 40 %.

With this activity, which was complemented by the distribution of these containers through participating shops and supermarkets, the intention was for each Catalan household to have their own Mini-Apilo for collecting used batteries prior to taking them to the specific disposal containers.

Design for the Mini-Apilo household battery disposal container, made of cardboard and distributed in Catalonia.

Sponsorship of the "ID-Arte Madrid Recicla" awards

The "ID-Arte Madrid Recycle" awards were presented on 18 November 2014. This innovative initiative, sponsored by a number of compliance schemes, including ERP, sought the creation of works of art that would best reflect a message of awareness with respect to the importance of caring for the environment by recycling.

The contest was made up by two sections, "audio-visual" and "installations", and a total of 102 works by more than 160 participants, both Spanish as well as international, competed.

In the audio-visual section, there was a total of three prize-winning creations, each of which was awarded a cash prize of 2,500 €. In the second category of the contest, "installations", two projects were selected, whose prize was the construction of the installations designed, both destined to become rest areas on the IFEMA trade fair grounds, with a budget limit of 3,500 €.

ERP participated in the Recycle with All Five Senses campaign

During 2014 the Department of Infrastructures, Territory and Environment of the Regional Government of Valencia, together with the compliance schemes, including ERP, set in motion the innovative "Recycle with All Five Senses" (Recicla Amb els Cinc Sentits) campaign, 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 objective of the campaign, still active today, is to raise the awareness of the citizenry of 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. For the youngest participants, workshops are held that combine unique manual and artistic activities, storytellers and giant games, highlighting the use of recycled materials. For the young and the old alike, "Responsible Consumerism", "Excuses for Not Recycling", "The Environmental *Recibotica*", "Laughter Therapy and Recycling" workshops were organised, in addition to the "Dissection of a Bin Bag", a surgical operation of vital importance for the environment.

One of the children's awareness-raising workshops in the Community of Valencia.

Batteries are, in all likelihood, one of the most common wastes in households and businesses the world over. Innumerable devices need them for operating, whether button cells, alkaline batteries or others … but, what happens when they run out? This waste contains potentially pollutant materials which, if not properly treated, can be highly damaging to the environment. Throwing a battery into the rubbish bin instead of an appropriate container generates serious environmental damage. This is why both the public authorities as well as the compliance schemes carry out numerous awareness-raising campaigns targeting all age groups of society, from the youngest to the oldest, in an effort to collect the largest number of batteries possible and to take them to a plant where their components can be suitably recycled. **Recypilas**, in Bilbao, is a benchmark for the treatment of waste of this kind in all of Europe.

The recycling of a waste always present in our homes: batteries

Recypilas, a member of the Indumetal group, was created in 1993 initially for the purpose of providing a solution to the disposal of button cells in the Basque Country. At the present time, the company's facilities, located in the vicinity of the Bilbao airport, manage around 8,000 tonnes of waste batteries, originating from Spain as well as from outside of the country. In fact, many ERP delegations in Europe send their spent batteries here for proper treatment. Recypilas also performs an essential task for society and our planet: treating each battery on the basis of its components, recycling those materials that can be reinserted into the economy for another useful life and isolating other highly pollutant elements which, if released to the environment, would have serious damaging effects.

According to Josu Guridi, deputy manager of the Recypilas commercial department, "we receive a mix of batteries representing all of the chemical compounds existing at the present time in that market. Both in the industrial as well as the household streams, but mainly in the latter, originating for the most part from town councils and supermarkets, we have to deal with a high volume of saline alkaline batteries, which are the most common, although we also receive rechargeable batteries of all kinds: nickel cadmium, nickel-metal hydride, lithium-ion and lithium. In addition, some lead acid batteries come to us".

Initial selection

Once received, the batteries are placed on a sorting line to enable classification by type. "On that line, specialised workers separate each of the batteries manually, one by one, on the basis of their qualities", Guridi explained.

Once this initial selection is completed, the saline alkaline batteries and the non-lithium button cells are processed directly at Recypilas. However, the nickel cadmium, nickel-metal hydride and the two types of lithium batteries are sent to other specialised plants for undergoing treatment, due to the specificity of their components and their chemistry.

Particular mention should be made of the lithium and Li-ion batteries when handled and stored, on account of the high risk of spontaneous fires. As Guridi explained, "the lithium and Li-ion batteries are very sensitive and are capable of generating short-circuits when a charge remains that could generate, in turn, spontaneous combustion. Fires involving materials of this kind are very difficult to put out, due to the high temperatures reached".

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THE BATTERIES ARE PLACED ON A SORTING LINE FOR CLASSIFICATION ACCORDING TO TYPE

Treatment of button cells

After the lithium button cells are separated from the rest of the button cells, the remaining elements are distilled in an oven especially designed for processing mercurial waste, used principally for extracting the mercury contained in the cells through a completely safe process, both in terms of the operators' health as well as of environmental protection.

The products obtained from that distillation are mainly mercury (at the present time, the relevant legislation is highly restrictive with respect to the use of this metal, for which reason it is entrusted to specialised managers, who place it in waste safety cells) and metal concentrate (principally steel from the outer casing of the batteries).

THE LI-FREE BUTTON CELLS ARE DISTILLED IN AN OVEN ESPECIALLY DESIGNED FOR PROCESSING MERCURIAL WASTE

Treatment of saline alkaline batteries

The saline alkaline batteries are given a different treatment. The batteries undergo a mechanical process comprised by successive milling and separation operations in which the so-called black mass is obtained. The black mass is a compound originating from the interior of batteries that contains, among other materials, manganese and zinc, which are recovered through pyrometallurgical processes.

THE SALINE ALKALINE BATTERIES UNDERGO A MECHANICAL PROCESS FROM WHICH THE *BLACK MASS* IS OBTAINED

Future outlook

Recypilas is performing studies and collaborating with other lines of research in Europe that are analyzing the new batteries of the future and their chemical composition, to be in a position to adapt our processes to the new requirements.

The massive entry into the market over the last few years of hybrid and electric cars, as well as other kinds of vehicles such as electric bicycles that operate on rechargeable lithium batteries, presents an opportunity for the future, challenging plants such as Recypilas to consider adapting their facilities to this new scenario.

