

European Recycling Platform

ANNUAL REPORT 2016

ERP SPAIN 2016 ANNUAL REPORT

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Design and production: Ippi Comunicación

Translation: Ibertrad Servicios Empresariales S.L

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UMBERTO RAITERI

President and CEO of ERP SAS

The compliance sector continues to face new and complex challenges from different directions: new legislation, commodity price swings, growing monopolistic tendencies, lack of enforcement and new ambitious targets set by the EU. The European Recycling Platform finds itself at the forefront of many of these discussions and we believe that by continuing to be a steadfast, consistent and reliable stakeholder we are fulfilling the expectations of our clients and members. During 2016, we have utilised our resources not only to deliver efficient and competitive takeback services in a growing number of countries, but also to bring the voice of our customers to the political arena in Brussels.

“All in all, the European Recycling Platform, the Landbell Group and its subsidiaries are leading the Circular Economy”

We were requested to share our experience and expertise in several countries outside of Europe. We now offer consulting services to local authorities and stakeholders worldwide helping them to shape sustainable implementation of new waste laws. We have also intensified our efforts to expand our reach in Latin America and most recently in Africa as a growing number of producers have asked us to help them in managing their obligations in these regions.

At the same time, we have enlarged our service portfolio by adding consultancy services on REACH, RoHS and other chemicals regulations. This offering will allow more producers to streamline their supplier base and optimise the burdensome administrative process regarding their compliance obligations.

To complete our offering, our IT solutions and specialist software are unique in the market and have attracted a lot of attention across the world. Compliance schemes from Canada, Brazil, Australia and New Zealand are using or have approached us to use our software to run their operations.

All in all, the European Recycling Platform, the Landbell Group and its subsidiaries are leading the Circular Economy providing a complete range of high quality, efficient and competitive services. Among our local companies, ERP Spain stands out as a reliable, competent and effective provider of WEEE and battery compliance and is delivering on its targets. As a testament to this, ERP Spain 2016 results speak for themselves. In a year where WEEE and battery collection targets have increased significantly, ERP Spain not only met but exceeded these new ambitious goals for both waste streams. This is excellent news and the best proof of our strength for the future.

I would also like to take this opportunity to thank our members and all stakeholders, who with their continued support of the WEEE and Battery Directives have made Spain the excellent reference country it is today.





RICARDO NETO

Regional Manager of ERP Iberia

In 2016, ERP reinforced its response to the challenges posed by the implementation of the new legislation on extended producer responsibility. And using the word *challenges* is particularly significant in the Spanish context, since the legislative requirements and stipulations have increased with respect to the past, for the purpose of raising the recycling rates and for addressing the problems associated with waste management which, at the present time, are weighing on the recycling figures in some sectors such as in the case of WEEE. For this reason, Royal Decree 110/2015 on WEEE is in a number of aspects more exacting than the Directive it transposes, and this circumstance is a significant challenge for us. A challenge which, I dare to say, we are successfully meeting, as evidenced by the very good WEEE and WB&A management figures achieved last year.

Also, despite the delay in the administrative process for the issuance of the new permits to the WEEE EPR organisations in accordance with the new Royal Decree, ERP has managed to implement the procedures and tools necessary for making a successful transition to the sector's new management model, at the same time as it has improved its operating capacity in all of the channels of access to the waste.

In fact, in the household collection channels, both municipal as well as distribution, we have opted for the consolidation of the collaboration frameworks between the EPR organisations and the players involved. And, in relation to these players, we firmly believe that the distributors are essential to the waste management chain. For this reason, we are devoting significant effort to involving the electrical appliance retail sector as much as possible in our day-to-day.

Likewise, through pilot experiments, we are exploring new ways to improve the collection facilities both in

quantitative terms as well as with respect to their adaptation to the new environmental protection and traceability requirements. In this regard, as the head of ERP Iberia, I would like to illustrate the initiatives of this kind through a practical example: the participation of the EPR organisations of ERP Spain and ERP Portugal in a collaborative project among municipal entities of both countries, for the purpose of the adaptation of the collection systems to the development of the reuse solutions in an area between regions of the two countries, specifically between Galicia and the north of Portugal.

“ERP has managed to implement the procedures and tools necessary for making a successful transition to the sector's new management model, at the same time as it has improved its operating capacity”

These initiatives demonstrate, once again, the importance of sharing our know-how and the experiences we have accumulated within the ERP group, as well as the synergies between countries, contributing in this way to the development of innovative solutions adapted to the diversity of the national, regional and local contexts.

From a more general perspective, these initiatives are also a clear demonstration of the willingness and of the capacity of our group for playing a proactive role in the new circular economy model, by designing and implementing specific and efficient service solutions for producers. At ERP, we clearly understand that a common commitment is the key to a successful transition to the circular economy, indispensable for the preservation of the increasingly scarce natural resources of our planet, and we will continue to act accordingly in the years to come.



MATIAS RODRIGUES

General Manager of ERP Spain

Yet another year, I am writing these few lines with the satisfaction of being able to share with you the success of our WEEE and WB&A management results for 2016. The numbers speak for themselves: we have succeeded in collecting 22,960 tonnes of WEEE (around 1,000 more than the legal target) and 2,185 tonnes of batteries (37 more than the legal target). These figures, in the first place, enable our member producers to comply with their collection obligations, the cornerstone of the success of the implementation of the extended producer responsibility systems. In addition, they also demonstrate our capacity for providing a response to increasingly more demanding requirements, in a current environment of transition characterised by uncertainty, particularly with respect to a number of aspects with an impact on our operations.

“ERP wants to be an essential part of the circular economy strategy in Europe and in Spain. We are a catalyst of the relationship between manufacturers and waste managers and should continue as such”

In 2016 and so far in 2017, progress has been made on many key issues involved in the effective implementation of Royal Decree 110/2015, however, unfortunately there is still a long way to go. At the time of writing these few lines, the process for the adaptation of our permits is now in its final stage, and we trust that we will soon have them in our possession. I am convinced that if the content of the permits is focussed on attaining the targets of prevention and control of the management established in the Royal Decree, the development of the entire sector

will be guaranteed. Therefore, we believe that it is essential for all of the permits to have clear and equal terms and conditions for everyone, avoiding bureaucratic impediments and differences between territories and opting for efficiency in the use of resources.

In this context, the way in which the control tools established by the regulations are implemented is equally important and, for this reason, I feel it is essential to capitalise on the experience acquired by ERP over the years. Our computerised documentary control and traceability systems, which are already used on a large scale by managers and collection points, have achieved in this time a level of efficiency and usability which should not be lost. Likewise, the structure of framework agreements with government administrations promoted by the Coordination Office of the WEEE EPR organisations, as well as their experience in the organisation of the waste collection and the distribution of the obligations between compliance schemes, are success stories which should serve as a starting point for any future improvement scenario.

Looking somewhat beyond the present, ERP also wants to be an essential part of the circular economy strategy in Europe and in Spain. We are a catalyst of the relationship between manufacturers and waste managers and should continue as such. This role as a mediator between these and other actors places us in a privileged position for succeeding in closing the virtuous circle transforming waste into resources. A potential which should be nurtured and promoted. Similarly, our experience in the supervision of the processes and in the documentary control associated with waste management makes us fundamental allies of governments in order to continue developing the waste management sector, in the next few years, in the environment of the circular economy.



WHO WE ARE

European Recycling Platform is a pan-European organisation concerned with the management of electrical and electronic equipment waste (WEEE) and waste batteries and accumulators (WB&A).

ERP was created in 2002 by four major producers: Electrolux, HP, Sony and Braun, in response to the first European Directive on WEEE.

The basic objective was to enable companies to benefit from the advantages of a common organisation in the management of their waste, both on the domestic as well as the international level.

Later, in 2008, the company's scope of activity was expanded to include waste batteries as well as packaging and solar panels in a number of countries.

ERP has become the largest world network of experts in Extended Producer Responsibility and the only entity in the world that offers compliance services to manufacturers and importers in 32 countries.

