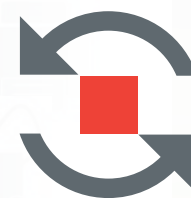


2017

ERP SPAIN ANNUAL REPORT



European
Recycling
Platform

ERP SPAIN 2017 ANNUAL REPORT

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Another year has passed, and the time is right to reflect on some important achievements and developments in the **Landbell Group**. First of all, the achievement of collecting and treating more than 3 million tonnes of WEEE, which once again underlines the important role **ERP** is playing in the European recycling market.

Thanks to its unique pan-European scope (a network of 35 compliance schemes in 15 countries), its unrivalled experience and expertise, its innovative recycling strategies, and its creation of opportunities for pan-European recycling services, ERP is making a significant contribution to developing a more circular economy in Europe. I want to thank specifically **ERP Spain**, its GM **Matias Rodrigues** and all his team for the great contribution given to reach this milestone for our Group.

In the course of the 12 years passed since the inception of the Company, ERP customers have chosen to join and to stay with us thanks to their appreciation of our knowledge and our experience, which allowed us to respond to special requests very quickly. At Landbell Group, customers get all the services they need in-house, whether they are looking for an international solution, additional consulting or software solutions. We can even cope with special emergencies: using a recent real-life example, during a shipment one of our customer's containers went overboard and printer cartridges spilled into the sea. We reacted very quickly and came up with an effective take-back solution for our client. We also collected printer cartridges from beaches in France, Ireland, Spain and the UK.

There are many things for which I'm particularly proud if I look at what we have done in the past, some sticks out among all; first of all our customers trust us. We don't take risks or make compromises. We have very long-standing relationships with our customers to whom we provide high-quality services. I think this is due to the stability of our teams, which helps us keep and strengthen our expertise over a long time. We are also open with our customers and partners, and the authorities. This has earned us the trust and respect of all stakeholders in the industry. Thanks to our people and skills, we are also unique. We have established our operational excellence since day one. Because of this excellence, we are growing in scope and moving into new products and countries all the time. We are significant players in every country we operate in including Spain, where we have established a strong base on which we continue to build.

The latest discussion around the circular economy have inspired the Landbell Group in developing our strategic plans. In the years to come we see our mission very clear: we want to recycle and return valuable materials into economic circulation. Take-back contributes to the reduction of waste by keeping secondary raw materials on the market for as long as possible without a loss of quality. This has a positive economic impact as it reduces dependence on limited and therefore expensive raw materials. We want to help our customers reduce their environmental impact and make them less dependent on market fluctuations. Last but not least, we invest heavily in quality: we only work with fully certified recyclers who meet the recycling recovery rates that allow us to put more recyclable materials back into the system.

UMBERTO RAITERI

PRESIDENT AND CEO OF ERP SAS

"We have very long-standing relationships with our customers to whom we provide high-quality services".



ERP has finished 2017 with excellent management results in the two waste streams that we manage in Spain. Regarding WEEE (waste electrical and electronic equipment), the data that we capture in this report shows that in 2017 we collected almost 26,000 tonnes of household WEEE, 13% more than in the immediately previous year. This growth has allowed us to meet the national targets for collection under the new Royal Decree on WEEE, which in 2017 expanded targets by 11% compared to 2016. This objective will again be raised in 2018 and in 2019, with an interannual increase of 10% and 18% respectively, which represents the greatest challenge that the entire WEEE sector will face in the short term. As is evident, once we reach high collection rates, it becomes increasingly difficult to find waste. With this in mind, our efforts will focus, as we have always done, on consolidating and making our collection networks more efficient.

Likewise, I would like to take this time to mention the results of professional WEEE, which this year we have improved very significantly. It is a type of WEEE that, historically, has been managed by channels not controlled by the EPR Organisations, although not necessarily illegal, especially until 2016, since there were no specific collection targets for them. We are aware that there is still a long way to go in this area, including many aspects of the regulatory framework that should better adapt to the reality of this flow of WEEE. Even so, thanks to the collaboration of the producers, installers, owners and managers, all of them increasingly better informed and aware, we have managed to properly collect and manage 1,761 tonnes of professional WEEE in 2017, a very significant improvement compared to 2016 and which I trust it will become a trend in 2018.

“We can proudly say that we lead the collection of this waste in Spain”.

Lastly, our WB&A results (waste batteries and accumulators) are equally satisfactory. In 2017 we collected almost 2,230 tonnes of portable batteries and accumulators, equivalent to 54% of the batteries that our producers put on the market that same year. With these results, we can proudly say that we lead the collection of this waste in Spain. But fundamentally, this demonstrates our capacity to face the increase in collection targets that will take place in the year 2021.

Although it seems obvious, it is worth remembering that the *raison d'être* of an EPR organisation is to achieve legal compliance for its producers, based on a rigorous traceability and a correct environmental management of the waste. Achieving it also when the legal requirements are increasingly high is the best proof of the utility of ERP as a tool for producers. But it is also true of the success of the concept “extended producer responsibility” to achieve a more rational use of resources and a lower environmental impact of the products we all consume.

MATIAS RODRIGUES
GENERAL MANAGER OF ERP SPAIN





THE WAY WE ARE

The people that make up the European Recycling Platform (ERP), the only Pan-European Extended Producer Responsibility System (EPR Organisation) operating in Spain, focus our activity **on waste management of electrical and electronic equipment (WEEE) and batteries and accumulators (WB&A)**, always with the objective of facilitating producer compliance with legislation.

For this, we offer **high quality solutions** at competitive prices:



- We manage compliance with obligations in WEEE as well as batteries and accumulators on behalf of our clients.



- We work with them to advise them on how to optimise the management of their waste.



- We create tailored solutions in waste management for those who want to go beyond their legal obligations and lead the transition to a circular economy.

Worldwide, ERP offers WEEE, WB&A and packaging management services in **32 countries**.

ERP has a network of offices in the following European countries: Austria, Denmark, Finland, France, Germany, Ireland, Italy, The Netherlands, Norway, Poland, Portugal, Slovakia, Spain, Sweden and the United Kingdom. Offices have also been opened in Israel and Taiwan, from which location service is provided to exporters in Southeast Asia.





THE WAY WE ARE

Since our foundation, in 2002, we have collected and managed

more than 3 million tonnes

of waste electrical and electronic equipment (**WEEE**) throughout Europe.

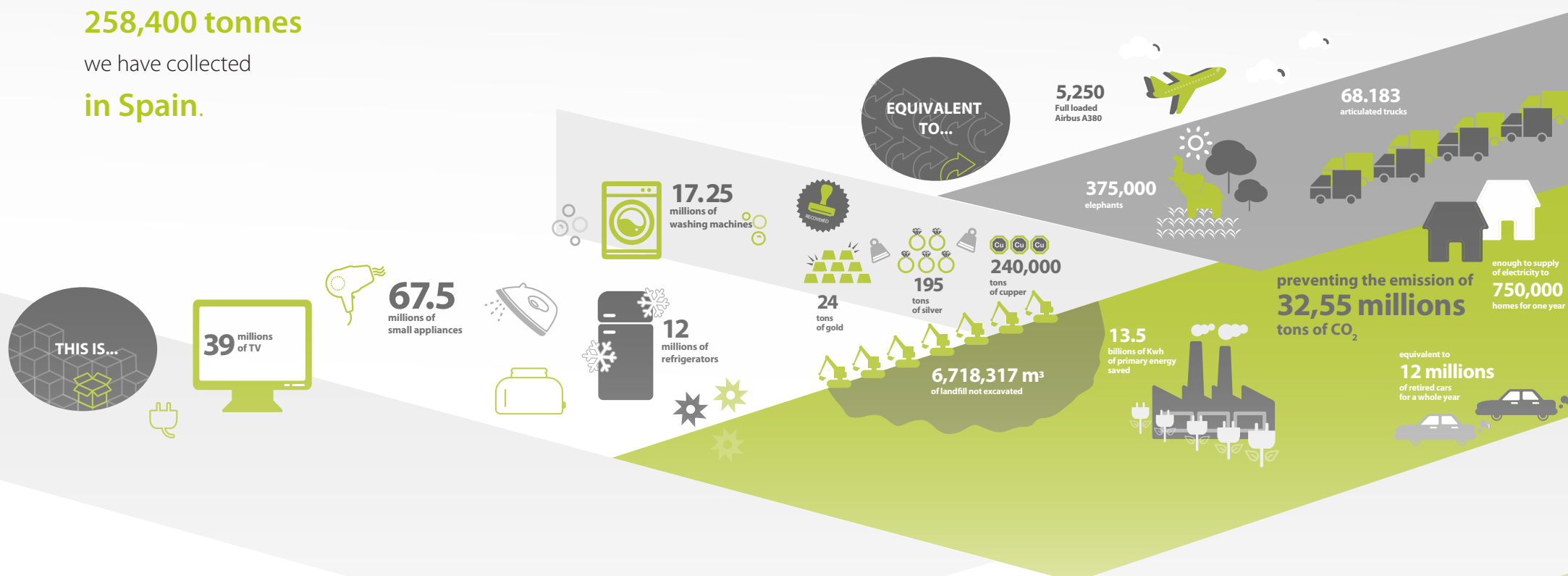
258,400 tonnes

we have collected

in Spain.

