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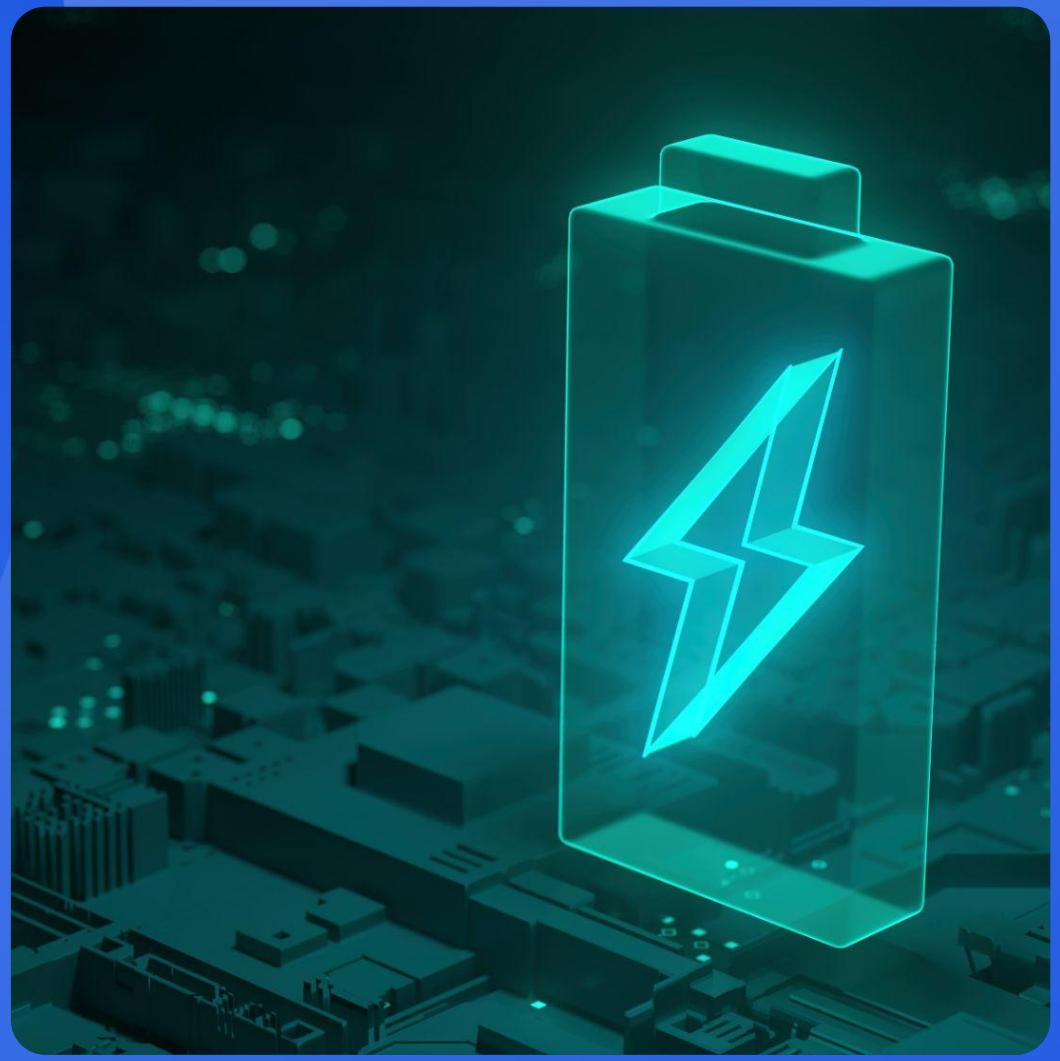