In Spain

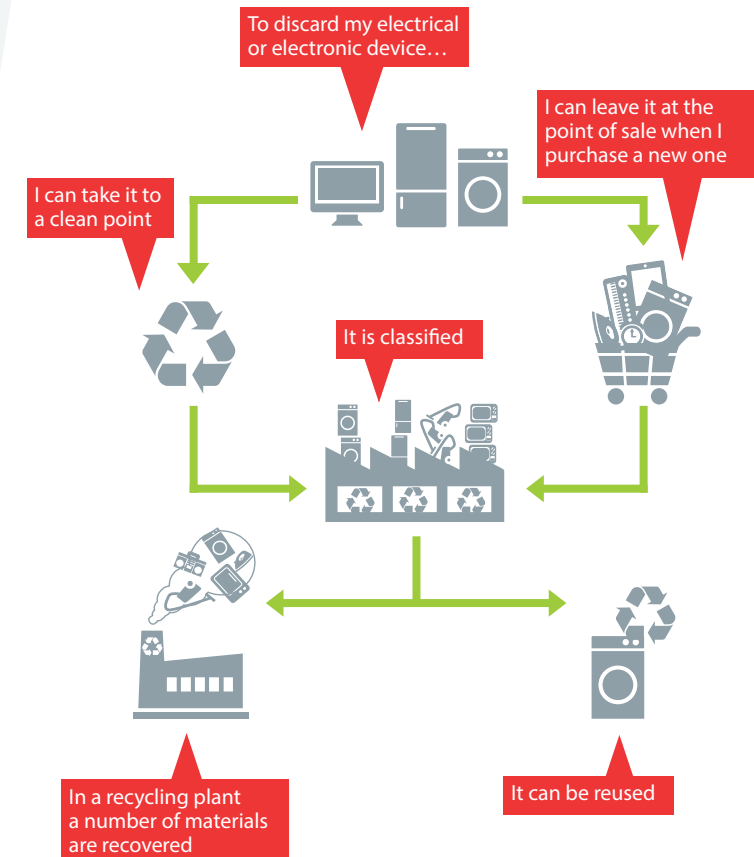
ERP created its delegation in Spain in 2005, operating as a WEEE manager and, later, as a manager of batteries and accumulators.

For this purpose, ERP has two separate not-for-profit companies which share the same shareholder composition: ERP Spain SLU, devoted to the management of WB&A, and ERP SAS Branch in Spain, concerned with the management of WEEE.

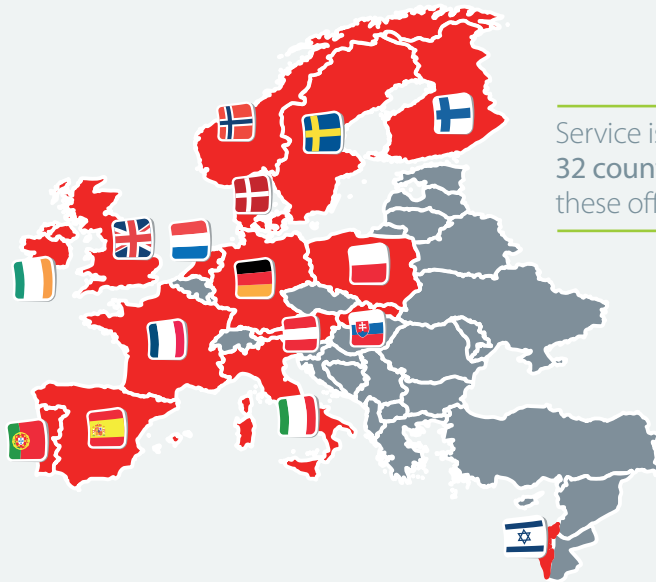
Eleven years of work later, ERP Spain is one of the most outstanding EPR organisations managing WEEE and batteries, with a 9.8% market share in WEEE and 38.9% in batteries.

THE CIRCULAR ECONOMY OF WEEE AND WB&A

How is WEEE recycled?



KEY FACTS



Service is provided to **32 countries** through these offices.

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.

ERP in Spain

183 COMPANIES ADHERED



to its WEEE and WB&A EPR organisations

232,500 tonnes of **WEEE MANAGED**



9.8% ERP Spain **MARKET SHARE** in **WEEE** in 2016



1,862 WEEE **COLLECTION POINTS**



13 AUDITS of **SUPPLIERS** performed in 2016



10,000 tonnes of **WB&A MANAGED**



38.9% ERP Spain **MARKET SHARE** in **WB&A** in 2016

7,717 WB&A **COLLECTION POINTS**



25 **AWARENESS-RAISING CAMPAIGNS** carried out in 2016



ERP in the world

DIRECT PRESENCE IN

17 countries 

+41,000  
tonnes of **WB&A MANAGED**

+2.8 million     
tonnes of **WEEE MANAGED**

+3,200 AGREEMENTS 
in place with **producers**

+200 EMPLOYEES 
in the group for managing **extended producer RESPONSABILITY**

Environmental benefits

Since the start of its activity, ERP..



Has **PREVENTED** the **emission** to the atmosphere of more than **30 MILLION tonnes of CO₂-equivalents**, equal to the CO₂ which 560,000 hectares of **forest** lands would capture.



Has **SAVED 12,600 MILLION kWh** of **primary energy**, equal to the energy consumption of **700,000 HOUSEHOLDS** during an entire year.



Has **COLLECTED WEIGHT** equivalent to that of **466,000 elephants** or **4,870 Airbus 380's** carrying a full load.

COMMUNICATION AND AWARENESS-RAISING

One of ERP's most important objectives is to raise the awareness of society as a whole, beginning with its citizens and continuing on to include companies and public institutions, with respect to the importance of the proper management of the recycling of waste electrical and electronic equipment and batteries and accumulators. For this purpose, each year ERP carries out numerous communication campaigns, either individually or in conjunction with other EPR organisations. Sports events, day-long recycling programmes for families, activities at schools, exhibitions or recycling competitions are a few examples of activities that help to promote responsible behaviour and to bring citizens into closer contact with the appropriate means for discarding these waste items properly.

Another fundamental channel for attaining this objective is to maintain a fluid relationship with the media, since they are an indispensable vehicle for communicating to members, authorities and society in general the successes obtained in the field of WEEE and WB&A recycling and the social and environmental awareness-raising activities carried out.

Awareness-raising highlights

The Apila2 Race: Sport for creating awareness

Hundreds of people of all ages participated in the Apila2 race in pairs held in Palma de Mallorca on 13 November 2016. The main purpose of this sports event was to raise the awareness of the Balearic Islands citizenry with respect to the importance of battery recycling for the environment and for people's health, placing a special focus on university students and families who are in a position to promote -quickly and easily- responsible environmental attitudes towards their immediate surroundings.

ERP, the Association of Environmental and Consumer Education, (ADEAC) and the University of the Balearic Islands (UIB) furthered this initiative with the support of the Regional Government.

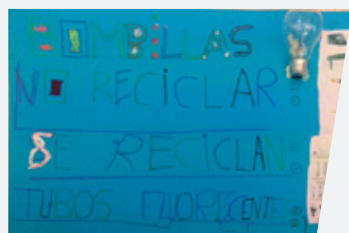


In the photos on the left and right, a number of participants during the race. The centre photo shows Matias Rodrigues (left), accompanied by the Head of the Environment Department, Vicenç Vidal (centre) and the Deputy Rector for Campus, Cooperation and Healthy University of the UIB, Antoni Aguiló (right).

Place the Focus on WEEE

Five Andalusian schools belonging to the Eco-schools' network were given awards in June 2016 in the "Pon el foco en los RAEE" (Place the Focus on WEEE) competition, an awareness-raising contest on the importance of recycling WEEE, organised by ERP Spain and ADEAC in conjunction with the Regional Government of Andalusia.

Place the Focus on WEEE was the principal activity in an awareness-raising campaign, under the same name, in the Andalusian Eco-schools. WEEE Month was celebrated in the framework of this same campaign, with the installation at the participating Eco-schools of containers for the collection of small items of electrical and electronic equipment stored in households and in the schools themselves.