ERP was born in 2002 by four multinational companies (Braun, Electrolux, HP and Sony) in response to the first EU Directive on WEEE. Since June 2014, the company has been part of the Landbell Group, an international provider of consultancy services and solutions to ensure compliance with environmental and chemical regulations.

In Spain, ERP has been operating as an authorised WEEE EPR organisation since 2005 and since 2008 as an EPR organisation for batteries and accumulators.





AT THE SERVICE OF THE PRODUCER

STANDARD SERVICES

- Preliminary advice.
- Registration in the Registers of Producers of the Ministry of Industry (RII_AEE and RII_PYA).
- Uploading of the declarations in the Registries (RII_AEE and RII_PYA).
- Fulfilment of the corresponding collection targets.
- Preparation of the Annual Reports to the Public Administrations.
- Continuous technical and legal support.
- Information and advice on any regulatory change.
- **Online** tool to make declarations on products placed on the market.



ERP has tools for reporting Electrical and Electronic Equipment and of Batteries and Accumulators placed in the market in a simple and intuitive way through its website. All producers are assigned a unique username and password to access the platform where they can also download membership certificates and declarations already made, view their current balance and download the latest invoices.

CUSTOMIZED SERVICES

- Specific collection services and other customised solutions required by our customers.
- Support to foreign companies in case of needing an authorised representative.
- Advice for obtaining international certifications (for example, EPEAT).





KEY DATA OF ERP SPAIN



198 COMPANIES

belonging to its WEEE and WB&A EPR organisations



258,400

tonnes of **WEEE** managed



2,089 WEEE

collection **POINTS**



9,797 BATTERY

collection **POINTS**



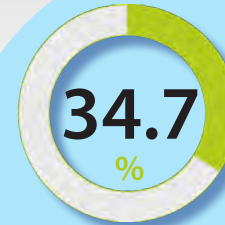
12,500 tonnes of portable

WB&A managed



MARKET SHARE

of ERP Spain in **WEEE**
in 2017



MARKET SHARE

of ERP Spain in **BATTERIES**
in 2017

26 AWARENESS-
RAISING CAMPAIGNS

carried out in 2017



14 SUPPLIER
AUDITS

performed in 2017





COMMUNICATE TO RAISE AWARENESS

At ERP we dedicate an important part of our efforts to one of the fundamental pillars of any EPR organisation: **work to raise awareness in the whole society about the advantages that proper waste management entails**, in our case, focused on electrical and electronic appliances and batteries and accumulators.

With this goal in mind, every year we carry out **numerous communication actions**, both individually and in collaboration with other EPR organisations, which seek to disseminate among a growing public what must be the responsible behaviours to be applied, as well as the means put within reach of the society to get rid of this type of waste in an appropriate manner that is respectful with the environment.

Sports events, recycling days for families, activities in educational centres, recycling exhibitions and contests are some examples of the type of awareness actions carried out each year. These pages show the most notable undertaken in 2017.

AWARENESS-RAISING HIGHLIGHTS

WEEE

AMIAB and ERP Spain collect a ton of WEEE in the third edition of the match for recycling

ERP Spain and the AMIAB Group in January 2017 collected about one ton of waste electrical and electronic equipment (WEEE) in the city of Archena thanks to the celebration of the III “Match for recycling” of Wheelchair Basketball (WB), an exhibition meeting with the aim of awakening the social awareness in a double way: equal opportunities for people with disabilities, represented by adapted sports, and the importance for the environment and society of the correct recycling of electronic waste and batteries.

The match featured the participation of the players of UCAM Murcia (Endesa-ACB League), Martynas Pocius and Julen Olaizola, who played using wheelchairs, a difficult challenge for them, given the peculiarities of this adapted sport. The match was the final act of a campaign carried out by both institutions in different schools in the Region of Murcia, to raise awareness among schoolchildren of the importance of the correct recycling of WEEE and batteries, and of the great role played by this small gesture in environmental protection.



First National WEEE Conference

On 22 and 23 June, the first National WEEE Conference was held in Antequera, Malaga, an initiative of the eight Collective Systems of Extended Responsibility (EPR Organisations) for Waste Electrical and Electronic Equipment, (WEEE), grouped in Ofirae, of which ERP is a member.

The conference also had the support and collaboration of the regional Government of Andalusia, the Andalusian Federation of Municipalities and Provinces, the Municipality of Antequera and “RAEE Andalusia”.

Under the slogan, “Committed to the environment”, this joint initiative aimed to create a space for information and debate on the management of WEEE, and disseminate and value the role played by the different agents involved therein. As a backdrop, the analysis of RD 110/2015 and the challenges that the sector faces to achieve the objectives established by the aforementioned Royal Decree.



COMMUNICATE TO RAISE AWARENESS

AWARENESS-RAISING HIGHLIGHTS

WEEE

RAEEvolución in Extremadura

With the aim of promoting the collection of WEEE and promoting good environmental practices among the stores selling electrical appliances, involving the distributor and increasing awareness among consumers of the correct management of this type of waste, the Regional Government of Extremadura launched the campaign “Viva la RAEEvolución (a play on the word “Revolution” using the Spanish acronym for WEEE) in September with the collaboration of the EPR organisations. Conquer the future.”

At the end of the year, a total of 228 shops in Extremadura had already joined the campaign. For four months, the citizens of Extremadura were informed of the possibility of handing their WEEE free of charge in the stores selling these devices and the obligation to collect used equipment with the purchase of a similar new one, while offering incentives to the distributors, such as quality seals, designed to reward their good management of WEEE, and raffles of lots of household appliances among the customers of these establishments.

RAEEciclos (*), in Aragon

Travelling exhibition, held between January and November 2017 and promoted within the framework of the Agreement signed between the Regional Government of Aragon, (through the Department of Rural Development and Sustainability) and the EPR organisations, among which is ERP Spain, which defined electrical and electronic devices and the importance of recycling them. The exhibition details the obligations of manufacturers, as well as the environmental benefits provided by selective collection and recycling of waste electrical and electronic equipment, highlighting the savings in non-renewable natural resources, in water and energy consumption, in emissions of greenhouse gases, in the dispersion of dangerous substances, etc.

(*)The programme name is a play on the “Recycle them” using the Spanish acronym for WEEE



Reissue of the campaign “More recycling points per person”

Between the months of March and September, a reissue of the 2016 campaign “Mes punts de recollida per la cara” (More recycling points per person) was carried out in Catalonia, this time under the motto “Com mes punts de recollida, mes aparells reciclats” (With more recycling points, more appliances recycled). As in the previous edition, the EPR organisations financed this campaign, launched by the Regional Government of Catalonia, in collaboration with ANGED and ACE, to involve distribution in the collection of WEEE, according to the indications of RD 110/2015, and inform the public about their rights at the time of disposing of WEEE.

O que se enchufa recicla (If it's plugged in, recycle it)

The Regional Ministry of Environment of Galicia, in collaboration with ERP and the rest of the EPR organisations, launched a media campaign to raise awareness among the public of the need to recycle the different electrical and electronic equipment that the society destroys and to increase awareness among all stores that sell electrical and electronic equipment in Galicia, explaining the importance of collaborating in the collection of such wastes as well as the benefits that can be generated in their shops by the existence of a WEEE collection point, for which they also had the collaboration of the associations ACEMA, ADEN and ANGED.

The campaign was carried out for nine months, from September 2017, in the four Galician provinces, through the installation, in 138 locations of more than 4,000 inhabitants, of 1,000 WEEE collection containers in household appliances sales points, both small stores and major retailers, as well as informational stands.





COMMUNICATE TO RAISE AWARENESS

AWARENESS-RAISING HIGHLIGHTS

WEEE

Valencia recycles with the five senses

“Recycle with the five senses” is an education and environmental awareness project developed by the Valencian Community, together with the WEEE EPR organisations, Ecovidrio, Ecoembes and Sigre.

The campaign, developed throughout 2017, offered free workshops to the public, from primary and secondary schoolchildren, as well as groups of citizens and groups of people with diverse abilities.