Webinar

Manufacturers' Blueprint: Solving the US & EU Battery Compliance Puzzle

March 25th, 2026

→ | complianceandrisks.com

Q&A Session

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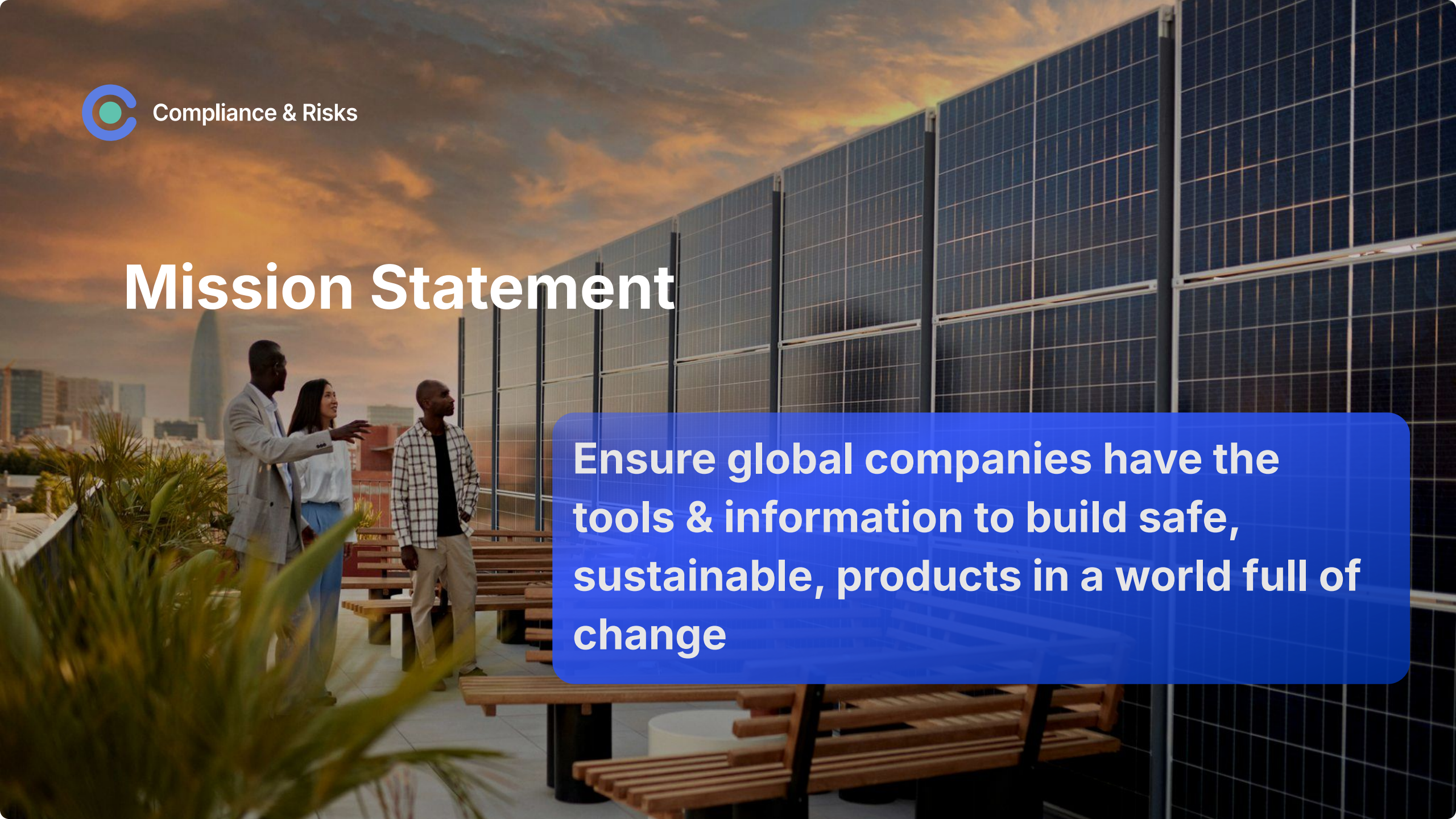
Meet the Team

