



Annual report **2008**

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Letter from the Manager

The introduction of efficient and environmentally advanced systems for the suitable management of waste is one of the main challenges of the 21st Century, now known as the Century of the environment.

This suitable management of waste requires, apart from a tailor made solution for each situation, a consensus at all levels, political, social, economic, working etc...

The TIRME project, which was founded in 1992 with adjudication of the concession of the public service for the management of urban waste in Majorca, has evolved in accordance with the needs of the Majorcan society, established by the three waste plans which have been fixed by the guidelines for the model of urban and assumable waste management in the island. A model which is now used as a benchmark all over Europe and in the World, a fact supported by the number of institutional visits made to the Environmental Technology Park in Majorca. TIRME is seeking to become the reference point in the subject of waste management and offer an efficient and effective service to the Majorcan society to which we are indebted.

2008 has been a year of execution of an important part of the work planned in the review of the concession contract, signed between the 'Consell de Mallorca' and TIRME on 4th May 2007, as set out in the mission and vision of the company.

In fact, in 2008, the building and putting into service of plant for the solar drying of sewage sludge from the waste water treatment plants has been successfully completed. The plant, which with an annual capacity of 30,000 tonnes, has become one of the stations with the largest capacity in the world and is an example of environmental ecoefficiency given that it uses solar energy to dry the sludge and obtain a biofuel suitable to be treated in the incineration and energy recovery plant. Some of the other milestones which stand out in 2008 have been the completion of the construction of the final waste landfill site, a site which the 'Consell de Mallorca' have given to the Palma Council and has in its turn allowed the closure of the old landfill site at Son Reus.

Furthermore, during 2008, the extension work on the aforementioned incinerator has advanced at a good rate, thus hopefully allowing, in 2010, the reaching of the long desired objective of zero waste dumping in Majorca, which will make it without a doubt, a world reference point. Moreover, we have continued with our objectives of excellence in the operation of all of our installations, maintaining a special level of care for the security of our work force, the environment and our installations themselves.

Finally, but not least importantly, I would like to highlight that the advance of TIRME is largely due to its most important ingredient: its workforce. None of these objectives would be possible if it were not for the daily effort made by those people working for TIRME who, in times of extra exertion like we are currently experiencing, give the very best of themselves.



Ángel Fernández
Manager of TIRME

Mission Statement and vision of the company

Mission Statement

To establish a policy and strategy for sustainable waste management that guarantees a better quality of life for the inhabitants of Majorca, through an environmental treatment of waste, which is optimum in both efficiency and costs.

Vision

- To serve as a model for action in the application of the 6R (4+2) policy: Reduce, Re-use, Recycle, Recover + Re-educated and Re-insert socially.

- To be the reference point in the subject of waste management, searching for alliances with local companies, which permit us to offer the most suitable service to the society which we serve.
- Each year we aim to get closer to the concept of environmental ecoefficiency, whereby waste becomes a resource, thus changing from the concept of use and throw away to throw away and use.
- TIRME is conscious of the importance of waste management, given that it was set up as an engine to the island's economy, through the protection of the environment, the renewal of the image of quality shown by Majorca and the promotion of our tourist industry.

Integrated management policy

TIRME has undertaken to include in the management and development of its processes, products and services, the principles of quality, environmental protection, the prevention of work-related accidents, social consideration and the conciliation of the family thus aspiring to be acknowledged both internally and externally as a responsible company that incorporates these principles into its activities and decisions.

TIRME accepts that these principles are essential to ensure the company's competitiveness, success and leadership, as well as contributing to its growth, progress and the promotion of its employees.

For this reason, and following a process of evolution, TIRME accepts the following commitments:

- To maintain and continuously improve its Integrated Management System which allows a constantly improving level of quality, environmental protection, prevention of accidents at work and the conciliation of family and working lives.

- To try to offer the maximum satisfaction and adaptation to the requirements of its customers, setting itself the goal of generating positive economic and social results for all the interested parties ('Consell de Mallorca' and the local councils of Majorca, the Administration Board, the workforce, suppliers and the community as a whole)
- To comply with the legislation and regulations applicable to the company and any other undertakings that the company may subscribe to, fundamentally those related to environmental or social aspects and the prevention of accidents in the work place.
- To identify and assess the environmental aspects of its products and activities in order to prevent negative impacts, to monitor its processes, establishing appropriate methods, resources and operating criteria as well as evaluating environmental behaviour.
- To incorporate the principle of pollution prevention into the activities dealing with the design, execution and evaluation of projects and processes by:
 - Establishing environmental requirements into the design of new projects and selecting the best available technologies for the provision of the environmental services rendered.
 - Monitoring the efficiency of the options built and installed.
 - Improving the management of the environmental services.
- To identify and assess those activities of the company that may imply a risk for its employees' health, establishing a prevention plan based on avoiding the risks and combating them at source as well as monitoring those that cannot be avoided completely, minimizing their consequences and always giving priority to collective protection measures over individual ones.
- To provide the necessary instruction and training, through safe methods and good practices, so that the workforce can correctly and safely perform all of their tasks. Furthermore, to provide the necessary resources for the performance of their activities.
- To motivate the workforce and make them aware of the importance of their commitment to the development of

the principles reflected in the policy, applying internal communication and training mechanisms.

- To assign the material and human resources which are in line with the goals proposed.
- To respect the privacy and freedom of opinion, association and collective negotiation of its employees. Furthermore, work towards an equality of opportunities and the elimination of discrimination by sex, religion, nationality, age, disability or sexual orientation, at the same time rejecting both forced labour or child labour.
- To guarantee the stability of employment, a fair payment and to offer measures that help in the conciliation of work and family life and social activities and which contribute to personal development.
- To incorporate the principle of continuous improvement in all spheres of the company's management through the establishment of programmes that develop the principles reflected in the policy.

TIRME's management is confident that all of the teams and the individuals of which they comprise, fully understand the significance of this policy and have included it into their style of working as a normal way of behaving.

1. Strategic planning

The new extension of the concession as stated in the changes to the contract signed by TIRME on 4th May 2007, is the result of the efficient management that TIRME has developed up to now in the island, resulting in the elimination of uncontrolled dumping and through TIRME, the processing of nearly all of the urban waste. TIRME is proud therefore to have been entrusted by the Balearic Government to continue developing an essential role in the economic and social fabric of the island.

With this in mind the main objective for the next three year period 2007 – 2010 is the adaptation of the production processes and the infrastructure to the changes in the 2007 contract, in accordance with the new guidelines and infrastructures delimited in Main Sectorial Plan of 2006, coinciding with the strategic issues related to corporate social responsibility and a respect and improvement of the environment.

