

El-Kretsen's collection and treatment of batteries

As a nationally approved collection system, El-Kretsen handles the batteries collected in Sweden's municipalities. The bulk of the batteries is collected through battery bins, recycling centres and stores. We have a clear mission: To collect and process batteries with the aim of reaching the highest material recovery rate possible as well as to process hazardous substances in a safe way.

From landfill to material recovery

Alkaline batteries are collected and receive pre-treatment in Sweden. The battery cases are recycled in Sweden and turned into new steel. The plastic waste is burned in a process that produces energy. The content of the battery is known as "black mass" and consists of organic materials such as carbon and zinc. This has previously gone into Swedish landfills but is now transported abroad for the zinc to be recycled. This allows the remaining part of the battery to be disposed of in a better way and it has also raised the recovery rate to 50 per cent.

El-Kretsen's sub-contractor guilty of breach of contract

On 21st September 2020, the Swedish radio show *Kaliber* disclosed information about a Swedish company having transported black mass containing cadmium to a smelter in Poland. This conflicts with the company's permit from the Swedish Environmental Protection Agency as well as with the contract the company had with El-Kretsen. Cadmium is hazardous waste and must be treated separately.

El-Kretsen stopped its deliveries to this sub-contractor and terminated the contracts already in December 2019. The reason was that the company's handling of battery contents was in violation of the law. Amongst other things, the company had taken on a sub-contractor of its own without notifying El-Kretsen. Now, people from both these companies have been found guilty of crimes against the environment. The contract which was in force between El-Kretsen and its sub-contractor at the time of the battery deliveries stipulated that the sub-contractor was fully responsible for all post-treatment of any materials not treated in accordance with the contract.

Safe processes

In conjunction with the revelations in December 2019, El-Kretsen initiated an internal investigation into its own sub-contractor monitoring procedures to see if we could have acted differently to find out about this breach of contract sooner. One conclusion was that despite our structured management system and clear agreements with sub-contractors, follow-up measures were not made frequently enough to enable us to discover the incorrect treatment sooner. It is difficult to be fully protected against crime and ensuring that you are never subjected to fraud, but needless to say it is El-Kretsen's responsibility to make sure that we do all we can to prevent other scenarios like this by:

- Tightening our requirements in tendering processes and agreements, in particular with respect to the downstream monitoring of battery materials.
- Strengthening our capacity for sub-contractor monitoring.
- Engaging in strategic efforts around both local and national co-operation in order to quickly discovering and preventing similar crimes against the environment.

The police force and the judicial system also play an important role in tackling environmental crime. Our future success depends a lot on the ensuing co-operation between all parties who support our mission to recycle materials safely and efficiently.

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