In the specific field of WEEE recycling, between March and November, the second edition of the “Recycle on wheels” campaign was launched in Valencia, which aims to encourage citizens to recycle their WEEE. The disclosure came from the informants on bikes with boxes, which ran through the municipalities informing their inhabitants about the environmental benefits of recycling WEEE, and collecting the old disused appliances that they wanted to discard. The objective of this new edition was to continue increasing the collection of electrical and electronic equipment, a challenge that allowed us to collect more than 4 tons of waste.



WEEE ANDALUSIA is born

In 2017 The RAEE ANDALUCIA (WEEE ANDALUSIA) brand was created in collaboration between all the ERP organisations, for the dissemination of information on the correct management of WEEE throughout the region, both among the media, through press releases, campaigns and specific events, such as to interact with society in general, via the web, social networks and face-to-face events.

Among the activities carried out in 2017, the environmental workshop for journalists carried out in October with the collaboration of the Association of Journalists of Environmental Information (APIA), for which a total of 15 transport and accommodation scholarships was granted for professionals that wanted to move outside of Seville. The workshop focused on providing detailed information on the framework agreement between the Regional Ministry of Environment and Planning, the Andalusian Federation of Municipalities and Provinces (FAMP) and the Collective Systems of Extended Producer Responsibility (ERP Organisations) of which ERP is a member, to improve the collection and treatment of WEEE in the autonomous community of Andalusia.

I WEEE Collection Competition in Navarra

Coinciding with the European Prevention Week and Black Friday, Environmental Management of Navarra (Ganasa) made, in collaboration with the WEEE EPR organisations working in that Autonomous Community, which included ERP, a contest for the collection of waste electric and electronic equipment, for which they also had the support of the Waste Confederation, the Osasuna Foundation and the Association of Establishments. The slogan of the contest, which consisted in rewarding with vouchers for a raffle the delivery of WEEE in the subscribed shops, “Wanted the WEEE gang. Potentially recoverable. Help us to capture them”, it was spread by means of a campaign of adverts on media and social networks.





COMMUNICATE TO RAISE AWARENESS

AWARENESS-RAISING HIGHLIGHTS

WB&A

I help Berto Zampapilas

The Regional Government of Valencia, ERP and Ecopilas launched in October 2017 “I help Berto Zampapilas”, a campaign that sought to promote the recycling of batteries among the youth, installing battery containers in all primary schools, where dramatized activities and children’s games were also carried out. The school children also received a collection box for their home. The campaign will continue during 2018.



Environmental Education Program on the collection of WB&A in the Balearic Islands

The Regional Government of the Balearic Islands, together with the management entities of the EPR organisations of batteries and accumulators, ERP and Ecopilas, launched a school awareness campaign that included workshops and a battery collection contest in those schools that had participated in the awareness campaign. In total, 21 schools of the autonomous community received the visit of environmental educators, with which they undertook a total of 70 activities designed to raise awareness among youth about the importance of the correct recycling of batteries.



Fourth edition of the “Les Piles, a l’Apilo de l’Escola” used battery collection contest

The Department of Territory and Sustainability of the Regional Government of Catalonia, through the Waste Agency of Catalonia and the waste batteries and accumulators EPR organisations —ERP Spain, Ecopilas, Unibat and Ecolec— launched in December 2017 the fourth edition of the used battery collection contest, Les Piles, a l’Apilo de l’Escola. This successful initiative aims to raise awareness among children in Catalan schools and their families about the importance of correct recycling of used batteries. The contest was framed, as in previous editions, within the Apilo XII campaign, under the motto: “Mission: the batteries in the planet recycling”, develops a series of actions aimed at citizens and schools, and with the goal of increasing the recycling of batteries in Catalonia.





COMMUNICATE TO RAISE AWARENESS



478 MENTIONS

in general and economic press, specialized magazines, internet portals and radio program

An **increase of 36 %** over the previous year

COMMUNICATIONS

Another fundamental channel for increasing awareness of the correct management of waste in society is to maintain a **fluid relationship with the media**, since they are an essential vehicle when communicating to producers, authorities and society in general. achievements in the field that concerns us, focused on the recycling of WEEE and WB&A.

For this reason, in 2017 we continued our ongoing relationship with them through the publication of **press releases, interviews, opinion articles and mentions in reports on the sector**, among other examples. The issues addressed in 2017, as always, were concerned with the proper management of WEEE and WB&A, the key environmental awareness actions of ERP in Spain or in other countries, as well as the position taken by ERP with respect to the current situation of the sector.



Internet and Social Networks

In 2017, 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 in Spain and in the world.





WEEE 2017 MANAGEMENT FIGURES



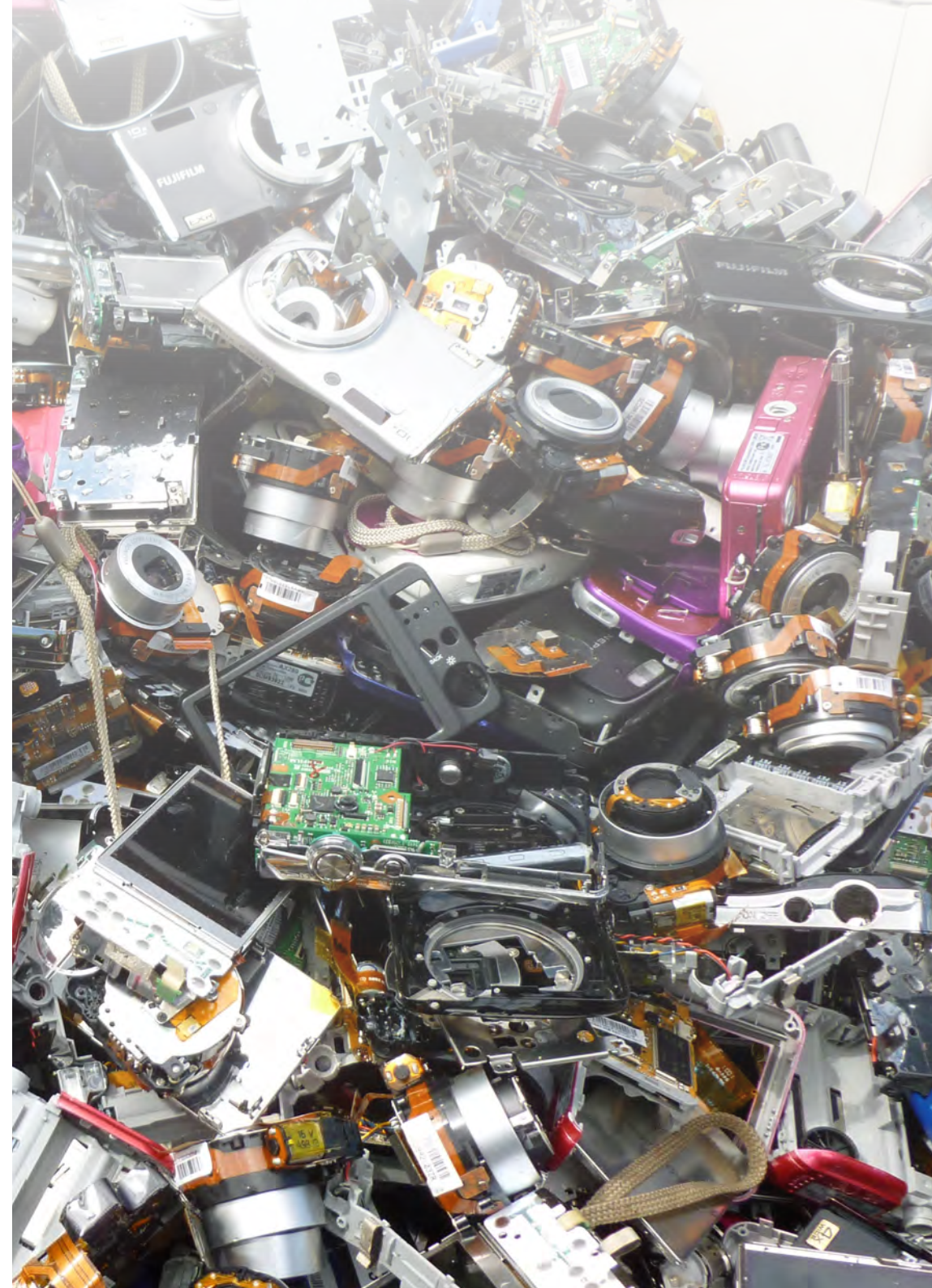
WHAT IS A WEEE?

If to run a device you needed batteries or to be plugged in, no doubt, you have WEEE and you have to discard it as such. The waste of electrical and electronic equipment covers a wide spectrum that ranges from the usual household appliances and computer equipment in any home or office, to a CT scanning machine, to battery-operated toys, calculators, mobile phones, or even some types of light bulbs.