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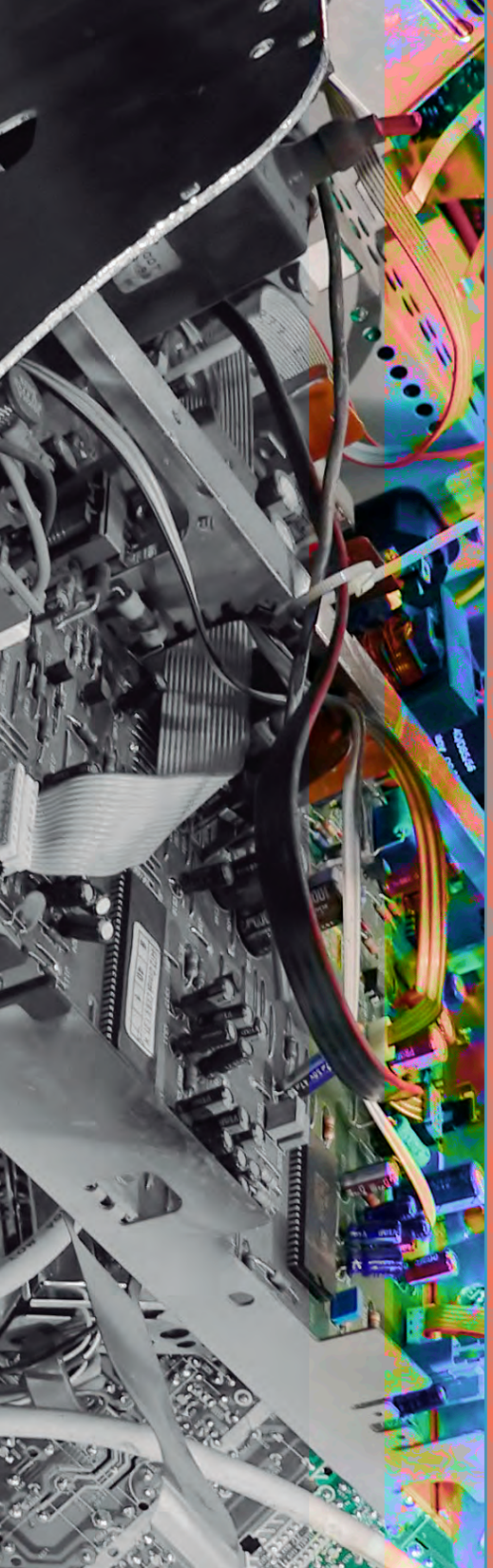
New amendment of the Royal Decree on batteries and accumulators

Royal Decree 710/2015 was published on 25 July 2015 in the BOE, Spain's official Government Gazette, amending Royal Decree 106/2008 on batteries and accumulators and the environmental management of their waste. Among the principal changes presented by the text, we can highlight the restriction of the exception to the placement on the market of batteries containing certain amounts of mercury and cadmium. Specifically, the decree establishes that button cells with a mercury content in excess of 0.0005 %, but less than 2 %, may only be sold up to 1 October 2015. Up to now, button cells had a moratorium for their mercury content. Starting from 2 October 2015, no type of battery or accumulator will be able to have more than 0.0005 % in weight of mercury.

Similarly, an expiration date is established for the exception that was being applied to the batteries and accumulators for use in electrical tools with respect to the 0.002 % cadmium content threshold. As from 1 January 2017, the batteries and accumulators for use in electrical tools may not contain cadmium in excess of 0.002 % in weight. At the same time, the Royal Decree will be adapted to the provisions of the new waste disposal act (22/2011), particularly with respect to extended producer responsibility, and with a view to introducing improvements in terms of the information to be provided to the authorities both by the battery and accumulator producers as well as by the treatment and recycling facilities.



WEEE MANAGEMENT FIGURES 2014

Types of WEEE

Equivalence between collection streams and categories

Streams	Category/ies RD 208/2005	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, planing 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 are WEEE?

This is the term applied to waste electrical and electronic equipment and to the materials comprising such devices, originating from households as well as from professional uses. This is a highly diverse type of waste, because its definition encompasses any device operated with batteries or plugged into an electrical socket: ranging from refrigerators or toasters through to mobile phones or wristwatches.

At the present time these items are classified in 10 categories. Nevertheless, they also tend to be classified within five collection streams, by taking into account the kind of management required by the device. This report shows the management figures on the basis of those five collection streams, since this classification is the one that adapts best to the reality of the waste.

Household WEEE

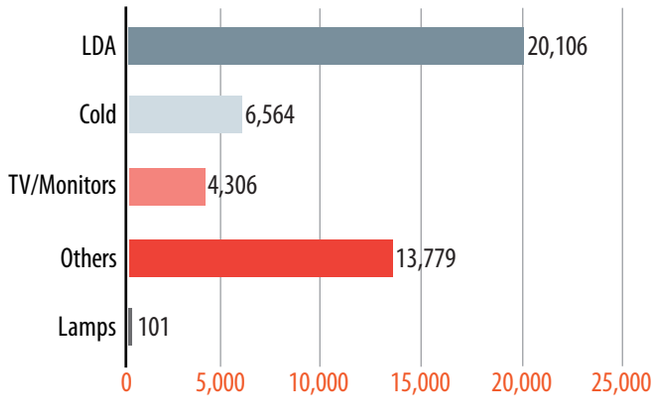
Household WEEE (Business to Consumer, or B2C) are, as their name indicates, all devices originating from private households, but also those from commercial, industrial, institutional and other sources which, by their nature and quantity, are similar to those typical of households. With the entry into force of the new Royal Decree, this definition has been expanded to include all devices capable of being used both in the home as well as by users outside of the household. That is, items with a dual use (household and professional) will be considered as household WEEE.

Household WEEE are considered to be municipal waste, and the management of such waste is channelled through a network of collection points available to the end user, centred on the municipal clean points, the points of sale (small, medium and major retailers) and others (principally companies, Public Administrations, educational centres, among others).

The WEEE collection and management obligations of each compliance system are established on the basis of the compliance scheme's market share, which means that such obligations are proportionate to the figures of the kilograms placed on the market by the scheme's companies. The market share is also the basis for the calculation of other obligations of the compliance scheme, such as their contributions to the joint communication campaigns for raising the awareness of society about the importance of recycling this waste. In 2014, ERP Spain's market share for household devices was established at 9,56%.