The "Te suenan los RAEE" (Does WEEE sound familiar to you?) awareness-raising event was held for the second time

The second edition of the recycling awareness-raising event called "Does WEEE sound familiar to you?" was held in Seville on 28 May 2016. During the event, organised by ERP and ADEAC with the collaboration of Lipasam, participants, both children as well as adults, were able to enjoy a number of entertaining workshops on the recycling and reuse of WEEE.

The Head of the Environment Department of Andalusia inaugurated the annual executive meeting of ERP

The Head of the Department of the Environment and Land Planning of the Regional Government of Andalusia, José Fiscal, inaugurated ERP's annual executive meeting, which took place in Seville in November 2016. To open the event, José Fiscal gave a talk on the 'Circular Economy in Andalusia', in which he advocated the promotion of mass communication actions through awareness-raising campaigns to heighten the awareness of the population and contribute to meeting the targets of Royal Decree 110/2015.

The event, which is held yearly, is an update of the situation of the group in the face of the most proximate challenges confronting it in relation to Extended Producer Responsibility. Seville is the fourth Spanish city to host this initiative, following Madrid, Barcelona and Palma de Mallorca.

Matias Rodrigues, accompanied by the Head of the Environment Department of the Regional Government, José Fiscal (in the centre of the photo).



Other activities of interest

Recycling batteries in Granada has a “battery of advantages” (una pila de ventajas)

The Town Council of Granada, in conjunction with ERP and Inagra, the company responsible for the city's cleaning services, carried out an interesting campaign during the months of May and June of last year for raising the awareness of Granada's citizens with respect to the importance of recycling used batteries and of improving the recycling figures of this waste. Featuring the slogan “for each battery recycled, there is a battery of advantages” [a play on words in Spanish: “pila” means a “battery” and also “a large amount”], a website was set up offering information of interest on batteries and accumulators and their effects on the environment and people's health. In addition, the site included a map showing the location of the containers or recycling points for batteries.



ERP takes part in the defence of the sea through the Sea of Seas Festival

ERP had a significant presence at the third edition of the Sea of Seas Festival, held in A Coruña (Galicia) in September 2016. Specifically, ERP sponsored two of the most important activities of the festival: the Sea Skin exhibition of the Galician photographer, Xulio Villarino, and the Sea Market, where the Island of Recycling was created. In this space ERP, among others, conducted workshops for all ages on the importance of recycling waste. In addition, ERP provided containers for depositing waste batteries and accumulators.

On your way to school, recharge my batteries

ERP Spain and the Provincial Waste Consortium of Palencia started a campaign in September to raise awareness about battery recycling by targeting school children in the province of Palencia. Under the title ‘On your way to school, recharge my batteries’ (De camino al cole, ponme las pilas), the campaign was carried out in 53 kindergartens and primary schools in 23 municipalities in the province, including the capital city.

In the framework of this campaign, a number of waste battery containers were installed on several streets in municipalities of the province. Moreover, to encourage the participation of the youngest members of the community, the campaign created a character called the ‘Battery-Eater’ who, in addition to decorating the outside of the containers, informed the children about the location of the new container and explained its use.



Significant campaigns with other EPR organisations

ERP Spain maintains close cooperation with other EPR organisations in carrying out communication campaigns financed jointly. A few of the most outstanding activities carried out in 2016 are highlighted below:

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

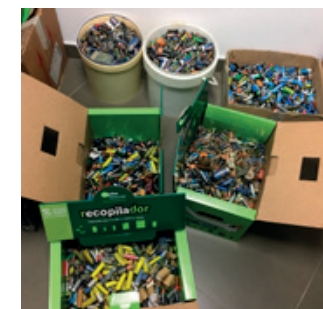
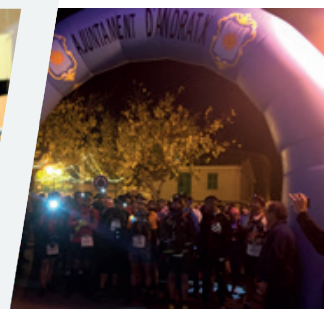
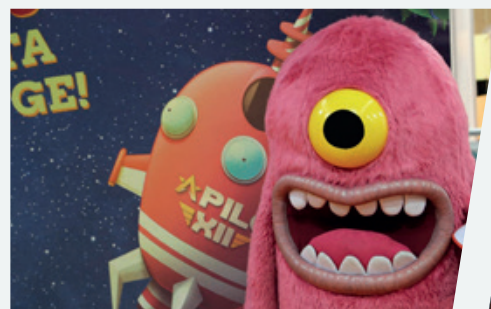
The successful used battery collection competition, “Les Piles, a l’Apilo de l’Escola”, was held in 2016 for the second time in Catalan schools. On this occasion, the school children in the province of Lleida proved themselves to be the most environmentally aware, as the winners were two schools located in the Les Garrigues region: Solerás and l’Espígol. In this second edition of the contest, 496 schools from the entire territory of Catalonia participated and succeeded in collecting more than 36 tonnes of waste batteries.

The contest is a part of the Apilo XII campaign for promoting the selective collection of batteries and accumulators, organised by the Regional Government of Catalonia since 2014 through its waste agency, Agència de Residus de Catalunya (ARC), and with the support of ERP Spain, Ecolec, Ecopilas and Unibat.

ERP sponsors the Tramuntana Travessa sports competition

ERP and Ecopilas were the sponsors of the Tramuntana Travessa, a high-level competition held in Mallorca as the outcome of the joint effort of a number of mountain sports clubs in the area where the competition took place, combining the organisation of a sports activity with minimal impact on the natural environment and private properties. During the race, several containers of batteries were filled, thanks to the outstanding involvement of the 600 participants in the event, who deposited their used batteries at the stand set up by the two entities.

In addition, ERP and Ecopilas organised a number of interaction activities in the areas adjacent to the race, for the purpose of raising the awareness of the citizenry about the proper management of waste of this kind.



“RAEEciclaLos” demonstrated the importance of WEEE recycling to the Aragon community

The Government of Aragon and the EPR organisations specialised in WEEE, including ERP Spain, organised an environmental awareness-raising campaign to demonstrate to the local community the importance of the proper recycling of waste electrical and electronic equipment. As the focal point of the campaign, the organisers created a travelling exhibition called “RAEEciclaLos”, centred on the involvement of the community for improving the recycling of these devices once they have reached the end of their useful life. The campaign was held in 27 municipalities in Aragon.

The Head of the Department of Rural Development and Sustainability, Joaquín Olona, during the presentation of the campaign.



Recycle with All Five Senses

During 2016, the Regional Government of Valencia, together with the principal EPR organisations, including ERP Spain, continued the successful campaign called Recycle with All Five Senses (Recicla Amb els Cinc Sentits).

The campaign, still active today, was initiated in 2014 with the objective of raising citizens’ awareness of the importance of the proper recycling of waste as well as the need for implementing environmental best practices, such as reuse.

The “La Naturaleza no necesita que le echemos ningún cable” campaign organised in Andalusia continued in 2016

The Andalusian initiative “La Naturaleza no necesita que le echemos ningún cable” (“Nature does not need us to throw it a cable”) [a play on words in Spanish: “echar un cable” means a “throw a cable” and also “help someone”] continued its information and awareness-raising activities in support of the collection of small domestic appliances (SDA) in Andalusia up to December 2016. The goal was to increase the WEEE collection share, particularly SDA, in the small distribution sector in the territory of Andalusia, through raising the awareness not only of the citizenry but also of businesses with respect to the importance of recycling these devices properly.



Communication

The media are indispensable for conveying our messages and successes to society in general and to members in particular. For this reason, in 2016 we continued our ongoing relationship with them through the publication of press releases, opinion articles or mentions in reports on the sector, among other examples. The issues addressed in 2016 were concerned with the proper management of WEEE and WB&A, the key 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. We obtained a total of 352 appearances in the generalist and economic press, specialised magazines, Internet portals and radio programmes.



Internet and Social Networks

In 2016, 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.

2016 WEEE MANAGEMENT FIGURES

What does the term WEEE mean?