Royal Decree 110/2015 on WEEE stipulates a new WEEE categorisation system that will come into force as of August 2018 and reduces the categories for this type of waste to seven, as detailed below. However, in this report, we have decided to keep the previous streams in tables and charts on managed volumes to facilitate comparisons with previous years.

WHAT DO WE DO WITH RAEE?

Each category of WEEE groups devices of very different technologies, which individualizes recycling processes to get the most out of all of them, safely eliminating harmful waste and taking advantage of materials that may have another useful life.





WEEE 2017 MANAGEMENT FIGURES



TEMPERATURE EXCHANGE

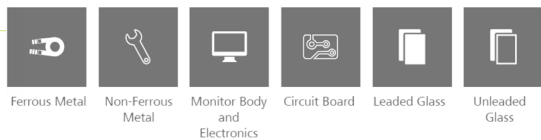
This type of WEEE includes all temperature exchange devices that use fluids other than water. Some contain refrigerant fluids classified as “substances with ozone depleting potential” (CFC, HFC and HCFC), which are currently prohibited or limited. These fluids are extracted from the devices in controlled atmospheres and then sent to specialised plants for disposal. The metals are recovered and the plastics can be used to make new products.



TV/MONITORS

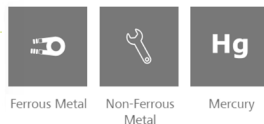


This category includes devices that use different technologies that require differentiated recycling processes, such as cathode ray tubes (from older televisions and monitors) that contain a phosphorus powder compound that is dangerous, but also glass, copper and other scarce materials that can be reused in the manufacture of other products. Or LCD-type flat screens (Liquid Crystal Display) that originally used mercury lamps to illuminate the image, which forces their manual disassembly to remove them.



LAMPS

Fluorescent tubes, low energy lamps, also known as compact fluorescent lamps, and LED lamps are considered WEEE. It is important to know that filament bulbs and halogen lamps are not considered WEEE. The lamps are crushed and washed or treated in pressurized containers, with specialised machinery to extract mercury and phosphorus, both of which are hazardous. The remaining materials are classified as glass, metals or plastics and can be reused for different uses.



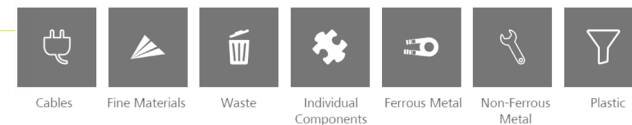
LARGE APPLIANCES (>50 cm)

The first stage of the recycling of these large appliances (of which those belonging to other categories are excluded) is decontamination: cables and other electrical components are separated; weights of concrete, plastics, ferrous components and other metals are separated. Subsequently these materials are sent to other plants for processing and recovery.



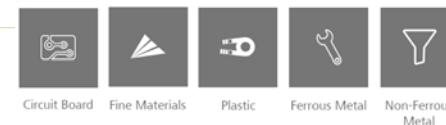
SMALL APPLIANCES (<50 cm)

This is the most complicated stream of WEEE due to the great variety of materials that can be recovered: wood, metal, plastics, glass, cardboard, etc. These devices are fragmented to separate the plastics from the metal and a previous decontamination is performed to remove batteries, cables, etc.



IT AND TELECOM (<50 cm)

This stream was previously integrated into that of small appliances. It is the flow of WEEE that is more dynamic and dependent on technological changes, which translates into a growing ubiquity and short life cycles. By means of different physical-chemical processes, metals such as copper, silver, gold, palladium and platinum, present in small quantities in these devices, are recovered.



PHOTOVOLTAIC PANELS

Silicon-based photovoltaic panels require a normal flat glass treatment and no special removal of the semiconductor layer. However, those that do not have a silicon base, based on cadmium telluride, require in their treatment a special technology for the elimination of semiconductors and the isolation of toxic heavy metals.





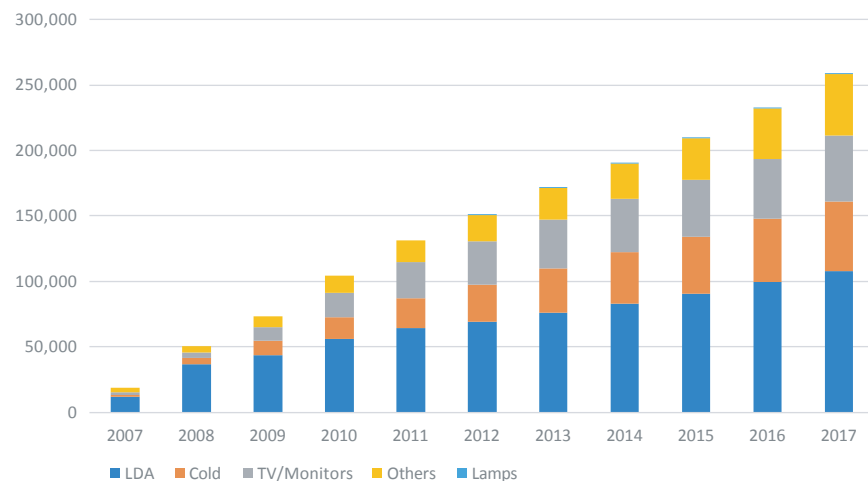
WEEE 2017 MANAGEMENT FIGURES

HOUSEHOLD WEEE

They come from both homes and commercial, industrial or institutional sources, provided that by their nature and volume they are similar to those of households. It is considered as urban waste and, as such, is managed through a collection network based on civic amenities, mainly. Household WEEE is also considered those that have a dual use (household and professional).

ELEVEN YEARS IN WEEE MANAGEMENT

Accumulated tons of WEEE collected



MARKET POSITION AMOUNTS

The market share of each EPR organisation is the parameter that establishes its WEEE collection and management obligations. To guarantee its veracity, ERP Spain annually audits, through an independent external company, the data provided by its members.



52,826 t

of **Household EEE**

placed on the market by producers belonging to ERP in 2017

With a **market share**

of 9.2 %



MARKET POSITION BY STREAM

COLD

6,507 t



TV/MONITORS

4,417 t



LAMPS

77 t



LDA

23,265 t



IT

12,049 t



OTHERS

6,510 t



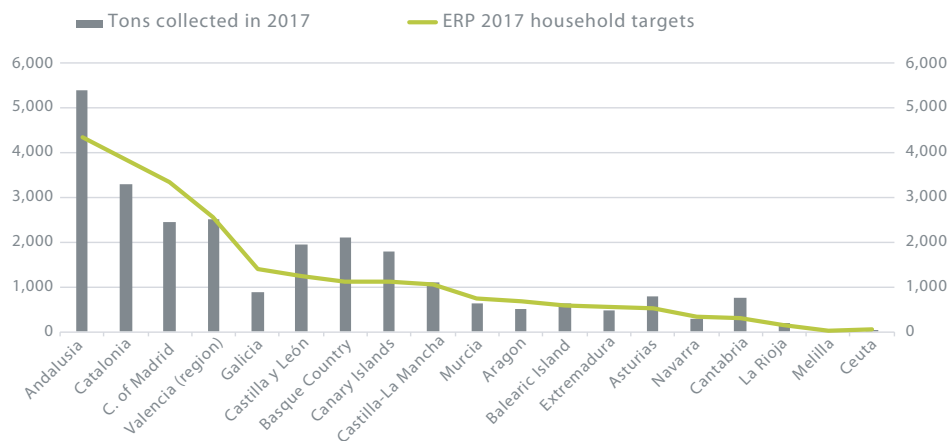


WEEE 2017 MANAGEMENT FIGURES



COLLECTION AND MANAGEMENT DATA

Tons collected by autonomous community in 2017*



*Regions organised by population.

The amounts collected in 2017 declared in the annual reports to the different administrations suppose 25,905 tonnes of household WEEE. These numbers do not represent the total effective tons collected by the ERP network, since during 2017, in addition to these quantities, ERP transferred a total of 4,127 tonnes of WEEE to other EPR organisations. This brings the total collected to 30,032 tonnes. Nor does it consider subsequent adjustments between systems to balance the collection efforts of everyone according to their market shares.

+13 %



25,905 t

of **Household WEEE**
collected by **ERP** in 2017

30,032 t

effective collection
before assignments to other
EPR organisations

However, the volume of WEEE collected and declared by ERP allows it to exceed the legal target assigned for 2017 by 1,821 tonnes, according to the distribution method defined in Royal Decree 110/2015. The regulation establishes, always in terms of weight, that in 2017 50% of the average of the EEE placed in the market in the years 2014, 2015 and 2016 and distributed that amount among the producers, based on their market share for the immediately preceding year.