The main objectives of the latest review to the 2006 Main Sectorial Plan are:

- To expand the capacity of the existing incineration installations up to 660,000 tonnes per year to allow the treatment of urban waste coming from the Main Sectorial Plan for the Management of Waste Construction Materials (approximately 55,000 tonnes per year) as well as the treatment of waste which is currently derived from the landfill site (around 184,000 tonnes per year).
- To increase the nominal installed capacity of the plant to 60 MW.
- To adapt and improve specific installations and auxiliary infrastructures

The objectives of the company in relation to the above listed points are as follows:

- To work towards a situation of zero landfill dumping in Majorca.
- To reduce as much as possible the effect that the sharp increase in investment has over the cost of urban waste treatment.
- Move towards a level of excellence in the company through the following areas: quality, environment, prevention of accidents at work, conciliation of work and family life for the employees and corporate social responsibility.

2. Operating activities

2.1. Reception of waste at the transfer stations

The transfer stations are installations which compact the waste in fractions to be transported to the treatment plants by large capacity lorries, thus reducing the amount of heavy traffic circulating around Majorca and therefore reducing the risks associated with the transport of heavy loads. Using this method it is also possible to reduce the environmental pollution by improving the ratio of fuel used per unit weight of transported material and thus reducing the emission of greenhouse gases.

This fact is shown in the following diagram, where it is possible to see that the number of arrivals of lorries at the different transfer stations during 2008 was 59,775. There, once compacted, the number of lorries that left to take the waste to the treatment plants was 13,153.

At the present time the transfer stations at Alcudia, Binissalem, Manacor and Calvià are working to their full capacity, as all of these stations have been adapted to receive the selective collections of glass, paper and cardboard and packaging.

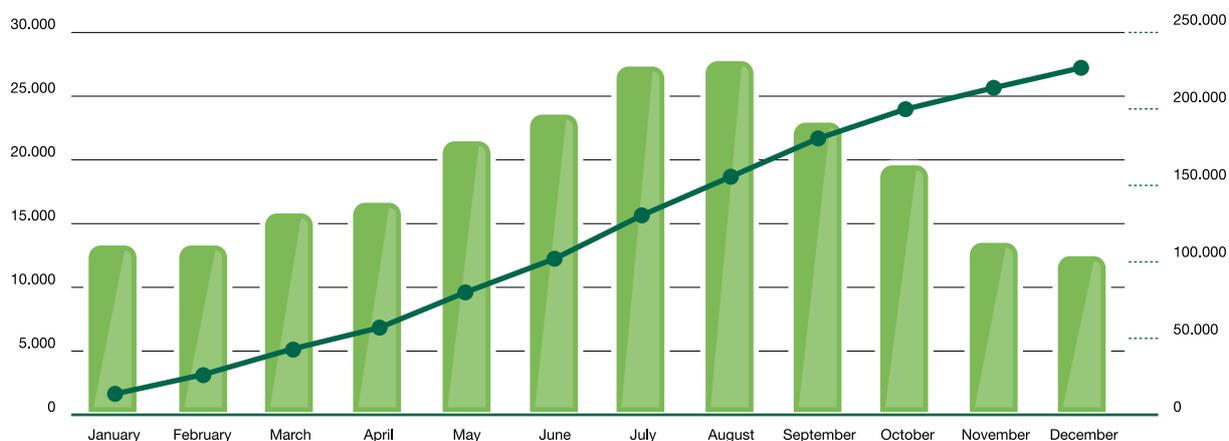
In the current year 227,568 tonnes of waste (RSU) have been received at the different transfer stations, compared to the 234,257 tonnes registered in 2007, which shows a reduction of 3%.

The annual data relative to the output of glass, paper and cardboard and packaging coming from the transfer stations was as follows:

- glass : 14,212 tonnes compared to 13,743 in 2007 (increase of 3%).
- Paper and cardboard : 12,323 tonnes compared to 11,381 in 2007 (increase of 8%).
- Packaging : 3,317 tonnes compared to 2,939 in 2007 (increases of 13%).

In 2008 an annual review was carried out at all of the transfer stations, coinciding with the low season of the entrance of waste. Furthermore, the bulk transport of glass from the Port of Alcudia has been continued, improving in this way the service given by this type of fraction.

Monthly input of waste to the transfer stations (t)



2.2. Selection of light packaging

The packaging which comes from the recycling containers (yellow containers), is both manually and mechanically separated and classified into : cardboard and paper, PEAD (plastic drums), PEBD (supermarket carrier bags), PET (plastic drinks bottles), PVC (bleach bottles), MIX (mixed plastics), paper – aluminium drinks containers (Tetrabrik), aluminium, scrap metal and glass. After its separation the waste is sent to the recycling plants.

During the financial year 2008, the packaging separation plant has worked with two shifts, one in the morning and another in the afternoon of 8 and 6 hours respectively, 5 days a week. The gradual establishment of a door to door collection of recyclable packaging and the installation of new collection areas, have been the main reason for the increase in the amount of waste received compared to 2007 (from 8260,250kg in 2007 to 10024,710 kg this year, which is an increase of 21.36%). This increased percentage of received waste has reduced the quality of the reception of the material, directly affecting the increase in the percentage of rejected waste in the process.

The objectives set for the year have been:

- To maintain the quality of the separated fractions and to continue to comply with the requirements set in the Technical Specifications for Recovered Materials (ETMR in its Spanish acronym).
- Not to surpass the percentage rejected waste established by Ecoembes.
- To increase the percentage of material processed.
- To optimize Stocks.
- To adjust the characterization process used to the flow of tonnes entering the plant.
- To optimize the labour costs per tonne of waste treated.
- To optimize the consumption of fuel, energy and water.

The Production data from the Light Packaging Waste Sorting Plant during 2008 were as follows:

- Material entering: 10024,710 Kg (annual increase of 21.36%)
- Output of different parts to recyclers : 6092,530 Kg
- Rejection of material unsuitable for processing: 3308,950 Kg.

Input to the light packaging plant (kg)



2.3. Composting of MSW-OF and sewage sludge(WWTP sludge)

The composting of the organic waste matter (MSW-OF and WWTP sludge) mixed with a structural material (garden waste, sawdust, etc) is a natural fermentation process in the presence of oxygen and high temperatures (around 60-70 degrees), through which any germs, parasites or weeds are destroyed, leaving behind a final product called compost which is suitable for use as an organic fertilizer.

This process is carried out in different composting plants situated at various points around the island.

2.3.1 Ariany, Felanitx and Sa Pobra Composting Plants

The sludge produced in the IBASAN sewage treatment plants and that from neighbouring areas is treated in the Ariany, Felanitx and Sa Pobra composting plants.

Production Data

Installation	Sludge entering (tn.)	Structural material entering (tn.)	Compost Produced (m ³)
Ariany Plant	35.437	17.045	7.795
Felanitx Plant	12.105	2.397	1.670
Sa Pobra Plant	2.773	1.003	500

During 2008 routine maintenance work has been carried out on a systematic basis of the equipment and the installations. Additionally, a programmed stoppage for maintenance was made at the Felanitx plant.