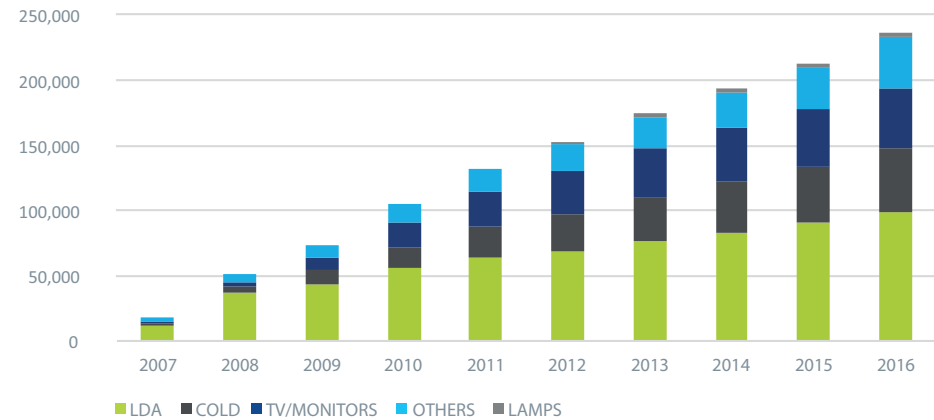
It can refer to devices ranging from a washing machine or a battery-operated toy through to a mobile phone, a personal computer or even a light bulb. In general, waste electrical and electronic equipment (WEEE) includes any device which operates on batteries or needs to be plugged into an electric power outlet and which we are going to discard.

At the present time, Royal Decree 110/2015 on WEEE stipulates a new system for the categorisation of WEEE which will enter into force in August 2018 and which reduces the categories to seven in order to bring them closer into line with the reality of the waste. Nevertheless, in this annual report, the tables and graphs provided are shown in accordance with the previous streams, to enable their comparison to previous years.

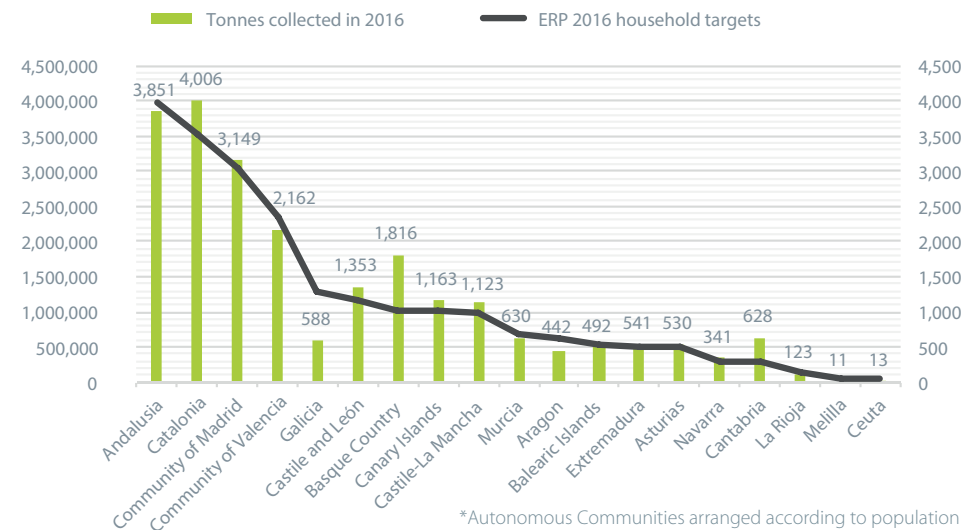


Ten years managing WEEE

► Accumulated tonnes of WEEE collected



► Tonnes collected by autonomous community in 2016



*Autonomous Communities arranged according to population

New categorisation of WEEE (August 2018)

TEMPERATURE EXCHANGE



Refrigerators, freezers, automatic dispensers of cold products, air-conditioners, dehumidifiers, heat pumps, oil-filled radiators and other temperature exchange devices using fluids other than water.

TV/MONITORS



Screens, television sets, digital photo frames with LCD technology, monitors, laptop computers, including notebooks.

LAMPS



Straight fluorescent lamps, compact fluorescent lamps, high intensity discharge lamps, including pressure sodium lamps and metal halide lamps, low pressure sodium lamps and LED lamps

PHOTOVOLTAIC PANELS



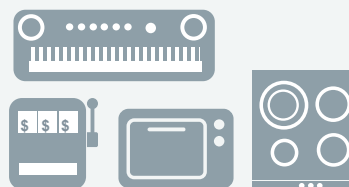
Photovoltaic panels with silicon and photovoltaic panels with cadmium telluride

COMPUTING AND TELECOMMUNICATIONS (- 50 cm)



Mobile phones, GPS, pocket calculators, personal computers, printers, telephones.

LARGE APPLIANCES (+50 cm)



Washing machines, clothes dryers, dishwashers, stoves, electric stoves and ovens, portable electric stoves, electric hotplates, luminaries, sound or video reproducing devices, stereo equipment, knitting and weaving machines, large computers, large printers, photocopiers, large gaming machines, large-sized medical devices, large surveillance and control instruments, large automatic dispensers of products and money.

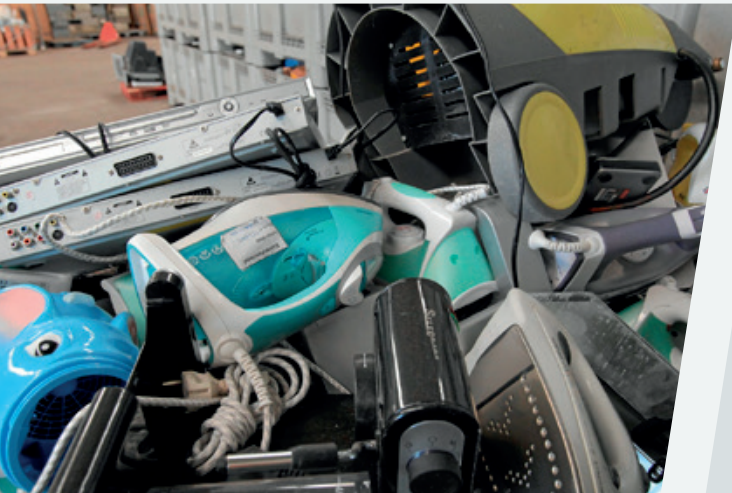
SMALL APPLIANCES (-50 cm)



Vacuum cleaners, carpet cleaners, sewing machines, luminaries, microwave ovens, fans, irons, toasters, electric knives, electric kettles, clocks, electric shavers, scales, hairdressing and body care appliances, calculators, radios, video cameras, video recorders, hi-fi equipment, musical instruments, audiovisual players, electrical and electronic toys, sporting goods, computers for use in cycling, diving, races, rowing, etc., smoke detectors, heating regulators, thermostats, small electrical and electronic tools, small medical devices, small surveillance and control instruments, small automatic dispensers of products, small devices with integrated PV panels.

Household WEEE

Household WEEE includes devices originating both from private households as well as from commercial, industrial or institutional sources provided that the latter, in terms of volume, are similar to those typical of households. Household WEEE is considered to be municipal waste and, as such, is managed principally through a network based on collection points accessible for citizens. With the new legislation, household WEEE is considered to include all devices with a dual use (household and professional).



Market placement figures

The market share of each EPR organisation is the parameter which establishes its WEEE collection and management obligations. To guarantee the truthfulness of such data, ERP Spain audits the figures provided by its members yearly, through an independent external firm.



53,512 t of household EEE placed on the market by producers belonging to **ERP** in 2016



With a market share of **9.8%**

► Placement on the market by stream



6,971 t of COLD



4,003 t of TV/MONITORS



74 t of LAMPS



23,259 t of LDA



12,441 t of IT



6,765 t of OTHERS

Collection and management figures

The amounts collected in 2016 declared in the annual reports to the various Public Administrations represent a total of 22,960 tonnes. 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 2016, ERP transferred a total of 2,380 tonnes of WEEE to other EPR organisations. This brings the total collected to 25,340 tonnes. Moreover, this total does not consider subsequent adjustments between EPR organisations for balancing the collection efforts of all in line with their market shares.

