

2021

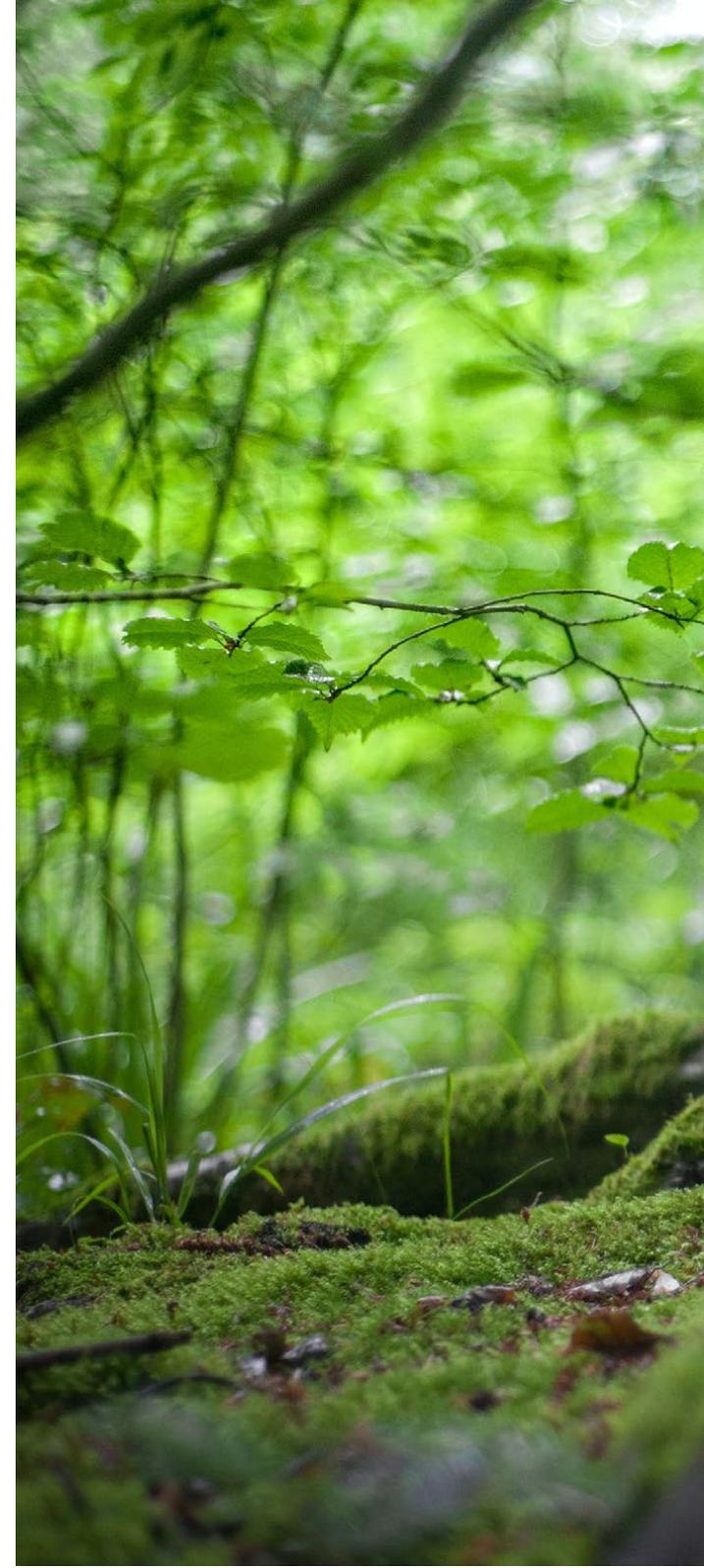
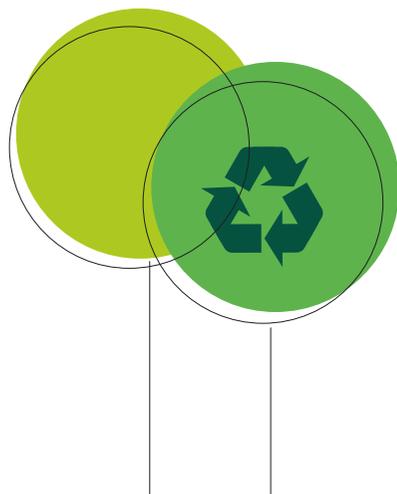
Sustainability Report Tirme

*Together, we help
transform the world*



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At Tirme we are confident that the current global challenges are an opportunity to drive the circular economy.

MESSAGE FROM THE CEO

In the wake of the pandemic's far-reaching impact on the world economy in 2020, the start of 2021 was plagued with uncertainties. However, in times of unease, the best thing to do is remain true to our convictions, and at Tirme, we were confident that the crisis was an excellent opportunity to further strengthen our commitment to the circular economy and continue our fight against climate change.

Time shows that it is the companies driven by sustainability that are best rising to the challenges posed by the new economic model. **The change of economic, social and environmental paradigm** is now a reality, and nobody would question the notion that the COVID-19 crisis has accelerated this process of transformation.

2021 was a year of recovery, even though the return to activity was slower than forecast due to the successive waves of infections. The impact of the economic slowdown was particularly severe in the service sector, which forms an essential part of Mallorca's economy. Yet despite this, the data reveal **significant improvements in selective collection percentages**, proof of citizens' growing commitment and collaboration with optimum processing of urban waste.



Rafael Guinea
CEO Tirme

The collaboration I referred to is a core element of our sustainability strategy. Together with digitalisation, it forms an essential part of Tirme's management actions. In 2021, it allowed us to implement **FINHAVA, a technological platform** that drives the circular economy, local agriculture and sustainable tourism, contributing to compliance with 10 of the 17 Sustainable Development Goals (SDG).

It is an example of **public-private collaboration** whereby administrations, the hotel industry, farmers, technology companies and waste management companies have joined forces to trace the lifecycle of foods consumed in hotels, calculate their carbon footprint and reduction in their greenhouse gas emissions, measure the energy they produce, assess the amount of food waste generated and transform it into compost for reuse in crop growing. We have therefore moved from words to actions, with the year-on-year (2020) increase in the recovery of organic fraction of municipal solid waste (OFMSW) reaching 44%.

However, improvements cannot take place without measurement. In this sense, in 2021 we continued to calculate the carbon footprint

generated by our activity. The results showed that since the start of the service in 1996, the **total carbon footprint reduction** attributable to municipal and assimilable waste management on the island stands at 63%.

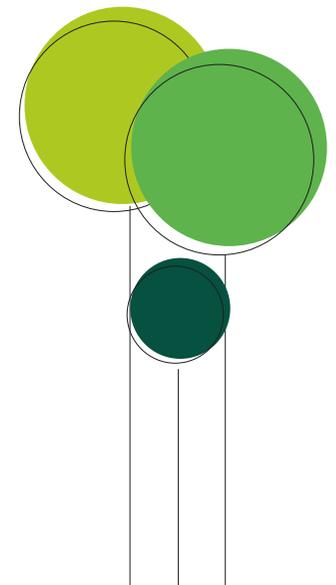
Finally, within the context of our commitment to sustainability, **Next Generation funds** provide a magnificent opportunity to speed up the transformation our economic model requires. In this sense, we have continued to work on the design of innovative projects such as the production of a sustainable fuel – **green hydrogen** – using renewable energy with zero CO₂ emissions.

Crisis, transformation, alliances, innovation. At Tirme, we are convinced that this is the only possible roadmap for achieving a circular economy. Mallorca has a unique opportunity to continue its transition towards a productive model that will guarantee **sustainable, digital, fair, structured and inclusive growth**.

The data included in this report reflect that this is far from a utopia: indeed, Tirme continues to progress towards circularity, sustainable development and social progress within a framework of continuous improvement, which underpins our commitment and support to the UN Global Compact and its ten underlying principles.

We continue to move towards circularity, sustainable development and social progress, as part of a process of ongoing improvement.

Rafael Guinea
CEO Tirme



01

TIRME

Immersed in the circular economy challenge to generate a positive impact on our society and planet.





Our actions are geared to guaranteeing efficient waste management based on processing priorities and the principles of the circular economy.

1. TIRME

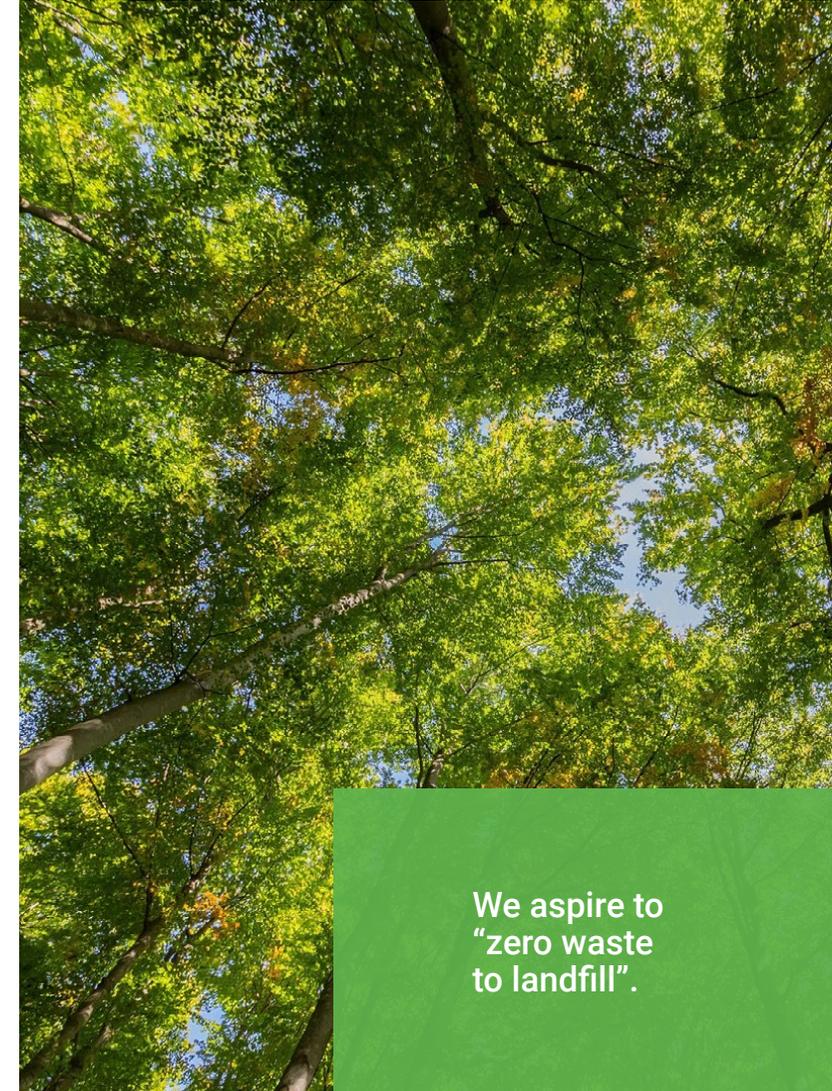
1.1. OUR COMPANY

Tirme's trajectory dates back almost 30 years, when we were awarded the public tender for urban waste management on Mallorca. Since then, we have worked tirelessly to guarantee an optimum integral waste management model in line with the needs of Mallorca's society.

Our key priority is to move ahead with the **circular economy challenge** and become a key actor in delivering innovative solutions based on "**zero waste to landfill**", a goal we achieved in 2010 through the material and energy recovery of the waste we manage.

Our **management model based on the 7Rs of the circular economy** is further strengthened by the inclusion of two additional concepts that complement those set by the European Union in order to guarantee correct waste management: re-education and social reinsertion. These two notions enable us to raise awareness among citizens of the serious environmental risks we face to today and favour the social inclusion of the most disadvantaged groups.

All the achievements and goals we set are made possible thanks to **the talent of our 289 professionals**, in addition to 388 workers subcontracted from local companies. Together, they offer citizens their experience and know-how that consistently positions us as a European benchmark for waste management.



We aspire to "zero waste to landfill".



Dedicated to citizens and the protection of our planet

We are committed to a business model that places citizens' wellness and the protection of our environment at its core.

Mission

To manage waste sustainably, transforming it into resources that generate value and improve the quality of life enjoyed by Majorca's residents and visitors, based on optimum environmental processes, efficiency and cost control.

Vision

To become a benchmark for sustainability and lead the drive to position the island of Majorca as the world's most advanced circular economy model.

Values

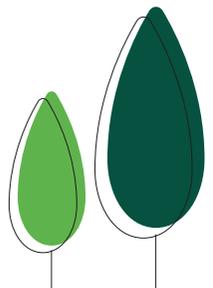
Respect for people and the environment

Excellence

Honesty and transparency

Teamwork

Innovation





Our facilities on the island of Mallorca

Tirme has a series of infrastructures, grouped into four main zones that enable us to optimise all phases of urban waste management on the island of Mallorca.



Environmental Education and Information Centre, a space for training and dissemination actions, as well as citizen awareness-raising activities.



"Cases de Can Canut" Offices, the main building where we coordinate all our activities and carry out the administrative tasks related to the service.



Transfer stations, located in Alcudia, Binissalem, Campos, Manacor and Calviá, where we compact waste by fractions for their later transfer to the treatment plants.

Material recovery



Production plant for eco-aggregates in Son Reus, where the bottom ash from the energy recovery plant is processed. The metallic elements and mineral fraction are recovered, secondary raw materials that replace virgin materials (metals extracted from mines and quarry aggregates).



Lightweight Packaging sorting plant located in the Can Canut (Marratxí) area, where we process lightweight packaging obtained from selective collection. The packaging selected by plastic polymer type is sent to the final recycling facilities.



Methanation plant located in Marratxí, where we produce biogas from the anaerobic fermentation of organic waste. The biogas is burnt in engines and produces 100% renewable electrical energy. This energy is used for self-consumption at the recycling facilities.



Compost plants in Marratxí, Calviá and Felanitx, where compost is produced, an organic amendment of exceptional agronomic value which is later used for gardening and agriculture as an organic fertilizer that improves soil quality.

Energy recovery



Energy recovery plant in Son Reus, for the efficient recovery of waste energy via incineration, which enables us to meet our goal of zero waste to landfill.



Solar drying plant, located in Can Canut, for processing digested sludge, digestates and non-digested sludge in order to obtain biofuel.

Waste elimination



Reject landfill in Santa Margarita, for the reception of materials from the construction and demolition waste processing plants that cannot be used for material or energy recovery.



Secure landfill in Son Reus, for the reception of fly ash produced during incineration.



Our facilities on the island of Mallorca

Son Reus area

- Recovery Plant energetic (RPE).
- Security deposit.
- Production plant of Ecoarid (PPE).

Can Canut area

- Information Center and Environmental Ed.
- Selection Plant Light Packaging.
- Methanation Plant.
- Solar Sewage Sludge Drying.
- Composting Plant.

Calvià area

- Ponent Transfer Station.
- Composting Plant.

Campos

- South Transfer Station.

Can Canut

- "Can Canut" Offices.

Alcudia

- North Transfer Station.

Santa Margalida

- Reject landfill.

Binissalem

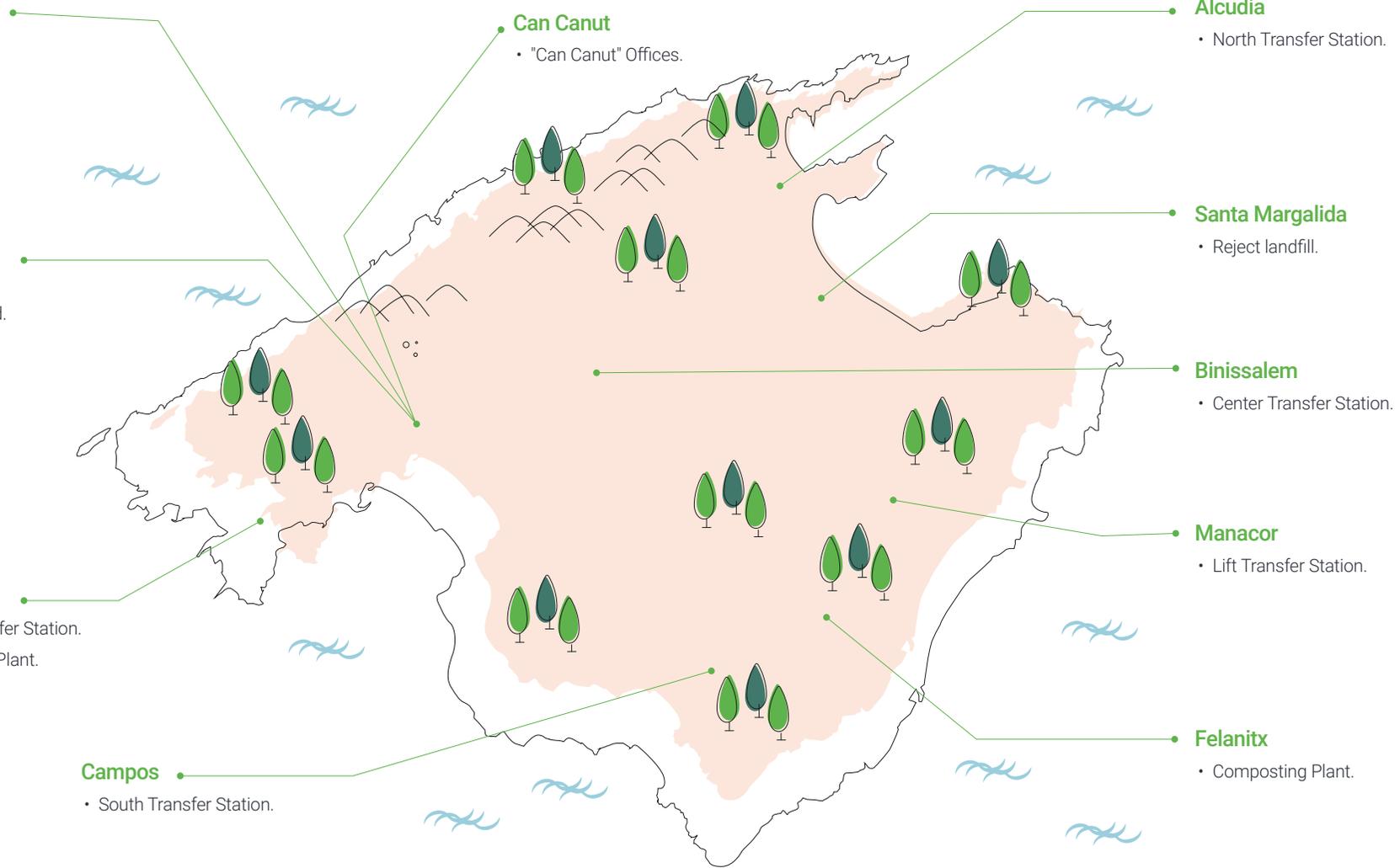
- Center Transfer Station.

Manacor

- Lift Transfer Station.

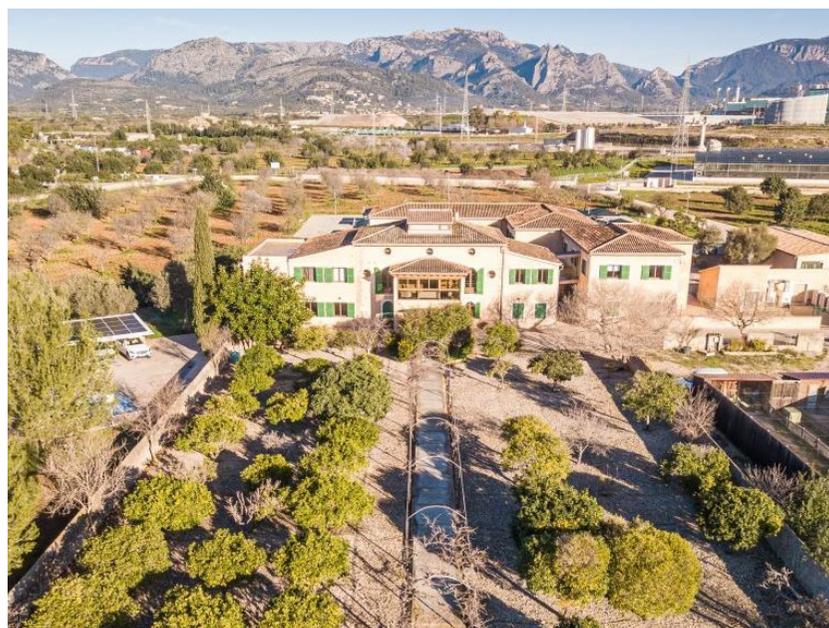
Felanitx

- Composting Plant.



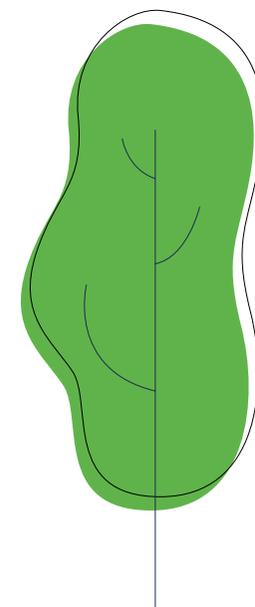
The activities carried out at our facilities fall within the framework of successive **Waste Master Plans**, together with the corresponding Environmental Surveillance and Measures Programme (PMVA in its Spanish initials).

This programme enables us to monitor the main environmental aspects related to urban waste treatment facilities, a key requirement of this activity. Our aim is to identify areas for improvement, reduce our impact and guarantee the environmental sustainability of the projects we undertake.



Zones of Mallorca

Zones	Municipalities	Facilities located in each zone
Zone 1	Palma Marratxí	Lightweight packaging sorting plant Compost plant Methanation plant Energy recovery plant Eco-aggregate production plant Secure landfill cement-stabilised fly ash Sludge solar drying plant
Zone 2	Santa Margalida	Reject CDW landfil
Zone 3	Calviá	Compost plant
Zone 4	Felanitx	Compost plant for WWTP sludge
Transfer stations		
Nord	Alcudia	
Centre	Binissalem	
Llevant	Manacor	
Ponent	Calviá	
Sud	Campos	



Below are some of the key improvements carried out at our facilities over the course of 2021:

Construction of the dykes for Cells 1 and 2 at the landfill for construction and demolition reject waste in Santa Margalida, in accordance with the exploitation project.