2.3.2 Marratxí (Zone 1) and Calvià (Zone 3) Composting Plants

During the 2008 financial year, the Calvià and Marratxí Composting Plants both worked to schedule, achieving the objectives set for them: treatment of all entering waste matter, obtaining a quality product and reducing waste rejection to the minimum possible.

In November 2008, in the Marratxí composting plant, coinciding with the bringing into service of the new turning machine, began a restructuring of its closed shift, introducing two open shifts, morning / evening from Monday to Friday. The members of staff who were not assigned to these shifts were relocated in other plants or departments.



For the Calvià composting plant, an agreement has been reached with Calvià 2000, the municipal company responsible for waste collection, so increasing its timetable to include the entrance of waste on Saturdays during the high season, from May to October.

Production data

Installation	Zone 1 Composting Plant	Zone 3 Composting Plant
MSW-OF entering (tn.)	4.526	1.723
WWTP sludge entering (tn.)	18.374	576
Methanization digestate entering (tn.)	8.958	-
Structural material entering (tn.)	11.855	5.595
Reject waste material (tn.)	3.107	1.687
Compost Produced (m ³)	15.765	442

that this material breaks down and produces gases, mainly methane gas (which is used as a fuel to generate electrical energy). The resulting material (digestate) is sent to the composting plants. The residual water that is not re-used is sent to the water treatment plant so that it can be used at a later date.

The methanization plant received mainly water treatment plant sewage sludge during the 2008 financial year.

The main improvements introduced at the installation in 2008 have been: the relocation of the control room in the office building, the replacement of one of the pumps for filling the digester, improvements in the flocculant and iron chlorite treatment station, the modification of various networks of process and treatment plant water, the optimizing of consumption and the installation of cameras to supervise the process. These modifications, together with the exhaustive monitoring of the digester process parameters and optimization of the chemical reagents added to purify waste water, have represented an important improvement in the plant's management and availability.

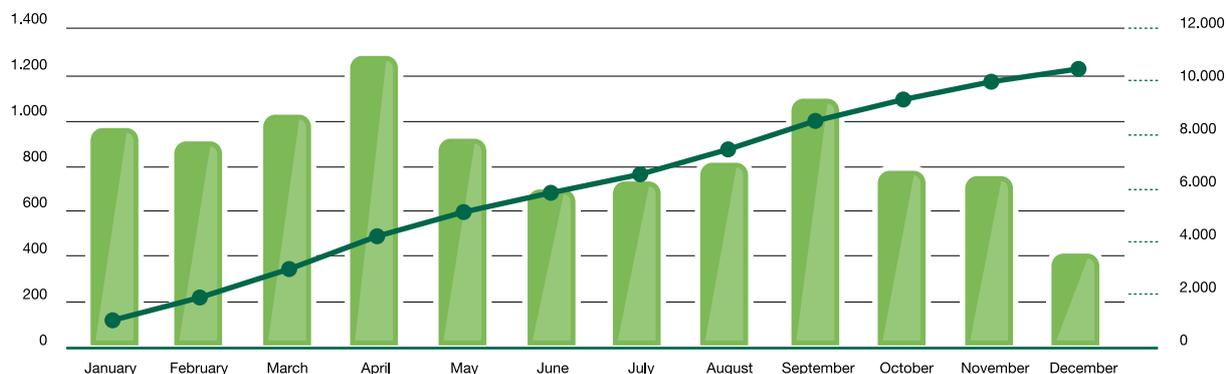
The production data from the Methanization Plant during the 2008 financial year was as follows:

- Sludge entering: 10,525 Tn.
- Output of compost from the digester: 8,958 Tn.
- Reject material from the plant : 6 Tn.
- Energy produced in the biogas engine: 666,526 KWh

2.4. Methanization plant

The transformation which occurs when organic material is in the presence of humidity and in an environment starved of oxygen, is

INPUT OF SEWAGE SLUDGE TO THE METHANIZATION PLANT (Tn)



2.5. Solar drying plant for the WWTP sludge

Solar drying is a technique that allows the sludge from the water treatment plants to be stabilized and for the water content to be eliminated thus giving it an increased calorific energy.

The process is carried out in two greenhouse like chambers, using solar radiation, to obtain a biofuel which can be used, among other things, to be sent to the incineration and energy recovery plant.

With this new treatment the peaks in sludge production during the summer months are covered and it compensates the difference between the production of compost and the demand for the same, as well as improving the quality of the compost.

In June 2008 the first tonnes of sludge entered the installation, thus putting the plant into service.

The members of staff assigned to the installation were relocated from the composting plant Z-1, with it only being necessary to rent two diggers so that the plant could be put into service.

The production data from the solar drying plant during 2008 is as follows:

- Entrance of WWTP sludge : 10,381 Tn
- Exit of dried sludge for energy valuation : 3,352 Tn

2.6. Waste incineration with energy recovery

Through the incineration of waste with energy recovery, it is possible to obtain a quick, safe and environmentally friendly elimination of residues, with a strict control of the gas emissions, complying with the European and National regulations and at the same time, producing electrical energy.

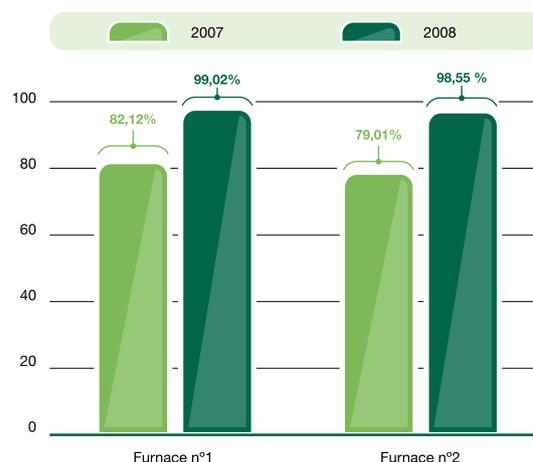
With the incineration of residues, the risk of contaminating aquifers, of spontaneous combustion, of plagues of pests, of bad

smells and uncontrolled emissions of gas, all of which are typical of landfill sites, are eliminated.

During 2008 the Son Reus Incinerator and Energy Recovery Plant worked at full power with an average availability of 99%. Most of the actions executed, corresponding to the predicted maintenance, both preventative and corrective, of the equipment and installations, were performed with both incineration lines in operation.