Andrew O'Neill,
Regulatory Compliance Specialist, Compliance & Risks

Dila Şen,
Senior Regulatory Compliance Specialist, Compliance & Risks

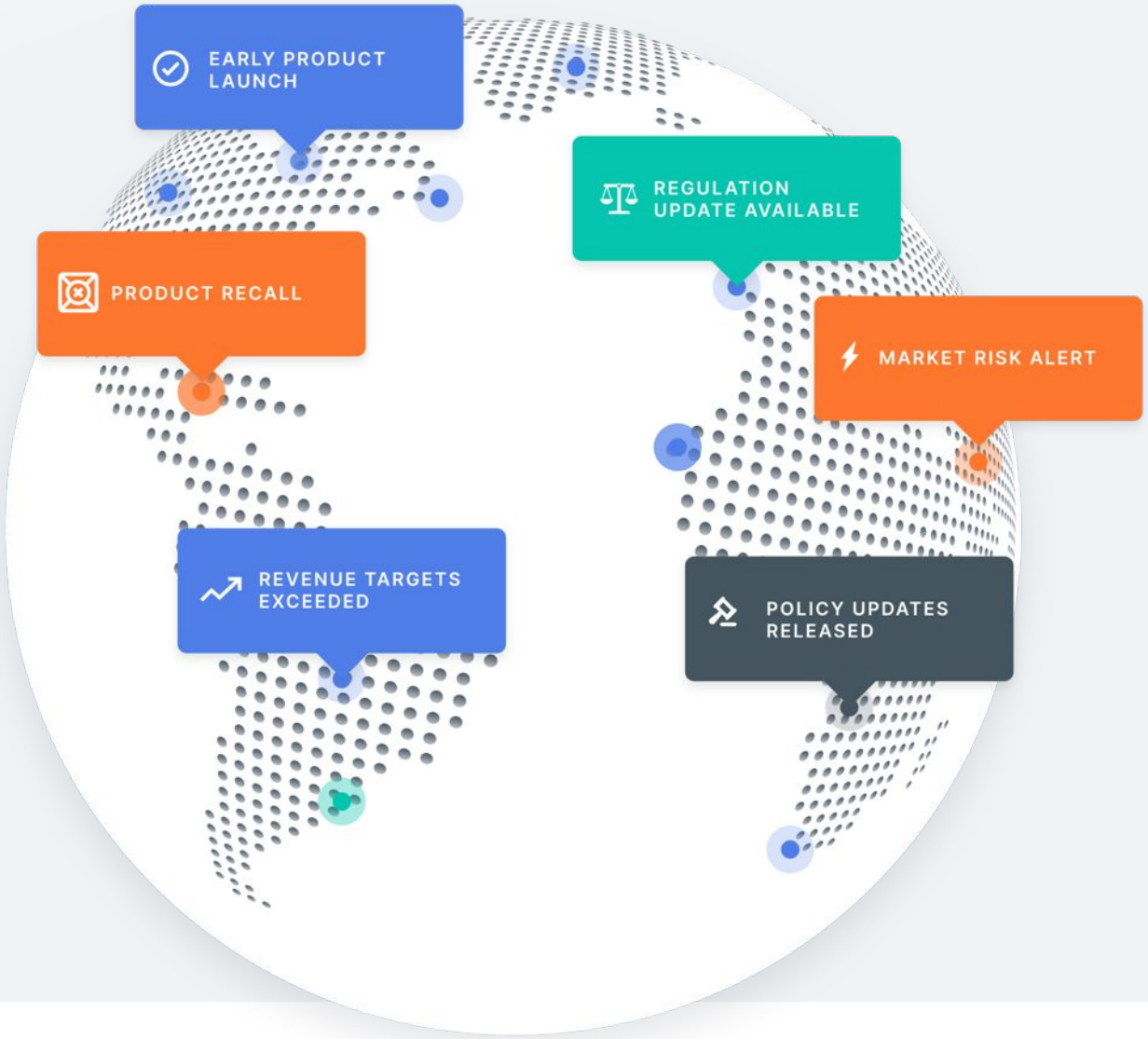

Compliance & Risks
Mission Statement
Ensure global companies have the tools & information to build safe, sustainable, products in a world full of change

Compliance & Risks

WHAT WE DO

Unlocking Market Access

Keep on top of regulatory changes and their impact worldwide. Early warning alerts, impact probability, productivity workflow tools and so much more.



