

Battery Newsletter

December 2011

Current events, background information, positions

New event format: many participants and numerous interesting questions:

BattG and ElektroG information forum a total success

Ladies and Gentlemen:

Shortly before the start of a new year, we have taken stock of our situation and found that in 2011, as in years past, we have accomplished a great deal. We are especially pleased about the positive response to the G2 Info Forum! In light of the many extensive and detailed obligations imposed on manufacturers, importers and marketers, as well as retailers by the ElektroG (Electrical and Electronic Equipment Act) and the BattG Batteries Act, Stiftung GRS Batterien and Stiftung EAR have teamed up with industry associations and chambers of commerce to initiate this event series.

With the goal of promoting sharing of industry- and subject-specific information and improving the quality of advice available to those under obligations pursuant to the ElektroG and BattG, we held six interactive workshops in November. The workshops explained and discussed specific issues in the day-to-day work of manufacturers, recyclers and public disposal agencies.

In a series of fascinating subject-specific discussions, we worked with workshop participants and external experts from various fields to develop responses and possible solutions to the questions posed.

The following acted as presenters:

Sabina Gärtner-Nitsche (Stiftung EAR), Dr. Imke Schneider (GRS Batterien), Matthias Schleifenbaum and Dr. Juliane Hilf (both attorneys at law of Freshfields Bruckhaus Deringer LLP), Hans-Jochen Lückefett, attorney at law (1WEEE Services GmbH) and Dr. Holger Jacoby, attorney at law (of the firm of Prof. Versteyl Rechtsanwälte).

The more than 100 questions submitted in advance dealt primarily with the scope of the ElektroG and BattG, challenges involved in marketing in Europe and the distinctions between "portable" and "industrial" batteries. Starting in January 2012, detailed responses will be available at www.g2-infoforum.de, along with responses to all of the questions the workshops were unable to answer.

The excellent response to the workshops has shown us that with this innovative format, we offer manufacturers, recyclers and public disposal bodies an additional advice and information service that helps them with their day-to-day work.

And that's reason enough to continue the G2 Info Forum in 2012 as well!

We wish you all the best during the holiday season!

Best regards,



Dr. Imke Schneider
Sales/Marketing
Manager
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Prices stable, target rate for 2016 almost met already:

GRS Batterien leads in performance comparison of German systems to take back waste portable batteries

Now that the reporting required by law has been published, it is also possible to directly compare the biggest systems for collection of batteries in Germany against each other. If we look at the most important key indicator – the collection rate – we see that GRS Batterien has by far the best value: We have already reached a collection rate of 44%, putting us almost at the target of 45% required for the year 2016. This is the product of years of successful public relations work.

It is worth noting in this context that because it is a nonprofit organization, and due to its high collection volume, GRS Batterien remains able to realize low disposal costs. This has meant that contributions to disposal costs have held steady for years. If, in addition to that, we also consider the regular refunds issued for annual surpluses, it becomes even clearer that GRS's waste battery collection activities deliver an outstan-

ding cost-benefit ratio, including when compared with other providers across Europe.

In terms of quality standards as well, GRS Batterien leads by example: In addition to holding DIN ISO 9001 certification for quality management and DIN ISO 14001 certification for environmental standards, GRS Batterien is currently the only provider to have additional testimonials to its performance data from auditors and environmental experts.

	GRS	Rebat (VfW)	ERP
Collection rate	44%	36%	15%
Collection volume	14,507 t	2,130 t	305 t
Collection sites	170,000	unknown	unknown

Source: reporting published by the systems

New online features and direct service:

GRS Batterien offers improved services

At the start of the new year, we will streamline our services, making them even more efficient.

Following changes in the general contractual terms and conditions during Q1 2012, all customers will be able to finalize their user contracts completely online, at www.grs-batterien.de. This new system will allow us to simplify and speed up handling of processes for our customers. We are also introducing direct debits as an additional billing method. There will also be a change in customer service: Up until early 2011, we had contracted with the accounting firm of KPMG to act as an external trustee and answer customer inquiries, but we have now taken on responsibility for customer service ourselves, thereby improving our focus on customers and our availability. An improved version of the manufacturer reporting platform at www.batterieregister.de will also be available starting January 1, 2012,

making reporting the quantities of batteries sold and put into circulation even more convenient than before.

To simplify international registration as well in the future, we will be cooperating with the STIBAT waste battery collection system, in the Netherlands, and BEBAT, in Belgium, starting in early 2012.

In a pilot project within the scope of this cooperative effort, we will be testing a uniform reporting platform for manufacturers of portable batteries, called the European Declaration Platform, or EDP. This platform will allow manufacturers to report all batteries sold and put into circulation in Germany, Belgium, and the Netherlands using the same item numbers. The platform will be similar to the well-known portal at www.batterieregister.de. Billing will still be handled by the relevant collection systems within the specific countries.