	Furnace n° 1	Furnace n° 2
Hours 2007	7.194	6.921
Hours 2008	8.698	8.657
Availability 2007	82,12%	79,01%
Availability 2008	99,02%	98,55%

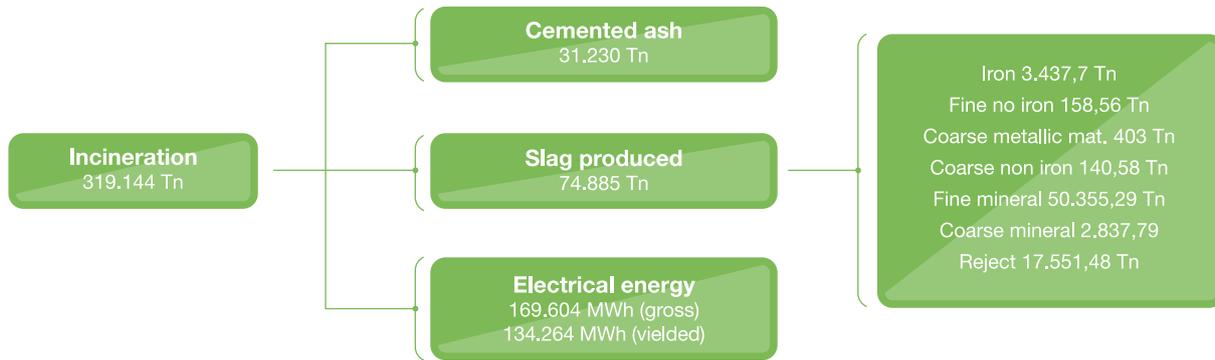
Availability of the furnaces in 2007 and 2008



With reference to improvements or important changes made to the installation during 2008, the following points must be mentioned:

- Changes in the combustion control in furnace 2 to reduce the average temperatures, thus minimizing the corrosion in the pipes and walls.

Production data from the Incineration and Energy Recovery Plant during 2008 was as follows:



- The injection control system has been improved, with the aim of reducing the consumption of calcium.
- The active carbon injection system has also been improved to achieve a homogeneous dosage of 16 kilogrammes per hour in both lines.

The waste material which could not be incinerated due to the capacity of the plant, was eliminated by deposition in landfill sites, having redirected 183,288 tonnes of municipal waste to the emergency landfill managed by EMAYA, during the first half of the year in the now closed Son Reus landfill site and in the second half of the year in the final landfill site which was built as an emergency measure by TIRME. Furthermore, 54,753 tonnes of rejected material, coming from the Plant for the treatment of construction and demolition waste, were deposited in the Santa Margarita landfill site, which is detailed in the following section.

With respect to the by - products of the incineration process (cemented ash and slag), both have undergone specific treatment according to the use and destination planned for them.

The slag is collected in a pit it is sent to a treatment plant which has been especially designed to extract, using mechanical me-

thods, the valuable parts (scrap metal and aluminium). This slag, after a period of ripening, is converted into a usable product, which can be substituted for aggregates and hard core in the construction sector.

On the other hand, the ash is mixed with a special cement and water and is then transported to a secure storage area near to the incineration plant. Once the ash has been cemented it is catalogued as a non- harmful waste. The new sectorial directive plan foresees the re-use of this ash as a substitute for raw materials.

During 2008, measures have been taken to consolidate and commercialize of the by - products, maintaining an important input into the market of dry aggregates destined for the cement industry.

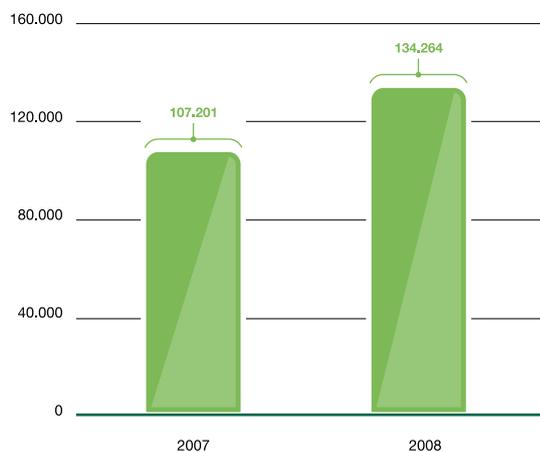
In addition, and under the instruction of the 'Consell de Mallorca', in 2008 2,988 tonnes of used tyres (NFU in its Spanish acronym), has been incinerated.

During the year in question there has been a gross energy production of 169,604 MWh, which represents an increase of 24%

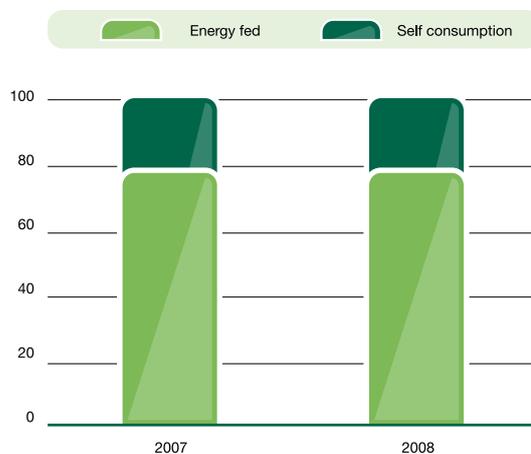
over the previous year. The self consumption registered in the present year has increased to 35,340 MWh, compared with the 30,003 of 2007, which gives a resulting net energy of 107,201 MWh which was fed into the general electricity network.

The difference of electrical energy production between 2007 and 2008 is basically the result of the higher availability of the plant in 2007 due to the maintenance carried out in October of that year.

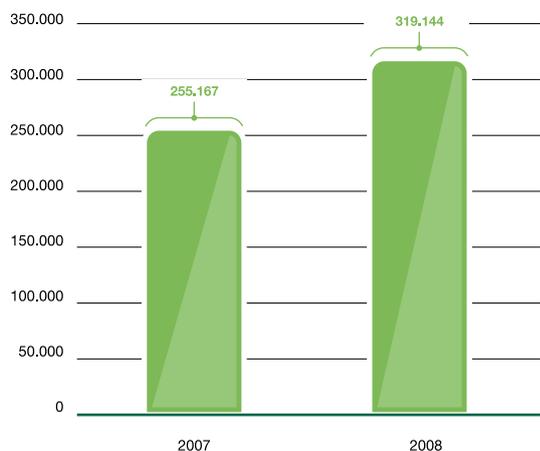
Energy fed into the electric grid



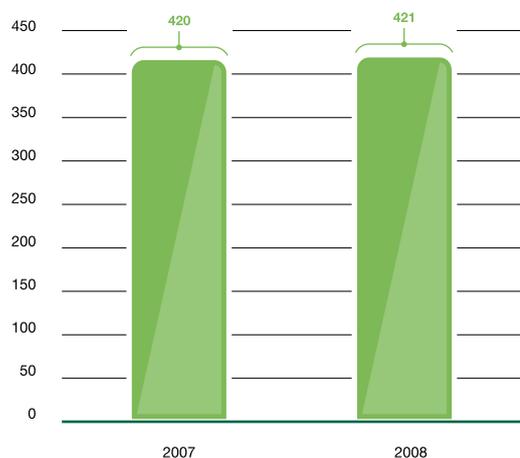
% Self consumption



Tonnes of material incinerated



Energy fed into the electrical grid over the tonnes of material incinerated



2.7. Rejected material Deposit Zone 2 (Santa Margarita).

In 2008 TIRME continues to manage the Santa Margarita Rejected Deposit. This dump was modified to receive rejected material from the Construction and Demolition Waste Treatment Plants until these products, assimilated to municipal waste, can be treated in the Incinerator and Energy Recovery Plant, once its capacity has been increased.