Agenda

Part 1: United States - Navigating the Patchwork of State EPR

- Proposed and Approved
- Why Now?
- State-by-State Patchwork
- The Blueprint Emerging
- Timelines

Part 2: The European Union – Transitioning to a Global Sustainability Benchmark

- From Directive to Regulation
- The Lifecycle Approach
- Supply Chain Due Diligence
- Digital Innovation
- Circular Design

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The United States: Navigating the Patchwork of State EPR

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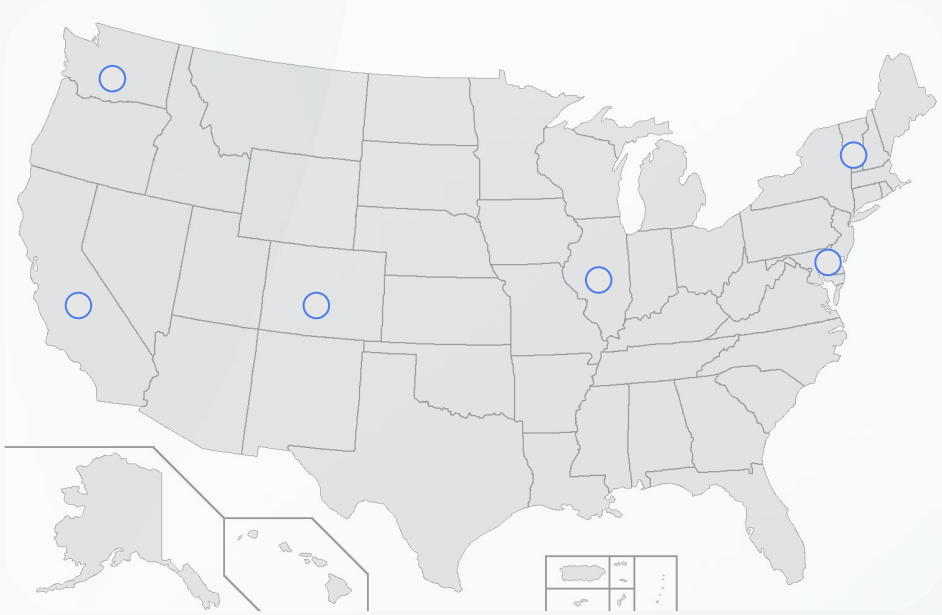
Proposed and Approved

Recently Enacted / Updated - Examples

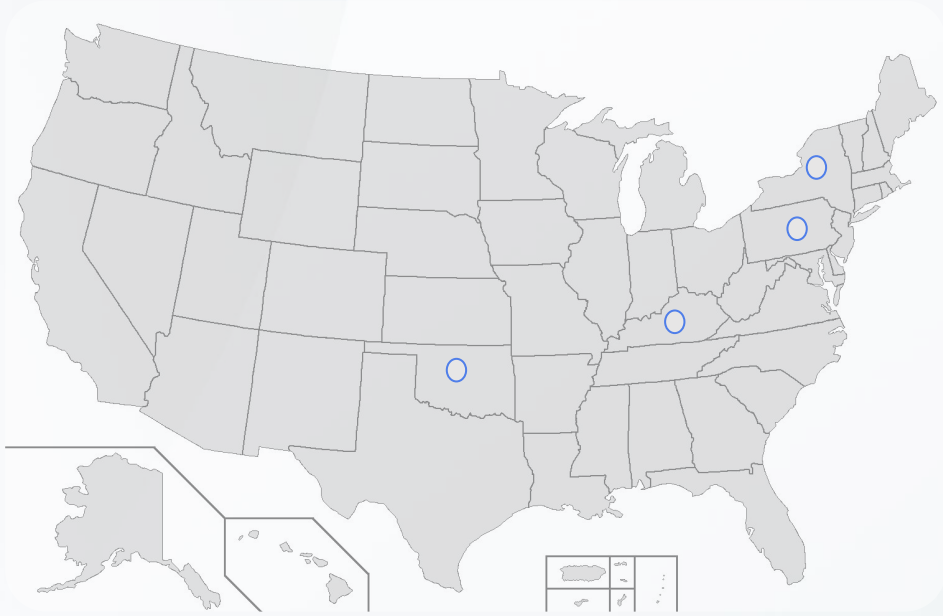
- **California:** Responsible Battery Recycling Act (rulemaking/implementation underway)
- **Washington:** EPR framework for portable (then medium-format) batteries
- **Vermont:** Expansion to rechargeable batteries + battery-containing products
- **Illinois:** Portable + medium-format stewardship requirements
- **Colorado:** Battery stewardship organizations + approved plans
- **District of Columbia:** Producer requirements + battery-containing products