Nevertheless, the volume of WEEE collected and declared by ERP enables it to exceed by nearly 1,000 tonnes (two percentage points more) the legal target assigned for 2016, in accordance with the distribution method defined in Royal Decree 110/2015. The legislation establishes, always in terms of weight, that 45% of the average of the EEE placed on the market in 2013, 2014 and 2015 was to be collected in 2016 and distributes this amount among the producers on the basis of their market share during the preceding year.



22,960 t
of household WEEE
collected by ERP in 2016

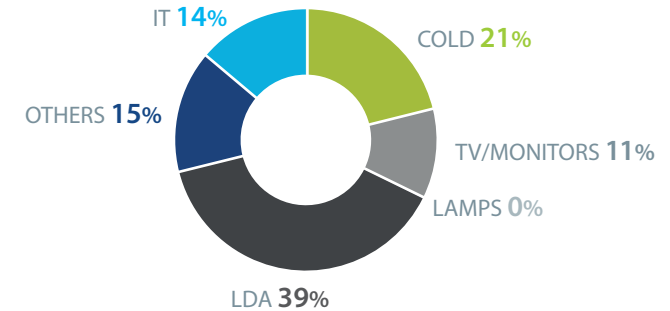
↑ **+20%**



25,340 t actually collected
before transfers to other EPR organisations

► Distribution of quantities collected by stream

- COLD
- TV/MONITORS
- LAMPS
- LDA
- OTHERS
- IT



► Collection by stream



4,877 t of COLD



2,539 t of TV/MONITORS



13 t of LAMPS



8,900 t of LDA



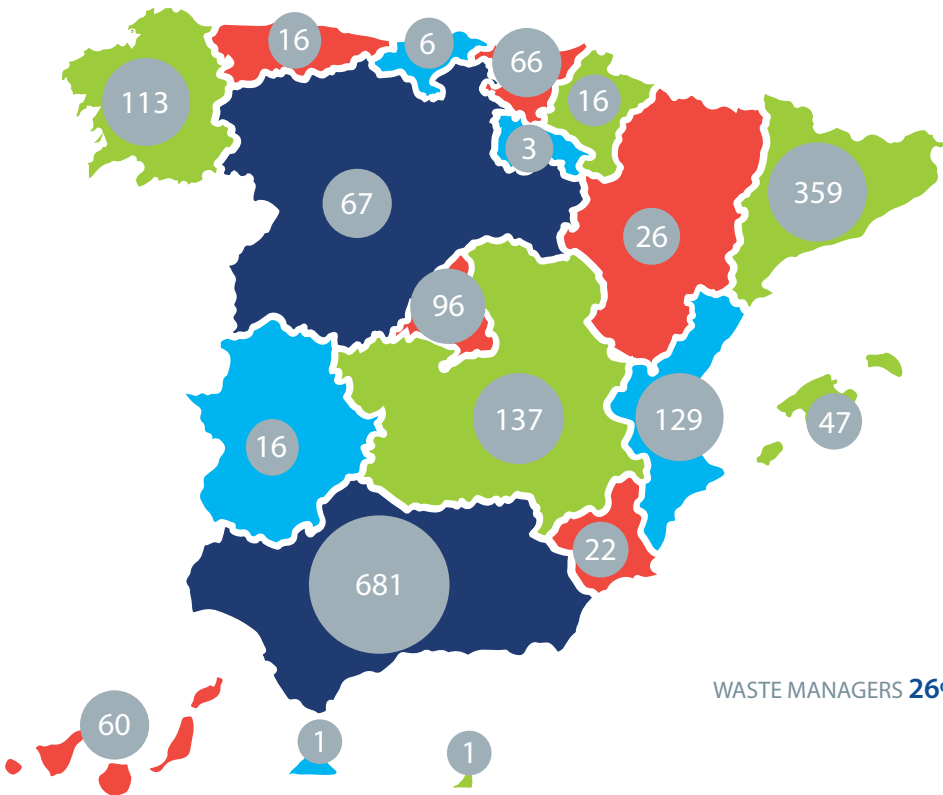
3,160 t of IT



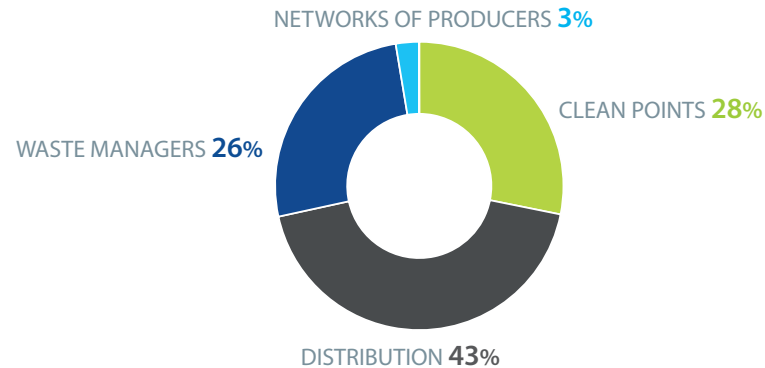
3,472 t of OTHERS

Collection network

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



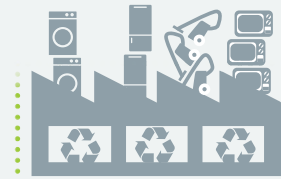
• The new Royal Decree establishes a new categorisation of types of collection points. On this basis and in terms of the nature of the collection points themselves, the percentage of distribution of the quantities of WEEE collected by ERP in 2016 is as follows:



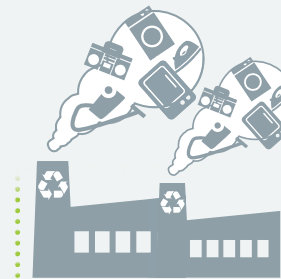
*Only those points have been included where ERP made at least one collection in 2016.

Logistics and treatment network

ERP Spain has an extensive logistics and treatment network, which guarantees uniform coverage throughout the country enabling it to perform its work successfully and to meet its targets. For this purpose, ERP has a number of agreements in place with operators who comply with the demanding requirements defined on the domestic and international levels by ERP in terms of the environment, quality, occupational risk prevention, among others. The control of the logistics network is performed through an in-house web tool, called Flex, which makes it possible to guarantee the documentary traceability of the waste, monitoring all of the operations.