In 2007 54,753 tonnes of this type of waste was deposited at this facility, which shows a decrease of 22,458 tonnes compared to the past year, that is to say a decrease of 29%.

In this year a +52 level has been reached on the first deposit and the second deposit.

There is a control and modelling project of this site in progress with the University of Cantabria according to the "MODUELO" model.

3. Environmental control

Environmental controls applicable to municipal waste treatment installations forming part of the PDSGRUM are regulated through the specific Environmental Measures and Monitoring Programme (PMVA in its Spanish acronym), approved through a Resolution by the Regional Councillor for the Environment and published in the Official Gazette of the Balearic Islands (BOIB no. 59, May 17th, 2001). This is an extensive and ambitious programme without precedent in the country or in Europe, which specifies the environmental aspects under study (waste water, air emissions, noise, soil, air quality and sub-products such as slag, cemented ash and compost), the control parameters and the frequency and type of analysis.

These are all applied considering the possible effects on the natural surroundings and populations near the treatment plants operated by TIRME on the Island of Majorca. The end goal is to guarantee proper operation and minimal impact of the installations, to comply with applicable environmental legislation and, if necessary based on the results, to proceed to adopt timely corrective measures.

To develop the controls described in the Environmental Measures and Monitoring Programme, a collaboration agreement was signed between the 'Consell de Mallorca', the Balearic Islands University and TIRME S.A. with the consultancy services of the Administration's collaborating entities as well as other bodies and laboratories specializing in these matters.

The data is delivered to the 'Consell de Mallorca', where it is presented and discussed at the PMVA Technical Follow Up Committee (comprising representatives of the Balearic Islands Regional Government's Environmental Department, representatives of the 'Consell de Mallorca', TIRME and the Balearic Islands University). The results of the Environmental Measures and Monitoring Programme are published annually through the Majorca Follow Up Committee for the Management of Non-Hazardous Waste, with representatives from the 'Consell de Mallorca', the Balearic Islands Regional Government, the Municipalities where the treatment plants are located, civil organizations (Federations or Associations of Local Entities on the Balearic Islands, Neighbours' Associations, etc.), entities of recognized prestige of the Autonomous Community (Balearic Islands University, professional associations, etc.) and other environmental and social organizations.

This guarantees the quality of the data, the independent analysis of the results, transparency and dissemination of the information.

A general breakdown of the main results achieved in 2008, as obtained from the application of the PMVA, grouping them together as follows:

- Environmental controls applicable to the functioning of the installations.
- Controls on the affect on the area
- Environmental control of the by – products

3.1. Environmental controls applicable to the functioning of the installations

3.1.1. Emissions

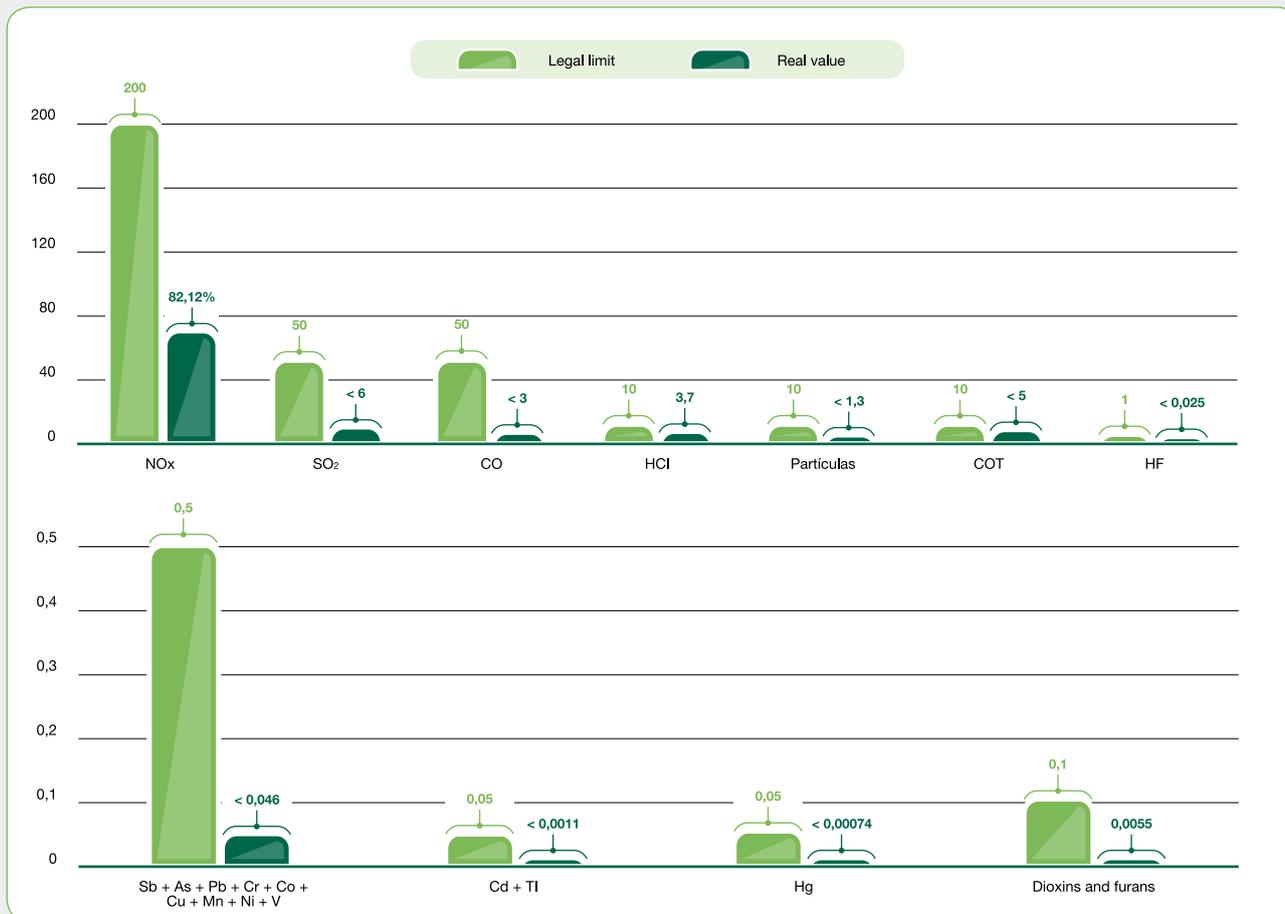
In this section the main sources of gas and particle emission into the atmosphere are in this order:

- The two lines at the incineration plant with the recovery of energy
- The combustion engine at the methanization plant, for the production of electrical energy from the biogas generated in the process.