Installation of process control sensors at the Solar Drying Plant.

Ammonium sulphate waste injection system for the primary reduction of NO_x on lines 34 of the Energy Recovery Plant.

Improvements to the rotosieve pump and layout with pre-processing to enhance process water management at the Can Canut area recycling facilities.

Project for the installation of photovoltaic panels at the Solar Drying Plant and Cases de Can Canut.

Improvements to the biofiltration extraction process at the Methanation Plant.

Rehabilitation of the closure wall at the Felanitx Compost Plant.

Extension work on the secure Landfill.

Each year, we carry out a series of initiatives at our facilities in order to further enhance their efficiency and become increasingly sustainable.

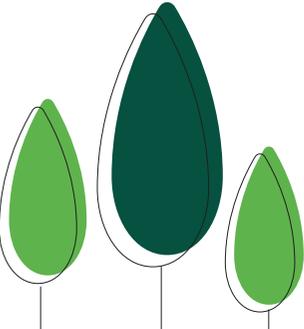


Automation of the bottom ash crane on lines 12 at the Energy Recovery Plant.

Sealing and closure of cells I-IV at the Secure Landfill.

Drum dismantling and adjustment to the corrective measures included in the waste management authorisation at the Calviá compost plant.

Adaptation of the air quality control booth at Joan March Hospital.

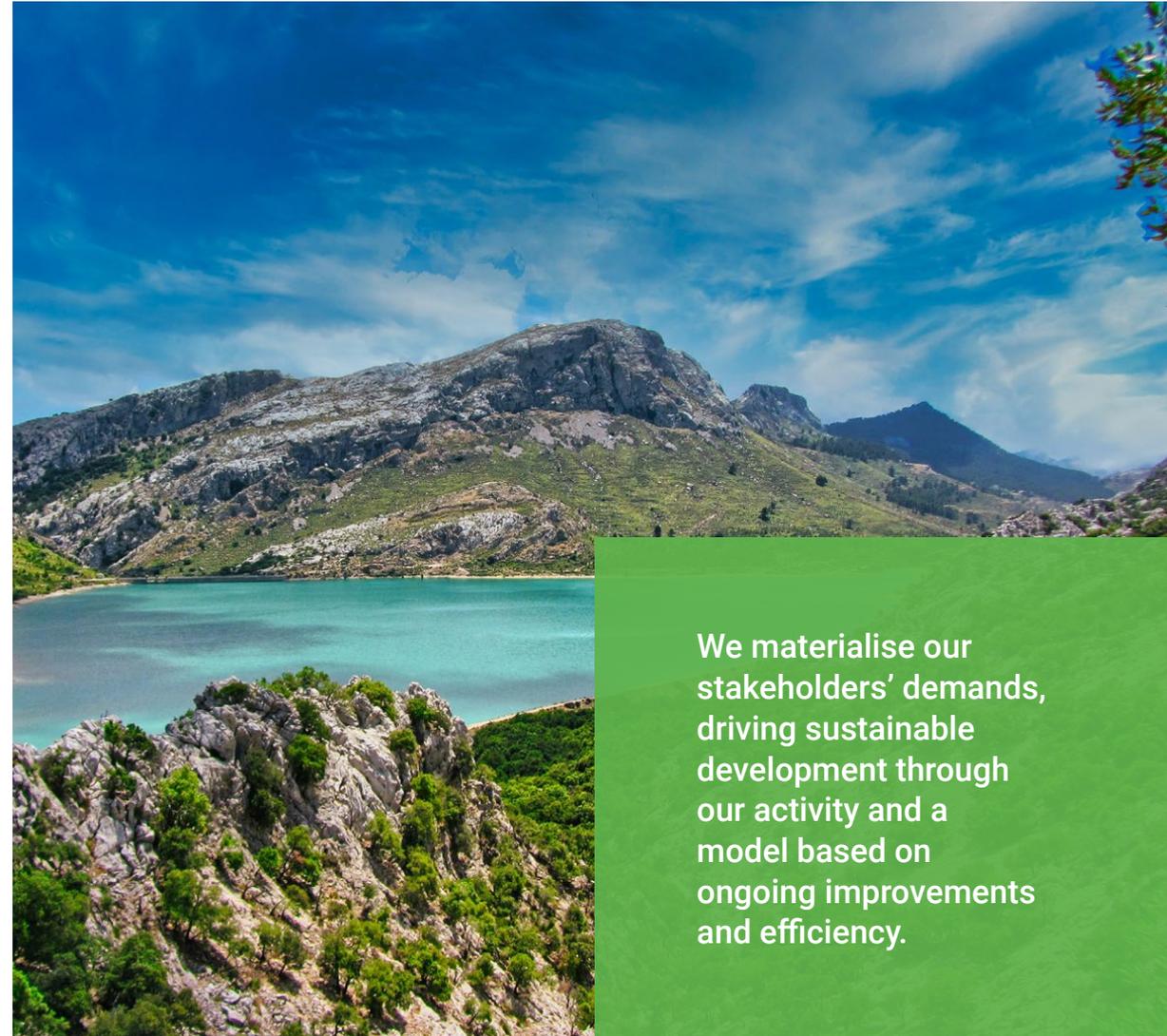


1.2. SUSTAINABILITY AS A CORE ELEMENT OF OUR STRATEGY

We are aware that we play a crucial role in the shift towards the circular economy and therefore channel major efforts in order to deliver efficient and innovation solutions based on optimising processes for the transformation of waste into resources and thereby extend their useful life.

In 2021, we continued to apply our **2018-2020 Strategy Plan**, which we extended a further year due to the difficulties we experienced in completing it in 2020. In this sense, and together with the COVID-19 Contingency Plan, it has provided us with a roadmap for progress in meeting the strategic challenges and sustainability goals we set for this period.

We have also embarked on a participatory strategic reflection process in order to define the challenges that lie ahead for the 2022-2025 period.



We materialise our stakeholders' demands, driving sustainable development through our activity and a model based on ongoing improvements and efficiency.

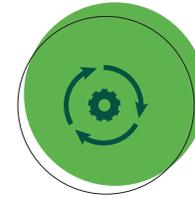
Our strategic goals, a vital contribution to the SDG



Strategic Challenge 1: To drive the change towards the circular economy as the basis of our activity, thereby contributing to achieving the following SDGs:



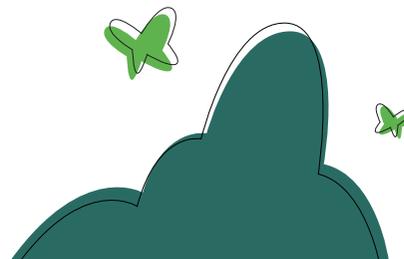
Strategic Challenge 2: Tirme 4.0, talent and technology, driving innovation, digitalisation of processes and the protection and career development of our employees, in line with the following SDGs:



Strategic Challenge 3: Development of the concession frame, focused on contributing value to society and fulfilling its expectations. This challenge is aligned with the following SDGs:



Strategic Challenge 4: Sustainable profitability, contributing to environmental sustainability, social development and progress in our territory, in accordance with the following SDGs:





As a benchmark organisation for waste management, we drive the contribution to SDGs through responsible management and strategy. This year, we once again renewed our adherence to the United Nations Global Compact and its ten principles.

Moreover, this report has been drawn up in accordance with Global Reporting Initiative Standards (GRI), which identify the key reporting principles for consideration when writing sustainability reports.

Tirme also has an **Integrated Management System** that defines the scope of our actions and enables us to identify the measures, procedures and resources necessary in order to meet the goals we set.

This system is defined in our **Integrated Management Policy**, which has been renewed this year and included the undertakings and goals set to drive a model based on excellence, social responsibility and ongoing improvements. In turn, this falls within our corporate ethics, compliance with regulations and care for the environment and people. Together, these aspects enable us to contribute to the growth of our company, progress in society and the protection of our planet.



This is our **Communication on Progress** in implementing the principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.

These systems and policies are guaranteed by a series of interconnected **certifications**, which underpin our integrated management model and prove our determination to introduce ongoing improvements and continue complying with the highest Spanish and international standards. They also help us to deploy our strategic visions:



UNE-EN-ISO 9001
(Quality)



UNE-EN-ISO 45001
(Occupational Health and Safety)



UNE-EN-ISO 14001
(Environment)



IQNet SR 10
(Social Responsibility)



ISO 50001
(Energy Management)



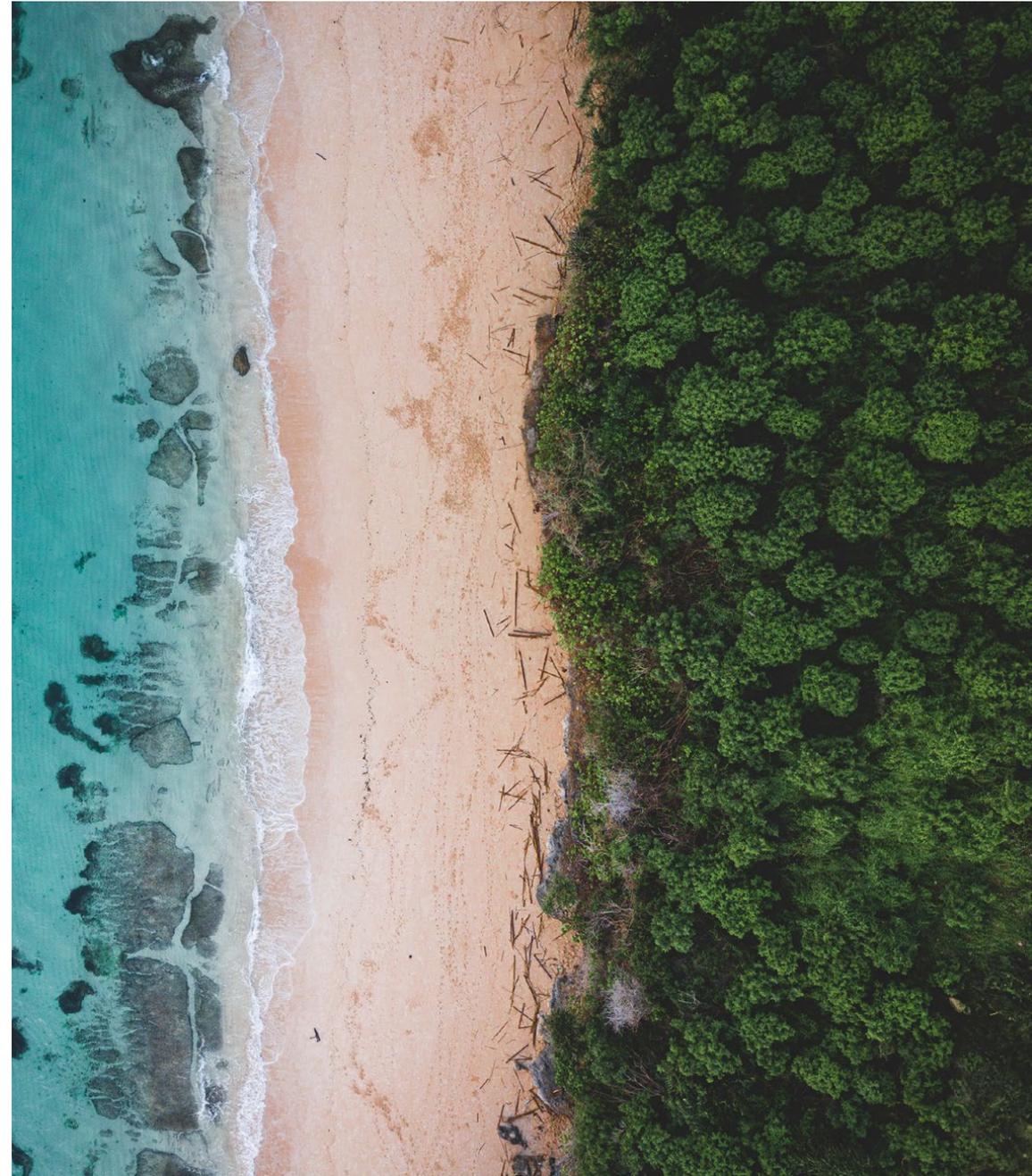
UNE 19601
(Criminal Compliance)



EFR 1000-1
(Work-Life Balance and Equality)



Circular Economy
Strategy Model



1.3. OUR KEY FIGURES

Activity

101.7 million
Turnover.

53 municipalities
to which we
provide service.

Social impact

150,974€
invested in
social action.

82% positive
press reports.

34,673 visits
to our website.

80% volume of
local suppliers.

1,086 visits
to our facilities.

10,869 followers
on our social media.

People management

289 professionals.

47 years:
average age.

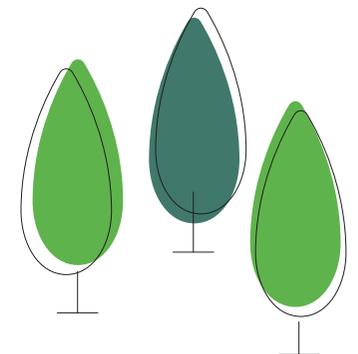
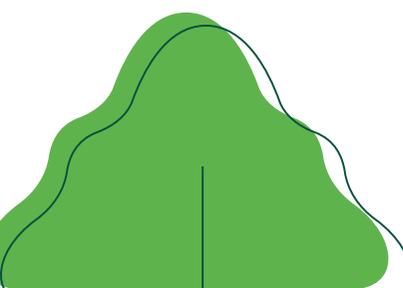
17 years: average
length of service.

98% of employees
with permanent
contracts.

11,636 hours
of training.

0 aserious
occupational
accidents.

473,096 €
invested in health
and safety.



Environmental performance

298,012 MWh
of **electricity generated**
at our plants.

591,822 t
of **waste received**.

94,977 t
tons of **eco-
aggregates recycled**.

17,473t
tons of **paper and
cardboard recovered**.

152,845 MWh
of **renewable electricity
generated** at our plants.

100%
waste recovery.

11,017t
of **metal fraction
recycled**.

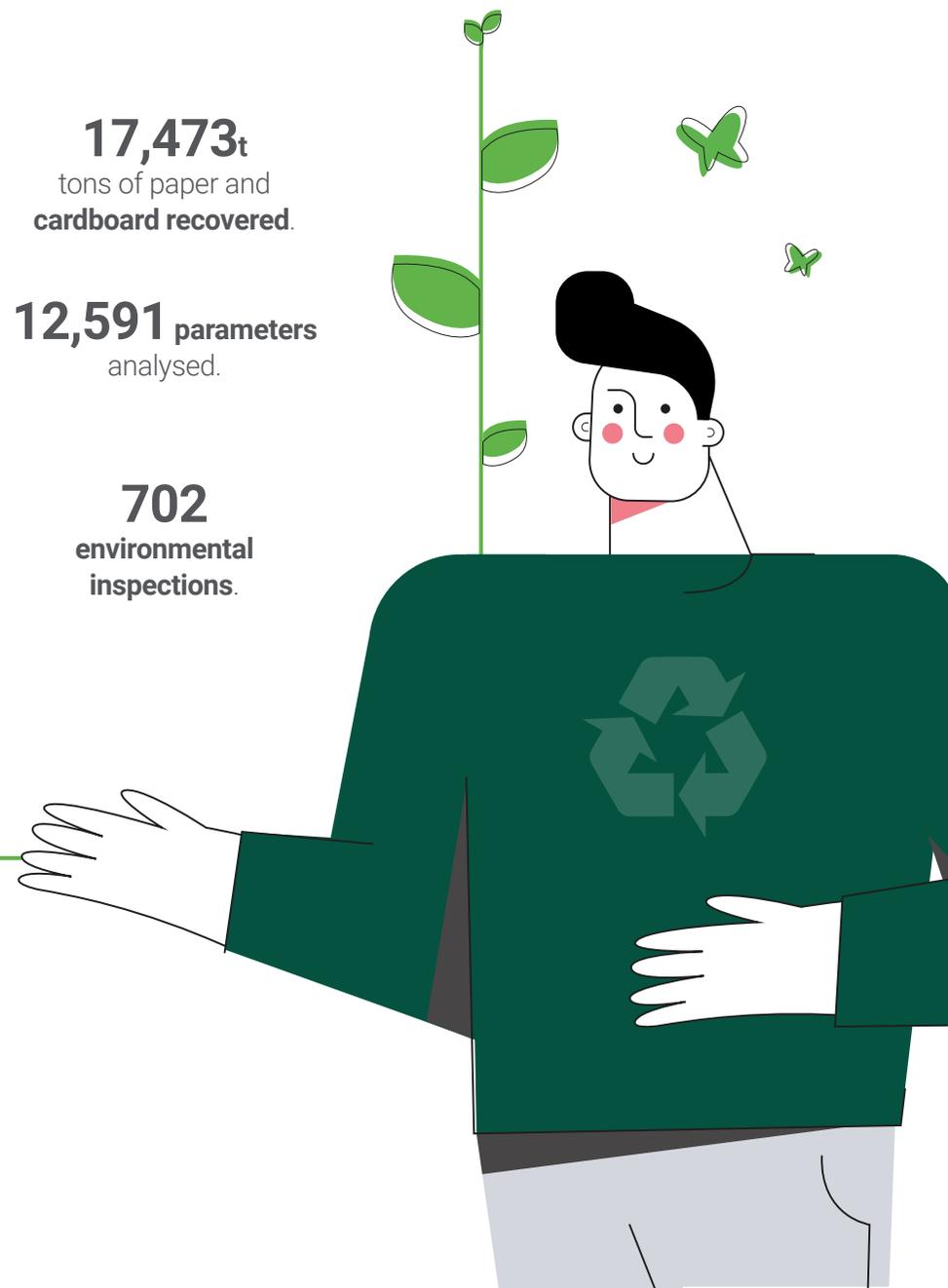
12,591 parameters
analysed.

6,744 t
tons of **compost
produced**, recovering
28 t of phosphorous;
145 t of nitrogen and
37 t of potassium.

15,552 t
tons of **packaging
selected for recycling**.

12,997 t
tons of **glass
recovered**.

702
**environmental
inspections**.



1.4. COMMITTED TO DIALOGUE

At Tirme, our interest lies not only in meeting our strategic goals, but also in contributing value to our stakeholders, improving Mallorcan society's quality of life and contributing to sustainable progress. In this sense, we promote fluent and transparent relations with our stakeholders that will allow their objectives and needs to be met.

This year, we worked on our **2021 External Communication Plan**, which includes actions to disseminate our organisational performance and activities, as well as publicising our Sustainability Report. This enables us to identify areas for improvement and to connect with our stakeholders' real needs.

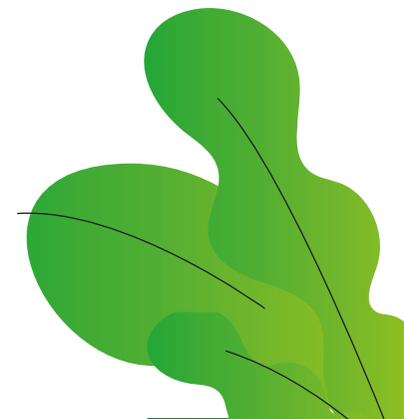
Worthy of mention is the fact that this year we met 77% of the goals included in this Plan.

In 2021, we also conducted another **citizens' survey** in order to gauge opinion of waste management in Mallorca and, in particular, its evolution in recent years, establishing a comparison with the rest of Spain and Europe. A further objective was to identify citizens' main concerns in this field. The results revealed that a large percentage of the island's residents (70%), consider that waste management has improved in recent years.



Moreover, the corresponding opinion studies targeting investee companies and the working climate will be launched in 2022.

We strengthen our communication channels and carry out satisfaction surveys and assessments among our stakeholders in order to respond to their social, environmental and good governance demands.



Our stakeholders and channels for dialogue



Public administrations, including the Govern de les Illes Balears (Regional Government of the Balearic Islands), the Consell de Mallorca (Insular Government of Mallorca) and the island's local authorities

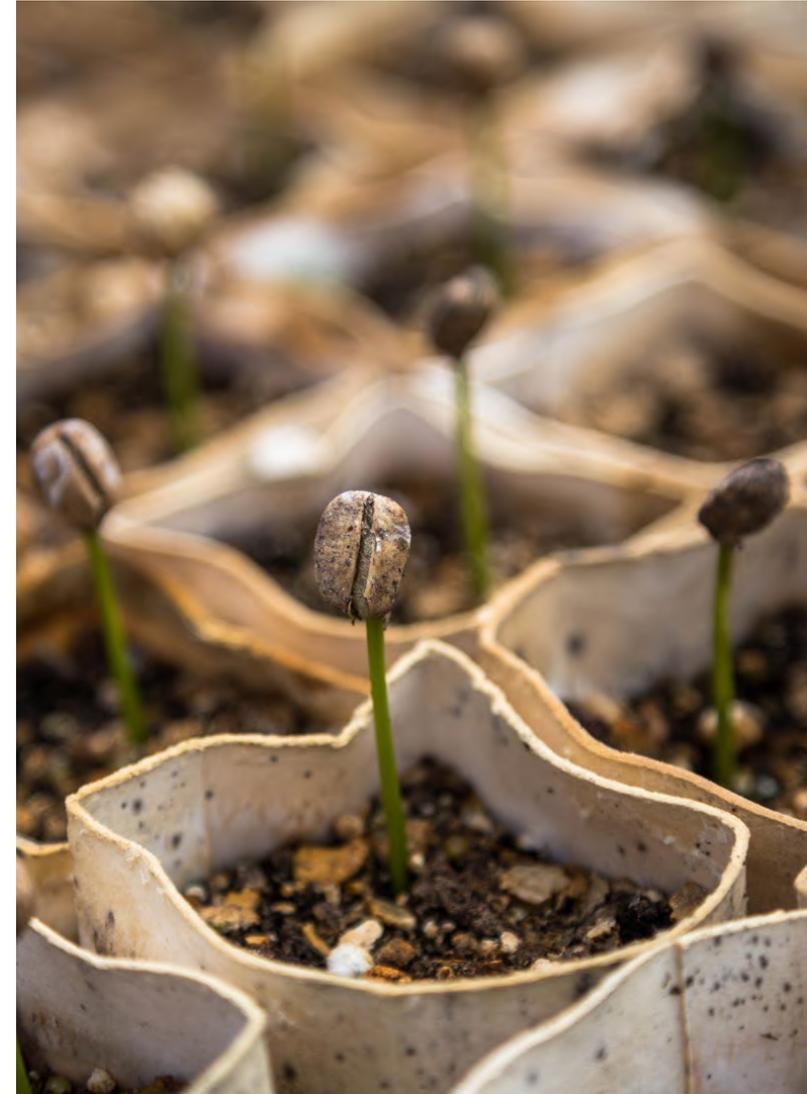
- ▶ **Regular meetings**, the number has again risen following a fall in 2020 due to the pandemic, and the dissemination of actions aimed at spotlighting our essence.
- ▶ **Ethics channel** canaletico@tirme.com to report any irregular conduct.
- ▶ **Technical committee** Environmental Surveillance and Measures Programme (PMVA in its Spanish initials).
- ▶ **Monitoring commissions.**
- ▶ **Technical seminars.**
- ▶ **Satisfaction surveys** to identify areas for improvements we should focus on.
- ▶ **Institutional visits.**
- ▶ **Tours of the facilities.**
- ▶ Participation in **trade fairs and congresses.**
- ▶ **Social media and website.**
- ▶ **Data protection** channel.