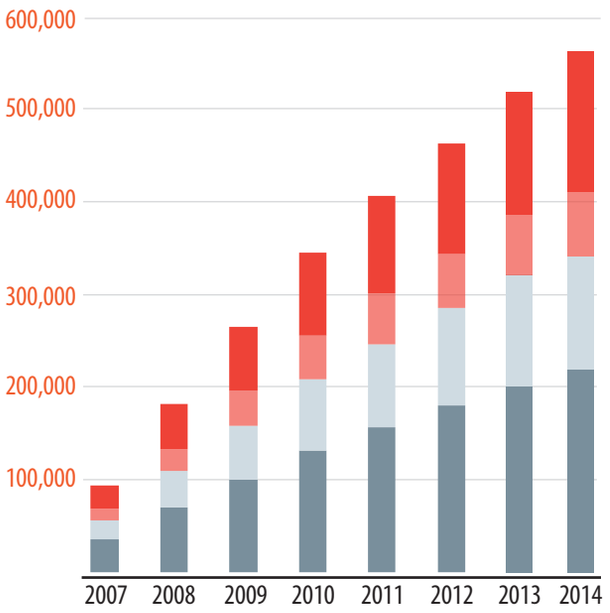
Reflecting the figures of the placement of household EEE in the market as accurately and truthfully as possible is essential for enabling an equitable distribution of the costs associated with WEEE management. For this reason, ERP Spain audits the figures furnished by its members on yearly basis through an external independent firm. In 2014, these audits involved a review of 17.91% of the total quantities declared to the register by the companies belonging to ERP Spain (the two uses and also including the quantities exported).

Tonnes of household EEE placed on the market by companies belonging to ERP in 2014

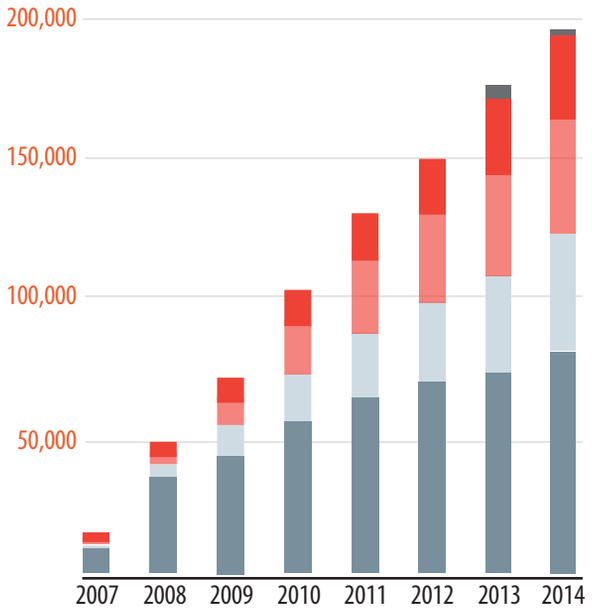


Eight years managing WEEE

Accumulated tonnes of WEEE placed on the market



Accumulated tonnes of WEEE collected



Collection and management figures

Collection

The amounts collected in 2014 declared in the annual reports to the various Public Administrations represent a total of 18,867 tonnes, with a breakdown by stream as shown on the following table:

Stream	Declared tonnage collected
LDA	7,002 t
COLD	5,014 t
TV/Monitors	3,790 t
Others	3,055 t
Lamps	6 t
Total	**18,867 t**

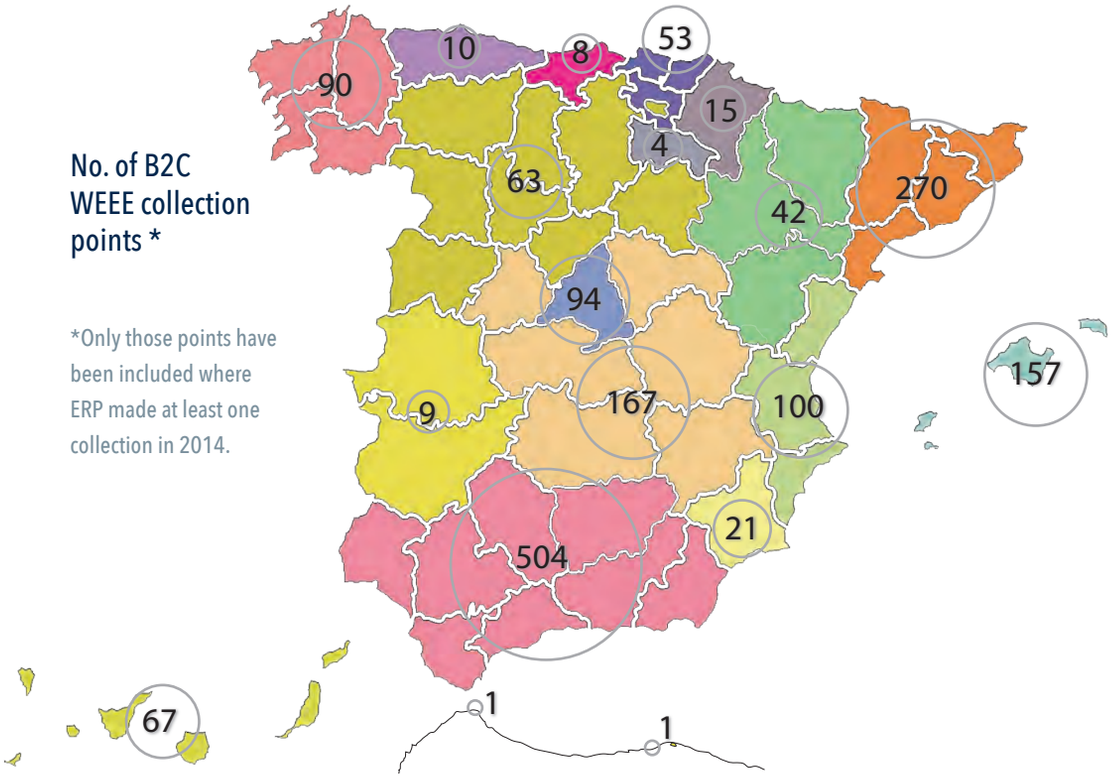
These numbers do not represent the total tonnes actually collected by the ERP network due to the fact that, in addition to these amounts, during 2014, ERP transferred a total of 5,629 tonnes of WEEE to other compliance schemes. This brings the total figure actually collected to 24,497 tonnes (29.84% more), with the following breakdown:

Stream	Total collected
LDA	9,253 t
COLD	7,321 t
TV/Monitors	4,615 t
Others	3,302 t
Lamps	6 t
Total	**24,497 t**

In terms of ERP's market share in 2014 and the total Spanish population, the total actually collected represents a ratio of 5.48 kg/inhabitant/year, while the total declared (after the transfers) shows a collection ratio of 4.22 kg/inhabitant/year. The legal target for that period was 4 kg/inhabitant/year, which means that ERP has surpassed its target, even with the transfers made. .