To carry out continuous measurements of the emission of pollutants into the atmosphere, some automatic sampling equipment is installed in the chimney or the exhaust of the gases produced by the combustion, this provides the data showing the quality of the emissions to the plant operator, while at the same time providing the information to be reported back to the authorities to demonstrate the compliance with the law. Furthermore, periodic tests are carried out on the emissions by an independent company collaborating with the authorities.

In the case of the emissions from the incineration and energy recovery plant, during 2008, continuous monitoring has been carried out on the parameters indicated in the RD 653/2003 of the incineration of waste.

The results obtained from the different parameters regulated by the above stated Royal Decree are represented in the following graph, in which the average annual value emitted for each pollutant is compared to the legal limit.

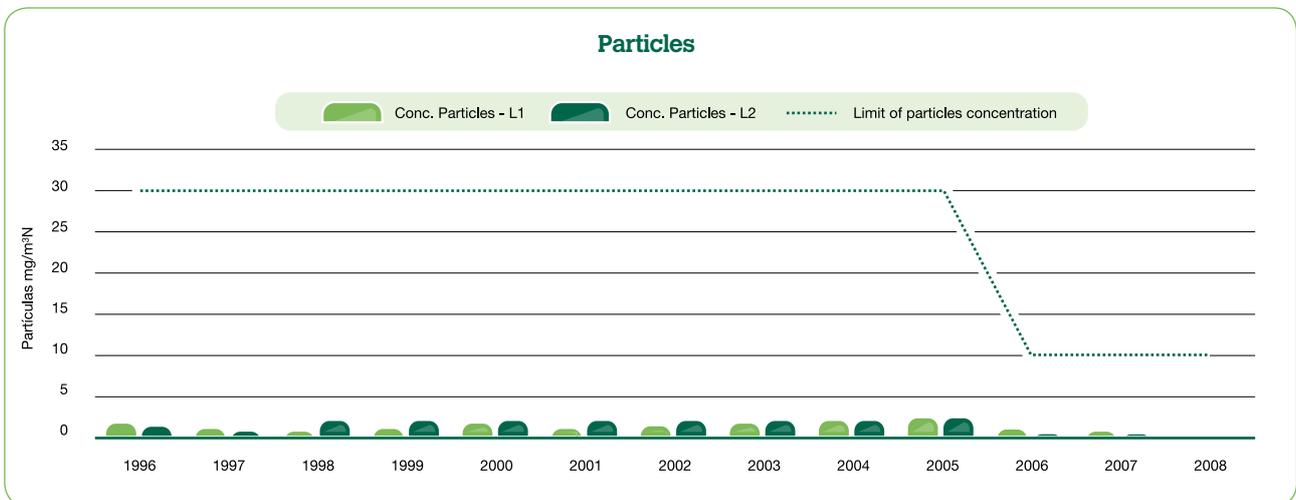
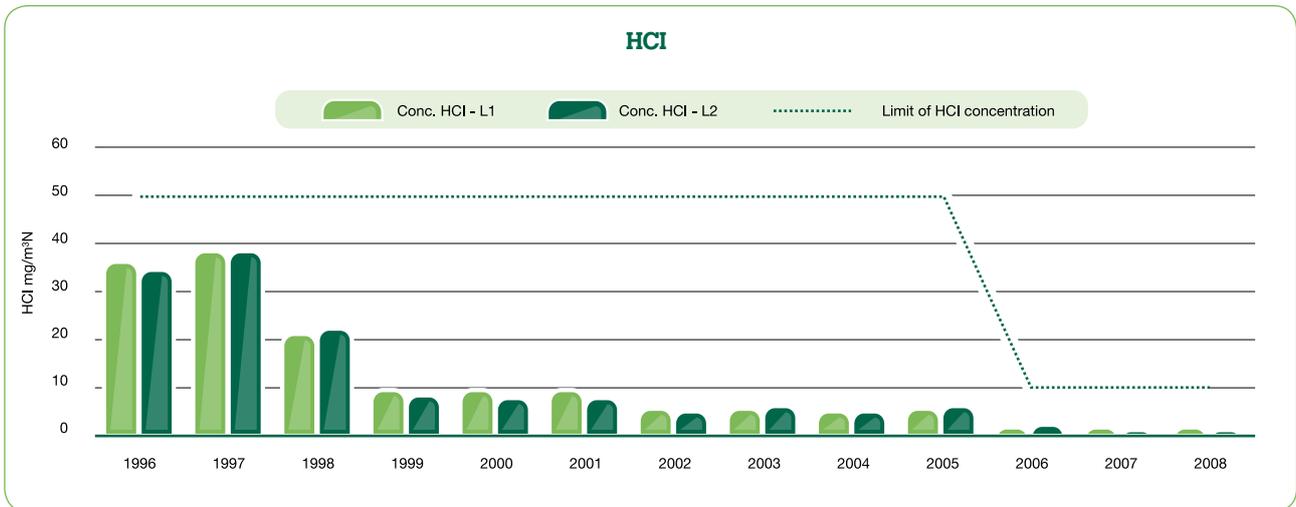


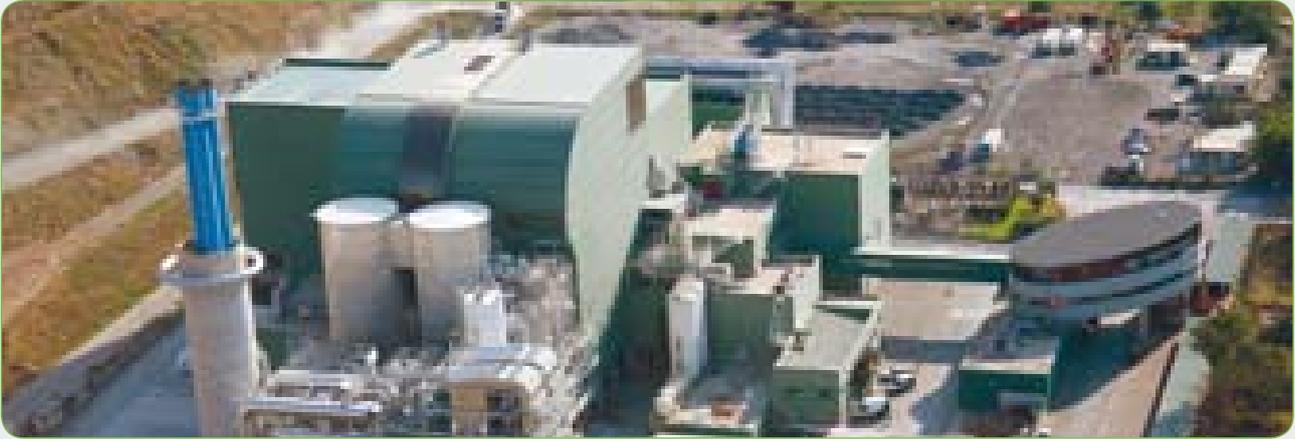
* The unit of measurement is 1/106 on the scale of the graph. The other units are in mg/m³N, except for dioxins and furanos which are shown in ng i-TEQ/m³N.