Employees

- ▶ **Suggestions box**, to learn about our team's proposals and needs.
- ▶ **Corporate intranet**, where we can share relevant topics and initiatives.
- ▶ **Breakfasts with the management** and regular meetings with teams to encourage a constant flow of communication.
- ▶ **Committees** to encourage staff involvement and participation: Works Council, Health and Safety Committee, Parity Commission and the Commission for Work-Life Balance and Equality.
- ▶ **Employee Service** (SAE in its Spanish initials) to provide assistance for members of the organisation in handling occupational or personal issues.
- ▶ **Satisfaction surveys**: conducted on a regular basis, they enable us to identify strengths as well as those areas where there is still room for improvement.
- ▶ **Improvement teams**, in order to ensure staff perform correctly at work.
- ▶ **Ethics channel**, a confidential service available to staff via the email address canaletico@tirme.com for reporting information relating to allegedly criminal acts.
- ▶ **Data protection channel** for reporting security incidents relating to personal data.
- ▶ **Digital platforms and company portal**.





Citizens, customers and users

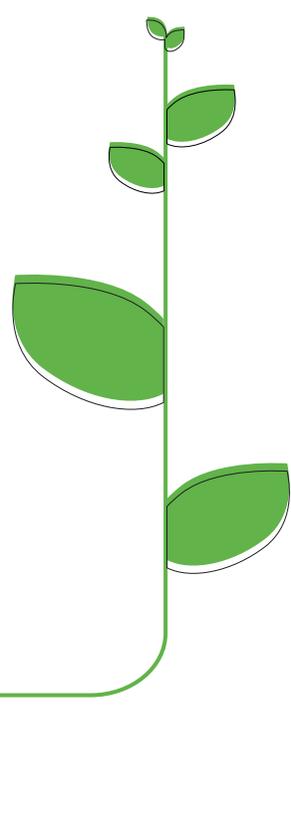
- ▶ **Conferences, congresses, forums and communication campaigns**, tailored to highlight and raise awareness of aspects relating to our activity that may have a positive impact on society.
- ▶ Collaboration with various **sectorial associations, business and residents' organisations, professional associations and charities** in order to share and extend knowledge, as well as underpinning our social commitment.
- ▶ **Satisfaction surveys** targeting citizens, including a total of 608 interviews conducted in the island's various municipalities.
- ▶ **Complaints and suggestions** made by citizens in order to improve the standard of our service and bring us in line with their needs.
- ▶ **Visits to the Environmental Education and Information Centre** (CIEA in its Spanish initials).
- ▶ **Social media**, with growing numbers of followers.
- ▶ **Ethics channel** at canaletico@tirme.com in order to report any possible irregularities.
- ▶ **Data protection channel** to report any incidents affecting personal data.
- ▶ **Info channel available on our website.**



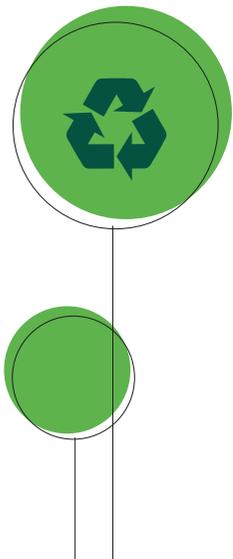


Suppliers

- ▶ **Monitoring meetings** to identify areas for improvement.
- ▶ **Publication of our measures** and policies regarding a healthy workplace and prevention of occupational risks.
- ▶ Project for **digitalised management** with our supply chain.
- ▶ **E-coordina**, a platform for supplier accreditation.
- ▶ **Ethics channel** to report any possible irregular conduct.



We have registered a 15% year-on-year increase in the number of followers on our social media and a 22% rise in positive press reports in comparison with 2020.

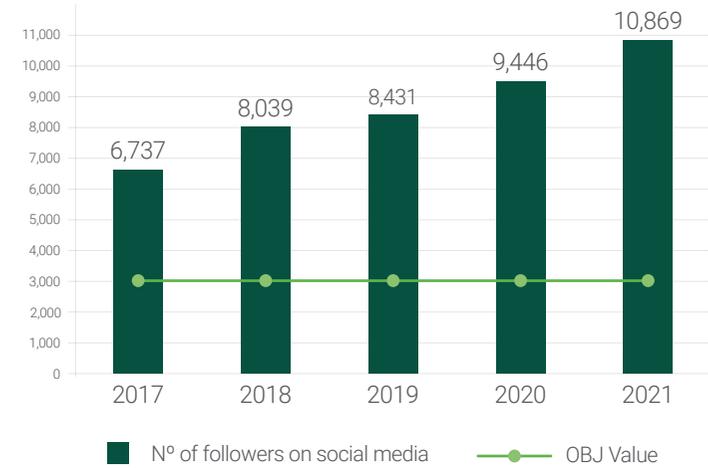


Our presence on social media

Our **social media** comprise one of our most effective channels for reaching the maximum number of people and entities.



Followers on social media



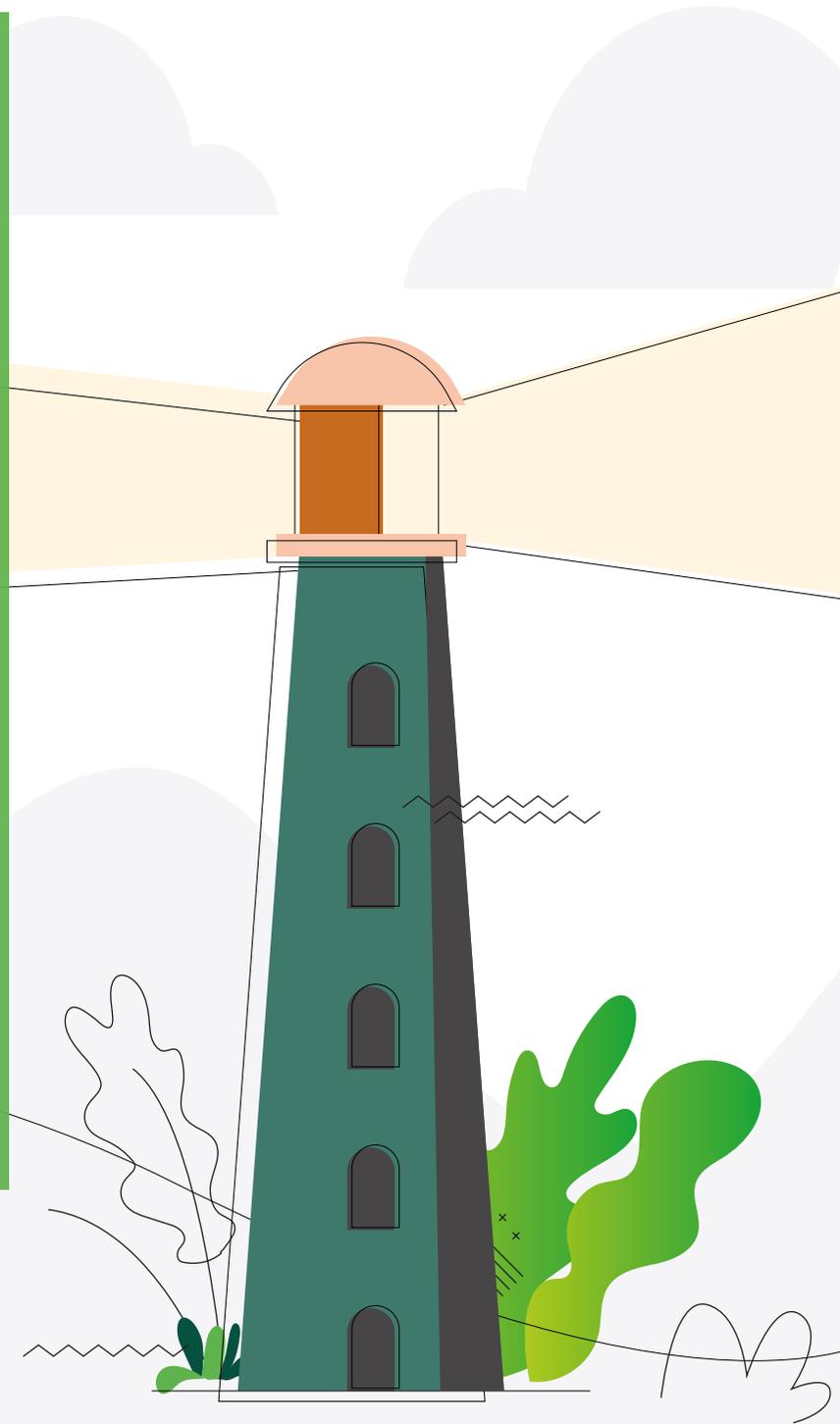
% Positive press reports



02

Ethics and corporate governance

We carry out our activity in a responsible and transparent manner, based on a culture that promotes ethical and committed governance.



2. ETHICS AND CORPORATE GOVERNANCE

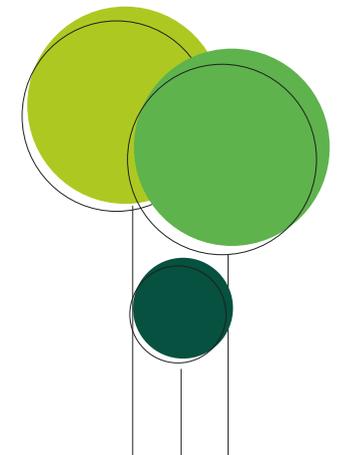
2.1. GOVERNANCE STRUCTURE

Tirme was set up in 1992 as a European Economic Interest Grouping, although it became a public limited company that same year, when we were awarded the Consell de Mallorca's tender for the Mallorca's Urban Solid Waste Management Service, which we continue to hold today.

Our company is governed and managed in accordance with its Articles of Association and the **General Specifications Manual and Regulations**, as well as other applicable regulations and internal processes.



Our corporate regulations, policies and procedures provide an action framework that guarantees Tirme's effective management and operational efficiency.



The following **governing bodies** guarantee the effective management and administration of the company:



Shareholders' General Meeting: this is the body representing the company's shareholders, which adopts decisions on matters within its scope of competence pursuant to the Articles of Association. It comprises the following members:

- ▶ **Urbaser, S.A.**, with an 80% stake.
- ▶ **FCC Medio Ambiente, S.A.**, with a 20% stake.



Board of Directors: the company's highest administrative and management body, made up of four executive directors who meet on a monthly basis to deal with the organisation's key issues.



Steering Committee: responsible for determining policies, directives and strategic goals, as well as driving the organisation's plans and objectives. It is made up of the following management areas:

- ▶ **CEO:** Rafael Guinea.
- ▶ **Technical Director:** Antonio Pons.
- ▶ **Financial Director:** Rafael Carcasona.
- ▶ **Sustainability Director:** Amalia Cerdà.



Management Committee: responsible for managing and overseeing everyday matters in the company and for adopting and executing decisions of an operational nature. It is made up of the General Management, Financial Management, Technical Management and Sustainability Management areas, as well as the Heads of Departments for the following areas:

- ▶ Operations.
- ▶ Maintenance.
- ▶ Engineering and Development.
- ▶ Institutional Relations and Communications.
- ▶ Human Resources and Risk Prevention.

2.2. ETHICS AND COMPLIANCE WITH REGULATIONS

Driving integrity and transparency in all our actions lies at the core of our Social Responsibility Strategy and Compliance with Regulations, enabling us to demonstrate Tirme's firm commitment to the principles of good governance and professional ethics.

These undertakings are documented in our **Code of Ethics**, which we share with our main stakeholders in order to create a framework for co-existence and self-responsibility that allows us to comply with the principles of transparency, veracity and good faith in all our functions.

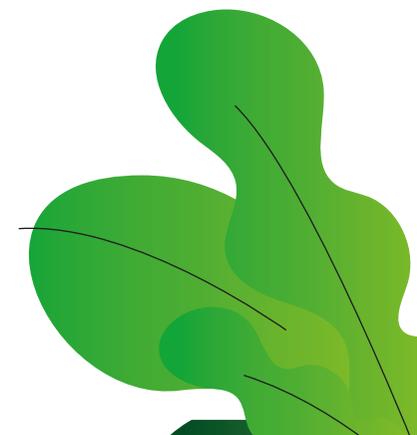
In addition, in 2015 we set up an **ethics channel** in order to guarantee effective compliance with the contents of our Code of Ethics. This channel provides both internal and external stakeholders with a space for reporting any behaviour they suspect to be inappropriate or irregular, or that may constitute a breach of human rights. We have created an email address for this purpose, canaletico@tirme.com, which is published on our website.

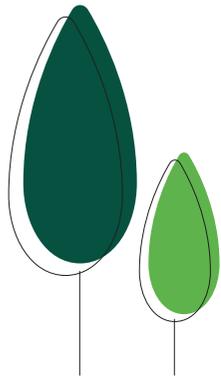
It must be noted that a total of 5 communications were sent to the ethics channel in 2021, all related to a single issue.



In line with our undertakings in this area, we were among the first to obtain the **“Good Governance (Criminal Compliance)” certificate** in accordance with UNE 19601 standards, certifying the implementation of a management system based on the principles of transparency and good governance. We continue to hold this certificate, following the satisfactory results of the AENOR audit conducted in January 2021.

We continue to hold our “Good Governance (Criminal Compliance)” certificate in accordance with UNE 19601 standards, following the satisfactory audit conducted by AENOR in January 2021.





Fulfilment with the Assessment Plan for Legal Compliance stands at 100%, and audits were duly completed for the 8 cycles scheduled for the year.

This management system includes the **integral management of risks** that may stem from the non-compliance of our own code of ethics or regulations, which are assessed in quantitative and/or qualitative terms by the Management Committee, based on the dimensions of probability and impact. The aim is to guarantee the correct control of any considerable risks within the levels accepted by the company's Board of Directors. This system also identifies, designs and implements controls that will mitigate relevant aspects of non-compliance.

Likewise, and in order to underpin compliance with the regulations and our code of ethics, over the course of 2021, we provided **training in Compliance** for 119 people. Since 2017, 98% of the company's staff has received training in this area.

Furthermore, the following monitoring and control bodies guarantee a correct and effective **Regulation Compliance System**:



Compliance Officer, responsible for guaranteeing the suitability of the Compliance System, ensuring that the criminal risk prevention model and corporate policies are correctly applied.

Board of Directors, in charge of supervising the Regulation Compliance System and determining the functions of the Compliance Officer.

Support unit, responsible for supervising and reviewing the system, as well as handling and processing any reported incidents.

Process managers, responsible for guaranteeing compliance with policies and internal procedures.

As of 31st December 2021, 279 controls (52%) had been assessed; 234 (83%) were considered to be efficient; 30 (11%) improvable; and 6 (3%) were found not to comply.

Verification controls 2021



Our Criminal Compliance system

Governance model, of a transversal nature to cover all areas of the company and to establish an internal procedure to mitigate the risk of crimes being committed.

Crime prevention manual, detailing the measures and controls to be implemented in the organisation in order to minimise the risk of illicit behaviour.

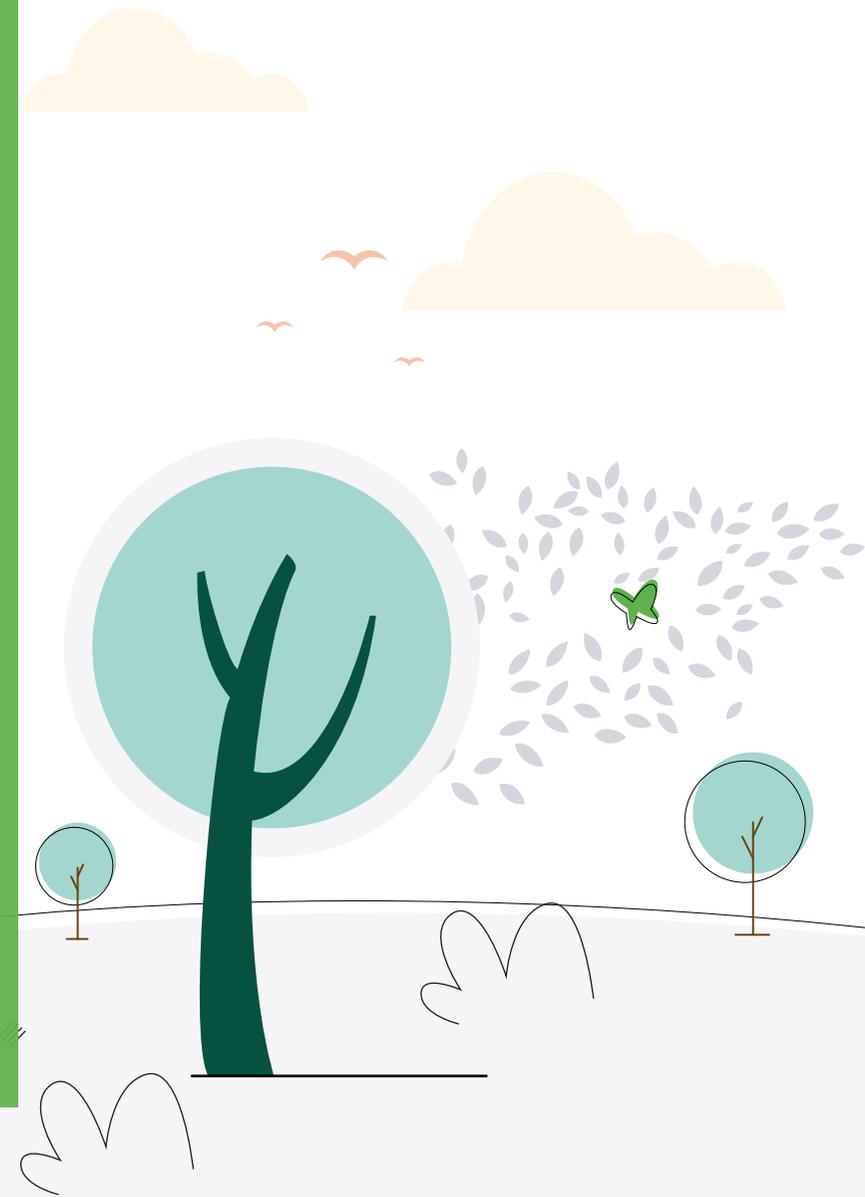
Training and communication, aimed at raising awareness among members of the organisation regarding the importance of ensuring ethical behaviour in line with the applicable internal regulations and procedures.

A robust regulation compliance system is vital at times of constant change in order to ensure that all the actions we undertake comply fully with the law.

03

Environmental management

At Tirme, circularity enables us to move towards sustainability and contribute to offsetting the effects of climate change.



3. ENVIRONMENTAL MANAGEMENT

3.1. CONTRIBUTING TO THE CIRCULAR ECONOMY

Strategic lines in order to achieve our environmental goals





Tirme is a benchmark for the circular economy, driving innovative projects thanks to major alliances with strategic sectors within Mallorca's business fabric.

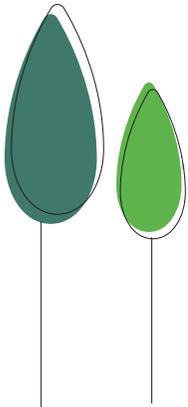
In 2021, we received 591,822 tons of waste, a year-on-year rise of 7%. We also handled more than 30,000 tons of paper and glass, which we sent to final recycling facilities.

The circular economy lies at the heart of our activity. We manage resources in a sustainable manner, transforming them to generate value and have a positive impact on Mallorcan citizens' quality of life.

Our activity is centred on implementing resilient systems that take advantage of resources and give the **waste we handle a second life**. We foment citizens' commitment to the environment through environmental processing based on optimised efficiency and costs.

All this is based on a clear goal: **zero waste to landfill**. It may well be a major challenge, but it is also a need, particularly considering that our activity takes place on Mallorca, an island that draws large numbers of tourists and where the need to protect the landscape and territory is of particular importance.

Thanks to this approach, we are able to **recover all the waste** we handle, thereby preventing waste being deposited in landfills, contributing to the generation of renewable energies and reducing the amount of natural resources used.



We were the first waste management company in Spain to certify our corporate strategy in accordance with circular economy principles.