No. of B2C WEEE collection points *

*Only those points have been included where ERP made at least one collection in 2014.

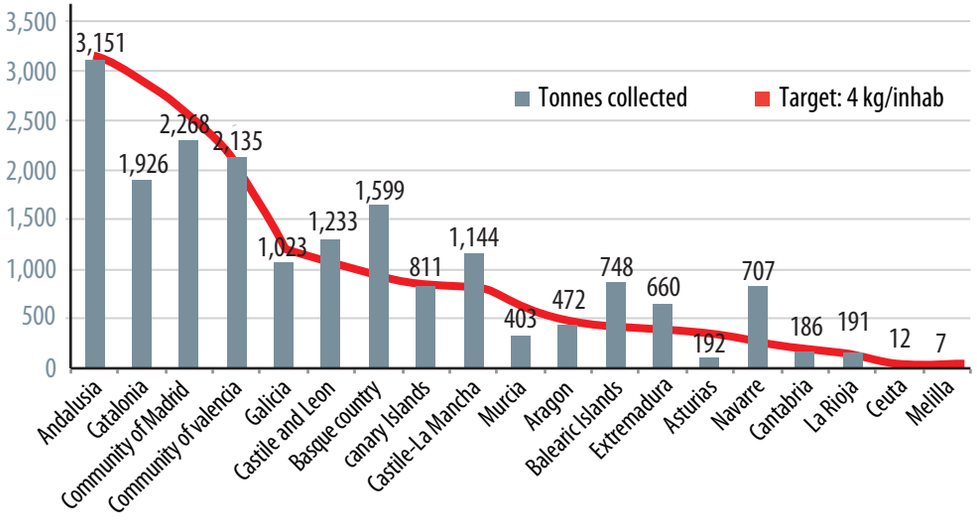


Collection network

The ERP Spain collection network is organised on the basis of three types of household waste collection: municipal clean points, EEE points of sale (small, medium and large retailers) and others (principally 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.

Tonnes collected by Autonomous Community in 2014

*Autonomous Communities arranged according to population

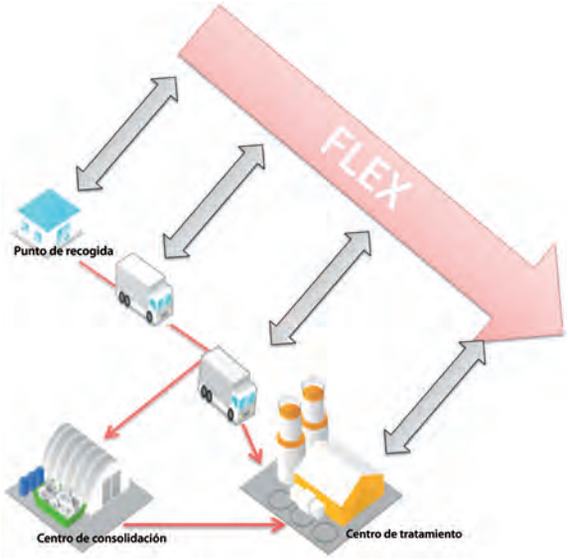


Logistics and treatment network

To perform its work and to meet the collection and management targets established on the basis of its market share, ERP Spain has an extensive logistics and treatment network, established thanks to the signature of a number of agreements with a group of operators. 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, and occupational risk prevention, among others.

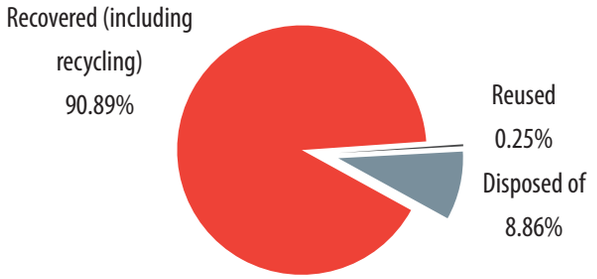
WEEE	No. Collectors / Hauliers	No. Consolidation centres	No. Treatment facilities
LDA	40	21	32
COLD	40	36	16
TV/Monitors	40	31	16
Others	42	27	29
Lamps	13	11	3
Total (not classified by stream)	**48**	**42**	**39**

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.

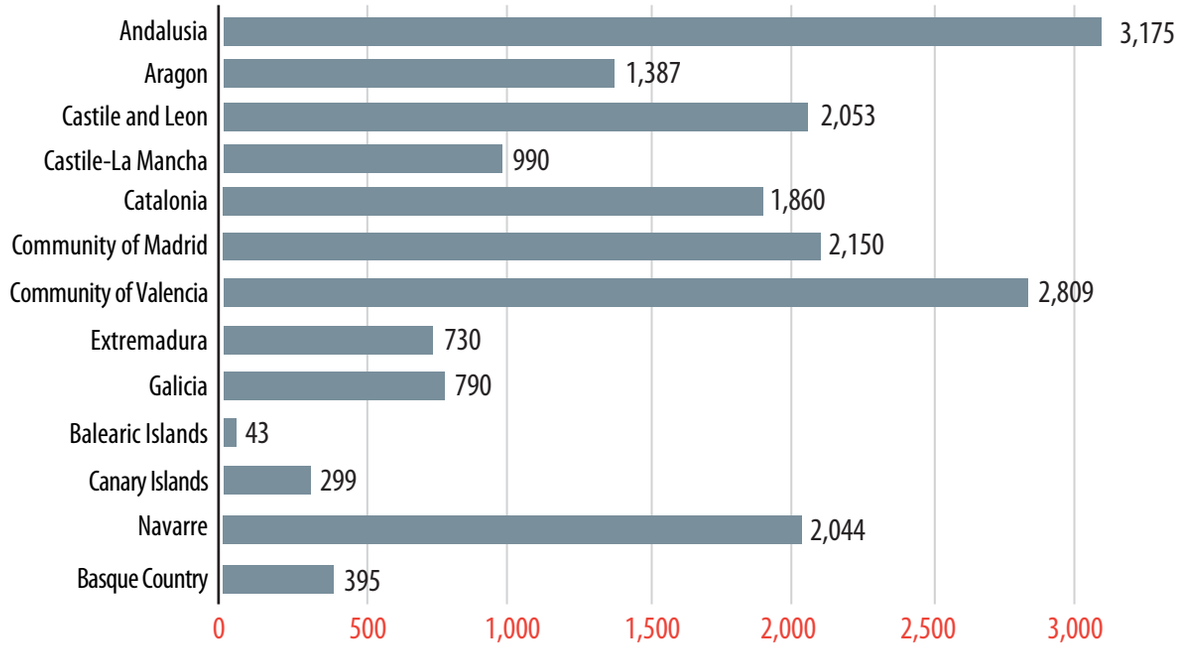


Thanks to this exhaustive system, ERP is able to control all of the operations performed by each supplier (starting from the request through to the time of its completion), together with the documentation associated with these operations, making it possible to guarantee the documentary traceability of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