COLLECTIONS BY STREAM

COLD

4,986 t



TV/MONITORS

4,384 t



LAMPS

27 t



LDA

8,399 t



IT

3,945 t



OTHERS

4,164 t

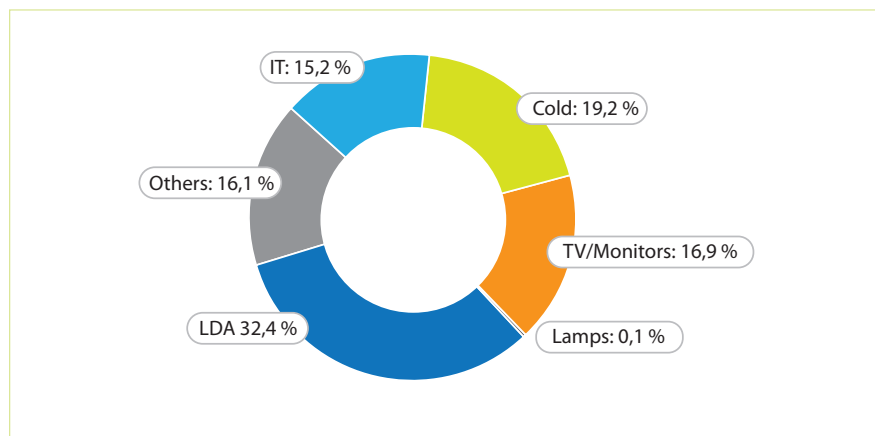




WEEE 2017 MANAGEMENT FIGURES

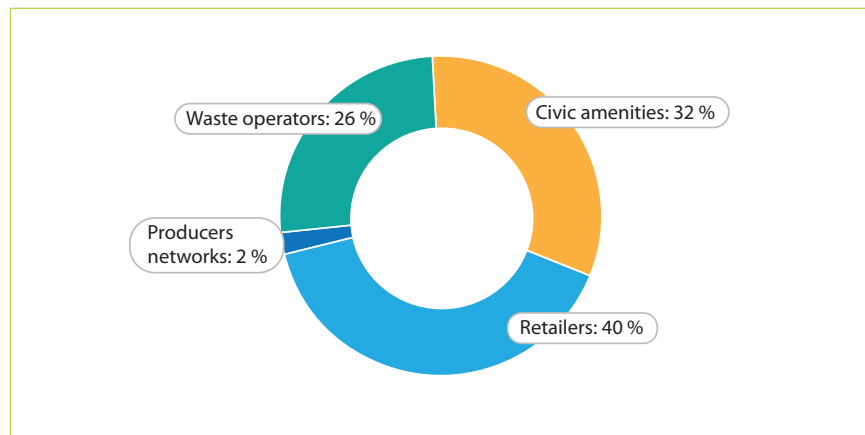
COLLECTION BY STREAM

Distribution collected by stream

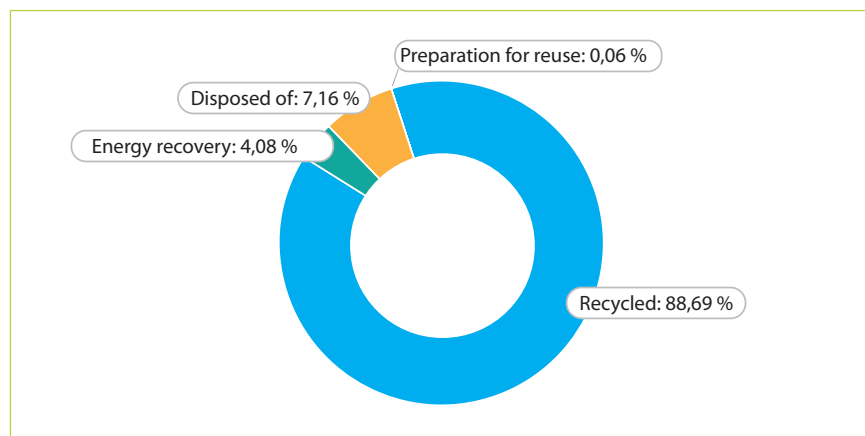


The new Royal Decree establishes a new categorization of types of collection points. Based on this and the nature of the collection point itself, the percentage of the distribution of the WEEE quantities collected by ERP in 2017 is as follows:

Distribution of quantities collected by origin according to RD 110/2015



Final destination of the Household WEEE collected and managed in 2017





WEEE 2017 MANAGEMENT FIGURES

PROFESSIONAL WEEE

By exclusion, WEEE that does not belong to the category of household use, as detailed in the current legislation, are for professional use. This type of WEEE has specific collection and management channels, which normally correspond to collections made on demand. For this reason, the management results of this WEEE class present a great difference with those of WEEE for household use.

Although ERP has not yet achieved the goal assigned to this class of WEEE, we have multiplied the WEEE collected this year by 76, going from 23 tonnes in 2016 to 1,761 in 2017.

MARKET POSITION BY STREAM

COLD

2,235 t



TV/MONITORS

1,319 t



LAMPS & PHOTOVOLTAIC PANELS

- t



LDA

2,399 t



IT

3,819 t



OTHERS

1,463 t



■ Puesto en el mercado

■ Recogido

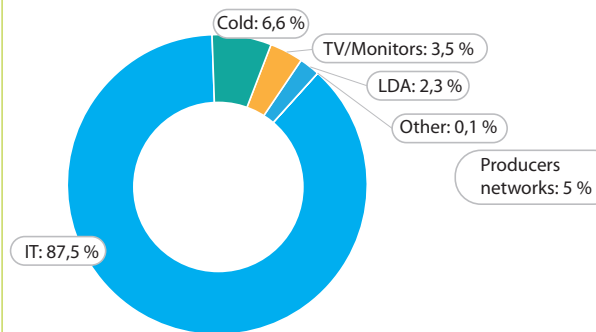


11,236 t

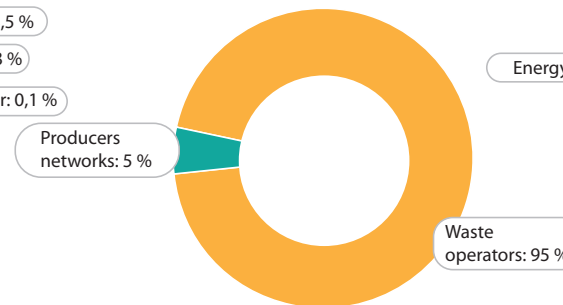
Professional WEEE

placed on the market by the producers belonging to ERP in 2017

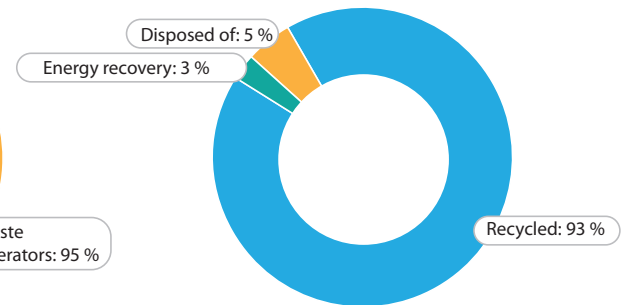
Distribution collected by stream



Distribution of quantities collected by origin according to RD 110/2015



Final destination of the Professional WEEE collected and managed in 2017





WEEE 2017 MANAGEMENT FIGURES

COLLECTION, LOGISTICS AND TREATMENT NETWORK

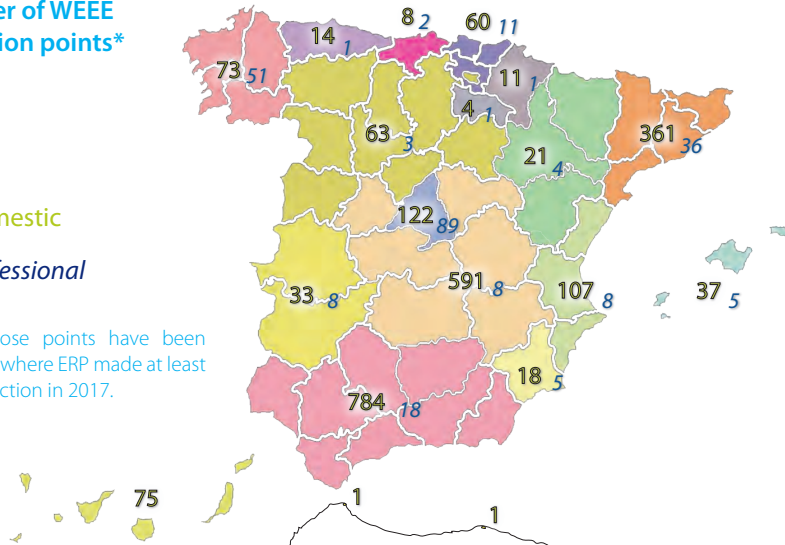
COLLECTION NETWORK

The ERP Spain collection network for WEEE from households is based on the municipal waste points, the EEE sales points (small, medium and large retailers) and others (mainly industrial and service companies, public administrations, educational institutions, etc.). These collection points form an extensive and multipurpose network that serves the entire national territory and is the main strength of ERP in order to meet the legal collection objectives year after year.