AENOR's Circular Economy Strategy certification, based on four key areas

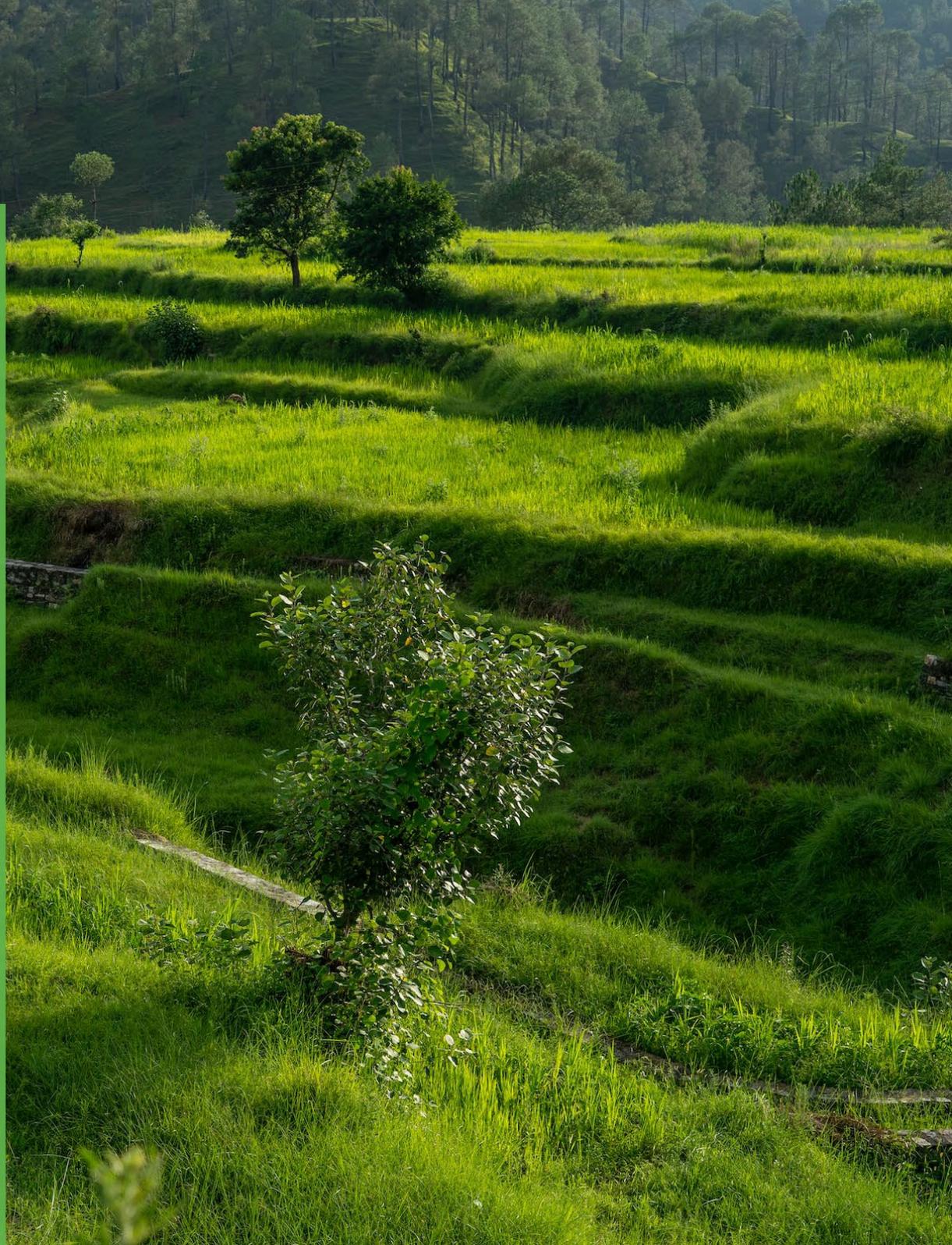


In line with our determined commitment to the circular economy, we were facilitators for the project entitled "Closing the circle: an integral strategy for the transition of the current tourism model towards a circular model", aimed at **transforming the Balearic Islands productive model** in order to guarantee sustainable, digital and just growth. The Statement of Interest, which was signed by around thirty companies, associations, foundations and public bodies and backed by the Govern de les Illes Balears and the Consell de Mallorca, was presented before the Ministry of Ecological Transition and Demographic Challenge (MITECO in its Spanish initials).

The aim of this initiative is to obtain funds from the EU's Next Generation recovery package. The main objective is to align with the España Circular 2030 plan in order to successfully tackle challenges such as the reduction of greenhouse gas emissions and consumption of materials, as well as cutting the amount of waste generated.



As part of a public-private collaboration scheme between administrations, hotels, farmers, waste management companies and technology companies, we have driven the launch of the FINHAVE technology platform, designed to promote the circular economy, local agriculture and sustainable tourism.



Material and energy recovery

Tirme uses and transforms waste through the recovery of material and energy in order to obtain subproducts and energy that can be reincorporated into the value chain.

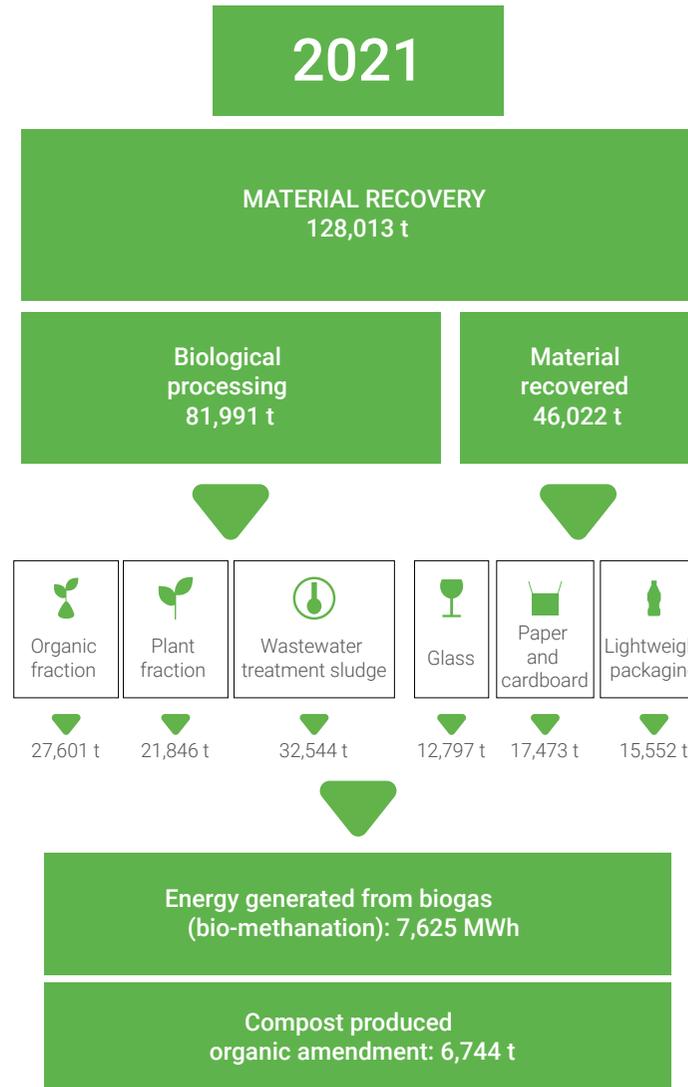
Material recovery enables us to **obtain new materials or recycle part of the original materials**, thereby preventing the use of virgin raw materials. In order to do this, we carry out the following actions:



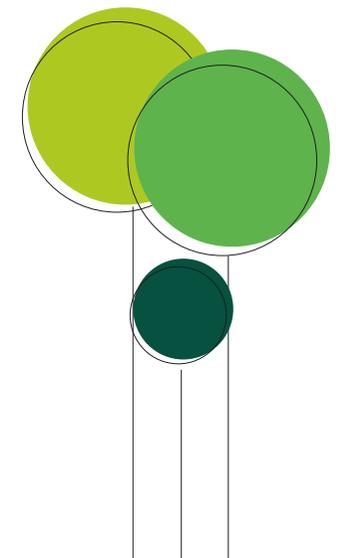
Biological processing: the methanation and composting of organic and plant waste and wastewater treatment sludge enables us to produce biogas and compost.



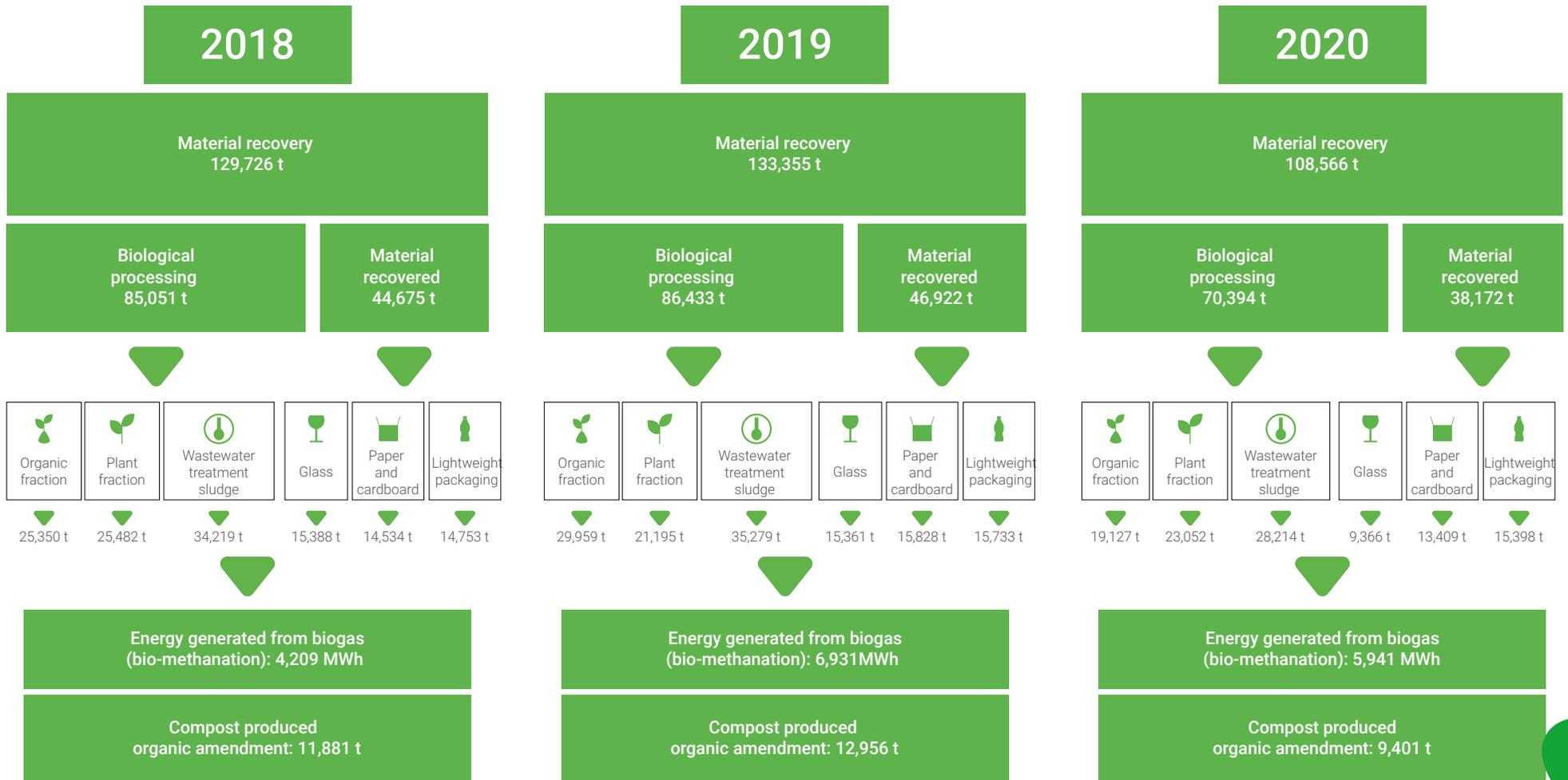
Material recovery: this consists of the correct sorting of materials in order to guarantee the recycling of fractions of paper and cardboard, glass and lightweight packaging at specific management facilities.



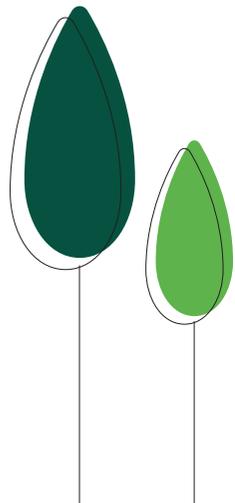
In 2021, we carried out the material recovery of 128,013 tons, 15% more than the previous year.



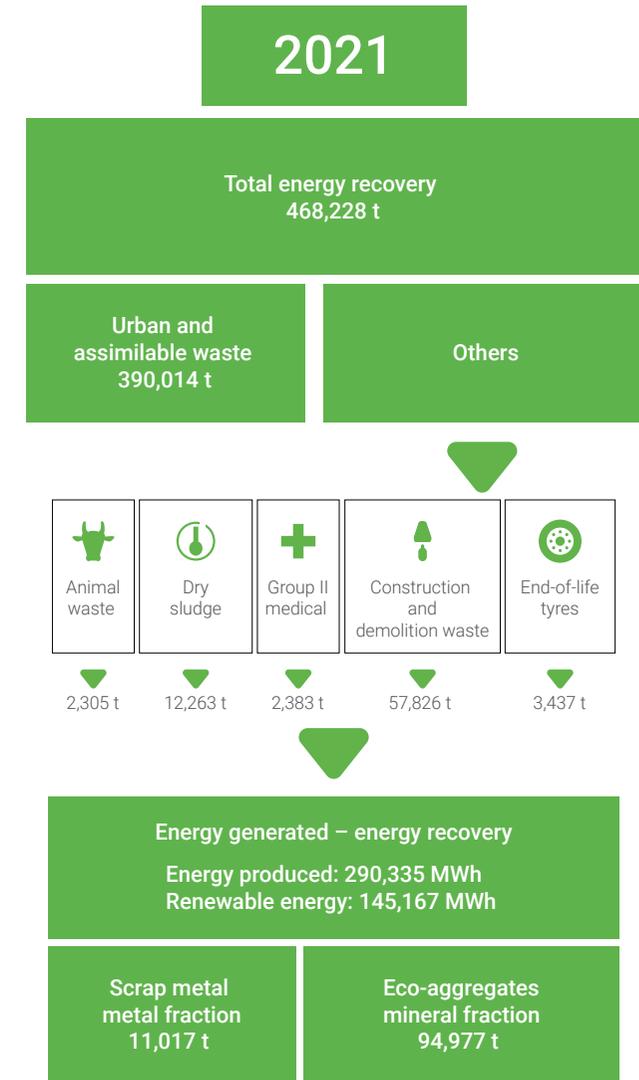
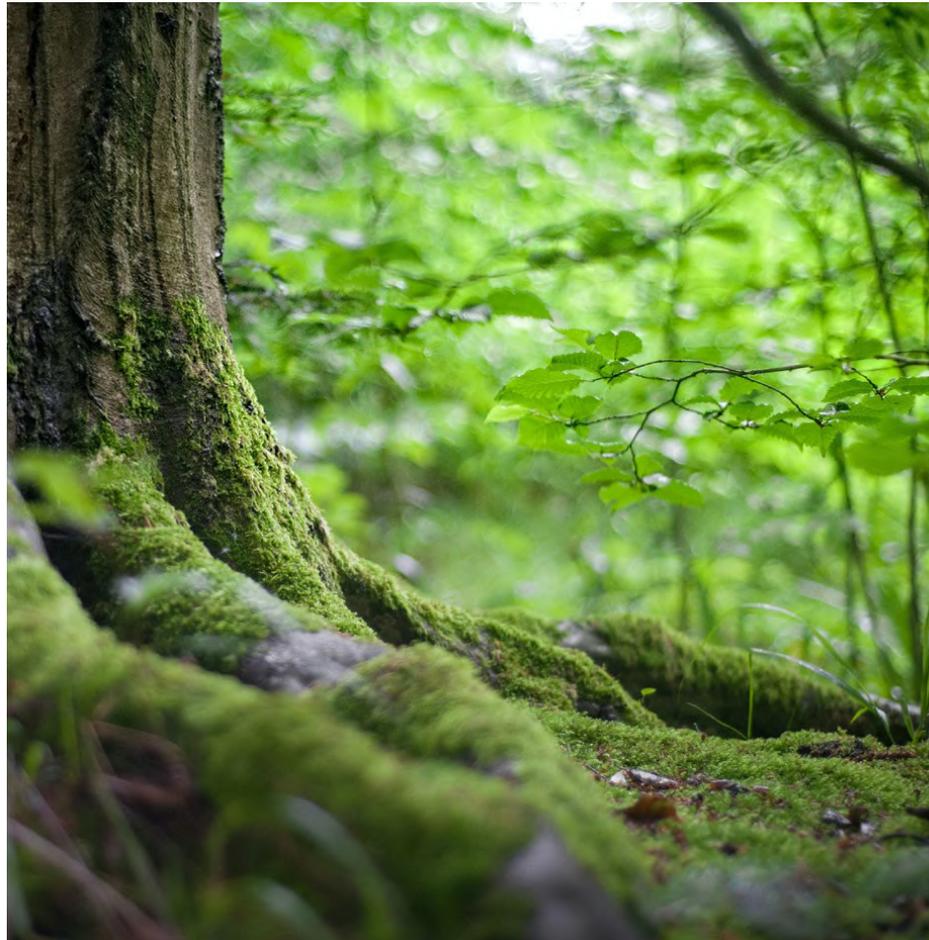
Our evolution in material recovery



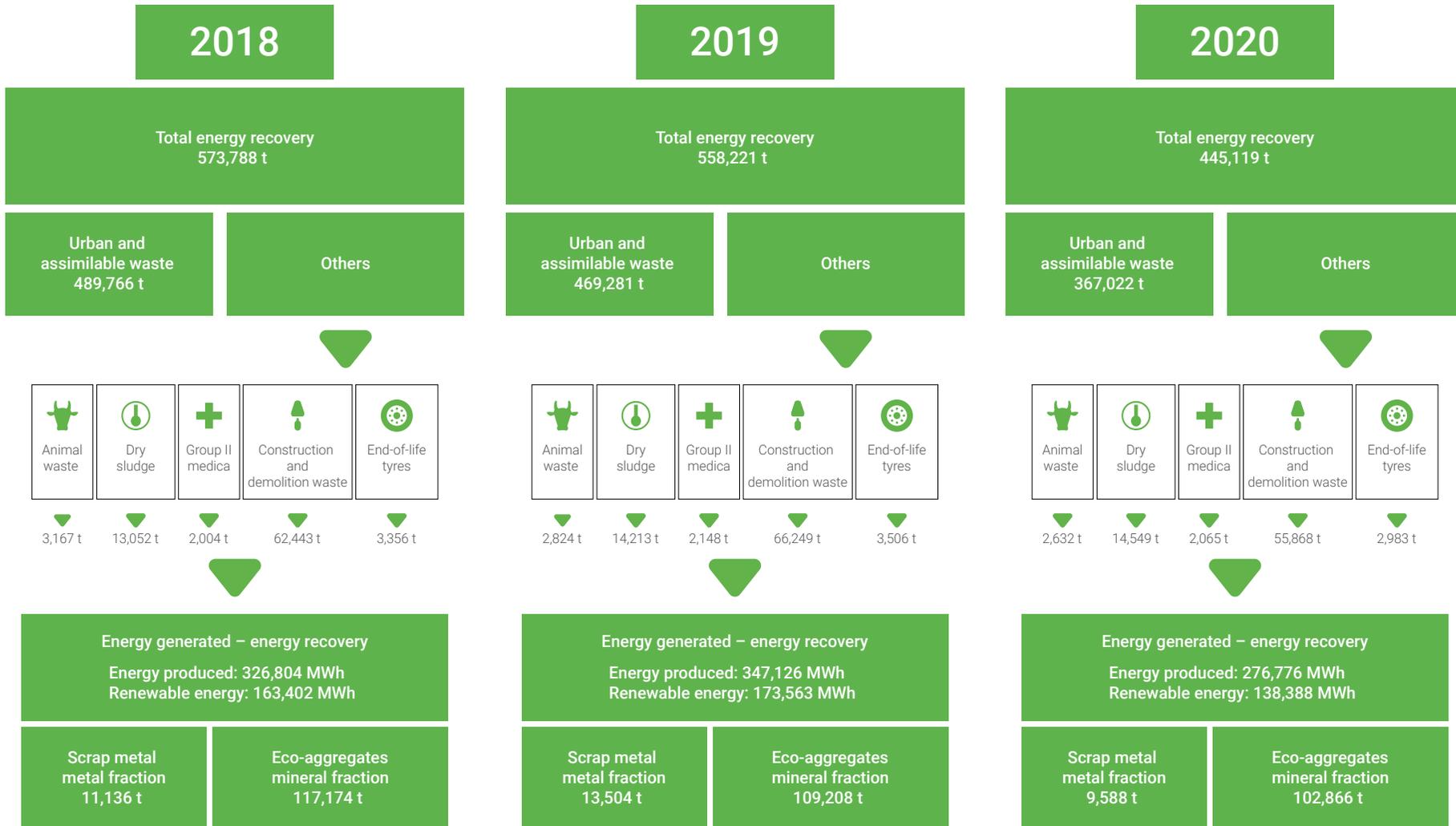
In the energy recovery process, we use waste to obtain a single resource: 50% renewable electrical energy.



Energy recovery enables us to reduce waste volume by 90% through combustion, a process that also generates energy which is then exported to the electrical grid for consumption by the island's entire population.

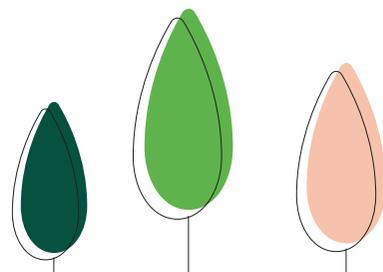


Our evolution in terms of energy recovery



Furthermore, the **subproducts generated in 2021** by recovery processes can be reintroduced into the value chain as secondary raw materials for other uses or productive processes, in accordance with our commitment to “zero waste to landfill” and circular economy principles.

Subproducts generated: 158,560 t



3.2. REDUCING POLLUTION AND PROTECTING BIODIVERSITY

One of our greatest commitments at Tirme, in line with our Integrated Management Policy, is our adoption of the principle of preventing pollution in all the activities and projects we undertake.

How we prevent the land and subsoil pollution

All Tirme's facilities include measures to **prevent land spillages**. These include the waterproofing of work areas, banded areas or controlled drainage in the waste landfills that will prevent any impact on the land.

We also carry out a series of **inspections**, as stipulated in the Environmental Surveillance and Measures Programme, designed to check the state of the land in the main areas where waste management activities are carried out.