Final destination of the WEEE managed - 2014



Tonnes managed by the managers of each Autonomous Community in 2014



Audits of suppliers

ERP implements an audit plan applicable to its suppliers in the logistics and treatment network. The objective is to verify that the management of WEEE is being performed according to the quality standards of ERP, its associated and other parties involved. A total of four audits were performed in 2014 in which the WEEELABEX methodology was used.

Manager's Autonomous Community	Number of audits
Andalusia	1
Aragon	2
Castile and León	2
Castile-La Mancha	1
Catalonia	1
Community of Madrid	3
Community of Valencia	1
Extremadura	1
Galicia	1
Navarre	1
Basque Country	2
TOTAL	16

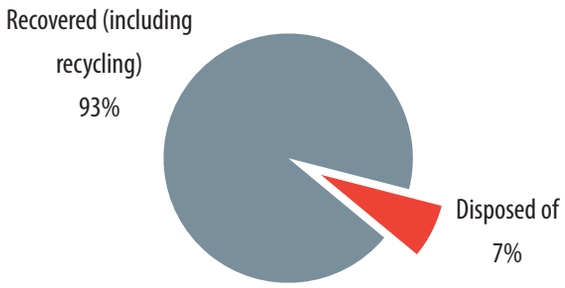
Permits, framework agreements and agreements

ERP Spain is approved to operate in all of Spain's Autonomous Communities. Moreover, in 11 of the Communities it has framework agreements in place, thanks to which the relationship and the way operations are to be performed are established between the Autonomous Community, the local entities and the approved compliance schemes, thereby guaranteeing the proper collection and management of WEEE within their territorial scope. 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, and the like.

AUTONOMOUS COMMUNITIES	WEEE permits	WEEE framework agreements	No. collection agreements
Andalusia	**06/02/2013**	**12/01/2015**	8
Aragon	**20/10/2014**	04/12/2007	2
Asturias	03/06/2009		1
Balearic Islands	25/03/2011		5
Canary Islands	**10/06/2011**		7
Cantabria	13/10/2011	12/02/2013	
Castile-La Mancha	**11/07/2013**		8
Castile and Leon	**18/02/2014**	**18/02/2014**	5
Catalonia	**11/10/2012**	**11/07/2012**	4
Ceuta	**26/04/2011**	01/04/2009	
Extremadura	**08/10/2012**	27/10/2008	
Galicia	**18/11/2013**	**15/01/2015**	1
La Rioja	**14/04/2013**		2
Madrid	**04/06/2012**	29/12/2010	4
Melilla	**16/04/2012**		
Murcia	24/01/2008		4
Navarre	25/09/2006	17/03/2009	4
Basque Country	**01/07/2013**		7
Valencia	**17/07/2013**	**27/05/2014**	4
Others (transregional bilateral agreements)			10

*In bold print, date of first renewal.

Final destiny of the professional WEEE collected - 2014



Professional WEEE

By exclusion, WEEE not belonging to the household use typology 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. 2014
LDA	1,079 t
COLD	2,288 t
TV/Monitors	1,852 t
Others	10,552 t
Lamps	0 t
TOTAL 2014	15.771 t

Collection

Stream	Quantities collected. 2014
LDA	0 t
COLD	142 t
TV/Monitors	0 t
Others	7 t
TOTAL 2014	149 t

EUROPEAN RECYCLING PLATFORM - ERP, SAS BALANCE SHEETS

Fiscal years ended 31.12.2014 and 31.12.2013 (Euros)

	ASSETS	2014	2013
A)	**NON-CURRENT ASSETS**	**49,241.39**	**43,517.95**
I.	**Intangible fixed assets**	**8,059.84**	**15,650.47**
II.	**Tangible fixed assets**	**14,576.44**	**20,260.77**
V.	**Long-term financial investments**	**26,605.11**	**7,606.71**
B)	**CURRENT ASSETS**	**8,438,072.66**	**7,801,191.81**
II.	**Inventories**	**0.00**	**0.00**
	Advances Suppliers	0.00	0.00
III.	**Trade debtors and other accounts receivable**	**8,056,713.41**	**7,405,266.76**
1	Clients from sales and provision of services	7,976,038.92	7,020,548.46
2	Clients, group and associated companies	66,940.19	60,473.05
3	Sundry debtors	0.00	0.00
6	Other credits with Public Administrations	13,734.30	324,245.25
V.	**Short-term financial investments**	**223,509.03**	**221,727.91**
VI.	**Short-term end-of-period adjustments**	**247.12**	**5,739.82**
VII.	**Cash and cash equivalents**	**157,603.10**	**168,457.32**
	TOTAL ASSETS	**8,487,314.05**	**7,844,709.76**

	NET ASSETS AND LIABILITIES	2014	2013
A)	**NET ASSETS**	**45,325.73**	**45,325.73**
A-1)	**Equity**	**29,749.68**	**29,749,68**
V	**Results carried forward**	29,749.68	34,647.51
VII	**Results for the year**		-4,897.83
A-2)	**Adjustments for changes in value**	**15,576.05**	**15,576.05**
C)	**CURRENT LIABILITIES**	**8,441,988.32**	**7,799,384.03**
III	**Short-term debts**	**(2,088.85)**	**(7,000.00)**
5	Oher financial liabilities	(2,088.85)	(7,000.00)
IV.	**Short-term debts owed to group and associated companies**	**1,774,321.46**	**725,795.95**
V.	**Trade creditors and other accounts payable**	**6,299,589.30**	**5,504,123.54**
1	Suppliers	2,253,861.42	1,752,252.51
2	Suppliers, group and associated companies	228,245.86	141,642.87
3	Creditors	3,773,744.47	3,594,553.45
4	Remunerations pending payment	0.00	0.00
6	Public Administrations	43,737.55	15,674.71
VI.	**Short-term end-of-period adjustments**	**370,166.41**	**1,576,464.54**
	TOTAL NET ASSETS AND LIABILITIES	**8,487,314.05**	**7,844,709.76**