Number of WEEE collection points*

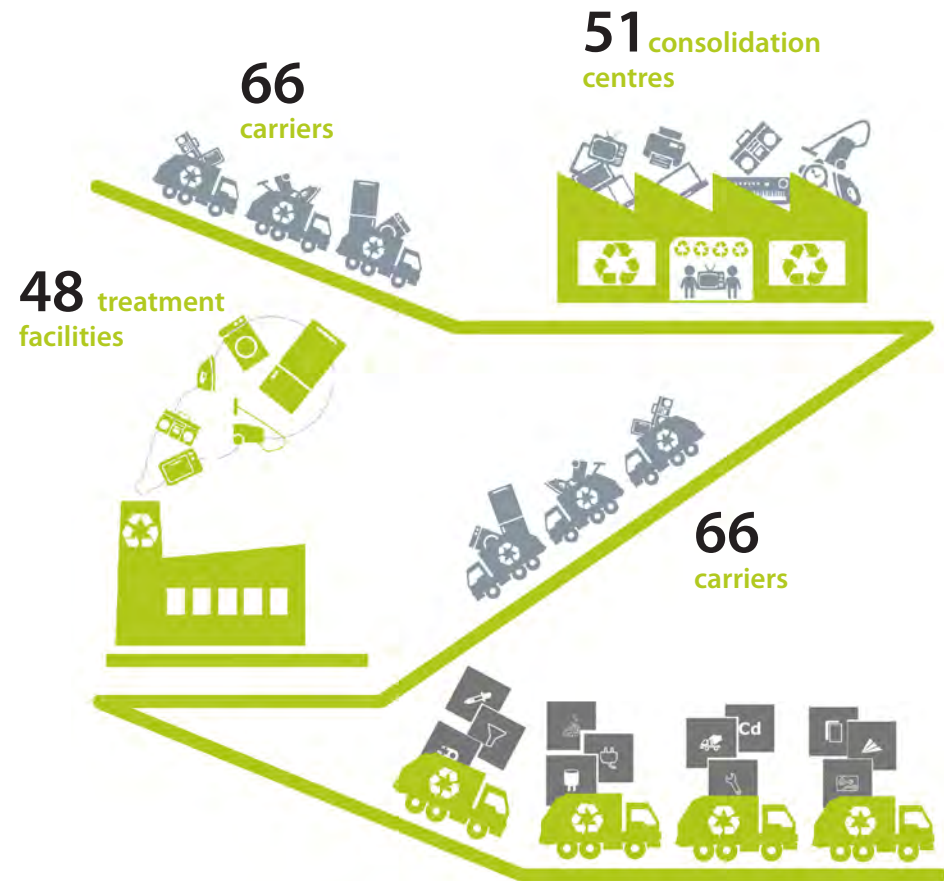
- Domestic
- Professional

*Only those points have been included where ERP made at least one collection in 2017.



LOGISTICS AND TREATMENT NETWORK

ERP Spain has an extensive logistics and treatment network, which guarantees uniform coverage throughout the territory, which allows it to successfully develop its work, as well as meet its objectives. To this end, we have established numerous agreements with operators, which meet the demanding conditions defined at national and international level by ERP in terms of environment, quality, prevention of occupational hazards, etc. The control of the logistics network is carried out through a proprietary web tool, called Flex, which guarantees the documentary traceability of the waste, monitoring all operations.





WEEE 2017 MANAGEMENT FIGURES



94
agreements
for collaboration
in the **collection** of
WEEE

SUPPLIER AUDITS

ERP executes an audit plan every year among its suppliers of the logistics and treatment network. The objective is to verify that the WEEE management is being carried out according to the quality standards of ERP, its associates and other involved parties.

11 **supplier**
audits
performed in 2017



PERMITS and AGREEMENTS

At the end of 2017, ERP had permits to operate in all the autonomous communities. With respect to the framework agreements, ERP has agreements with 11 autonomous communities and Ceuta. Lastly, ERP has signed other collection agreements with local entities (municipalities, associations, consortiums, public entities dedicated to the collection service, etc.) and even with other types of institutions such as universities, associations of distributors, hospitals, etc.



ABBREVIATED BALANCE SHEET

EUROPEAN RECYCLING PLATFORM - ERP, SAS

Fiscal years ended 31/12/2017 and 31/12/2016

Euros

ASSETS	2017	2016
A) NON-CURRENT ASSETS	34,013.77	15,345.79
I. Intangible fixed assets	(85.61)	(85.61)
II. Tangible fixed assets	12,486.44	8,194.71
V. Long-term financial investments	21,612.94	7,236.69

B) CURRENT ASSETS	9,275,025.64	8,632,179.37
II. Inventories	1,116.87	0.00
Advances Suppliers	1,116.87	0.00
III. Trade debtors and other accounts receivable	7,603,196.64	7,480,049.03
1 Clients from sales and provision of services	8,082,833.53	7,956,809.45
2 Clients, group and associated companies	(550,618.42)	(583,049.53)
3 Sundry debtors		0.00
6 Other credits with Public Administrations	70,981.53	106,289.11
IV. Short-term investments in group	14,157.33	913.52
V. Short-term financial investments	220,865.17	221,796.60
VI. Short-term end-of-period adjustments	1,225,669.59	884,400.61
VII. Cash and cash equivalents	210,020.04	45,019.61

TOTAL ASSETS	9,309,039.41	8,647,525.16
---------------------	---------------------	---------------------

NET ASSETS AND LIABILITIES	2017	2016
A) NET ASSETS	0.00	0.00
A-1) Equity	-15,576.05	-15,576.05
V Results carried forward	-15,576.05	-15,576.05
VII Results for the year	0.00	0.00
A-2) Adjustments for changes in value	15,576.05	15,576.05

C) CURRENT LIABILITIES	9,309,039.41	8,647,525.16
II. Short-term provisions for personnel expenses	0.00	0.00
III. Short-term debts	(4,962.21)	(2,801.48)
5 Other financial liabilities	(4,962.21)	(2,801.48)
IV. Short-term debts owed to group and associated companies	1,902,458.60	1,861,188.74
V. Trade creditors and other accounts payable	7,411,543.02	6,789,137.90
1 Suppliers	2,826,209.42	3,108,712.70
2 Suppliers, group and associated companies	895,583.20	545,236.03
3 Creditors	3,670,564.26	3,121,796.42
4 Remunerations pending payment		
6 Public Administrations	19,186.14	13,392.75
VI. Short-term end-of-period adjustments		

TOTAL NET ASSETS AND LIABILITIES (A+B+C)	9,309,039.41	8,647,525.16
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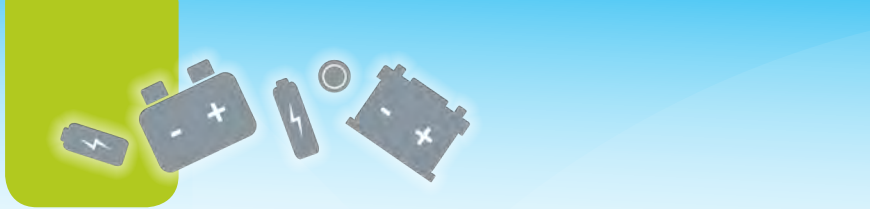
PROFIT AND LOSS ACCOUNTS

EUROPEAN RECYCLING PLATFORM - ERP, SAS

Fiscal years ended 31/12/2017 and 31/12/2016

Euros

(DEBIT) CREDIT	2017	2016
A) CONTINUING OPERATIONS		
1 Net turnover	7,211,930.99	6,736,901.12
b) Provision of services	7,211,930.99	6,736,901.12
4 Supplies	(6,382,811.47)	(6,044,765.79)
c) Work performed by other companies	(6,382,811.47)	(6,044,765.79)
5 Other operating revenues	569,489.48	504,765.87
6 Personnel expenses	(565,868.29)	(465,633.01)
a) Wages, salaries and similar	(450,492.63)	(376,859.29)
b) Employee welfare expenses	(115,375.66)	(88,773.72)
7 Other operating expenses	(764,737.36)	(673,670.30)
a) Outsourcing	(760,207.42)	(648,694.55)
b) Taxes	(4,529.94)	(9,024.23)
c) Losses, impairment and changes in provisions for trade transactions		(15,951.52)
8 Depreciation of fixed assets	(3,836.05)	(5,764.29)
13 Other results	(11,940.65)	(196.59)
A.1) OPERATING PROFIT	52,226.65	51,637.01
14. Financial revenues	0.00	0.00
b) From negotiable securities and other financial instruments	0.00	0.00
15 Financial expenses	(51,295.22)	(51,122.88)
b) For debts owed to third parties	(51,295.22)	(51,122.88)
16 Change in fair value of fin. instruments	(931.43)	(514.13)
a) Trading portfolio	(931.43)	(514.13)
A.2) FINANCIAL RESULT	(52,226.65)	(51,637.01)
A.3) RESULT BEFORE TAXES	0.00	0.00
17 Company Tax		
A.5) RESULT FOR THE YEAR	0.00	0.00



WB&A 2017 MANAGEMENT FIGURES

WHAT ARE WB&A?