Getting to the finish line, with GRS Batterien:

Raising volumes by working closely with local governments

This year, as in years past, we are once again able to show an outstanding overall balance in terms of taking back waste batteries – and municipal battery collection is one of the major factors in our success. We

hope to continue to expand on the successful cooperative efforts in place between municipal battery collection sites and GRS Batterien in order to make collecting batteries even more efficient and environmentally



friendly and use transportation resources responsibly.

GRS Batterien is the strongest collection system in Germany: Represented by an extensive network throughout Germany, we can guarantee that collection targets and the rate required by law will be achieved. In hopes of already making up the one percent we are still missing before reaching the rate of 45% that will be required starting in 2016, we are increasingly emphasizing stable long-term cooperation with public disposal agencies: In addition to an extensive, detailed

package of information and measures, we offer to contract with municipal waste battery collection sites to cooperate in collecting waste batteries within the scope of the BattG, so that together, we can boost the quantities of batteries collected within the individual regions. It is also possible for the parties to agree on further improvements in the areas of information and data capture measures.

Our experience and our services make us your strong, capable partner for collection of batteries.

Eucobat represents interests of collection systems in Europe:

GRS Batterien joins network of European collection systems

With the aim of establishing a strong body to represent our interests at the European level, we have joined with other European collection systems to found the European Compliance Organization for Batteries (Eucobat). The organization held its first meeting in November of this year.

One of Eucobat's main tasks will be to represent the interests of manufacturer-initiated collection organizations, particularly on all topics having to do with the EU Battery Directive. We also hope to work with

our European partner systems to harmonize processes and activities within the national collection systems throughout Europe, thereby making them more efficient.

The major topics of focus will be:

- + Safety during transportation and storage of batteries
- + Determination of collection rates
- + Calculation of recycling efficiency
- + Data capture, benchmarks, and forecasts
- + Information on recycling technologies



Last but not least, Eucobat will also perform services for the manufacturers and associations associated with the organization, who will also receive informative support from Eucobat on all topics related to taking back waste batteries.

Our contribution to the mobility of the future:

GRS Batterien develops concept for taking back batteries from electric cars

Electric cars have been the big topic shaping developments in the automotive industry for a few years now. Many manufacturers are following this trend, increasingly developing cars with electric drives. The German federal government is also promoting electric transportation, with the goal of making Germany the leading market for and leading provider of electric cars. By the end of this decade, plans call for about a million battery-driven vehicles to be in use on German roads. This technological shift taking place in the automotive industry also affects our business.

The reason: Powerful lithium accumulators are the key technology when it comes to ensuring the success of electric cars. Besides that, carmakers are already making plans for how to take back the batteries.

Alongside recycling itself, logistics will be a particular challenge. Because of their high energy density, lithium batteries are considered hazardous materials and are subject to ADR regulations.

We have now developed a battery return concept that involves various individualized solutions for manufacturers and dealers.

For an example showing that development of a special solution for returns of industrial batteries can work, preventing the emergence of a secondary market for batteries from electric vehicles, we need only turn to the tremendous success of our involvement in the electric bicycle segment.



We are now the first collection system to have established an across-the-board return solution for batteries from electric bikes, with most of the industry on board. Along with developing appropriate collection concepts, the fact that battery systems themselves are constantly in flux also means that the

evolution and further development of suitable recycling methods is another challenge. In this segment, as in many others, we at GRS Batterien have joined with companies in the recycling sector and research institutions to play an active role in the further development and evolution of these technologies.

GRS Batterien keeps prices stable with new service providers:

New service provider contracts awarded

In mid-2011, we issued a new call for tenders for Germany-wide logistics, sorting, and recycling of about 14,500 tons of used portable batteries for the service period from 2012 through 2014.

Due to increases in the costs of energy in the logistics sector and the decrease in the amount of recyclable

materials found in recovered batteries, costs have risen slightly. Our customers' contributions to the costs of disposal remain constant, however, since we are making concerted efforts to achieve further optimization in logistics, which will compensate for part of the cost increase brought about by the new contracts.

Regulation on capacity labeling to take effect on 01 June, 2012:

New legal requirements for battery labels

The transitional period provided under Regulation (EU) No. 1103/2010 is scheduled to end on 31 May, 2012. By then, manufacturers will be obligated to label portable secondary (rechargeable) batteries and accumulators as well as vehicle batteries and accumulators initially put into circulation on or after 01 June, 2012 with information on capacity. Portable secondary batteries and accumulators that are not supposed to be removed by the end user after use are exempt from these labeling requirements.

The capacity of portable secondary (rechargeable) batteries is to be expressed in milliampere-hours (mAh) or ampere-hours (Ah). For vehicle batteries and accumu-

lators, the capacity is to be expressed in ampere-hours (Ah) and cold cranking amperes (A). The criteria that apply to capacity labeling are rated capacity and cold cranking performance. The value of the rated capacity and the cranking current are to be displayed as an integer with a level of $\pm 10\%$ accuracy of the nominal value.

For details on the regulations that apply to the different categories of accumulators, please refer to the regulation itself and the annexes thereto, which are posted at www.grs-batterien.de.

The regulation is fully binding and applies directly in all Member States.

Publisher's notice

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