EUROPEAN RECYCLING PLATFORM - ERP, SAS PROFIT AND LOSS ACCOUNTS

Fiscal years ended 31.12.2014 and 31.12.2013 (Euros)

	(DEBIT) CREDIT	2014	2013
A)	**CONTINUING OPERATIONS**		
1	**Net turnover**	**8,458,392.83**	**7,780,227.76**
b)	Provision of services	8,458,392.83	7,780,227.76
4	**Supplies**	**(7,651,129.27)**	**(7,011,284.77)**
c)	Work performed by other companies	(7,651,129.27)	(7,011,284.77)
5	**Other operating revenues**	**520,566.12**	**519,396.48**
6	**Personnel expenses**	**(550,248.86)**	**(541,640.77)**
a)	Wages, salaries and similar	(444,870.08)	(447,260.84)
b)	Employee welfare expenses	(105,378.78)	(94,379.93)
7	**Other operating expenses**	**(651,902.49)**	**(758,082.81)**
a)	Outsourcing	(644,734.04)	(756,846.48)
b)	Taxes	(1,911.21)	(3,533.91)
c)	Losses, impairment and changes in provisions for trade transactions	(5,257.24)	2,297.58
8	**Depreciation of fixed assets**	**(13,274.24)**	**(12,335.60)**
13	**Other results**	**(65,160.21)**	**44,182.61**
A.1)	**OPERATING PROFIT**	**47,243.16**	**20,462.90**
14.	**Financial revenues**	**0.00**	**0.00**
b)	From negotiable securities and other financial instruments	0.00	0.00
15	**Financial expenses**	**(49,024.28)**	**(25,594.84)**
b)	For debts owed to third parties	(49,024.28)	(25,594.84)
16	**Change in fair value of fin. instruments**	**1,781.12**	**5,131.94**
a)	Trading portfolio	1,781.12	5,131.94
A.2)	**FINANCIAL RESULT**	**(47,243.16)**	**(20,462.90)**
A.3)	**RESULT BEFORE TAXES**	**0.00**	**0.00**
	Company Tax		**(4,897.83)**
A.5)	**RESULT FOR THE YEAR**	**0.00**	**(4,897.83)**

European Recycling Platform

WB&A MANAGEMENT FIGURES 2014

Different battery technologies

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? *(Waste Batteries and Accumulators)*

Batteries -despite their size and the frequency with which we find them in households- are, together with other minority fractions such as paint or aerosols, the most highly pollutant waste accumulated in our homes. Whether in the form of button cells, alkaline or other kinds of batteries, a number of their components, such as zinc, mercury, cadmium or lead, are hazardous, including in very small amounts. When we throw 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 to the air. As an example, alkaline batteries (the ones used most) can contaminate up to 150,000 litres of water. This is why the proper recycling of waste batteries is so important: not only to prevent the pollution of the environment and health hazards, but also to be able to recover the valuable metals that batteries contain.

Quantities placed on the market

According to the overall market placement figures for 2014, ERP Spain ranks second among Spanish compliance schemes by market share of portable batteries and accumulators, accounting for 36.26% of the Spanish market, a percentage slightly higher that the figure for 2013, when its share reached 35.98%. Although the market share of the standard battery (the most common battery found in households) is significant, the weight of each type of battery and accumulator in the global report is quite uniform, demonstrating the diversity of the companies belonging to ERP.

	MARKET PLACEMENT 2014	Units	Weight	% Market
PORTABLE	BUTTON CELLS (Diameter > height)	18,791,923	27,923.68	20.66%
	STANDARD BATTERIES (Not button, weight < 1k)	118,730,599	3,131,088.26	40.62%
	PORTABLE ACCUMULATORS (Not industrial or automotive)	14,308,150	757,395.44	25.48%
	TOTAL PORTABLE (includes other portable types)	**152,456,604**	**3,931,060.25**	**36.26%**
	AUTOMOTIVE BATTERIES AND ACCUMULATORS	12,191	210,295.47	0.17%
	INDUSTRIAL BATTERIES AND ACCUMULATORS	427,636	2,579,347.89	14.30%

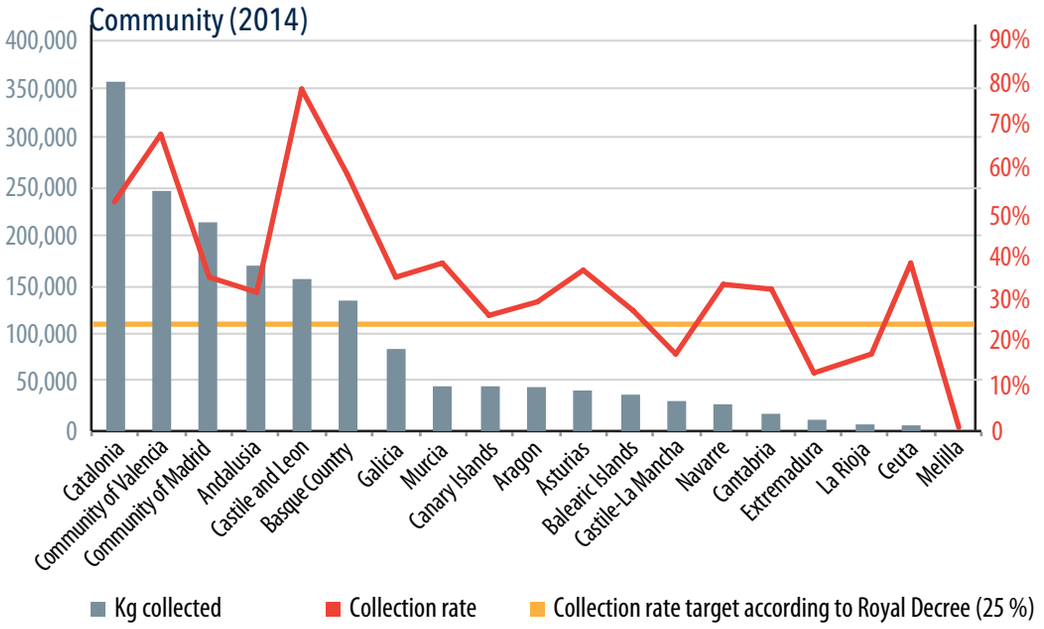
Quantities collected and managed

ERP Spain collected 1,618,972 kg of waste portable batteries and accumulators in 2014, which represents an increase of 23.9% with respect to 2013. ERP's waste battery and accumulator collection rate in 2014 was 42.79%, which places us in the lead in Spain in terms of results and enables us to be optimistic with respect to meeting the 45 % collection rate target defined for 2016. ERP Spain has succeeded in attaining this positive outcome thanks to its wager from the start on a rational and sustainable growth plan for its collection network, scaling its efforts in order to meet the legal targets.