Specifically, this consists of taking **samples at various points**, mainly in Zone 1 (Palma and Marratxí), in order to detect the possible presence of pollutants. In addition to this sampling, every five years we also carry out **regular inspections** in Zone 1 (Palma and Marratxí) and Zone 2 (Santa Margalida). Deep sounding tests



are conducted and samples are extracted at various levels in order to assess the state of the unsaturated zone of the aquifers.

Moreover, at all our facilities subject to the Integrated Pollution Prevention and Control Law (IPPC in its Spanish initials), we have drawn up a **Baseline Land Report** analysing the state of the location, and preventing any future impact on the land or possible increases in pollution levels.

Our priority is to act on the source of pollution in order to maximise the reduction of waste and emissions into the atmosphere, water, land and subsoil.

How we reduce atmospheric emissions

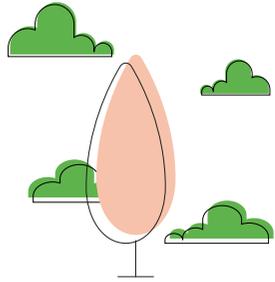
We know that good air quality has a positive impact on protecting human health and life expectancy. We therefore apply measures designed to improve air quality and thereby contribute to reducing atmospheric pollution:

We have installed gas and particle treatment systems at our facilities in order to reduce emissions of contaminating substances.

We have two stations to monitor atmospheric emissions: a permanent station at the Joan March Hospital (HJM in its Spanish initials); and a second mobile station for regular inspection campaigns in nearby residential areas.

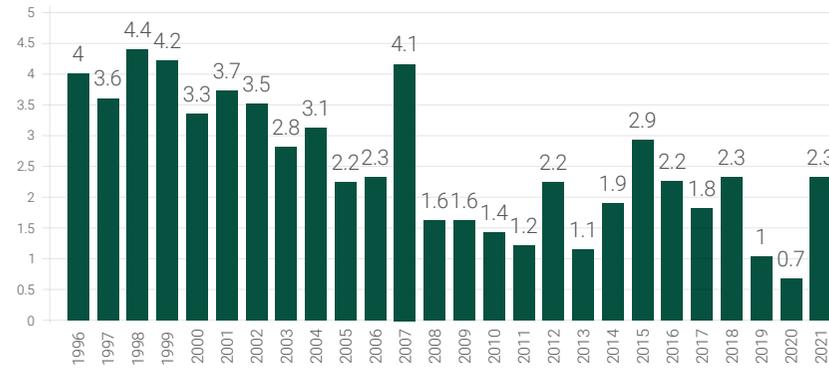


In line with our objective of guaranteeing good air quality in the surrounding area, this year we have updated the fixed air quality station at the Joan March Hospital. The main function of this facility is to monitor any possible impact of urban waste treatment plants on the surrounding area.

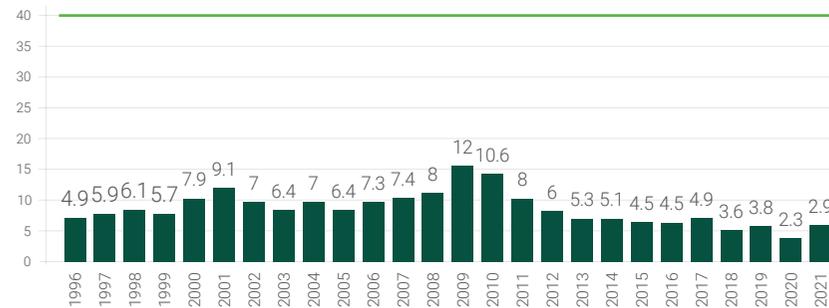


The results of the testing processes reveal that the concentration of particles remains far below the maximum levels permitted by the legislation in force.

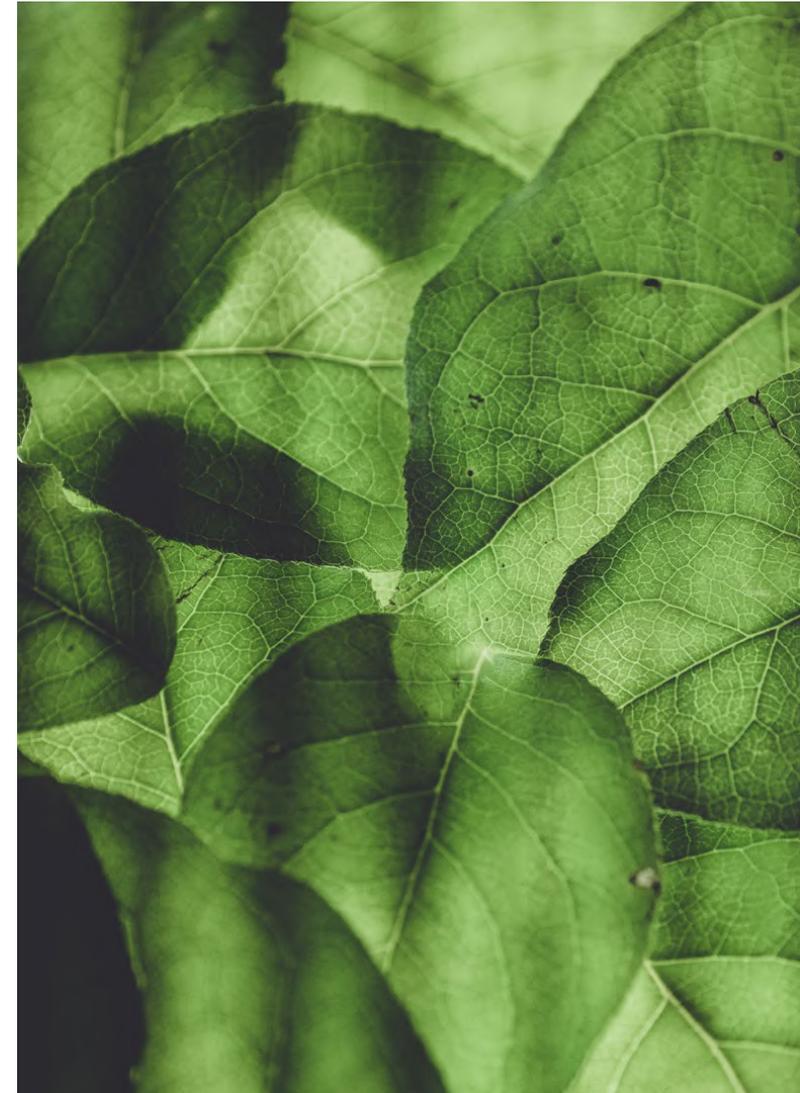
Evolution of the annual concentration of SO₂ at the HJM* (µg/m³)



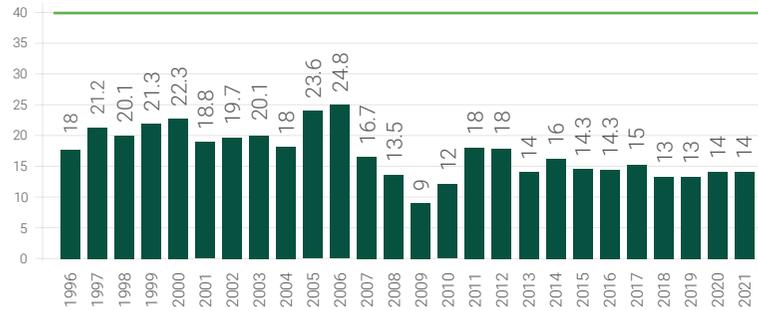
Evolution of the annual concentration of NO₂ at the HJM* (µg/m³)



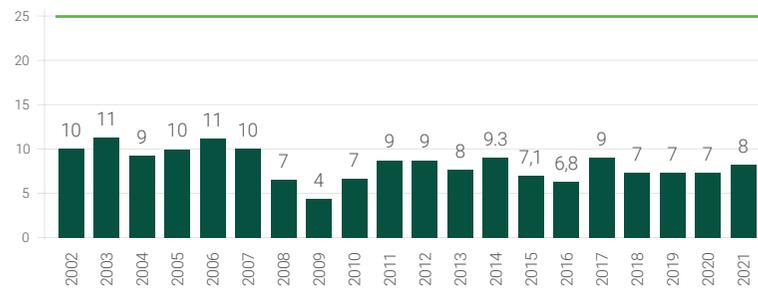
*HJM Station Joan March Hospital. Testing station included in the Govern Balear's Balearic Island Air Quality Surveillance and Control Network.



Evolution of the annual concentration of particles in suspension (PM₁₀) at the HJM* (µg/m³)



Evolution of the annual concentration of particles in suspension (PM_{2,5}) at the HJM* (µg/m³)



* HJM Station Joan March Hospital. Testing station included in the Govern Balear's Balearic Island Air Quality Surveillance and Control Network.



Regular testing of the air quality in our environment enables us to detect any alterations and adopt fast and effective measures.



How we protect biodiversity

In order to guarantee the conservation of the island's biodiversity, we are collaborating with a series of **biodiversity protection projects** through alliances with a number of organisations.



SON NOVIET restoration, supporting the environmental and landscape restoration plan for the quarry in this location.

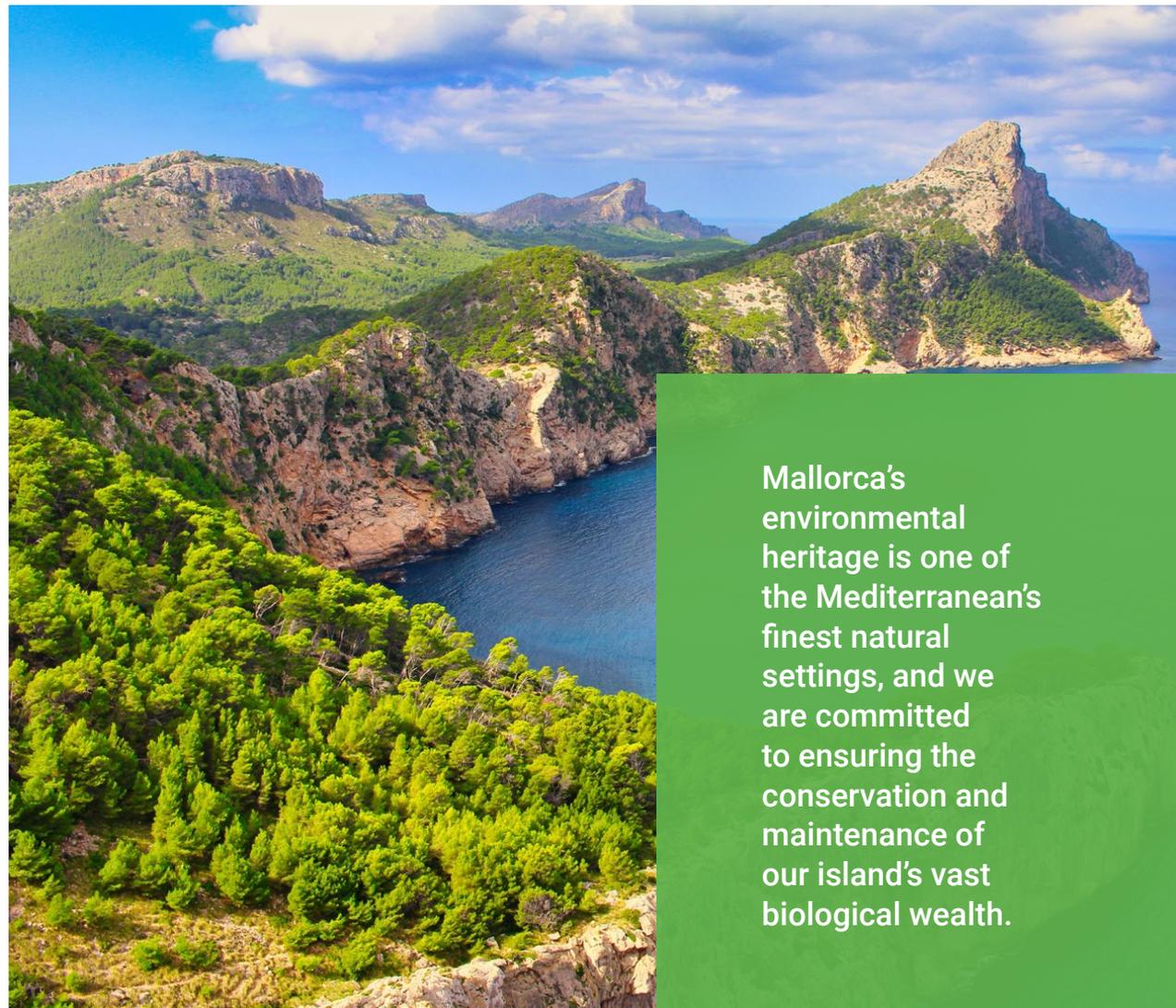


NATURA PARC Foundation, collaboration on a series of projects including the monitoring of the Red Kite, a species in danger of extinction in the Balearic Islands.



WWF Foundation, The largest independent international organisation dedicated to the defence of nature and the environment.

This year, as part of our collaboration with Natura Parc, we have been able to track a pair of Common Kestrels by using the ringing system, a scientific tool for **studying the movement, survival and territorial uses of birds**. This system allows the detailed study of these birds without disturbing them and provides extremely useful information regarding their habits and behaviour.



Mallorca's environmental heritage is one of the Mediterranean's finest natural settings, and we are committed to ensuring the conservation and maintenance of our island's vast biological wealth.

Noise surveillance and control

Here at Tirme, we carry out tests **to control the noise** generated by our activity. Our aim is to minimise it as far as possible, and prevent any possible negative impacts that may be caused.

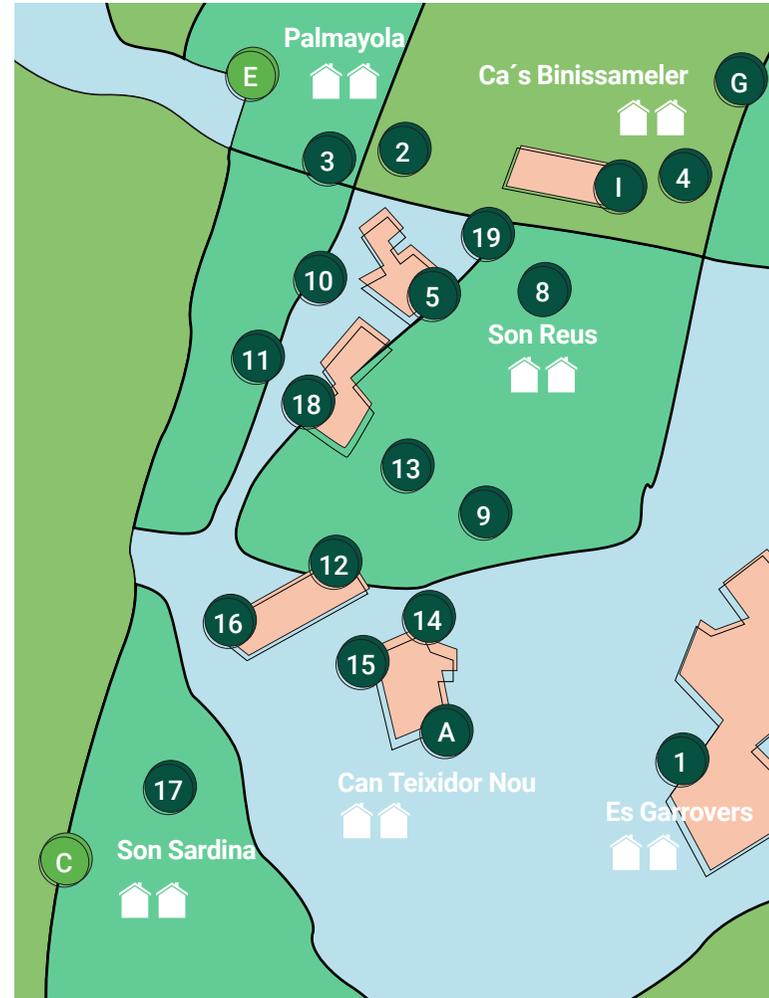
In this sense, we comply strictly with the provisions of the **Environmental Surveillance and Measures Plan**, which, among other environmental measures, stipulates the parameters for controlling noise levels at 22 strategic points located in areas close to our facilities.



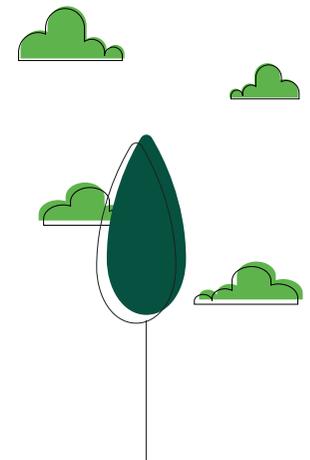
 Higher noise level, without being critical.

 Noise level not exceeding the applicable limit.

Noise measurement map



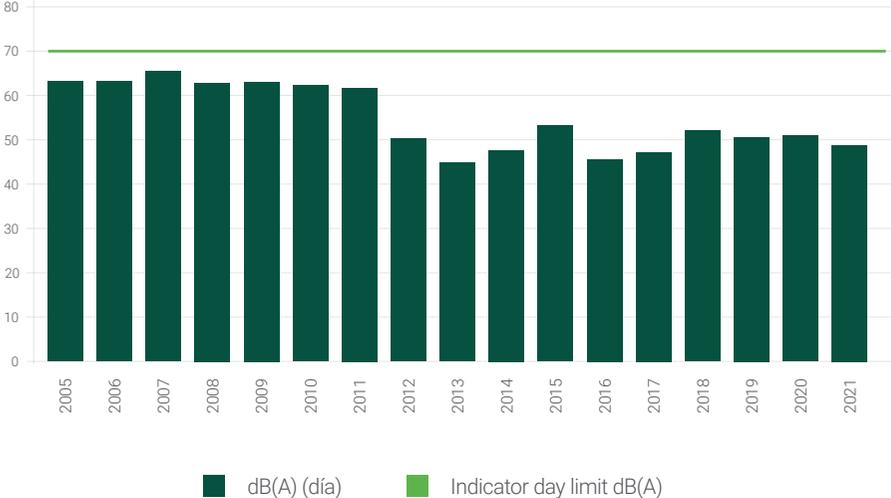
The results obtained show that, as in previous years, we continue to meet the noise quality objectives laid out in the regulations.



Annual noise tests are also carried out at facilities subject to the Integrated Pollution Prevention and Control Law (IPPC in its Spanish initials) in order to ensure that they are functioning correctly.

Furthermore, an analysis of the noise control tests conducted in recent years reveals how, for the last ten years, the results have been far below the limits, and at no time have exceeded them.

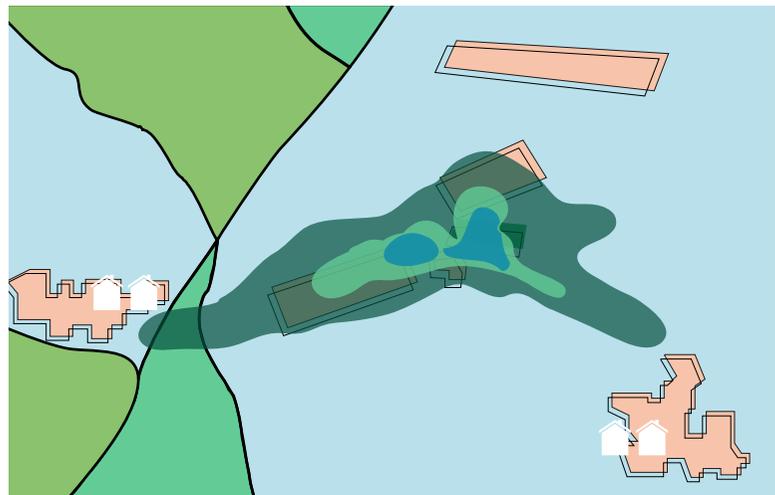
Evolution of our emissions of noise to the exterior



How we minimise the impact generated by odour

At Tirme, we take steps to minimise any possible inconvenience the odours resulting from our activity may have on residential areas located close to our facilities. In this sense, we carry out **regular tests and annual monitoring** at those facilities most likely to generate odours, such as the Zone 1 Compost and Methanation plants and the sludge Solar Drying plant.

Odour contour map



Odor concentration: 98th percentile (odour units).



2021 was marked by the continuation of the downward trend in odour emissions that began in 2020. This is shown on the odour contour map (odour levels present), which does not indicate any critical odour concentration points that could affect the population.

Furthermore, and as a means of reinforcing our mechanisms for identifying and mitigating odour, we provide citizens with various **communication channels** that allow us to manage any odour-related incidents.

One of the highlights is our **NasApp application**, which records in real time any odour pollution-related incidents. This enables us to generate a results report and establish comparison with previous years. In addition, our Smartmeteo project, which includes the implementation of a weather station in Calvià, and the renovation of the station located in the Can Canut area, provides us with the reference points for the NasApp tool.

We achieved a 13% reduction in the number of odour-related complaints in comparison with the previous year.



Best Available Techniques

Based on the work of the internal working groups set up to analyse the applicability of the Best Reference Documents (BREF), we have developed projects that include **measures for implementation in all waste treatment facilities**, in line with Directive 2010/75/EU. They address the Best Available Techniques (BAT) for the prevention and monitoring of environmental pollution by European industries in order to minimise their potential impact on the environment.

Furthermore, in order to comply with Spanish Law 26/2007 of 23rd October on **Environmental Responsibility** and its regulatory development, in 2021 we conducted an Environmental Risk Analysis at the Zone 1 Methanation and Compost Plant and the Solar Drying Plant, based on the likelihood of an event and its potential to cause damage.



