



S U P P L I E R S
P A R T N E R S H I P
F O R T H E
E N V I R O N M E N T

SP Responsible Battery Work Group

Conference Call
April 2, 2019

SP Antitrust Guidelines

SP meetings and discussions are, in general, to be industry-promotion, industry-issue, industry-development or technically oriented. Subject to the above and the advice of SP legal counsel, discussions may generally cover industry product developments on a generic basis, advancing “technical know-how,” improving productivity and efficiency, historical market data on a general (i.e. non-specific company) basis, and regulatory or legal industry-wide issues, policies of federal and state law enforcement bodies, and federal or state laws or pending legislation important to industry.

In view of antitrust considerations (both civil and criminal) and to avoid any possible restraints of competition, the following legally sensitive subjects as to a given company or its competitors must be avoided during any discussion between competitors:

- (a) Future marketing plans of individual competitors should not be discussed between competitors;
- (b) Any complaints or business plans relating to specific customers, specific suppliers, specific geographic markets or specific products, should not be discussed between competitors; agreements between competitors to allocate markets (customers or products) are illegal under antitrust laws; agreements between competitors to refuse to deal with a supplier or a customer are illegal under antitrust laws;
- (c) Purchasing plans or bidding plans should not be discussed (except privately between two parties with a vertical commercial relationship such as supplier and customer);
- (d) Current and future price information and pricing plans, bidding plans, refund or rebate plans, discount plans, credit plans, specific product costs, profit margin information and terms of sale should not be discussed between competitors. All of the above are elements of competition; and
- (e) Any question regarding the legality of a discussion topic or business practice should be brought to the attention of SP legal counsel or a company’s individual legal counsel for legal advice.

Agenda Outline

1. Invitation to Li-On Value Chain Mapping Exercise in Indianapolis
2. Summary of Feedback on SP RBWG & Next Steps
3. SP RBWG Strategic Workshop Proposal

Current SP RBWG Participants

- **Ford Motor Company (co-chair)**
- **Johnson Controls (co-chair)**
- Avangard Innovative
- Battery Solutions
- DENSO
- East Penn Manufacturing
- Edison Energy
- ERA Environmental
- FCA US LLC
- General Motors
- Henkel
- Heritage
- Honda North America
- ICL Group
- Lear Corp
- Pathway21
- RSR Technologies
- TerraCycle
- Toyota North America
- Waste Management
- Responsible Battery Coalition (collaborator)

Value Chain Mapping Exercise

- When: April 23, 12PM – 1:30PM ([during SP Q2 Meeting](#))
- Where: Heritage, Indianapolis, Indiana
- Facilitator: Carole Mars, The Sustainability Consortium
- Intended to complement Li-On Landscape Assessment work and provide a tool to help develop new insights and raise awareness / understanding across value chain segments.
- Seeking representatives from OEMs, Recyclers and Battery Manufacturers/Suppliers to participate.

Encourage all SP RBWG members to participate if possible!

SP RBWG Member Feedback

- **Very valuable** to have ongoing forum to facilitate dialogue among different stakeholders from across the value chain, as well as within peer groups, on EOL management of advanced vehicle batteries.
- **Strong interest** in seeing SP RBWG continue to support:
 - Two-way communication between SP OEMs and recyclers on EOL management opportunities/needs
 - Open dialogue among peers on best practices / challenges related to battery recycling and reuse
- **Strong interest** in proceeding with Li-On Value Chain Mapping Exercise at next meeting.

SP RBWG Member Feedback (continued)

Going forward, SP RBWG may also wish to consider....

- Targeted outreach to other key stakeholder groups, e.g.
 - utility sector
 - truck/bus manufacturers
 - dealers
 - logistics
 - academia
 - National Labs (e.g. Argonne / ReCell)
 - Promoting awareness/dialogue on responsible management of all types of advanced vehicle batteries (not limited to Li-On)
- **Q: Do you agree with the feedback provided? Any additional thoughts to share?**

A Few Observations from Phase 1-2 Research

- While there are many different groups addressing various aspects of the lifecycle of Li-On vehicle batteries....
 - there appears to be limited communication / coordination between these efforts and there is a risk of duplication of effort (information tends to be siloed by region, value chain stage and/or issue-focus.)
 - few, if any, groups have developed programs focused on strategically addressing issues, or driving engagement, across the full value chain
 - there does not yet appear to be any one organization that is bringing all key stakeholder groups and their unique perspectives together in one forum (utilities, logistics, retail/dealers notably missing in many cases)

“The critical part of this shift calls for a collaboration between companies from the automotive, utilities, and metals and mining sectors to create a commercially viable marketplace to capture the full economic benefit of the battery life cycle. To achieve this, these sectors will need to collaborate and shift away from traditional linear value chains and move toward a circular economy ecosystem model.”

Why the EV battery life cycle is more important than the battery life, 4 Mar 2019, EY. https://www.ey.com/en_gl/automotive-transportation/why-the-ev-battery-life-cycle-is-more-important-than-the-battery-life

SP RBWG Workshop Proposal

- Propose that SP host a one-day strategic workshop on end-of-life management of advanced vehicle batteries in North America (inclusive of all technologies).
- Proposed objective is to promote further information exchange on advanced vehicle battery EOL issues across many different stakeholder groups and through open dialogue seek to identify opportunities for strategic collaboration across the value chain to advance responsible management.
- Propose workshop be held in Southeast Michigan, potentially in conjunction with the SP Q3 Meeting on July 16-17.

SP RBWG Workshop Proposal Discussion Questions

- Is the proposed workshop an appropriate next step for this group? Other actions you'd like to see considered?
- How well does the proposed objective address the needs identified? What outcomes would you hope to see come from this workshop? What do you feel would be the most important topics to be addressed?
 - Proposed Objective: “To promote further information exchange on advanced vehicle battery EOL issues across many different stakeholder groups and through open dialogue seek to identify opportunities for strategic collaboration across the value chain to advance responsible management.”
- Feedback on proposed workshop location (Southeast Michigan) and timing (SP Q3, July 16-17)?

SP RBWG Workshop - Potential Participants

Participants: SP OEMs, Recyclers, Battery Manufactures / Suppliers

- ± Dealers / Retailers?
- ± Commercial Vehicle Manufacturers ?
- ± Utilities?
- ± Logistics?
- ± Mining / Materials?
- ± Govt? (DOE VTO, EPA, Transportation, Econ Dev.)
- ± Natl Labs? (Argonne / ReCell Center, NREL)
- ± Industry Groups? (RBC, GBA, EPRI, SAE, USABC, BCI, etc.)
- ± Academia?
- ± Defense Suppliers?
- ± Consumer Electronics?
- ± IT?

Proposed Next Steps

- Please join us in [Indianapolis on April 23](#) for the Li-On value chain mapping exercise.
- If group agrees, SP will work with RBWG Co-Chairs and member volunteers to develop agenda and engagement plan for strategic workshop.
 - Please let Kellen know if you would be willing to volunteer to participate on a workshop planning committee.