Proposed Bills

Examples of Active Proposals

- **Pennsylvania:** portable battery stewardship proposal
- **Oklahoma:** Battery Stewardship Act proposal
- **Kentucky:** Battery stewardship proposal
- **New York:** Recent expansions to rechargeable battery obligations

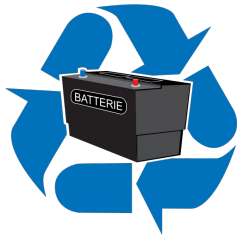


Why Now?

What’s Driving States to Impose Battery Stewardship Laws

Safety & infrastructure

- Lithium battery fires
- Insurance + downtime
- Disposal bans



Cost shifting

- Municipal HHW is costly
- Producers fund programs
- Convenience standards

Policy momentum

- EPR is “normalized”
- Model language reused
- Agency playbooks spread

State-by-State Patchwork

How to Navigate Similarities and Differences

Common “Core” Across Programs:

- Producer definition (brand owner / importer-of-record)
- Stewardship organization (BSO) + plan approval
- Collection network requirements
- Education/outreach + collection locator
- Annual reporting + oversight fees
- Increasingly standardized labeling

Where States Diverge (the “Gotchas”):

- Scope boundaries (portable-only vs + medium-format)
- Battery-containing products & “easily removable” tests
- Effective dates + phase-ins
- Convenience standards (site density, retailer roles)
- Damaged/defective battery handling
- Enforcement posture & sale prohibitions

The Blueprint Emerging

How One Implementation Becomes the Bedrock for Others

Washington is functioning as a reference implementation:

- Clear portable vs medium-format definitions
- Phased go-live dates
- BSO + plan approval mechanics
- State oversight + annual reporting
- Clear compliance triggers for sale/participation

Blueprint Breakdown (illustrative)

Washington (WA)
Reference implementation: plan + go-lives + oversight

Vermont (VT)
Expansion to rechargeable + battery-containing products

Colorado (CO)
Newer act adopting similar BSO/plan structure

Other states
Bills increasingly mirror the WA-style framework

How to Navigate the Patchwork

A Practical Compliance Workflow for Producers / Importers

Determine “producer”

Brand owner / manufacturer / importer-of-record (state-specific)

Map your products

Portable vs medium-format; battery-containing products; exclusions

Join a BSO

Plan coverage, fees, reporting cadence

Product controls

Labeling, removability, D&D handling

Operationalize

Owners, data pipelines, audits, retailer readiness, Horizon scanning and regulatory tracking

Timelines

- **2026:** Sales / participation triggers in multiple states
- **2027:** Washington portable collection begins
- **2029:** Washington medium-format collection begins
- **2028–2029:** Phased milestones in newer statutes

Outlook

Near-term Priorities vs. Medium/Long-term Changes

0–12 months

- Track bills + rulemaking dockets
- Producer determination & product mapping
- Engage BSOs early (fees, reporting, plan coverage)
- Assess labeling changes and packaging updates

12–36 months

- Plan submissions + approvals
- Retailer readiness (sales restrictions; take-back protocols)
- Data systems: sales, collection, recycling outcomes
- Medium-format scoping: e-mobility + higher-risk streams

36+ months

- Collection networks scale
- Spillover: more states adopt similar laws
- Design-for-removability expectations rise
- More harmonization pressure (standard labeling/categories)

Key Takeaways & Next Steps

What You Can Do with This Information

Three takeaways:

1. The legislation wave is happening now; operational go-lives concentrate 2026–2029.
2. The patchwork is real, but the control set is converging: BSO + plan + labeling + sales triggers.
3. Treat Washington as a reference implementation and build a master framework plus state level changes.