The changes in the law introduced by the passing of the above mentioned Royal Decree, which have been applied in the Son Reus incineration plant with energy recovery since the end of 2005, have made it necessary to modify both the processes and the installations, with the aim of maintaining the levels of the emission from the incineration plant, below the increasingly strict legal levels. Among the changes carried out, it is important to mention the installation of a catalytic converter to reduce the amounts of Nitrogen oxides, as well as the purchase and installation of additional sampling equipment to monitor the new parameters on a continuous basis and the reactivation of redun-

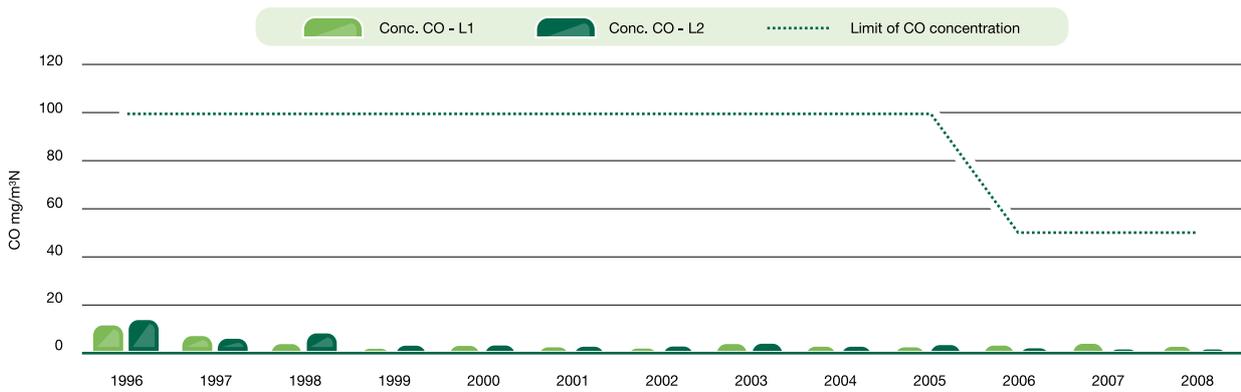
dant monitoring equipment to guarantee the availability of the required measurements. These modifications have culminated, in 2008, with the replacement of the original sampling equipment for new ones with a quality certificate QAL1.

The improvements made in this time are clearly visible on both of the incineration lines. The graphs below demonstrate the evolution of the pollutants emitted from the incinerator, since it was originally brought into service up to the present time :

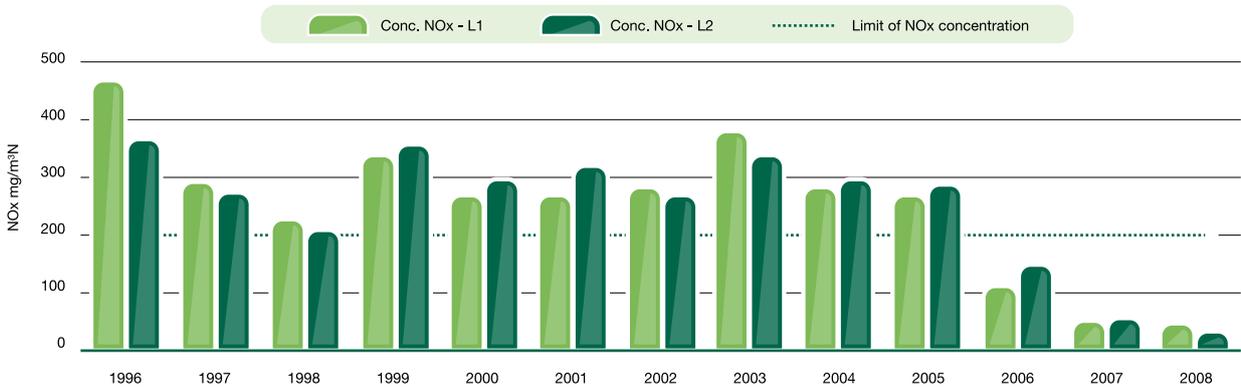




CO

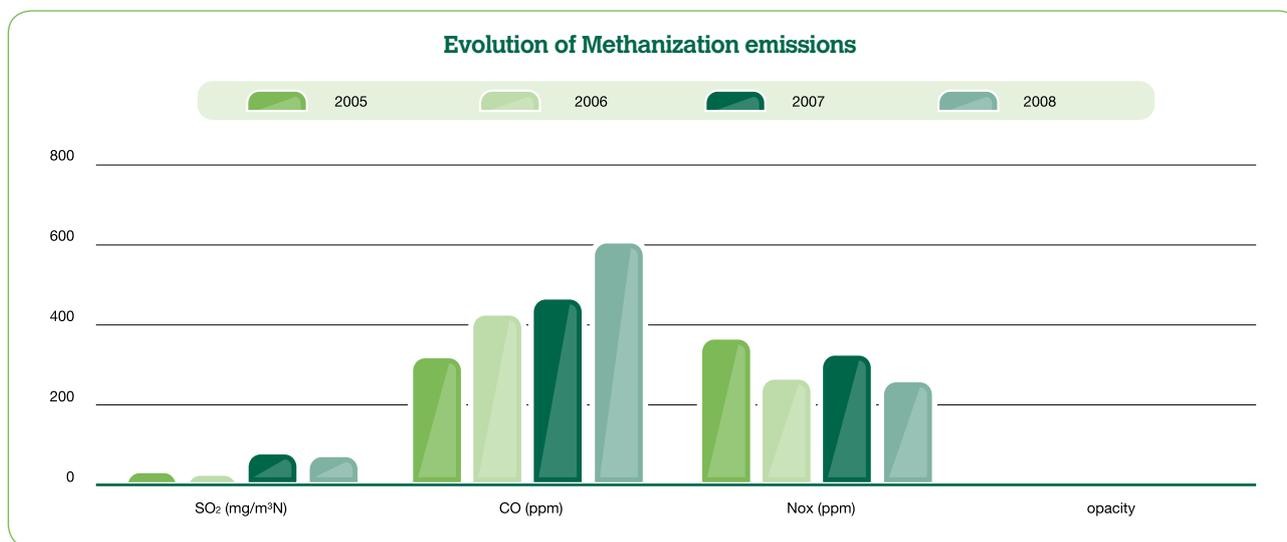


NOx



With regards the methanization plant, its start up for test purposes began in 2005, and therefore data is available for the parameters stipulated in the PMVA 2001 as from this time. It must be taken into account that the biogas engine only works for 2