46
CONSOLIDATION
centres

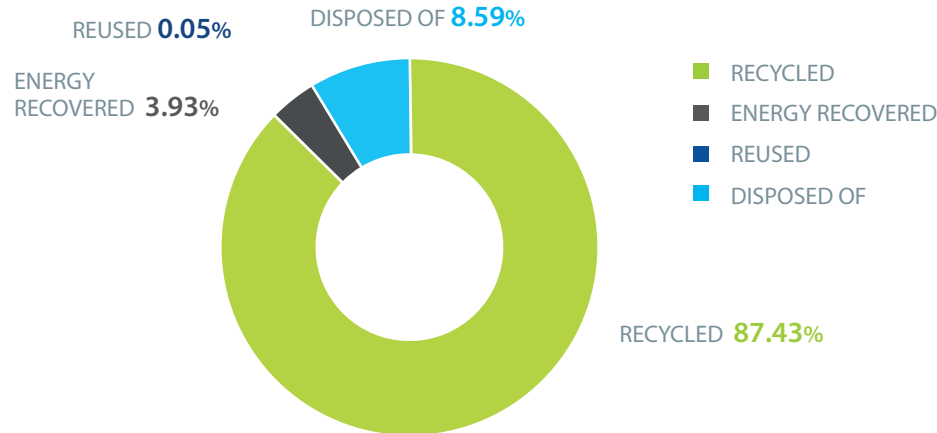


51
TREATMENT
plants

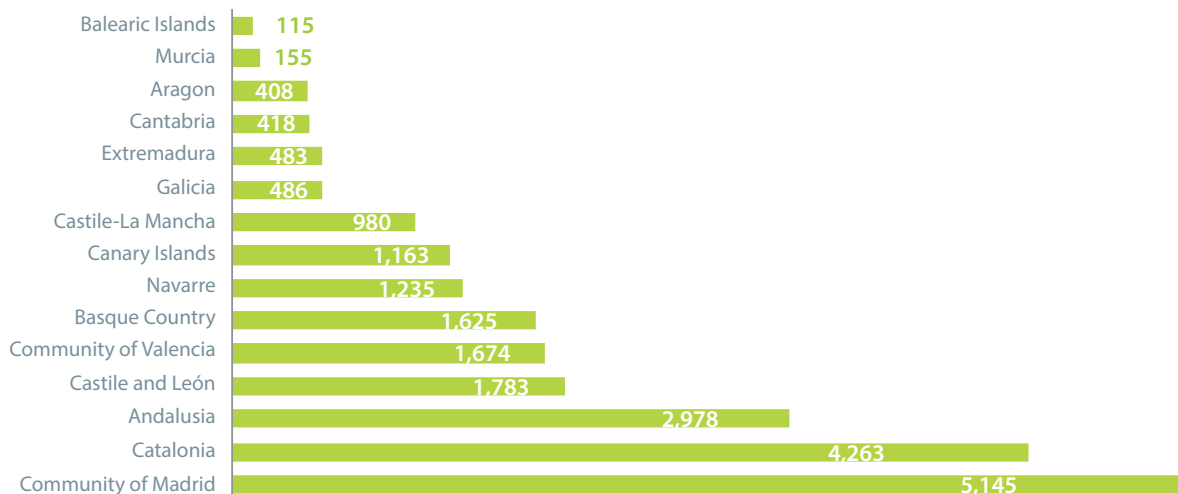


64
CARRIERS

► **Final destination of the WEEE collected and managed**



► **Tonnes managed** by waste managers in the autonomous community in 2016



Audits of suppliers

ERP implements an audit plan each year with respect to its logistics and treatment network providers. The objective is to verify that the WEEE management is being performed according to the quality standards of ERP, its members and other parties involved.



Permits, framework agreements and agreements

At the close of accounts for 2016, ERP held permits for operating in all of the Autonomous Communities. With respect to the framework agreements, ERP has agreements in place with 11 Autonomous Communities. Finally, ERP has signed other collection agreements with local entities (municipalities, associations of municipalities, municipal 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.






Professional WEEE

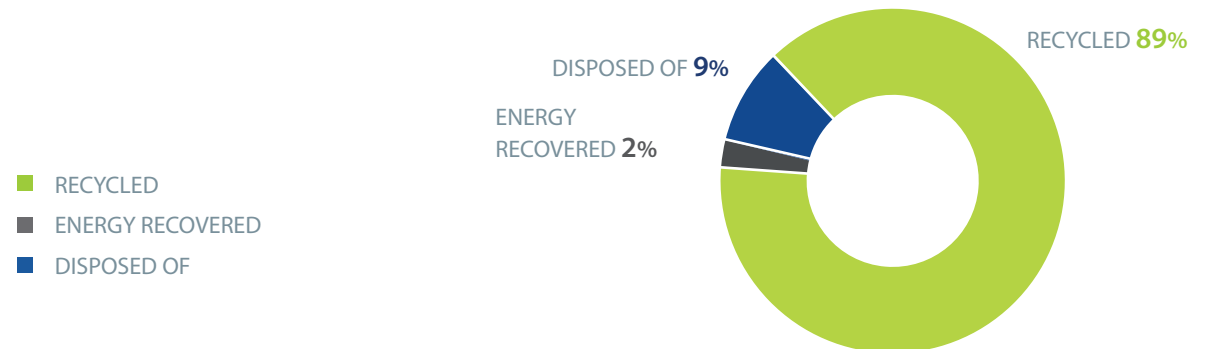
By exclusion, WEEE not belonging to the household use category according to current legislation is considered to be professional WEEE. This type of WEEE has specific collection and management channels that normally involve collections on demand. For this reason, the management outcomes of this category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



10,399 t
of professional EEE
placed on the market
by the producers belonging
to ERP in 2016

	COLD	2,305 t placed on market	15.14 t collected
	TV/MONITORS	1,260 t placed on market	0.93 t collected
	LAMPS	- t placed on market	0.00 t collected
	LDA	1,127 t placed on market	0.00 t collected
	OTHERS	1,287 t placed on market	7.09 t collected
	IT	4,421 t placed on market	0.00 t collected
	PHOTOVOLTAIC PANELS	0.1 t placed on market	- t collected
	TOTAL	10,399 t placed on market	23.16 t collected

Final destination of the weee collected (2016)



EUROPEAN RECYCLING PLATFORM - ERP, SAS

BALANCE SHEETS FOR THE FISCAL YEARS ENDED 31.12.2016 AND 31.12.2015



ASSETS		2016	2015
A)	NON-CURRENT ASSETS	15,345.79	39,008.32
I	Intangible fixed assets	(85.61)	2,139.73
II	Tangible fixed assets	8,194.71	10,263.48
V	Long-term financial investments	7,236.69	26,605.11
<hr/>			
B)	CURRENT ASSETS	8,632,179.37	8,500,259.49
II	Inventories	0.00	0.00
	Advances Suppliers	0.00	0.00
III	Trade debtors and other accounts receivable	7,480,049.03	8,232,638.67
1	Clients from sales and provision of services	7,956,809.45	7,685,068.72
2	Clients, group & associated companies	(583,049.53)	75,603.89
3	Sundry debtors	0.00	30,097.05
6	Other credits with Public Administrations	106,289.11	441,869.01
IV	Short-term investments in group companies	913.52	800.00
V	Short-term financial investments	221,796.60	222,310.73
VI	Short-term end-of-period adjustments	884,400.61	194.61
VII	Cash and cash equivalents	45,019.61	44,315.48
	TOTAL ASSETS	8,647,525.16	8,539,267.81

NET ASSETS AND LIABILITIES		2016	2015
A)	NET ASSETS	0.00	0.00
A-1)	Equity	-15,576.05	-15,576.05
V	Results carried forward	-15,576.05	29,749.68
VII	Results for the year	0.00	-45,325.73
A-2)	Adjustmentes for changes in value	15,576.05	15,576.05
C)	CURRENT LIABILITIES	8,647,525.16	8,539,267.81
II	Short-term provisions for personnel expenses	0.00	30,097.05
III	Short-term debts	(2,801.48)	(1,649.14)
5	Other financial liabilities	(2,801.48)	(1,649.14)
IV	Short-term debts owed to group & associated companies	1,861,188.74	1,863,495.07
V	Trade creditors and other accounts payable	6,789,137.90	6,647,324.83
1	Suppliers	3,108,712.70	2,384,377.11
2	Suppliers, group & associated companies	545,236.03	306,178.68
3	Creditors	3,121,796.42	3,908,232.02
4	Remunerations pending payment		0.00
6	Public Administrations	13,392.75	48,537.02
VI	Short-term end-of-period adjustments		
	TOTAL NET ASSETS AND LIABILITIES	8,647,525.16	8,539,267.81

EUROPEAN RECYCLING PLATFORM - ERP, SAS

PROFIT AND LOSS ACCOUNTS FOR THE FISCAL YEARS ENDED 31.12.2016 AND 31.12.2015



	(DEBIT) CREDIT	2016	2015
A)	CONTINUING OPERATIONS		
1	Net turnover	6,736,901.12	6,134,287.35
b)	Provision of services	6,736,901.12	6,134,287.35
4	Supplies	(6,044,765.79)	(5,378,024.39)
c)	Work performed by other companies	(6,044,765.79)	(5,378,024.39)
5	Other operating revenues	504,765.87	591,207.56
6	Personnel expenses	(465,633.01)	(662,477.37)
a)	Wages, salaries and similar	(376,859.29)	(548,679.16)
b)	Employee welfare expenses	(88,773.72)	(113,798.21)
7	Other operating expenses	(673,670.30)	(681,770.02)
a)	Outsourcing	(648,694.55)	(659,292.21)
b)	Taxes	(9,024.23)	(1,630.40)
c)	Losses, impairment and changes in provisions for trade transactions	(15,951.52)	(20,847.41)
8	Depreciation of fixed assets	(5,764.29)	(10,233.07)
13	Other results	(196.59)	21,457.74
A,1)	OPERATING RESULT	51,637.01	14,447.80
14	Financial revenues	0.00	0.00
b)	From negotiable securities and other financial instruments	0.00	0.00
15	Financial expenses	(51,122.88)	(59,575.23)
b)	For debts owed to third parties	(51,122.88)	(59,575.23)
16	Change in fair value of fin, Instruments	(514.13)	(198.30)
a)	Trading portfolio	(514.13)	(198.30)
A,2	FINANCIAL RESULT	(51,637.01)	(59,773.53)
A,3	RESULT BEFORE TAXES	0.00	(45,325.73)
	Company Tax		
A,5	RESULT FOR THE YEAR	0.00	0.00

2016 WB&A MANAGEMENT FIGURES

What are WB&A?