Recommended next steps (producer-side):

1. Build a product taxonomy: chemistry, watt-hours, weight, removability
2. Align labeling/artwork changes across jurisdictions where possible
3. Engage your BSO(s) on fees, reporting, and medium-format handling protocols

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The European Union: Transitioning to a Global Sustainability Benchmark

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From Directive to Regulation

Understanding the Shift to the Harmonized EU Battery Regulation (2023/1542)

Directive 2006/66/EC

- National implementation
- Focus solely on end-of-life collection & recycling
- No lifecycle CF requirements
- No supply chain transparency obligations
- Limited to hazardous substance restrictions
- Repealed as of 18 August 2025

Regulation (EU) 2023/1542

- Directly applicable in all EU MSs
- Full lifecycle approach
- Mandatory CF declarations
- Supply chain due diligence
- Digital Battery Passport with QR code access
- In force and applies from 18 February 2024

From Directive to Regulation

Overview of the EU Battery Regulation (2023/1542)

- First EU law to address **entire battery life cycle**.
- Covers batteries ***AS*** product and ***IN*** a product e.g. Portable, SLI, LMT, Industrial, Battery Packs.
- **Economic operators** : Natural or legal persons involved in making batteries ***available*** or ***putting into service*** in EU.
  - Manufacturer
  - Supplier of Battery Cells/Modules
  - Authorised Representative
  - Importer
  - Distributer
  - Fulfillment Service Provider

The Lifecycle Approach

Mandatory Carbon Footprint Declaration

Scope: EV batteries, Industrial batteries (>2 kWh), LMT batteries
Requirement: Calculate and declare per model and manufacturing plant
Methodology: Based on EU Product Environmental Footprint
Compliance: Third-party verification
Transparency: Publicly accessible via Battery Passport

Timeline:

- From 2025 (EV) → 2026 (Industrial)
- Future: Carbon classes & maximum thresholds

The Lifecycle Approach

Recycled Content Targets

Material	From 18 August 2031	From 18 August 2036
Cobalt	16%	26%
Lithium	6%	12%
Nickel	6%	15%
Lead	85%	85%

Supply Chain Due Diligence

Identifying Social and Environmental Risks in Raw Material Sourcing

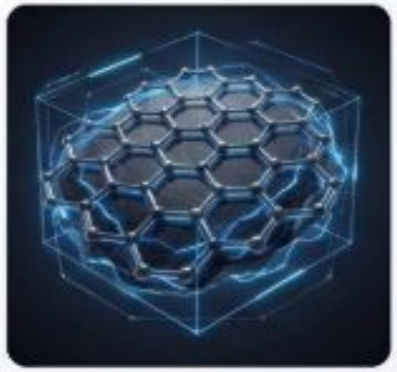
Cobalt: DRC (Congo) - Artisanal mining, child labor risk
Nickel: Indonesia/Philippines - Deforestation & community impact
Lithium: Chile/Argentina/Australia - Water stress & indigenous rights
Graphite: China - Environmental & labor standards scrutiny

Risk mapping & supplier audit required!

Cobalt

Nickel

Lithium



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Omnibus IV - Stop the Clock for Batteries

What Has Been Approved and What Is Still at Proposal Stage?

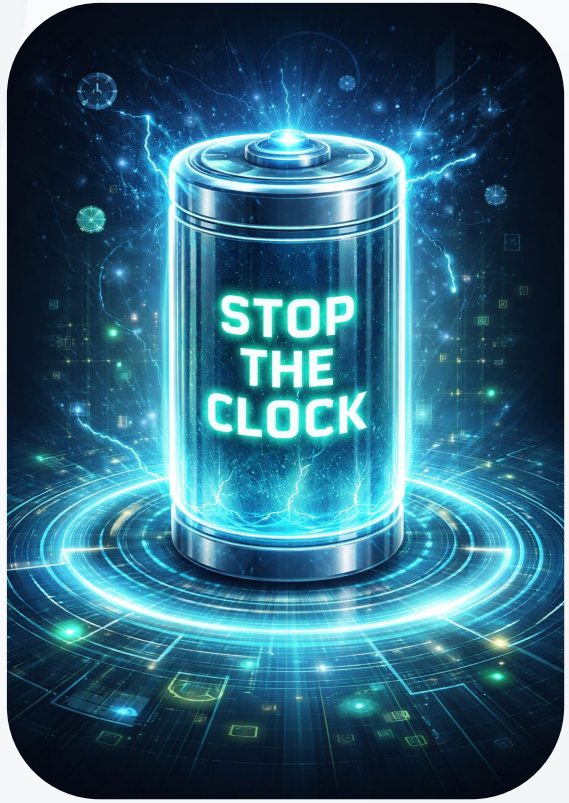
Due Diligence Obligations (*In force*)