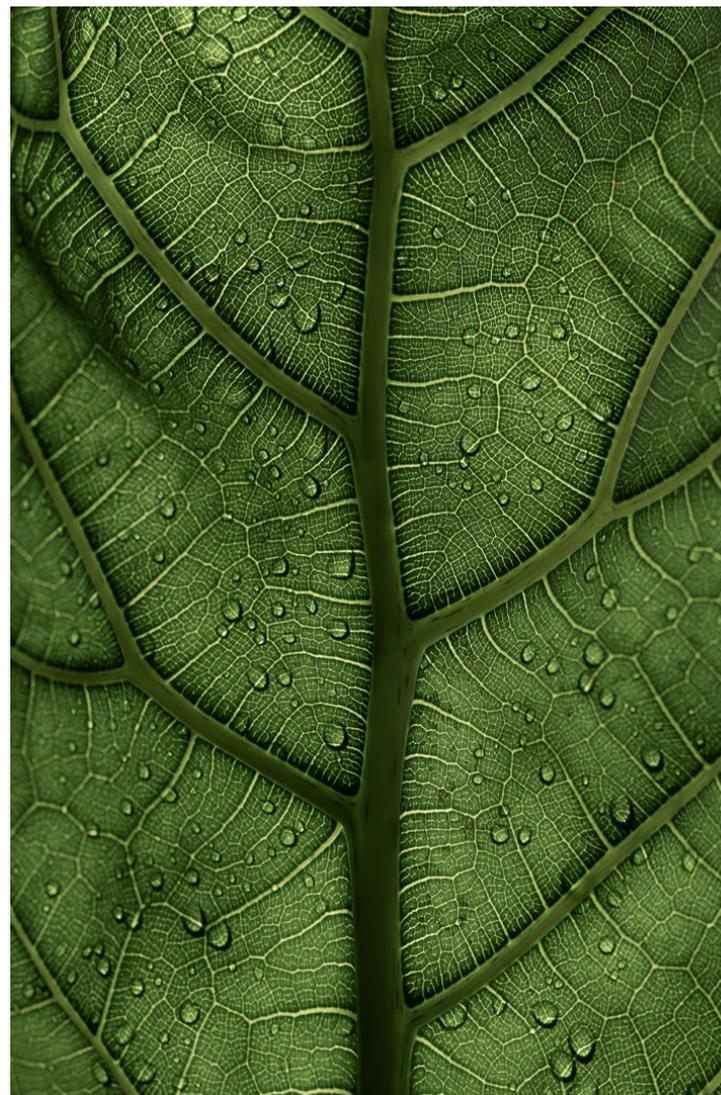
3.3. THE CHALLENGE OF CLIMATE CHANGE

The climate emergency is one of the greatest threats of our century. As a result, within a context marked by climate uncertainty, it is essential to anticipate the risks associated with climate change and to define a solid roadmap.

Our determination to tackle the challenge of climate change is one of the key priorities included in Tirme's 2018-2020 Strategic Plan, which also includes our roadmap for reducing CO₂ emissions.

A core aspect of this is monitoring and managing our carbon footprint, which measures the total Greenhouse Gas Emissions (GGE) resulting directly or indirectly from our activity. It contributes to raising our awareness of the impact we generate, allows us to determine its evolution and helps us drive improvement and mitigation actions.

In order to calculate our footprint, we use a tool developed internally and based on **ISO 14604-1:2018 methodology**. It provides us with a highly detailed insight into the emissions generated by our activity and enables us to identify new flows from other indirect emissions associated with our value chain, in accordance with ISO 14604 methodology. It is a simple way of monitoring both our emissions and the effectiveness of the measures applied for their reduction, identifying the risks and opportunities associated with climate change.



In 2021, we audited our carbon footprint for the period 2017-2020 and received the **Calculo y Reduzco** (I calculate and I reduce) quality seal from the Spanish Ministry of Ecological Transition and Demographic Challenge (MITECO in its Spanish initials).





At Tirme, we work tirelessly to ensure that our commitment to the fight against climate change is reflected in all our actions, thereby contributing to reducing the environmental impact and generating benefits for all our planet and our community.

Calculating our carbon footprint



Direct GGE emissions: emissions from sources controlled by the organisation, originating from the treatment processes controlled by Tirme and from fossil fuel consumption.

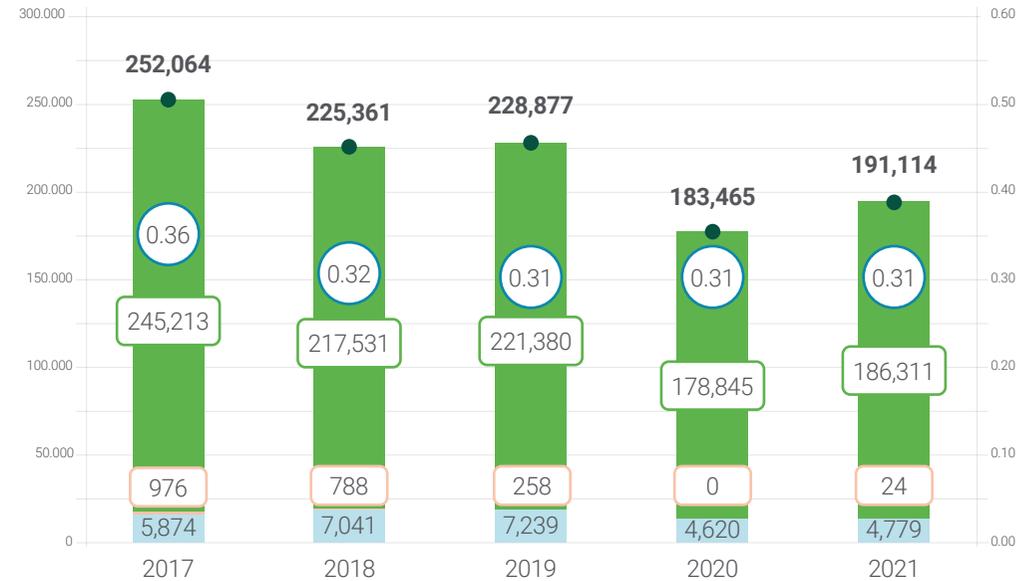


Indirect GGE emissions: emissions from Tirme's activities that occur at sources owned or controlled by a third party organisation, associated with electricity consumption.



Other indirect GGE emissions: emissions associated with third parties and processes over which Tirme has no control.

Our greenhouse gas emission inventory



- Direct GEI emissions (tCO₂e)
- Indirect emissions of GEI (tCO₂e)
- Other indirect GEI emissions (tCO₂e)
- Total emissions (tCO₂e)
- Relative emissions (tCO₂e/t waste)





In 2021, we prevented the emission of 164,340 tons of CO₂ equivalent thanks to Mallorca's Waste Management System.

Emissions prevented

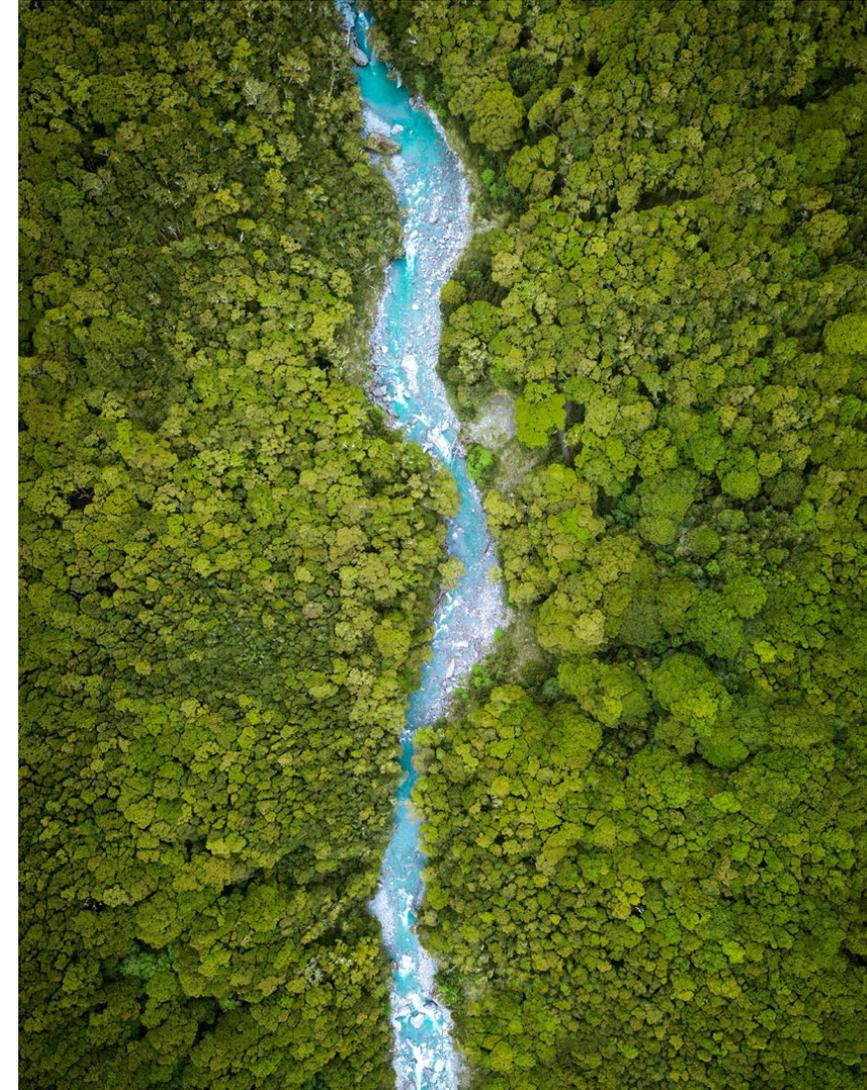
Tirme makes a significant contribution to reducing the community's carbon footprint through our waste recovery and management activities. Waste is not dumped in landfills, thereby preventing **the generation of large amounts of CO₂ emissions** associated with its degradation. In addition, the recovery of subproducts obtained from our treatment processes prevents the emission of greenhouse gases.

Driving energy efficiency and renewable energies

In our company, energy efficiency and replacing fossil fuels with renewable energy sources are two key aspects of our drive towards the decarbonisation of our activity. This also enables us to contribute to achieving SDG 7: affordable and clean energy.

This strategy involves the **thorough monitoring** of our energy consumption, which in turn allows us to detect possible inefficiencies and areas for improvement. We also have an energy management system based on **ISO 50001** standards, which provides a benchmark for progress in ongoing improvements and enables us to set strategic reduction strategies.

Worthy of mention in this aspect is that in 2021 we set up a working team to come up with proposals for **energy efficiency actions**. The ideas are based on an analysis of their economic, environmental and energy impact, and will be included in the company's next strategic plan.



Energy consumption at Tirme

	2018	2019	2020	2021
Energy Consumed (MWh)	84,902	89,028	68,437	67,931
Electricity (MWh)	61,399	65,045	55,575	57,222
Natural gas (MWh)	22,383	22,823	11,765	9,637
Diesel oil (MWh)	1,120	1,160	1,098	1,071
Energy intensity (MWh/t per ton of processed waste)	0.121	0.129	0.124	0.115

Our energy consumption fell slightly in comparison with 2020, the result of improvements to processes that have enabled us to optimise energy use and boost the organisation’s energy efficiency levels. Below are several of the key measures implemented over the course of the year.



Measures to improve energy efficiency

- 

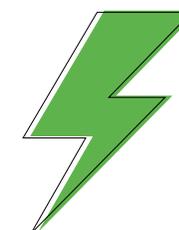
LED lighting systems in the compost, methanation and energy recovery plant, as well as in the solar drying plant.
- 

Renewal of the air conditioning and heating equipment for reasons of obsolescence.
- 

New solar thermal sanitary hot water system in the Can Canut area.
- 

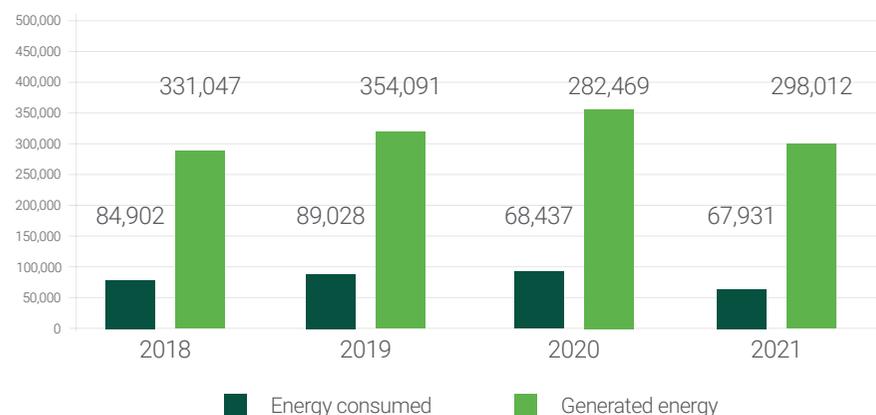
Nebuliser system in the pit to prevent the accumulation of dirt in the primary air system and to carry out cleaning actions while the system is running.

In 2021, we generated 39% of the renewable energy produced in the Balearic Islands, thanks to our energy recovery and methanation plants.



We also hold the **certificate for energy generated from guaranteed renewable sources**, which was awarded to our renewable energy production plants by the Spanish National Commission on Markets and Competition (CNMC in its Spanish initials).

Energy consumed vs energy generated (MWh)



In addition, and as part of our commitment to sustainable mobility, we have progressively renewed our fleet of vehicles, which is now 90% electric, generating zero direct emissions and saving 26,000 litres of fossil fuels each year.

Efficient use of water

At Tirme, we are fully aware that water is in short supply around the world. Water is an essential resource in order to guarantee people’s health and wellbeing. We therefore take steps to ensure the efficient use and management of water at all our facilities, thereby contributing to SDG 6: clean water and sanitation.

In order to guarantee effective water management, our facilities have been designed to require a minimum consumption of natural resources. In this sense, they are equipped with **hydraulic systems** with separation networks, capable of storing and reusing regenerated rainwater and reject water from our own waste treatment processes.

We also adopt measures to reduce our consumption of water from the supply network during periods of severe drought, by gradually increasing our use of regenerated water.

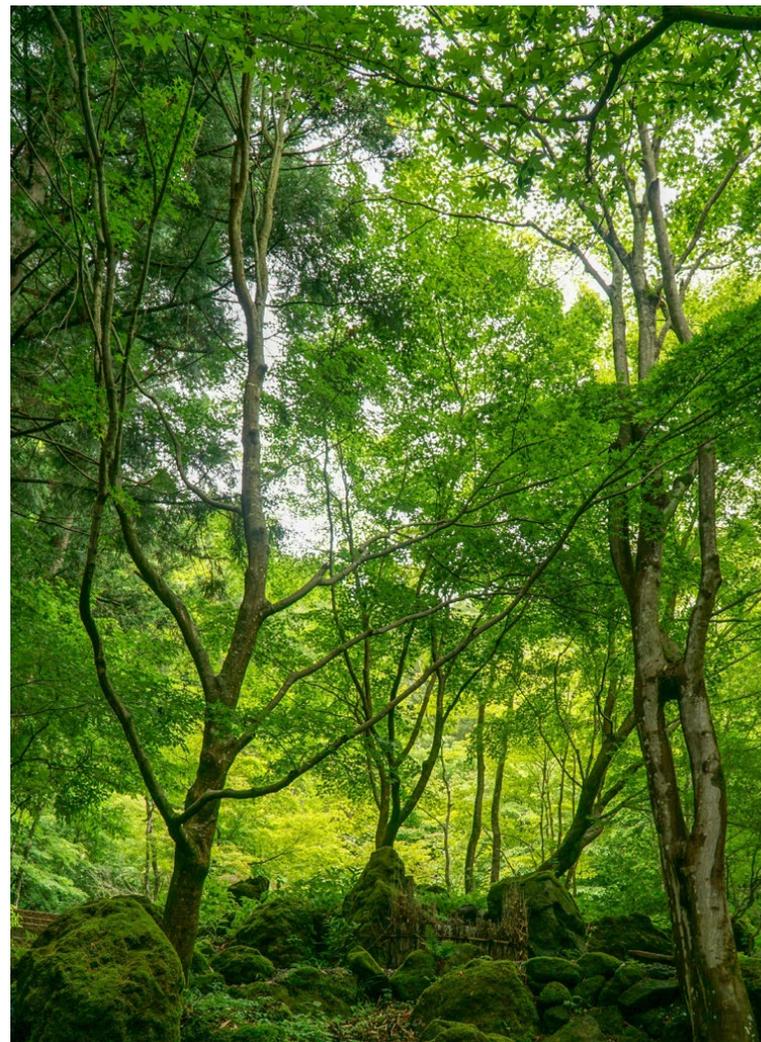
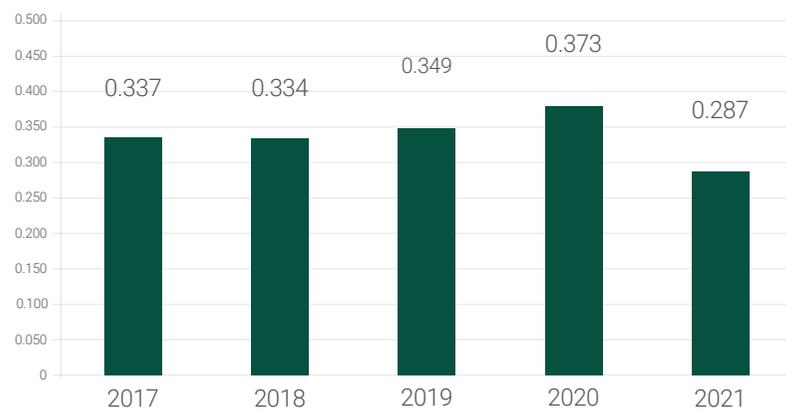
Likewise, our **Water Monitoring Plan and the Environmental Surveillance and Measures Plan** enable us to monitor water consumption and effluent quality in order to adopt the most suitable decisions geared to the optimum management of the water resources available.



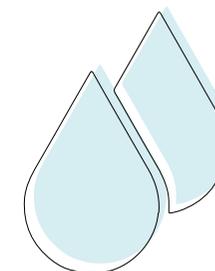
Our water consumption (m³)

	2018	2019	2020	2021
Total external water consumption	233,935	241,163	205,889	169,924
Total reused water consumption	118,023	99,476	107,317	134,330
Total water consumption	351,958	340,639	313,205	304,254

Water consumption intensity (m³ per ton of waste received)



We promote the circular management of water in order to ensure a high degree of reuse and recycling, thereby minimising the consumption of natural resources.



We have recorded the lowest water consumption in recent years, reflecting the effort to maximize water reuse.

Furthermore, **water consumption intensity**, which is calculated in accordance with the total network water consumption in relation to the tons of waste received, also reached its lowest point in recent years, falling by 23% in comparison with the previous year.

In 2021, we carried out several improvement actions to **reduce our water consumption levels**. Examples include the new line for process water consumption in the cementation system of lines 12 at the energy recovery plant, or the sealing of phases I-IV at the secure landfill. This has enabled us to collect rainwater for later use in our production processes, replacing water from non-renewable sources.

We also monitor groundwater quality by analysing samples from the water wells at all Tirme's processing facilities in order to ensure that they are not affected in any way as a result of our management processes.

Reduction in the use of plastics

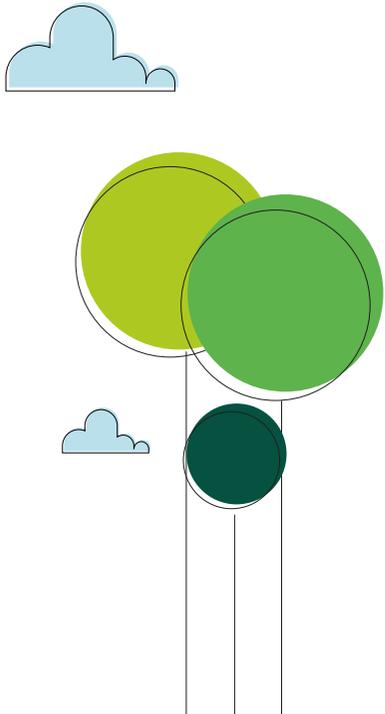
As part of our firm commitment to the circular economy and minimisation of waste, we take steps to **avoid single-use plastics** and raise our team's awareness of the importance of correcting certain habits.



We also promote a series of measures within the organisation to avoid the use of these plastics. Examples include the replacement of plastic cups or bottles with reusable alternatives.

One of our key actions this year was the renewal of our **collaboration agreement with the Save The Med Foundation** in order to contribute to building a community that is aware of the impact of pollution caused by single-use plastics.

Thanks to this agreement, we have contributed to the improvement of the INDEX tool and the search for "Honest Alternatives" to replace single-use plastics in the tourism sector.



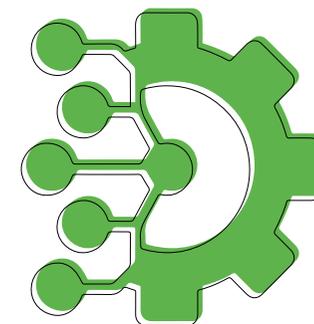
3.4. INNOVATION AND DIGITALISATION AS VALUE CREATION TOOLS

We are convinced of the importance of driving a culture of innovation within our organisation. In our opinion, it is a core element of our strategic framework that enables us to develop more creative and efficient work methods, in line with SDG 9: innovation and infrastructures.

Our objective is to **adapt to new technological developments** in order to progress in R&D&I. In turn, this will enable us to obtain new products or production processes, as well as substantial improvements that will benefit citizens and contribute to social wellbeing.

This objective will enable us to digitalise a number of the organisation's existing manual or analogue processes, thereby improving our efficiency and data processing. It will also allow us to bring about a change of culture, creating a more agile and automated company.

In this sense, we have joined the United Nations' call for the promotion of the **Creative Economy for Sustainable Development**, launching a series of initiatives that hinge on four key concepts: Innovation and Digital Transformation; Risk Prevention and a Healthy Workplace; Corporate Social Responsibility; and the Circular Economy.



Digitalising processes is a key part of our strategic plan and one of the major challenges in driving the company towards more sustainable processes.

We are members of the ATRIC 4.0 research project “Accelerating the transition towards a sustainable, digital and circular industry”, aimed at maximising the recovery of secondary raw materials.



Through the ATRIC 4.0 project, spearheaded by Acciona Construcción and with the participation of six private companies and various public research organisations, we drive new solutions that will meet one of the greatest challenges currently facing cities and industry, namely to guarantee **efficient systems for recycling and recovering combustion waste**. In this sense, in order to address the issue of increasing volumes of waste and the reduction in available resources, we encourage the use of waste and gas currents to obtain products of major added value for industry and the construction sector.

The aim is to achieve a **higher circularity rate** for high value secondary raw materials and obtain construction materials with a lower carbon footprint.