Batteries and accumulators are, together with paint, solvents and aerosols, the most harmful waste to the environment. If we toss these items into the bin, in time their components decompose and are filtered into the subsoil polluting the land and the aquifers.

However, proper management, beginning with selective collection, makes it possible to neutralise the components of this waste and prevent the risk they pose for nature and health, also enabling the reuse of those components which are scarcer and costlier to extract, thereby collaborating in the reduction of the exploitation of the natural resources necessary for obtaining those same raw materials.



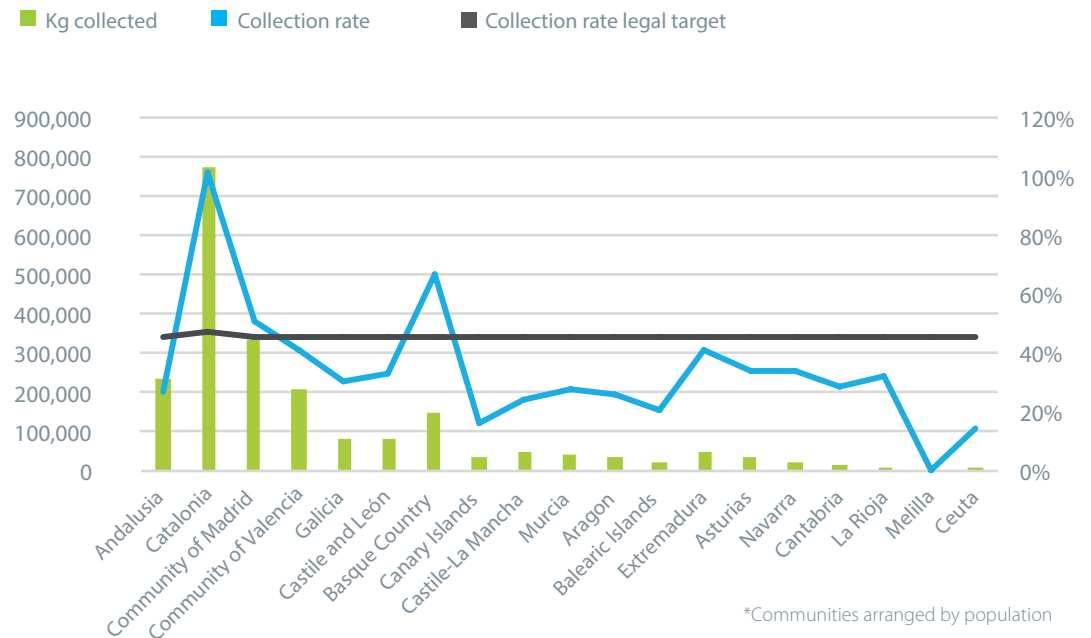
ERP Spain

increased the collection of WB&A by **32%** in 2016



ERP recycled in 2016 almost **half** of the batteries sold by its **producers**

► Kilograms collected by Autonomous Community (2016)



Battery technologies

▶ PORTABLE (less than one kilo)

BUTTON CELLS



Are those batteries with a diameter greater than their height. They have multiple components such as zinc air, silver oxide, manganese oxide, lithium, mercury...

STANDARD BATTERIES



Include the conventional non-rechargeable batteries such as the alkaline, zinc carbon or non-rechargeable lithium batteries, among others.

PORTABLE ACCUMULATORS



Include rechargeable batteries, external batteries for mobile phones, batteries for small remote-controlled devices, among others, excluding industrial and automotive accumulators, which constitute in themselves differentiated categories. At the present time, the most usual technologies are the rechargeable lithium-ion and the nickel-metal hydride.

▶ AUTOMOTIVE (starter or ignition of vehicles)



This category consists of the batteries and accumulators to be used for this purpose, mainly those with lead acid technology.

▶ INDUSTRIAL



Batteries and accumulators for industrial use as well as those for electric drive vehicles, lithium-ion, lead acid, nickel cadmium, nickel-metal hydride, etc. technologies are included in this category.

Quantities placed on the market



7,263.5 t of batteries placed on the market by the producers belonging to **ERP in 2016**



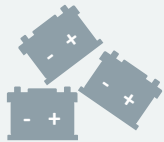
ERP Spain has a **38.9%** market share in portable batteries and accumulators, with **4,638 t** in 2016

	MARKET PLACEMENT 2016	UNITS	WEIGHT (kg)	% MARKET
PORTABLE	BUTTON CELLS (Diameter > height)	11,378,878	29,019.66	17.62%
	STANDARD BATTERIES (Not button, weight < 1k)	182,862,882	4,105,217.81	47.50%
	PORTABLE ACCUMULATORS (Not industrial or automotive)	8,838,809	491,492.67	15.91%
	TOTAL PORTABLE (Includes other portable types)	203,276,038	4,638,371.13	38.93%
	AUTOMOTIVE BATTERIES AND ACCUMULATORS	9,459	102,988.83	0.08%
	INDUSTRIAL BATTERIES AND ACCUMULATORS	310,168	2,522,140.70	8.14%

Quantities collected and managed



2,357,459 kg
of **batteries and accumulators**
collected in **2016**



AUTOMOTIVE BATTERIES
50,644 kg



INDUSTRIAL BATTERIES
122,232 kg



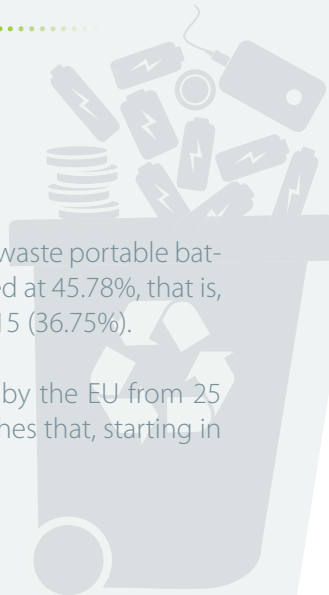
PORTABLE BATTERIES AND ACCUMULATORS
2,184,583 kg

45.78%

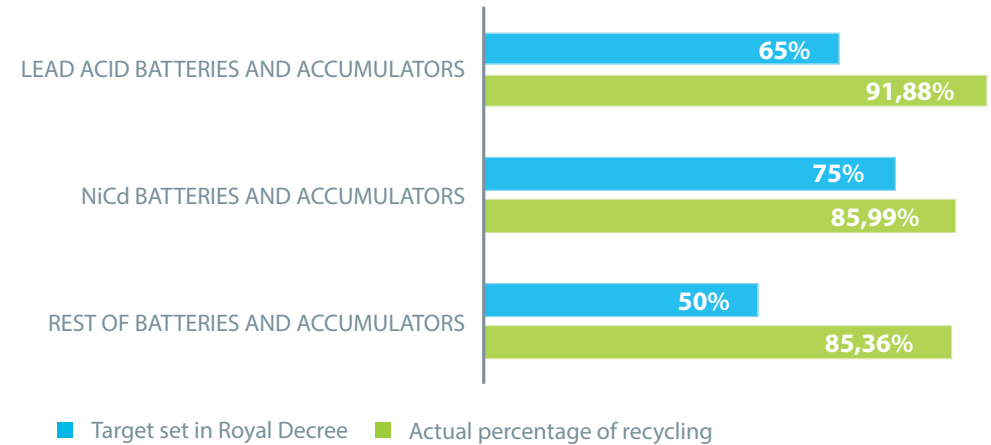
2016 COLLECTION RATE

ERP Spain's collection rate with respect to waste portable batteries and accumulators in 2016 was placed at 45.78%, that is, nine percentage points higher than in 2015 (36.75%).