31 July 2025: Reg (EU) 2025/1561 (amended Batteries Reg):

- **DD obligations** postponed from 18 Aug 2025 to **18 Aug 2027**
- **Guidelines** postponed from 18 Feb 2025 to **26 July 2026**

Due Diligence Obligations (*Proposed*)

- From **18 Aug 2025**: Companies above **€40 M** turnover must implement **battery DD policy** *(18 Aug 2027, €150 M and €200M proposed)*
- **Independent Audit:** Policies must be verified by notified third-party & **annually** audited *(**every 3 years** proposed)*



Digital Innovation

Digital Battery Passport

- A unique **electronic record**
- A full DPP is mandatory from **18 February 2027**, for the following categories:
  - **Electric Vehicle (EV) Batteries**
  - **Light Means of Transport (LMT) Batteries**
  - **Industrial Batteries > 2 kWh**

- **Other Categories (Portable & SLI Batteries):** Do not require a full DPP but must still have a QR code linking to a more limited set of general and end-of-life information.

Digital Innovation

Mandatory QR Code

Article 13(6): *"From 18 February 2027, **all batteries** shall be marked with a **QR code** as described in Part C of Annex VI*. The QR code shall provide access to the following:"

- **For LMT, industrial > 2kWh, EV batteries**
  - The battery passport in accordance with Article 77
- **For SLI batteries**
  - The amount of cobalt, lead, lithium or nickel recovered from waste and present in active materials in the battery, calculated in accordance with Article 8
- **For other batteries (*batteries that fall outside the scope of the Battery Passport*)**
  - General Information
  - Declaration of Conformity
  - Waste Management Info
  - Reporting

Circular Design

Removability and Replaceability

- **By 18 Feb 2027:** Portable batteries, LMT (e-bikes, scooters), industrial batteries <2 kWh batteries must be *readily removable and replaceable* by end users.
- **Partial exemptions:**
  - Wet-environment products → replacement by **independent professionals**.
  - Certain medical devices → end-user removal not required; professional removal possible.
- **Full exemptions:** Safety-critical or data-critical products → uninterrupted power required.
- **Derogations (*Commission may grant upon justification*):** Additional exemptions possible with technical justification.

Latest Developments

- **Standardized Data Reporting (EU 2025/2289):** Sets the standard reporting format, calculation methods, and operating rules on waste batteries
- **Harmonized Recycling Methodology (EU 2025/606):** Sets how the recycling efficiency rates and material recovery rates for waste batteries are calculated, verified and documented
- **Removability & Replaceability (Notice C/2025/214)**:
  - **Users** must be able to swap portable batteries.
  - Ban on **software locks** that block third-party repairs.
  - Spare parts must be available for **5 years**.

Key Draft Measures

- Methodology for calculation and verification of CF of EV batteries
- Format of CF declaration for batteries
- Format for certain labelling requirements

Key Takeaways & Next Steps

What You Can Do with This Information

Takeaways:

1. **Unified Law:** Binding EU regulation applies immediately to all 27 MSs.
2. **Current Compliance:** CE marking, labelling, and EPR are active. CF data is required now.
3. **Due Diligence:** Postponed to 2027, but supply chain mapping must begin immediately.
4. **Battery Passport:** Starts 2027.
5. **Design Changes:** Mandatory battery removability by 2027.

Recommended next steps:

1. **This Quarter:** Conduct a portfolio gap analysis to map battery categories to obligations.
2. **Mid-2026:** Finalize industrial battery CFs; review July due diligence guidelines.
3. **Q3-Q4 2026:** Launch the DBP project with IT and Supply Chain teams.
4. **Q1 2027:** Finalize removability designs and validate 2027 supplier audit frameworks.
5. **Ongoing:** Monitor new technical delegated acts through 2028.

Questions?

Lets Talk

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