In addition, the collection of waste industrial batteries amounted to 441,869 kg in 2014.

	PLACED ON THE MARKET (Kg)			COLLECTED (kg)	COLLECTION RATE (%)
	2012	2013	2014	2014	
PORTABLE BATTERIES	3,583,853.91	3,836,420.61	3,931,060.25	1,618,972.15	42.79%

Kilograms of portable WB&A collected by Autonomous Community (2014)

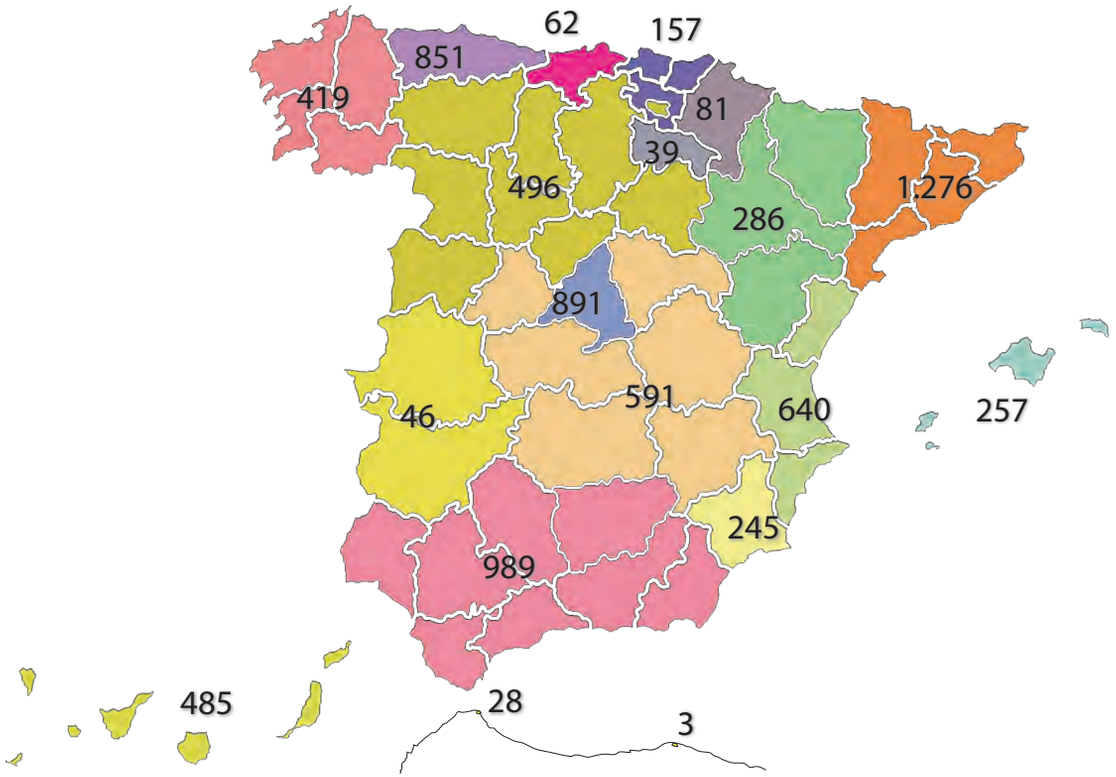


Collection network

In 2014, ERP made collections at 7,842 points deployed throughout the country. These points refer to a range of types, from selective collection points such as municipal clean points, containers placed in shops, supermarkets… to consolidation centres where other entities (public or private) make available to us the waste they have collected at several selective collection points.

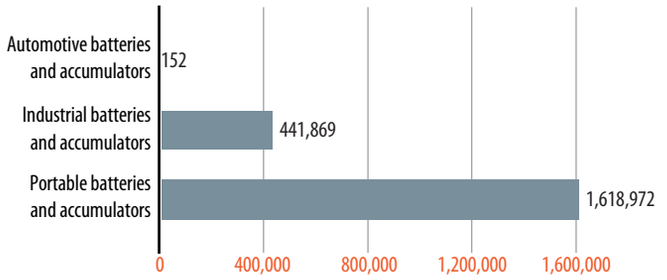
This makes the effective extension of the collection network on which ERP operates much more extensive than what these figures reflect. The rational and sustainable growth of this widespread collection network (points of proximity with low unit collection volumes) is one of the most effective tools for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

No. of WB&A collection points *

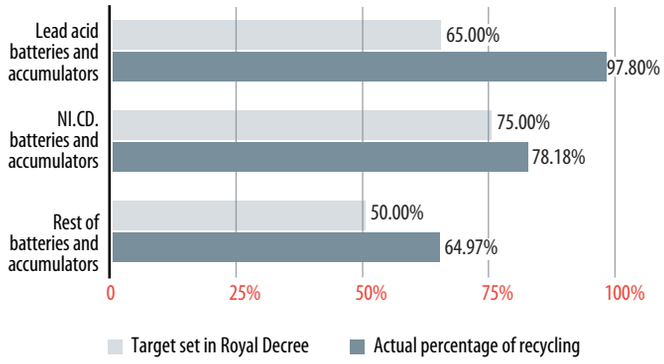


* Only those points have been included where ERP made at least one collection in 2014.

Kg collected in 2014



WB&A management results (2014)



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. On the one hand, 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: 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 the 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	CAT	Treatment plants
WB&A	38	40	7

Permits, framework agreements and other agreements

At the end of the 2014 financial year, ERP Spain had secured permits to operate as a battery and accumulator compliance scheme in eighteen Autonomous Communities, as can be observed on the following table. The only Community where it was not approved as of the end of 2014 was the Community of Valencia, where the permit process had not yet concluded. In any case, ERP Spain has been providing its services regularly throughout Spain for a number of years, while the permit processes still outstanding are being completed.

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 2014, ERP Spain had a total of 55 collaboration agreements in place with a range of companies, towns and public entities for managing their battery collection service.