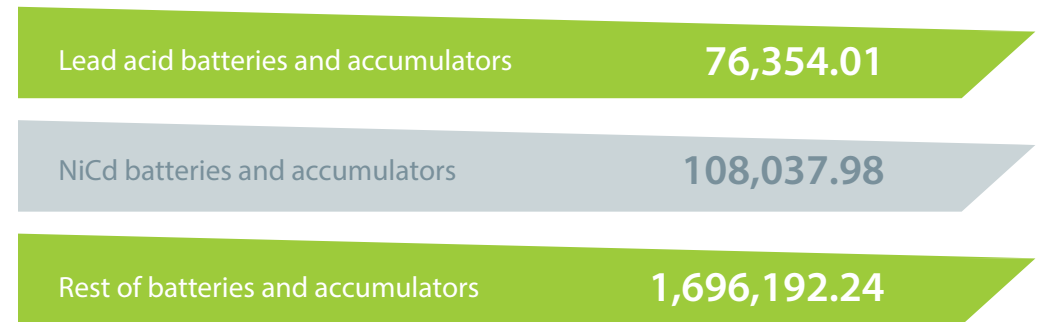
This figure meets the legal target, raised by the EU from 25 to 45% in 2016. The Royal Decree establishes that, starting in 2021, this rate must be raised to 50%.



Batteries and accumulators managed in 2016



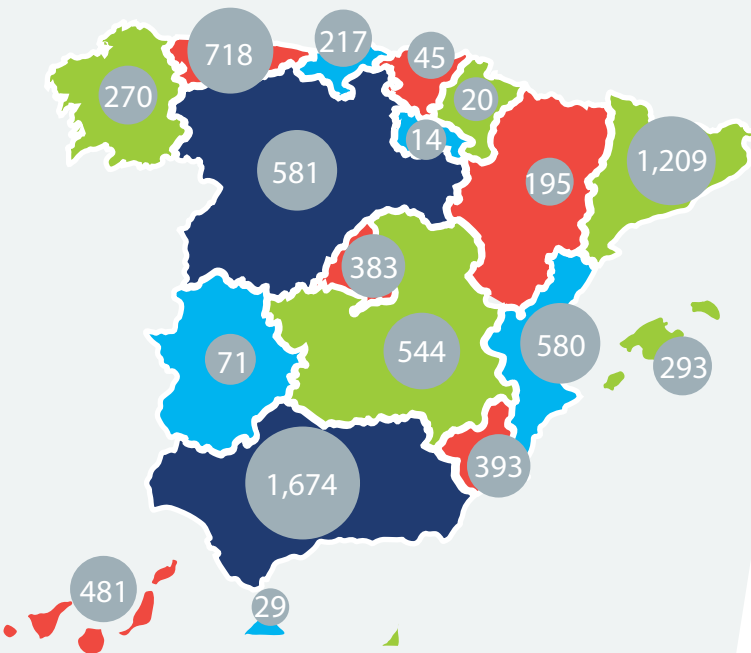
Batteries and accumulators recycled in 2016 (in kg)



ERP Spain
recycled in **2016** a
total of 1,880,584 kg
of **batteries and accumulators**

Collection network

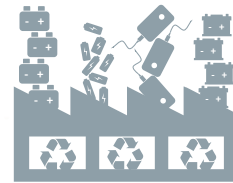
In 2016, ERP made collections at 7,717 points deployed throughout the country. These points represent a range of types, from selective collection points (municipal clean points or containers placed with street furniture, in shops or supermarkets, among others) to consolidation centres where other entities (public or private) make available to us the waste they have collected at several selective collection points. This means that the effective extension of the collection network on which ERP operates is much larger than what these figures reflect.



*Only those points have been included where ERP made at least one collection in 2016.

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, which places it in a better position to properly treat this kind of waste, given its special logistics and technology needs. The agreements reached with its managers define a standard of reliable service that meets all of the demanding requirements of ERP in environmental, quality and occupational risk prevention terms, both on the domestic as well as on the international level. Moreover, as is also the case with WEEE, the full control of the logistics network is achieved through the Flex tool, which makes it possible to monitor the operations from the collection point through to the disposal of the waste.



39
TEMPORARY STORAGE
centres



47
COLLECTORS AND
carriers



7
TREATMENT
plants

Permits, framework agreements and agreements

At the end of the 2016 financial year, ERP Spain held permits for operating as a WB&A EPR organisation in all of the Autonomous Communities. Likewise, it has established framework agreements for the proper 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.



55 collaboration
agreements for the collection of batteries
throughout Spain

EUROPEAN RECYCLING PLATFORM ESPAÑA, S.L.U

BALANCE SHEETS FOR THE FISCAL YEARS ENDED 31.12.2016 AND 31.12.2015



ASSETS		31/12/2016	31/12/2015
A)	NON-CURRENT ASSETS	64,203.70	881.68
II	Tangible fixed assets	64,203.70	881.68
2	Technical plant and other tangible fixed assets	64,203.70	881.68
<hr/>			
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B)	CURRENT ASSETS	4,507,627.31	5,569,638.09
II	Inventories		
III	Trade debtors and other accounts receivable	2,128,114.31	2,570,432.08
1	Clients from sales and provision of services	1,944,766.21	2,229,968.18
3	Sundry debtors	0.00	0.00
6	Other credits with Public Administrations	183,348.10	340,463.90
IV	Short-term investments in group & associated companies	1,861,188.74	1,863,495.07
5	Other financial assets	1,861,188.74	1,863,495.07
V	Short-term financial investments	99,662.80	99,939.60
3	Debt instruments	99,662.80	99,939.60
VI	Short-term end-of-period adjustments		645.14
VII	Cash and cash equivalents	418,661.46	1,035,126.20
1	Cash in hand and in banks	418,661.46	1,035,126.20
TOTAL ASSETS (A+B)		4,571,831.01	5,570,519.77

NET ASSETS AND LIABILITIES		31/12/2016	31/12/2015
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	4,488,388.20	5,487,076.96
IV	Short-term debts owed to group & associated companies	0.00	0.00
V	Trade creditors and other accounts payable	1,780,564.94	2,649,457.39
1	Suppliers, short-term	353,484.82	391,296.93
2	Suppliers, group & associated companies	(599,999.99)	36,601.74
3	Sundry creditors	2,027,021.02	2,221,536.82
6	Other debts owed to Public Administrations	59.09	21.90
VI	Short-term end-of-period adjustments	2,707,823.26	2,837,619.57
TOTAL NET ASSETS AND LIABILITIES (A+B+C)		4,571,831.01	5,570,519.77

EUROPEAN RECYCLING PLATFORM ESPAÑA, S.L.U

PROFIT AND LOSS ACCOUNTS FOR THE FISCAL YEARS ENDED 31.12.2016 AND 31.12.2015



	(DEBIT) CREDIT	31/12/2016	31/12/2015
A)	CONTINUING OPERATIONS		
1	Net turnover	2,930,120.19	2,957,427.72
b)	Provision of services	2,930,120.19	2,957,427.72
4	Supplies	(2,396,519.69)	(2,275,247.54)
c)	Work performed by other companies	(2,396,519.69)	(2,275,247.54)
7	Other operating expenses	(585,450.07)	(730,401.59)
a)	Outsourcing	(583,307.08)	(726,198.30)
b)	Taxes	(1,621.34)	(1,253.29)
c)	Losses from failed trade credits	(521.65)	(2,950.00)
8	Depreciation of fixed assets	(4,341.98)	(11,300.51)
13	Other results	(1,261.88)	139.88
A,1)	OPERATING RESULT (1+4+5+6+7+8+10)	(57,453.43)	(59,382.04)
A,2)	FINANCIAL RESULT (14+15)	(57,453.43)	59,382.04
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



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ANNUAL REPORT 2016

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