Furthermore, in 2021, Tirme focused on a series of initiatives in line with our ongoing efforts to identify innovative solutions that will minimise the impact on the environment and multiply the efficiency of our processes. Below is a list of some of the principal initiatives in this area.



INNOVATIVE INITIATIVES DEVELOPED IN 2021



High efficiency system for the recovery of high capacity organic waste (2017-2022)

Designed to adapt to the sharp seasonal hike in Mallorca's population. The aim is to reach new degrees of recovery for organic products with a greater added value and application potential.



Innovative process for minimising and recovering waste containing ammonium sulphate (2020-2021)

Guaranteeing technical, economic, environmental and safety feasibility through the development of circular economy strategies and the application of our scientific and technological expertise.



Research into new designs and alternatives for the energy recovery of waste (2020-2021)

Using state-of-the-art equipment capable of optimising the environmental performance of energy recovery facilities. This involves the study and proposal of new solutions for monitoring the incineration process that will dramatically reduce errors associated with non-detection of faults or difficulties in acting in a timely and accurate manner.



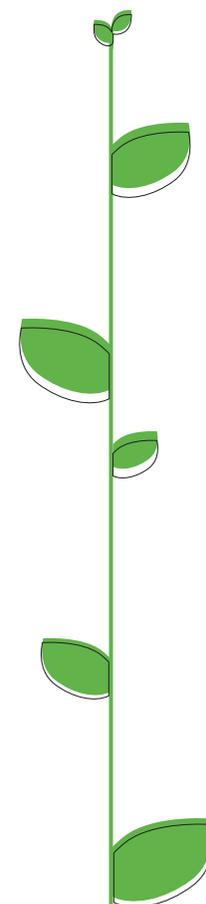
Digital transformation project (2020-2022)

For the customised development of highly efficient technological systems capable of centralising data in a common source, as well as ensuring the traceability of operations and information flows.



Research into new monitoring alternatives for the solar drying plant (2020-2021)

That will minimise and monitor the emissions generated during the sludge solar drying process, thereby reducing the environmental impact on the areas close to our facilities.



A further example of our determination to introduce innovative and circular business models was this year's launch of the FINHAVA technological platform. We worked with other private and public organisations on this project, which is supported by Blockchain technology and designed to promote the circular economy, local agriculture and sustainable tourism.

With the **FINHAVA** initiative, we have developed a model based on the circular economy, whereby the **organic matter** generated by the Mallorcan hotels that have signed up to the project **is transformed** into compost. This compost is then acquired by farmers, who use it as a source of organic matter to improve the quality of their soil and sow crops that will then be consumed by the same hotels that generated the organic waste, converted into an agronomic resource, recovering nitrogen, phosphorous and potassium, three essential elements for agriculture. The final result is a closed circle for organic matter.



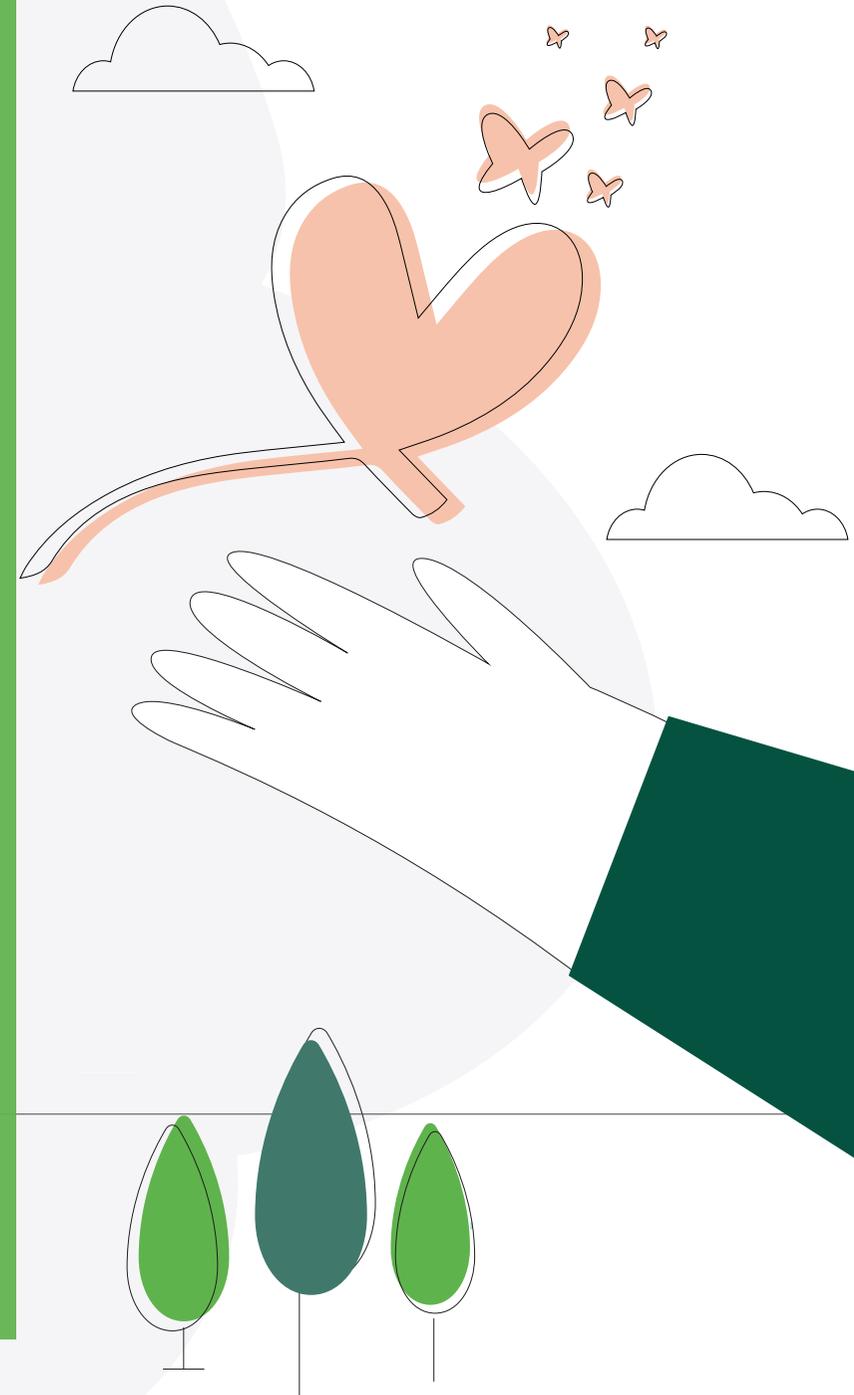
FINHAVA drives the circular economy, local agriculture and sustainable tourism



04

Human capital

We are dedicated professionals that work hard each day to make a positive impact on society. We are committed to equality and diversity as a strategy for improvement in all areas of management, eliminating all forms of discrimination.



4. HUMAN CAPITAL

4.1. HUMAN CAPITAL MANAGEMENT

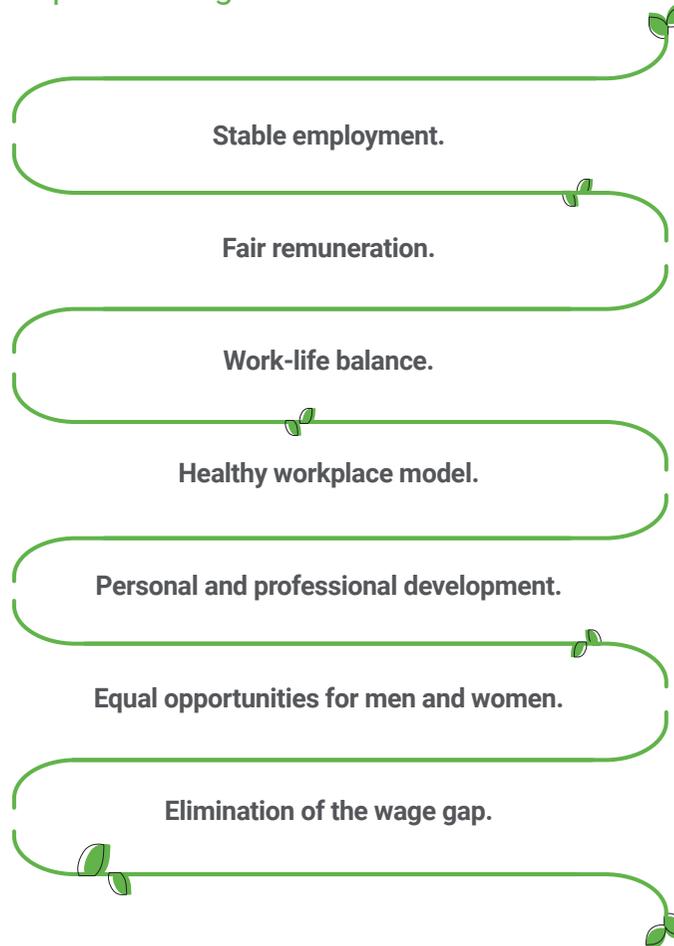
We work to ensure that they continue to grow, innovate and update their know-how, thereby reinforcing our commitment and adherence to the principles included in the **United Nations Global Compact**.

We work to ensure that they continue to grow, innovate and update their know-how, thereby reinforcing our commitment and adherence to the principles included in **the United Nations Global Compact**.

Our commitment to people is fully in line with the objective of **contributing to the achievement of the Sustainable Development Goals (SDGs)**, in particular SDG 4, Quality education; SDG 5, Equal opportunities; and SDG 8, Decent work and economic growth.

Throughout 2021, our human resource **strategy and priorities** continued to be based on the COVID-19 Contingency Plan set up in 2020 following the onset of the pandemic, as well as the 2018-2020 Strategic Plan (SP), which was extended for a further year.

Our priorities in human capital management



Our workforce is made up of 289 people – 241 men and 48 women – with an average age of 47 and an average length of service in the company of 17 years.



Regarding the **COVID-19 Contingency Plan**, we continued to apply a series of measures to guarantee the care and protection of all our professionals in the wake of further waves and spikes in the number of infections that occurred during 2021. Among other actions, we continued to supply face masks and hydroalcoholic liquids, carried out voluntary serology tests on 145 people and maintained teleworking under certain circumstances, with a total of 30 people taking up this contract formula.

Our Work-Life Balance and Equality Plan

At Tirme, we work hard to guarantee a balance between the organisation's interests and the quality of life of the people that comprise it, thereby contributing to the achievement of SDG 5, Equal opportunities. In this sense, we promote a series of measures to meet the needs detected within the organisation in order to improve the **Company-People-Family balance**.

Our plan is structured around five key areas, which in turn are divided into a series of sub-areas and actions that enable us to assess the degree of work-life balance and equal opportunities for men and women in our company. We also have a **mixed Work-Life Balance and Equality Commission** which was set up specifically for this purpose. In 2021, compliance with our plan reached 84.2%, and 32 actions were completed out of a total of 38.

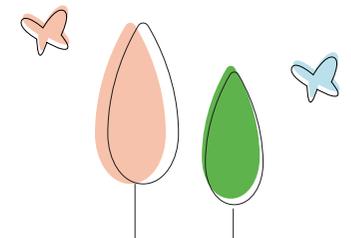
The Másfamilia Foundation also provides our team with a communication channel whereby they can lodge



complaints or claims regarding the work-life balance in the strictest confidentiality.

The FRC certificate is a **further step forward in achieving the goals** we have set to improve our team's quality of life, such as facilitating retirement or early retirement, encouraging digital disconnection, and providing more aid for study. These objectives are included in Tirme's **Collective Bargaining Agreement** for the 2019-2023 period. This Agreement consolidates and extends the working conditions and social rights of all our employees.

Once again this year, we renewed our Family Responsible Company (FRC) certificate in the B+ proactive category. Awarded by the Másfamilia Foundation, this certificate recognises our commitment to the wellbeing of our employees and their families.



We increased the number of training hours by 27% and the related costs by 70% in comparison with the previous year.

4.2. COMMITMENT TO TALENT



We firmly believe in promoting talent and the ongoing career development of our staff as a means of achieving our strategic goals. Furthermore, it boosts motivation and skills acquisition, thereby contributing to achieving SDG 4, Quality education.

Throughout the year, we continued to work on our **2021-2023 Training Plan** in order to improve the competences, skills and knowledge of all members of our organisation. We completed 26 of the total number of training actions planned, which were focused mainly on driving digital transformation and adapting to

Training data

	2018	2019	2020	2021
Total training hours	9,178	9,906	8,485	11,636
Training hours per person	29.2	31.8	28.7	40.3
Total cost of training	87,223€	85,070€	49,435€	167,847€
Training costs reimbursed	58,189€	40,970€	14,081€	45,824€

new regulatory requirements. In this sense, compliance with the plan stands at 69%.

Moreover, this year saw the return of our **Performance appraisal project**, which obtained a staff participation rate of 88.3%. An innovation for 2021 was the introduction of the assessment of the integration of our corporate values.



4.3. HEALTH AND SAFETY

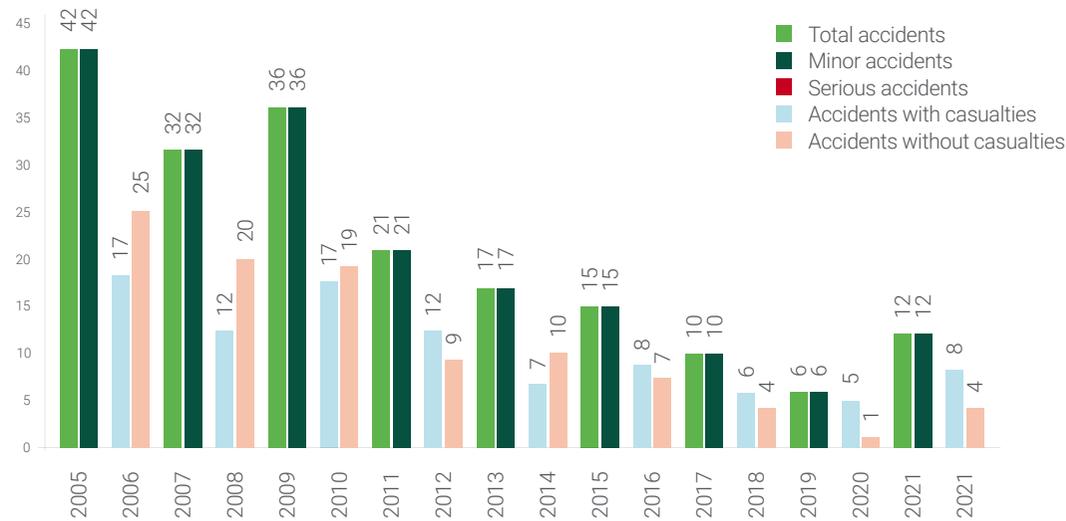
We work on a daily basis to strengthen our culture of prevention and promote the health of the members of our organisation, which constitute our maximum priorities. Our objective is to guarantee a safe and healthy working environment, in line with SDG 3, Good health and wellbeing.

This undertaking is articulated in our **2021 Occupational Risk Prevention Plan**, which provided the framework for a total of 148 actions that were carried out this year, putting the degree of compliance at 91.4%.

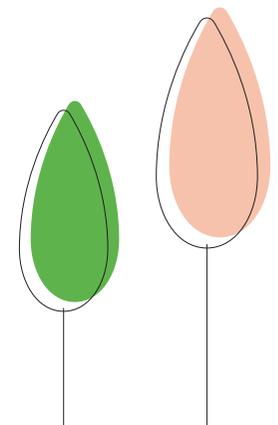
Twelve occupational accidents were registered during the course of 2021, all classified as minor and 8 requiring sick leave.

These figures indicate a reverse in the downward trend of recent years and confirm the need to continue working with the same intensity as before in order to improve these results in the coming years.

Evolution of our key indexes



Our commitment to health and safety is endorsed by our Workplace Health and Safety Management certification, in accordance with ISO 45001 standards.



Both the accident rate and number of incidents at Tirme have increased slightly in comparison with the previous year's figures. In contrast, there has been a significant drop in the number of incidents among staff from subcontracted companies.

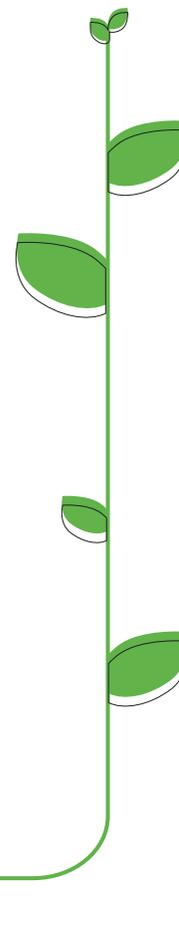
Accident rates

	2018	2019	2020	2021
Duration rate	18.75	48,67	15.60	10.88
Seriousness rate	0.27	0.55	0.14	0.17
Frequency rate	26.94	11.24	11.12	23.18
Incident rate	47.77	19.15	19.80	41.38

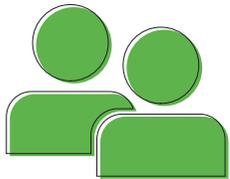


Our actions to promote occupational health and safety

- ▶ **Awareness raising campaigns:** we have installed an “accident-free days” counter, providing free coffee for the team for every 90 days without an accident. This goal was met in 2021.
- ▶ **Age management:** we carry out a series of actions to care for older groups, including specific treatments in our health screening campaigns or paid leave for people over 55.
- ▶ **Lessons learnt analysis:** we post details of accidents on the intranet in order to raise awareness among our team and prevent them from happening again.
- ▶ **Meetings with the Management:** we encourage meetings of this type in order to insist on the importance of complying with occupational risk prevention regulations.
- ▶ **Warning letters** sent to people that fail to comply with our prevention policies or suffer accidents due to carelessness or negligence.
- ▶ **Safety Week:** we organise a week-long programme of training actions related to risks in the workplace.
- ▶ **Weekly physiotherapy sessions** at the energy recovery plant in the Can Canut area.



In 2021, we carried out 322 medical check-ups and organised a vaccination campaign in which 92 employees took part.



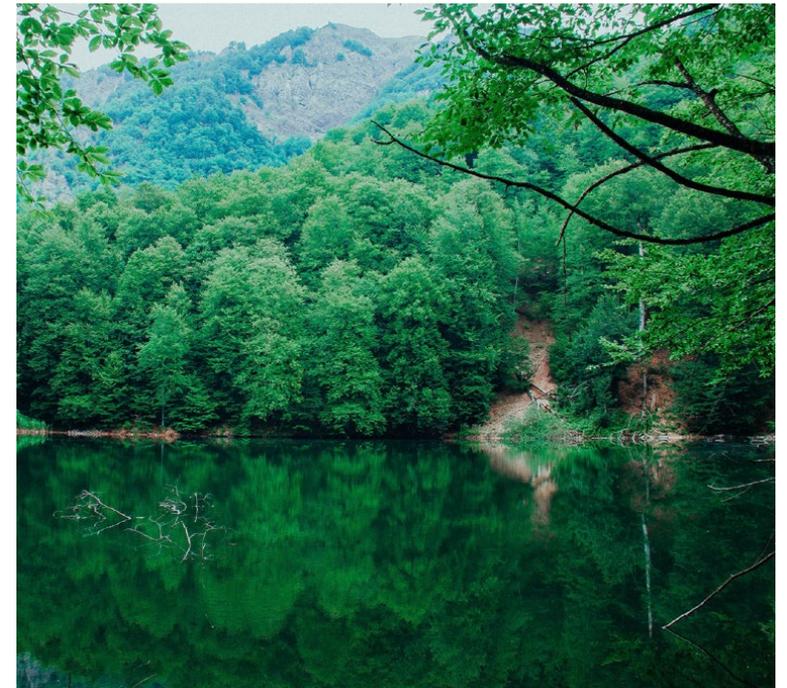
▶ **Initiatives in line with Healthy Workplace policies:**

- **Employee Care Service (SAE in its Spanish initials)** which provides occupational psychological assistance.
- **Internal coaching service.**
- **Online training** related to “**healthy lifestyles**”.
- Application of the “**Bradford factor**” as a means of identifying **repetitive patterns of behaviour**.
- Introduction of full or partial **teleworking**.
- **Consolidating awareness** through the policy of **acknowledging the commitment to health and safety**.

▶ **Training in Occupational Risk Prevention (ORP)**, In 2021, a total of 4,519 hours of training took place, as part of 20 training actions.

▶ **COVID-19 antibodies screening campaign** in order to identify acquired immunity to the virus.

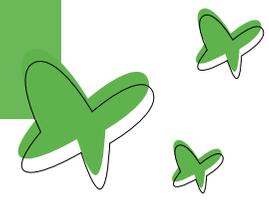
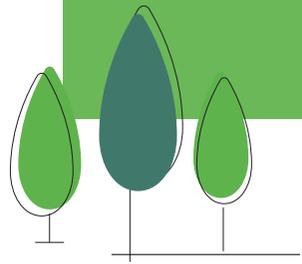
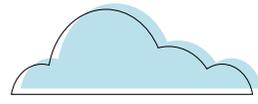
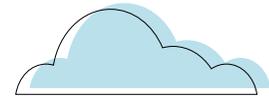
▶ **Campaign to combat excess weight and obesity “fewer kilos, more solidarity”**, to promote a healthy lifestyle, offering a series of webinars on this subject. We also organised a charity action consisting of adding up the total weight of the staff in kilos during the 2021 health screening campaign, in order to donate food weighing the equivalent number of kilos lost in 2022. This action promotes healthy eating as well as providing food for the most vulnerable groups.



05

Commitment to society

As a company dedicated to providing services for citizens, Tirme works to promote a more human and relatable sustainable development model, contributing to a fairer society with a greater sense of environmental commitment.



5. COMMITMENT TO SOCIETY

5.1. SUPPORT FOR THE LOCAL ECONOMY

Our commitment to society is based on three key aspects: promoting citizens' environmental awareness; boosting the occupational integration of young talent and groups at risk of social exclusion; and establishing sponsorship agreements with various organisations based on the principles of equality and transparency.