Autonomous Communities	Battery permit *	Battery framework agreement	Number of collection agreements
ANDALUSIA	**27/03/2014**		11
ARAGON	07/12/2011		2
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 LEÓN	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	1
LA RIOJA	01/04/2011		
MADRID	05/05/2010		6
MELILLA	19/10/2010	24/04/2013	
MURCIA	14/10/2009		3
NAVARRE	21/12/2009		
BASQUE C.	27/09/2011		
VALENCIA	Underway		5
OTHERS (Transregional bilateral agreements)			13

* In bold print, date of 1st renewal.

EUROPEAN RECYCLING PLATFORM ESPAÑA, S.L.U BALANCE SHEET

Fiscal years ended 31.12.2014 and 31.12.2013 (Euros)

	ASSETS	31/12/2014	31/12/2013
A)	**NON-CURRENT ASSETS**	**8,957.19**	**61,212.75**
II.	**Tangible fixed assets**	**8,957.19**	**61,212.75**
2	Technical plant and other tangible fixed assets	8,957.19	61,212.75
B)	**CURRENT ASSETS**	**4,821,161.46**	**4,884,290.46**
II	**Inventories**		
III.	**Trade debtors and other accounts receivable**	**2,417,941.80**	**2,017,944.01**
1	Clients from sales and provision of services	2,111,077.87	1,840,096.41
3	Sundry debtors	0.00	0.00
6	Other credits with Public Administrations	306,863.93	177,847.60
IV.	**Short-term investments in group & associated companies**	**1,771,591.83**	**723,066.32**
5	Other financial assets	1,771,591.83	723,066.32
V	**Short-term financial investments**	**80,050.12**	**918,094.05**
3	Debt instruments	80,050.12	918,094.05
VI.	**Short-term end-of-period adjustments**	**645.14**	**614.40**
VII.	**Cash and cash equivalents**	**550,932.57**	**1,224,571.68**
1	Cash in hand and in banks	550,932.57	1,224,571.68
	TOTAL ASSETS (A+B)	**4,830,118.65**	**4,945,503.21**

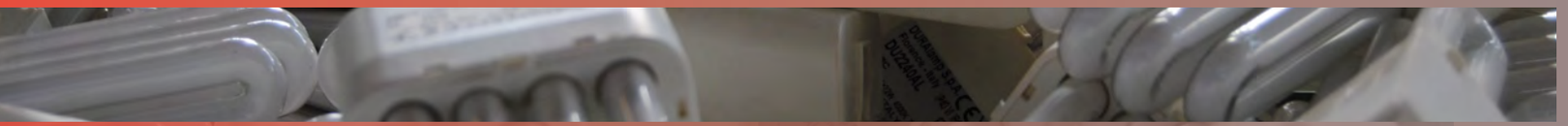
	NET ASSETS AND LIABILITIES	31/12/2014	31/12/2013
A)	**NET ASSETS**	**83,442.81**	**83,442.81**
A-1)	**EQUITY**		
I.	**Capital**	**5,000.00**	**5,000.00**
1	Capital formalised in deed of incorporation	5,000.00	5,000.00
III.	**Reserves**	**78,442.81**	**46,235.01**
1	Legal Reserve	4,623.50	4,623.50
2	Voluntary Reserve	73,819.31	41,611.51
VII.	**Result for the year**	**0.00**	**32,207.80**
C)	**CURRENT LIABILITIES**	**4,746,675.84**	**4,862,060.40**
IV	**Short-term debts owed to group & associated companies**	**2,742.00**	**1,500.00**
V.	**Trade creditors and other accounts payable**	**2,626,381.09**	**2,802,177.41**
1	Suppliers, short-term	413,501.96	369,811.80
2	Suppliers, group and asociated companies	(8,501.21)	79,396.48
3	Sundry creditors	2,220,689.60	2,348,740.01
6	Other debts owed to Public Administrations	690.74	4,229.12
VI.	**Short-term end-of-period adjustments**	**2,117,552.75**	**2,058,382.99**
	TOTAL NET ASSETS AND LIABILITIES (A+B+C)	**4,830,118.65**	**4,945,503.21**

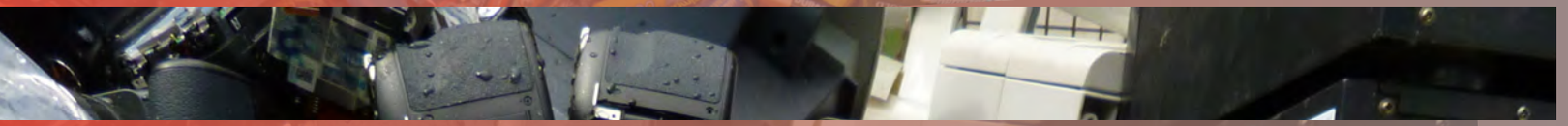
EUROPEAN RECYCLING PLATFORM ESPAÑA, S.L.U PROFIT AND LOSS ACCOUNTS

Fiscal years ended 31.12.2014 and 31.12.2013 (Euros)

	31/12/2014	31/12/2013
A) CONTINUING OPERATIONS		
1. Net turnover	**2,638,939.49**	**3,014,273.35**
b) Provision of services	2,638,939.49	3,014,273.35
4. Supplies	**(2,157,525.62)**	**(2,400,619.17)**
c) Work prformed by other companies	(2,157,525.62)	(2,400,619.17)
7. Other operating expenses	**(628,740,16)**	**(604,975.65)**
a) Outsourcing	(604,788.92)	(602,907.52)
b) Taxes	(2,332.41)	(2,068.13)
c) Losses from failed trade credits	(21,618.83)	
8. Depreciation of fixed assets	**(52,255.56)**	**(64,396.70)**
13. Other results	**146,336.02**	**55,718.17**
A.1) OPERATING PROFIT (1+4+5+6+7+8+10)	**(53,245.83)**	**0.00**
A.2) FINANCIAL RESULT (14+15)	**53,245.83**	**46,146.14**
A.3) RESULT BEFORE TAXES (A.1+A.2)	**0.00**	**46,146.14**
17. Tax on Profits	**0.00**	**(13,938.34)**
A.4) RESULT FOR THE YEAR FROM CONTINUING OPERATIONS (A.3+17)	**0.00**	**32,207.80**
A.5) RESULT FOR THE YEAR (A.3+17)	**0.00**	**32,207.80**

European Recycling Platform





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