This acronym refers to waste batteries and accumulators, which we dispose of in our homes and which, together with paints, solvents and aerosols, are the most dangerous domestic waste for our environment, if not managed properly. When we refer to batteries we are referring to non-rechargeable batteries and when we refer to accumulators this means rechargeable batteries, including batteries that go inside devices or vehicles.



WHAT HAPPENS IF THEY ARE NOT MANAGED CORRECTLY?



If we throw them away together with the rest of the waste, they could end up contaminating the subsoil and aquifers - when they end up in landfills - or the atmosphere - when they are incinerated.

In addition, some battery and accumulator technologies still contain heavy metals that must be recovered. Proper management, which begins with selective collection, allows for the treatment of hazardous components and the reuse of those that are scarce and expensive to extract, collaborating in the reduction of the exploitation of natural resources.



ERP Spain

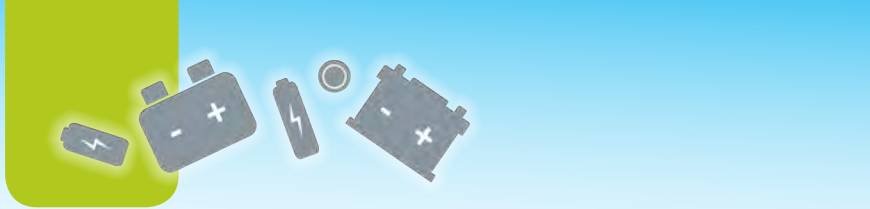
increased **collection of portable WB&A**

by **2 %** in 2017



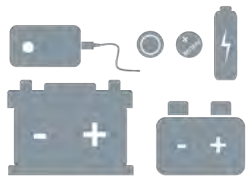
ERP

managed **more than a half of the portable batteries** sold by manufacturers



WB&A 2017 MANAGEMENT FIGURES

DIFFERENT BATTERY TECHNOLOGIES AND MANY MATERIALS TO BE RECOVERED



The batteries and accumulators are divided into portable, automotive and industrial. Portable, in turn, can be button, standard and portable accumulators.

The components included are multiple and differentiated since they use different technologies, such as lithium ion, acid lead, nickel cadmium, nickel metal hydride, etc., to supply us with energy. Through

advanced technical procedures of distillation, thermal recovery, hydrometallurgy or foundry we can recover many materials and thus give them a new useful life.

Material recovered



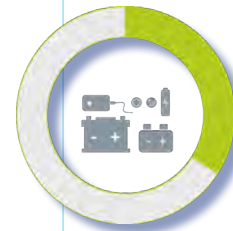
MARKET POSITION AMOUNTS



5,431.5 t

of WB&A placed on the market by the producers belonging to ERP in 2017

ERP Spain



hold a market share of **34.7 %** de cuota de mercado in **portable batteries and**

accumulators with **4.167 t** in 2017

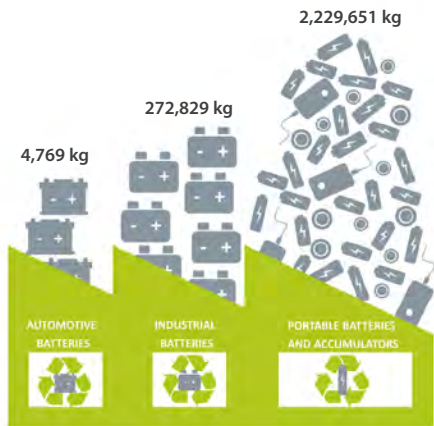
MARKET POSITION IN 2017

	Units	Weight	% Market
BUTTON BATTERIES (Diameter > height)	10,778,446.00	30,066.83	16.65%
STANDARD BATTERY (Not button, weight < 1k)	162,448,617.00	3,590,206.49	43.30%
PORTABLE ACCUMULATORS (Non-industrial or automotive)	8,928,212.00	533,139.03	15.26%
TOTAL PORTABLE (includes other portable types)	182,456,202.00	4,166,862.03	34.68%
BATTERIES, ACCUMULATORS AND AUTOMOTIVE BATTERIES	14,915.00	209,294.84	0.16%
BATTERIES, ACCUMULATORS AND INDUSTRIAL BATTERIES	304,968.00	1,055,303.37	2.56%



WB&A 2017 MANAGEMENT FIGURES

QUANTITIES COLLECTED AND MANAGED



2,507,249 kg

of accumulators and batteries

collected in 2017

45.97 %

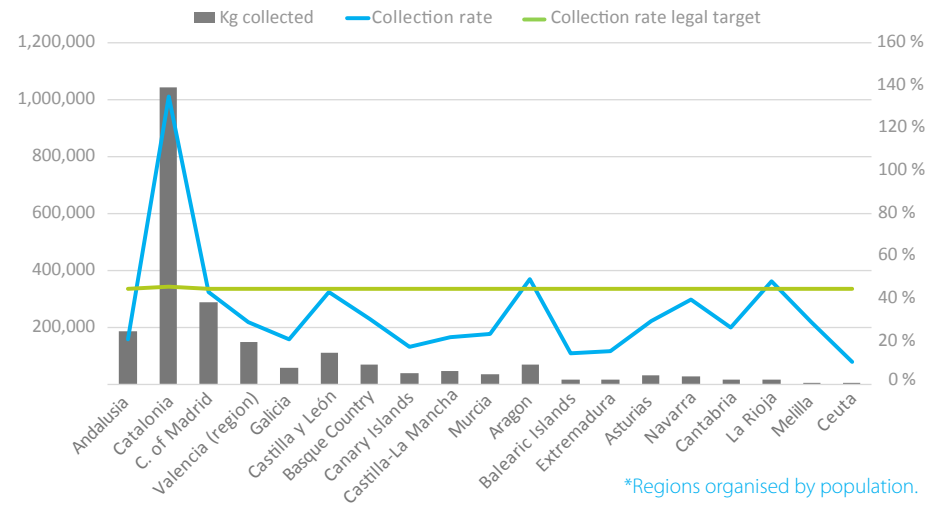
Collection Index 2017



The index of waste collection of portable batteries and accumulators of ERP Spain in 2017 stood at 45.97%, a percentage that exceeds by almost one percentage point the legal target of 45% marked by the EU. The Royal Decree foresees that as of 2021, this index should rise to 50%.

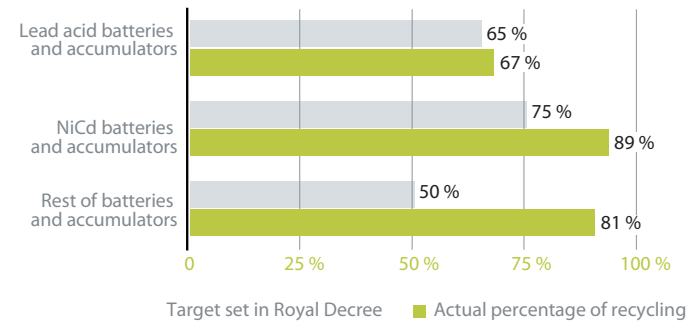
BATTERIES AND ACCUMULATORS MANAGED IN 2017

Kilograms collected by Autonomous Community in 2017 (*)



*Regions organised by population.