These objectives form the foundations for our social action strategy, which is centred on the following action areas:



Education

Through training actions designed to raise awareness in terms of sustainability, the professional development and talent of the younger members of society. Highlights of these actions are listed below:

- ▶ **Sponsorship of various environmental education activities at the Jovent Farm School**, to promote care and respect for the environment among young people.
- ▶ **Promotion of visits to our Environmental Education and Information Centre**, using the waste treatment facilities as a tool for environmental education.
- ▶ **Collaboration with the University of the Balearic Islands (UIB in its Spanish initials) and other universities and technology centres**, to drive R&D&I and training in environmental management.
- ▶ Participation in the programme entitled "**Circularity in SMEs. A strategic opportunity**", organised by the Confederation of Balearic Island Business Associations (CAEB in its Spanish initials) with the collaboration of Banco Sabadell and Endesa. The objectives include sharing know-how, experiences and resources, as well as helping small and medium enterprises to face the challenges posed by the circular economy and sustainability.





Social wellbeing

Driving labour integration and entrepreneurship among groups at risk of social exclusion and support for resident groups through a series of sponsorship programmes. We are involved in a range of initiatives that help us contribute to the development and wellbeing of society:

- ▶ **Training action included in the programme entitled “Recycling to Change Lives”**, for the labour insertion of vulnerable members of society, improving their employability and promoting job opportunities within the recycling sector. This is a joint project in collaboration with the Deixalles Foundation, Ecoembes and La Caixa Foundation, in which the participants acquired a knowledge of municipal and industrial waste management.
- ▶ **Agreements with education centres and universities** as well as dual training learning agreements to promote the incorporation of young people onto the job market. We have also taken part in a number of related seminars and workshops such as the Occupational Forum and the III Tech-Day at the University of the Balearic Islands (UIB in its Spanish initials).

- ▶ **Collaboration with the Asprom, ARCA and Ilunion associations** for the social and labour integration of the disabled.
- ▶ **Agreement with the PALMAesports sports association**, to provide promotion and economic support for its social integration programme based on sport for children on Mallorca at risk of social exclusion or in a situation of poverty.
- ▶ **Renewal of sponsorship agreements with football clubs** in the towns closest to our facilities, namely S'Indiateria, Son Sardina and Palmanyola, including the latest addition, Bunyola.



We have been collaborating with the Deixalles Foundation since 2002, contributing to the insertion on the labour market of around 1,000 people.



Humanitarian action

To improve the living conditions of people in vulnerable situations, guaranteeing their protection and wellbeing. We have collaborated with a series of initiatives in this area, several of which are detailed below:

Thanks to this new collaboration agreement with NGOs such as the Food Bank, Mallorca Sense Fam and Caritas and Mallorca's agricultural cooperatives, we have contributed to the distribution of food among the island's neediest families.

- ▶ **Renewal of the collaboration agreement with the Food Bank, Mallorca Sense Fam and Caritas, as well as the agricultural cooperatives Agromallorca, Es Merca and Son March,** This initiative consolidates the relationship between local food producers and NGOs dedicated to solving the lack of food. Tirme has also provided agricultural cooperatives with the compost we have produced, thereby closing the production circle in the agri-food sector.



- ▶ **Renewal of the sponsorship agreement with the NGO Sonrisa Médica,** collaborating with their mission to transform the hospital environment through the use of humour as a therapeutic process.

We also continue to collaborate with **professional associations and organisations** in the Balearic Islands, thereby enabling us to share know-how and experiences:

- ▶ **Collaboration with Mallorca's Cercle d'Economia association,** for the creation of the Cercle Economic Index tool, providing key economic, health and wellbeing indicators in order to compare the position of the Balearic Islands in these areas with Spain's other autonomous communities.
- ▶ **Agreement with the Balearic Islands Chemical Industry Cluster (CliQIB in its Spanish initials),** participating as a partner in the general assemblies and working sessions for drawing up the Cluster's 2022-2026 Strategic Plan. The CliQIB focuses on providing solutions for hygiene problems in the tourism sector for both tourism businesses and knowledge centres and innovation support organisations.

These collaboration projects, which reflect our firm commitment to generating a positive impact on society, enable us to make our contribution to the achievement of the following SDGs.



5.2. RESPONSIBLE SUPPLY CHAIN

We know that the correct management of our supply chain will contribute significantly to improving the efficiency of our processes and achieving the strategic goals set. In this sense, our suppliers are one of our principal stakeholder groups and we work hard to build consolidated relationships based on trust.

In order to guarantee that our suppliers meet the necessary criteria and comply with the basic contracting principles, we have drawn up a Procurement Policy designed to secure efficient and sustainable processes that will contribute to reducing the cost of waste treatment for Mallorcan society.

The basic principles of our Procurement Policy



Strict compliance with legislation.



Quality service.



Compliance with necessity, suitability and efficiency criteria.



Application of criteria based on sustainability, objectivity, transparency and equal opportunities.



Priority for suppliers that have a social function or are geographically close.



Compliance with the Responsible Procurement Guide.

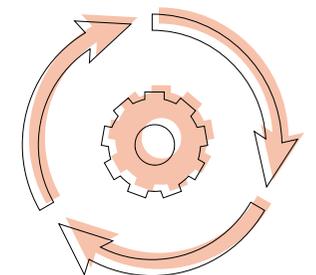


Application of criteria based on equality, integrity, confidentiality and honesty.



Prohibition of abusive clauses.

One of our priorities when establishing professional relationships with suppliers is ensuring their alignment with our commitments to sustainability.



In 2021, 8,015 of a total of 10,005 orders were placed with local suppliers, accounting for 80% of the total, further consolidating our commitment to a local, sustainable and responsible supply chain.

Following the principles included in our Procurement Policy, we conduct supplier **assessment and standardisation procedures** to ensure their compliance with all the administrative, technical, legal and sustainable requirements we demand from our supply chain.

It must be noted that annual **expenditure on local suppliers** stood at 61%, slightly below the previous year's figure. However, the total amount paid to local suppliers rose by two million euros.

Moreover, our **Responsible Procurement Guide** lays the foundations for integrating economic, social, environmental and ethical considerations into our procurement criteria, in accordance with the following principles:



Green procurement, reducing the consumption of natural resources, using more energy efficient products and favouring the circular economy and locally sourced products.

Ethical procurement, respecting employees' working conditions, minimum wages and rights, as well as implementing measures to fight corruption.

Social procurement, promoting equal opportunities, Corporate Social Responsibility, accessibility for the disabled or people at risk of social exclusion and social economy companies and SMEs.

In addition, in order to identify those suppliers that comply with our social, ethical and environmental undertakings, we check that they comply with the following conditions:

Inclusion in contracts of clauses of a social, labour or environmental nature.

Establishment of a code of ethics whereby suppliers undertake to adopt social, labour and environmental measures.

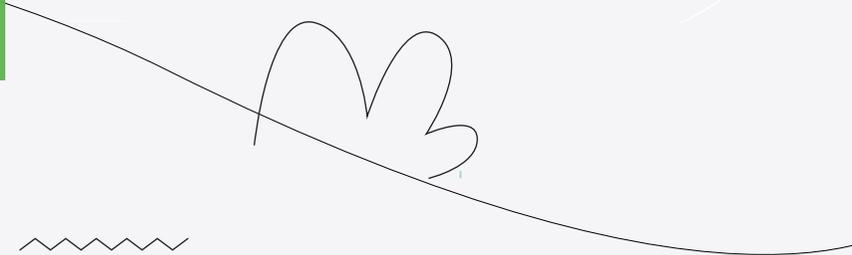
Suppliers must hold some form of environmental, ethical or social certification.

Affidavit of business suitability.



06

Annex: GRI table



6. ANNEX: GRI TABLE

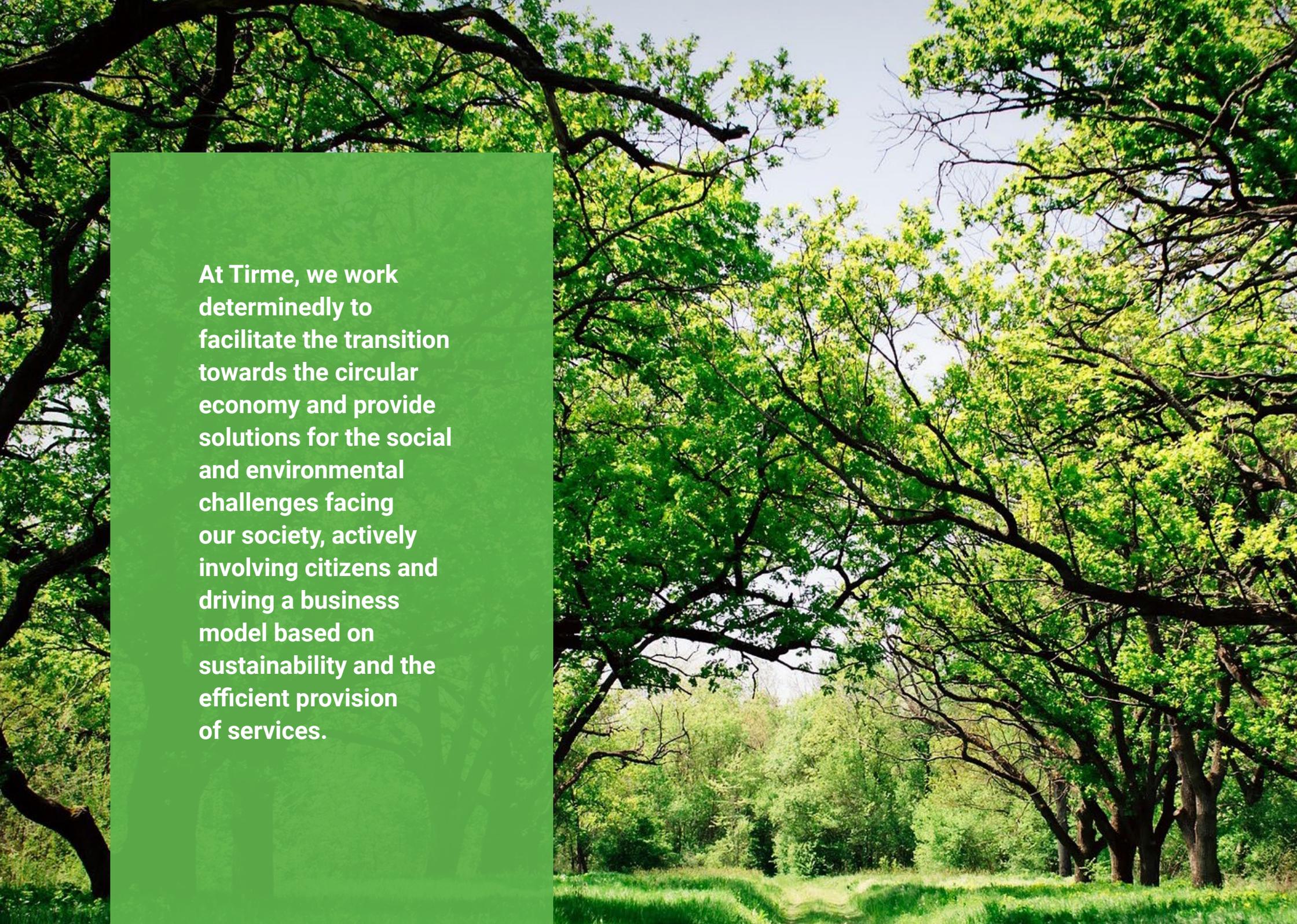
GRI STANDARDS INDICATOR	DESCRIPTION	LOCATION / DIRECT RESPONSE
102 GENERAL CONTENTS		
ORGANISATION PROFILE		
102-1	ORGANISATION NAME	TIRME
102-2	ACTIVITIES, BRANDS, PRODUCTS AND SERVICES	WWW.TIRME.COM
102-3	LOCATION OF CORPORATE HEADQUARTERS	1.1. OUR COMPANY
102-4	LOCATION OF OPERATIONS	1.1. OUR COMPANY
102-5	OWNERSHIP AND LEGAL FORM	2.1. GOVERNANCE STRUCTURE
102-6	MARKETS SERVED	1.1. OUR COMPANY
102-7	ORGANISATION SIZE	1.3. OUR KEY FIGURES
102-8	DETAILS OF EMPLOYEES AND OTHER WORKERS	4.1. HUMAN CAPITAL MANAGEMENT
102-9	SUPPLY CHAIN	5.2. RESPONSIBLE SUPPLY CHAIN
102-12	EXTERNAL INITIATIVES	5.1. SUPPORT FOR THE LOCAL COMMUNITY
STRATEGY		
102-14	STATEMENT BY SENIOR EXECUTIVES RESPONSIBLE FOR DECISION-MAKING	MESSAGE FROM THE CEO
102-15	PRINCIPALES IMPACTOS, RIESGOS Y OPORTUNIDADES	MESSAGE FROM THE CEOL 1.2. SUSTAINABILITY - A CORE ELEMENT OF OUR STRATEGY
ETHICS AND INTEGRITY		
102-18	VALUES, PRINCIPLES, STANDARDS AND CODES OF CONDUCT	1.1. OUR COMPANY 2.2. ETHICS AND COMPLIANCE WITH REGULATIONS
102-21	ADVISORY MECHANISMS AND ETHICAL CONCERNS	2.2. ETHICS AND COMPLIANCE WITH REGULATIONS

GRI STANDARDS INDICATOR	DESCRIPTION	LOCATION / DIRECT RESPONSE
GOVERNANCE		
102-18	GOVERNANCE STRUCTURE	2.1. GOVERNANCE STRUCTURE
102-21	CONSULTATIONS WITH STAKEHOLDERS ON ECONOMIC, ENVIRONMENTAL AND SOCIAL ISSUES	1.4. COMMITTED TO DIALOGUE
STAKEHOLDER PARTICIPATION		
102-40	LIST OF STAKEHOLDERS	1.4. COMMITTED TO DIALOGUE
102-42	IDENTIFICATION AND SELECTION OF STAKEHOLDERS	1.4. COMMITTED TO DIALOGUE
102-43	APPROACH FOR STAKEHOLDER PARTICIPATION	1.4. COMMITTED TO DIALOGUE
PRACTICES FOR DRAWING UP REPORTS		
102-50	REPORTING PERIOD	1ST JANUARY - 31ST DECEMBER 2021
102-51	LAST REPORT DATE	2020
102-52	FREQUENCY FOR DRAWING UP REPORT	ANNUAL
102-53	CONTACT FOR QUERIES REGARDING THE REPORT	AINA CANALETA: ACANALETA@TIRME.COM AMALIA CERDÀ: ACERDA@TIRME.COM
102-54	DECLARATION THAT THE REPORT WAS PREPARED IN ACCORDANCE WITH GRI STANDARDS	1.2. SUSTAINABILITY - A CORE ELEMENT OF OUR STRATEGY
102-55	GRI CONTENTS INDEX	GRI TABLE
102-56	EXTERNAL AUDITING	THIS 2021 SUSTAINABILITY REPORT HAS NOT BEEN EXTERNALLY AUDITED
MANAGEMENT		
103-2	MANAGEMENT APPROACH AND COMPONENTS	1.2. SUSTAINABILITY - A CORE ELEMENT OF OUR STRATEGY
103-3	MANAGEMENT APPROACH ASSESSMENT	1.2. SUSTAINABILITY - A CORE ELEMENT OF OUR STRATEGY

GRI STANDARDS INDICATOR	DESCRIPTION	LOCATION / DIRECT RESPONSE
ECONOMIC		
201-1	GENERATED AND DISTRIBUTED DIRECT ECONOMIC VALUE	1.3. OUR KEY FIGURES
ACQUISITION		
204-1	PROPORTION OF EXPENDITURE ON LOCAL SUPPLIERS	5.2. RESPONSIBLE SUPPLY CHAIN
301 MATERIALES		
301-1	MATERIALS USED BY WEIGHT OR VOLUME	3.1. CONTRIBUTING TO THE CIRCULAR ECONOMY
301-2	RECYCLED CONSUMABLES	3.1. CONTRIBUTING TO THE CIRCULAR ECONOMY
301-3	REUSED PRODUCTS AND PACKAGING MATERIALS	3.1. CONTRIBUTING TO THE CIRCULAR ECONOMY
302 ENERGY		
302-1	ENERGY CONSUMPTION WITHIN THE ORGANISATION	3.3. EL DESAFÍO DEL CAMBIO CLIMÁTICO
302-3	ENERGY INTENSITY	3.3. EL DESAFÍO DEL CAMBIO CLIMÁTICO
302-4	REDUCTION IN ENERGY CONSUMPTION	3.3. EL DESAFÍO DEL CAMBIO CLIMÁTICO
302-5	REDUCTION IN PRODUCT AND SERVICE ENERGY REQUIREMENTS	3.3. EL DESAFÍO DEL CAMBIO CLIMÁTICO
303 WATER		
303-1	WATER EXTRACTION BY SOURCE	3.3. EL DESAFÍO DEL CAMBIO CLIMÁTICO
303-3	RECYCLED AND REUSED WATER	3.3. EL DESAFÍO DEL CAMBIO CLIMÁTICO
304 BIODIVERSITY		
304-3	PROTECTED OR RESTORED HABITATS	3.2. REDUCING POLLUTION AND PROTECTING BIODIVERSITY
305 EMISSIONS		
305-1	DIRECT GHG EMISSIONS (SCOPE 1)	3.3. THE CHALLENGE OF CLIMATE CHANGE
305-2	INDIRECT GHG EMISSIONS (SCOPE 2)	3.3. THE CHALLENGE OF CLIMATE CHANGE
305-3	OTHER INDIRECT GHG EMISSIONS (SCOPE 3)	3.3. THE CHALLENGE OF CLIMATE CHANGE

INDICADOR GRI STANDARDS	DESCRIPCIÓN	LOCALIZACIÓN / RESPUESTA DIRECTA
305 EMISIONES		
305-4	GHG EMISSION INTENSITY	3.3. THE CHALLENGE OF CLIMATE CHANGE
305-5	REDUCTION IN GHG EMISSIONS	3.3. THE CHALLENGE OF CLIMATE CHANGE
305-7	NITROGEN OXIDES (NOX), SULPHUR OXIDES (SOX) AND OTHER SIGNIFICANT EMISSIONS TO AIR	3.2. REDUCING POLLUTION AND PROTECTING BIODIVERSITY
306 EFFLUENTS AND WASTER		
306-2	WASTE BY TYPE AND DISPOSAL METHOD	3.1. CONTRIBUTING TO THE CIRCULAR ECONOMY
306-3	SIGNIFICANT SPILLAGES	NO SIGNIFICANT SPILLAGES OCCURRED IN 2021
307 ENVIRONMENTAL COMPLIANCE		
307-1	WASTE BY TYPE AND DISPOSAL METHOD SIGNIFICANT SPILLAGES	NO SIGNIFICANT SPILLAGES OCCURRED IN 2021
308 SUPPLIER ENVIRONMENTAL ASSESSMENT		
308-2	NEGATIVE ENVIRONMENTAL IMPACT ON THE SUPPLY CHAIN AND MEASURES ADOPTED	FOLLOWING ASSESSMENT, NO SUPPLIER HAS BEEN IDENTIFIED AS A SUPPLIER WITH POTENTIAL OR REAL SIGNIFICANT NEGATIVE ENVIRONMENTAL IMPACTS
401 EMPLOYMENT		
401-2	BENEFITS FOR FULL-TIME EMPLOYEES THAT ARE NOT AVAILABLE TO PART-TIME OR TEMPORARY EMPLOYEES	4.1. HUMAN CAPITAL MANAGEMENT
403 OCCUPATIONAL HEALTH AND SAFETY		
403-2	ACCIDENT TYPES AND FREQUENCY RATES, OCCUPATIONAL DISEASES, DAYS LOST, ABSENTEEISM AND NUMBER OF DEATHS DUE TO OCCUPATIONAL ACCIDENT OR DISEASE	4.3. HEALTH AND SAFETY

GRI STANDARDS INDICATOR	DESCRIPTION	LOCATION / DIRECT RESPONSE
404 TRAINING AND EDUCATION		
404-1	AVERAGE ANNUAL NUMBER OF TRAINING HOURS PER EMPLOYEE	4.2. COMMITMENT TO TALENT
404-2	PROGRAMMES TO IMPROVE EMPLOYEES' SKILLS AND TRANSITION ASSISTANCE PROGRAMMES	4.2. COMMITMENT TO TALENT
405 DIVERSITY AND EQUAL OPPORTUNITIES		
405-1	DIVERSITY IN GOVERNING BODIES AND AMONG EMPLOYEES	4.1. HUMAN CAPITAL MANAGEMENT
406 NON-DISCRIMINATION		
406-1	CASES OF DISCRIMINATION AND CORRECTIVE ACTIONS APPLIED	NONE
413 LOCAL COMMUNITIES		
413-1	OPERATIONS INVOLVING THE LOCAL COMMUNITY, IMPACT ASSESSMENTS AND DEVELOPMENT PROGRAMMES	5.1. SUPPORT FOR THE LOCAL COMMUNITY
413-2	OPERATIONS WITH REAL OR POTENTIAL SIGNIFICANT NEGATIVE IMPACTS ON LOCAL COMMUNITIES	3.2. REDUCING POLLUTION AND PROTECTING BIODIVERSITY
414 SOCIAL ASSESSMENT OF SUPPLIERS		
414-1	NEW SUPPLIERS THAT HAVE SUCCESSFULLY PASSED SELECTION FILTERS IN ACCORDANCE WITH SOCIAL CRITERIA	100%
417 MARKETING AND LABELLING		
413-1	REQUIREMENTS FOR PRODUCT AND SERVICE INFORMATION AND LABELLING	1.4. COMMITTED TO DIALOGUE
413-2	CASES OF NON-COMPLIANCE RELATED TO PRODUCT AND SERVICE INFORMATION AND LABELLING	NO CASES OF NON-COMPLIANCE WERE REGISTERED
419 SOCIOECONOMIC COMPLIANCE		
419-1	NON-COMPLIANCE OF LAWS AND REGULATIONS IN SOCIAL AND ECONOMIC SPHERES	NONE IN 2021

A photograph of a lush green forest with a dirt path leading through it. The trees are tall and have dense green foliage. The path is in the foreground, leading towards the background. The sky is visible through the canopy of the trees.

At Tirme, we work determinedly to facilitate the transition towards the circular economy and provide solutions for the social and environmental challenges facing our society, actively involving citizens and driving a business model based on sustainability and the efficient provision of services.