WB&A management results 2017



ERP Spain

recycled in 2017 a total of

1,869,453 kg
of batteries and accumulators



WB&A 2017 MANAGEMENT FIGURES

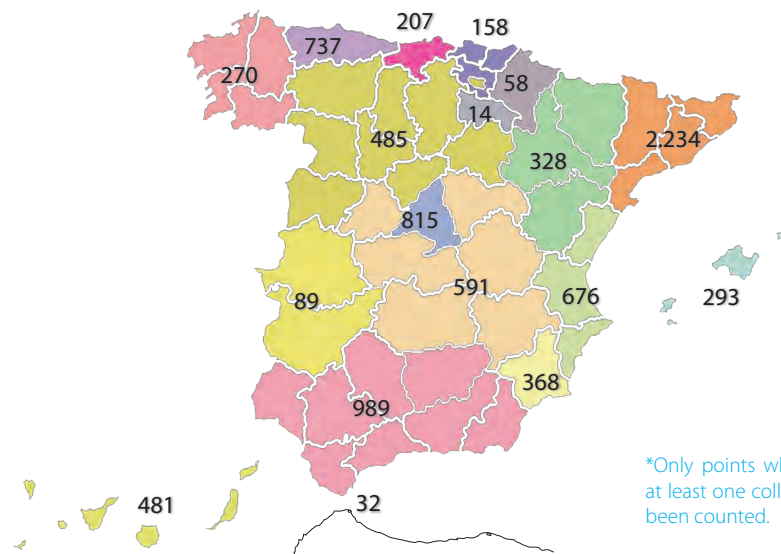
COLLECTION NETWORK

ERP collaborates with schools, hospitals, universities, administrations, companies, etc. to make the collection and subsequent management of this type of waste easier.

In 2017, ERP made collections at **9,797 points** deployed throughout the national territory, which represents an increase of more than 2,000 collection points over the previous year.

These points belong to different typologies, from selective collection (municipal cleaning points or containers located in urban furniture, stores or supermarkets, among others), to consolidation centres in which other entities, public or private, put at our disposal the waste they have collected at different selective collection points. This means that the effective extension of the collection network over which ERP operates is much wider than the figures reflect.

Number of WB&A collection points*



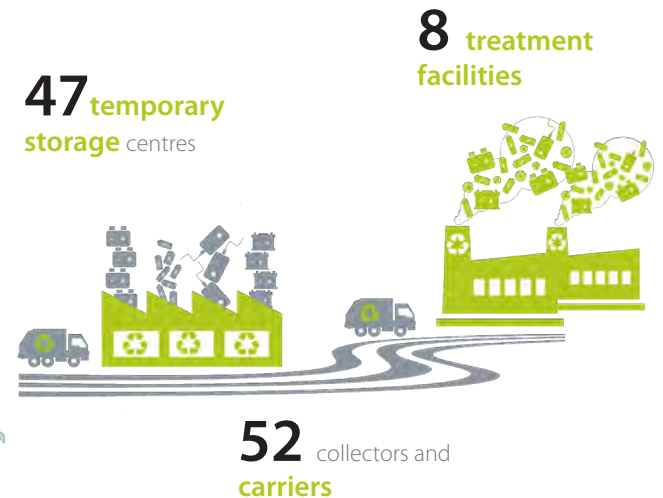
*Only points where ERP has made at least one collection in 2017 have been counted.

PERMITS AND AGREEMENTS

ERP Spain holds a permit to act as an ERP Organisation for WB&A in all the autonomous communities. In addition, we have established specific framework agreements with the autonomous communities of Andalusia, Asturias, the Balearic Islands, Catalonia and Galicia and the autonomous cities of Ceuta and Melilla and are in process in many others.

LOGISTICS AND TREATMENT NETWORK

ERP Spain has a network of WB&A managers that guarantees uniform coverage throughout the country, with the peculiarity of being more concentrated than WEEE, which allows us to better deal with the treatment of such waste, given their special logistical needs and technology. The agreements reached with their managers define a reliable service standard that meets all the demanding requirements of ERP in environmental, quality and occupational risk prevention, both nationally and internationally. In addition, as with the WEEE, all the control of the logistics network is carried out through the Flex tool, which allows us to monitor the operations from the point of collection to the disposal of the waste.



52 collectors and carriers

59 Collaboration agreements for collection of batteries





ABBREVIATED BALANCE SHEETS

EUROPEAN RECYCLING PLATFORM ESPAÑA S.L.U.

Fiscal years ended 31/12/2017 and 31/12/2016

Euros

ASSETS	31/12/2017	31/12/2016
NON-CURRENT ASSETS	135,415.24	64,203.70
II. Tangible fixed assets	108,015.24	64,203.70
2 Technical plant and other tangible fixed assets	108,015.24	64,203.70
V Long-term financial investments	27,400.00	

B) CURRENT ASSETS	4,200,683.94	4,507,627.31
II Inventories		
III. Trade debtors and other accounts receivable	2,140,542.09	2,128,114.31
1 Clients from sales and provision of services	2,002,121.31	1,944,766.21
3 Sundry debtors		0.00
6 Other credits with Public Administrations	138,420.78	183,348.10
IV. Short-term investments in group & associated companies	1,902,458.60	1,861,188.74
5 Other financial assets	1,902,458.60	1,861,188.74
V Short-term financial investments	99,325.91	99,662.80
3 Debt instruments	99,325.91	99,662.80
VI. Short-term end-of-period adjustments		
VII. Cash and cash equivalents	58,357.34	418,661.46
1 Cash in hand and in banks	58,357.34	418,661.46

TOTAL ASSETS (A+B)	4,336,099.18	4,571,831.01
---------------------------	---------------------	---------------------

NET ASSETS AND LIABILITIES	31/12/2017	31/12/2016
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	4,252,656.37	4,488,388.20
IV Short-term debts owed to group & associated companies	11,947.39	0.00
V. Trade creditors and other accounts payable	1,519,697.80	1,780,564.94
1 Suppliers, short-term	292,853.15	353,484.82
2 Suppliers, group and associated companies	(551,312.74)	(599,999.99)
3 Sundry creditors	1,778,052.46	2,027,021.02
6 Other debts owed to Public Administrations	104.93	59.09
VI. Short-term end-of-period adjustments	2,721,011.8	2,707,823.26

TOTAL NET ASSETS AND LIABILITIES (A+B+C)	4,336,099.18	4,571,831.01
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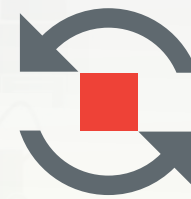
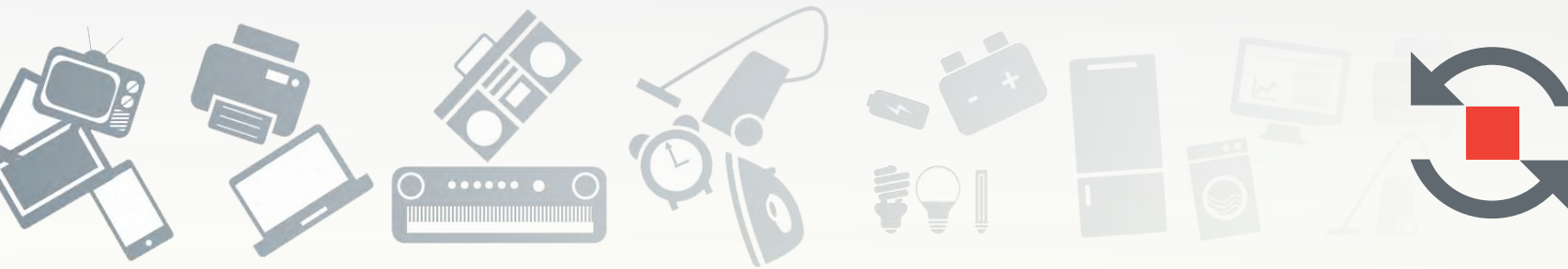
PROFIT AND LOSS ACCOUNTS

EUROPEAN RECYCLING PLATFORM ESPAÑA S.L.U.

Fiscal years ended 31/12/2017 and 31/12/2016

Euros

	31/12/2017	31/12/2016
A) CONTINUING OPERATIONS		
1. Net turnover	2,911,872.74	2,930,120.19
b) Provision of services	2,911,872.74	2,930,120.19
4. Supplies	(2,310,983.61)	(2,396,519.69)
c) Work performed by other companies	(2,310,983.61)	(2,396,519.69)
7. Other operating expenses	(636,713.89)	(585,450.07)
a) Outsourcing	(634,508.61)	(583,307.08)
b) Taxes	(2,205.28)	(1,621.34)
c) Losses from failed trade credits		(521.65)
8. Depreciation of fixed assets	(9,983.46)	(4,341.98)
13. Other results	(5,772.81)	(1,261.88)
A.1) OPERATING PROFIT (1+4+5+6+7+8+10)	(51,581.03)	(57,453.43)
A.2) FINANCIAL RESULT (14+15)	51,581.03	57,453.43
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