– 3 hours a day, which makes taking the measurement in stable working conditions difficult. The graph below shows the levels of emissions reached in 2008 compared with the available data since the initial start up of the plant :



Likewise, in 2006, the management was assumed of a landfill site in the area of Santa Margarita (zone 2), responsible for the dumping of waste originating from the treatment plant for waste material from the construction and demolition sector. Its inclusion in the public system for the insular management of urban waste, meant that at the same time the control of emissions of

gases from the landfill site (CH₄, H₂, CO₂ y O₂), was integrated with the other environmental controls carried out at the installation. Given that this landfill site lacks a system of degasification, the measurements are taken on the surface, using a Lindvall box, with the following results having been obtained during 2008 (results of the measurement of diffused emissions):

	January	April	June	July	August	September	October	November	December
Units	23/01/2008	15/04/2008	04/06/2008	23/07/2008	13/08/2008	18/09/2008	22/10/2008	10/11/2008	17/12/2008
CH ₄ ppm	< 10	< 10	< 10	< 10	< 10	< 10	< 10	< 10	< 10
CO ₂ %	0,05	0,04	0,05	0,03	0,03	0,03	0,03	0,04	0,04
O ₂ %	210	20,1	20,0	19,8	20,1	20,0	20,1	20,1	20,0
H ₂ S ppm	< 0,001	< 0,001	< 0,001	< 0,001	< 0,001	< 0,001	< 0,001	< 0,001	< 0,001
N ₂ %	78,93	77,53	78,6	76,9	77,7	77,7	78,1	78,5	76,7
H ₂ ppm	< 10	< 10	< 10	< 10	< 10	< 10	< 10	< 10	< 10
N ₂ O ppm	-	8,26	8,4	8	8,1	19,3	25,8	22,1	10,1

As can be deduced from the data presented, the levels of emissions on the surface are below the detectable levels for this measurement technique used for the following gases; methane, hydrogen sulphide, and molecular hydrogen.

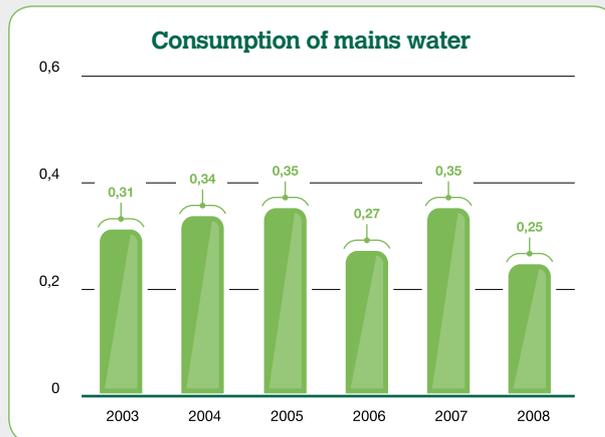
The type of waste that is deposited (reject waste material from the treatment of waste from the construction and demolition sector and bulk waste), contains low levels of organic matter which is easily biodegradable, which in turn would explain the low levels of biogas produced.

Included in this group of atmospheric emission controls, it is possible to integrate a the monitoring of combined odors released (ammonia, hydrogen sulphide, mercaptanes, COVs, etc), given that the monitoring of H₂S emissions at the exits of the biofilters of the composting and metanization plant is included in the PMVA.

3.1.2. Water management (waste water and storm water)

The PDSGRUM installations have been designed and built to maximize the use of natural water and that produced from the discharge of liquids. For this, all of the installation which require them (basically the methanization plant and the transfer stations), have been equipped with water treatment facilities, the objective of which being the re-use of this water in the internal processes of the installations . Likewise, the two main areas of waste management (Can Canut and Son Reus), as well as the rejects landfill site in zone 2 (Santa Margarita) are equipped with storage tanks to collect and re- use storm water, water from processes and /or leaching.

The different flows of water are subject to environmental controls, to guarantee that its re-use is carried out in suitable environmental conditions. The optimisation in the internal processes of water management, the redesign of networks and the improvement of water treatment systems have allowed us to reach high levels of re – use and the consequent reduction in the use of natural water sources.

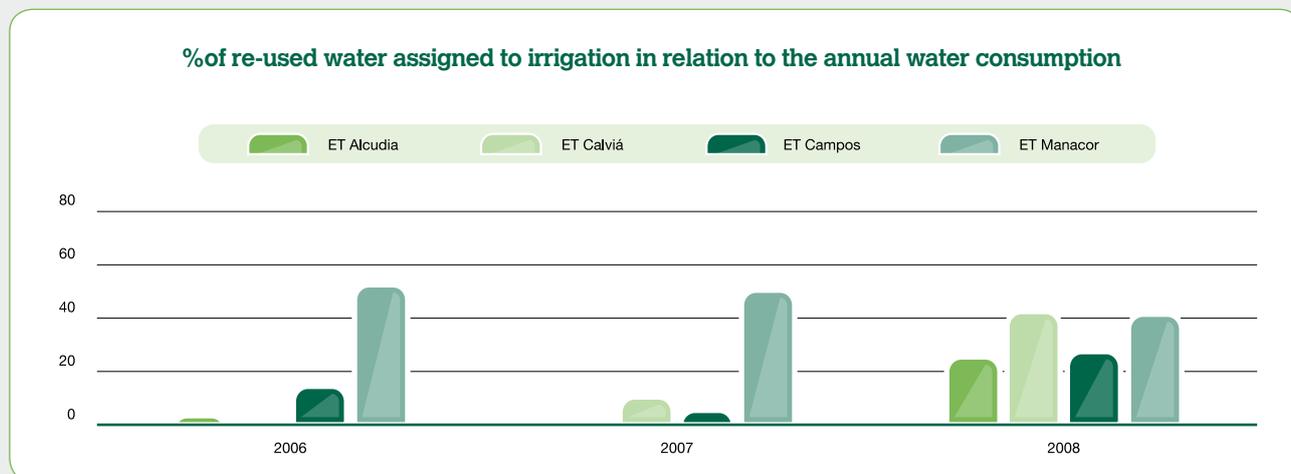


As an example, in the following graphs it can be observed the increase in the re – use of treated waste water in the transfer stations and the reduction in the use of mains water in the incineration plant :

3.2. Controls of the effects on the local environment

3.2.1. Air quality

To monitor the air quality in the local environment there is a fixed station situated at the Joan March Hospital in addition to a mobile unit, which on a rotational basis, measures the air quality in the urban areas of Palmañola, Es Garrovers and Son Sardina



(the residential areas situated closest to the waste treatment plants of zone 1 – (Area Can Canut and Son Reus). There is continuous automatic sampling equipment, which in addition carries out specific periodic sampling campaigns. The data for the different parameters is compared to the limit values, threshold or objective, depending on the case, established by the reference legislation, and likewise it is compared with historical

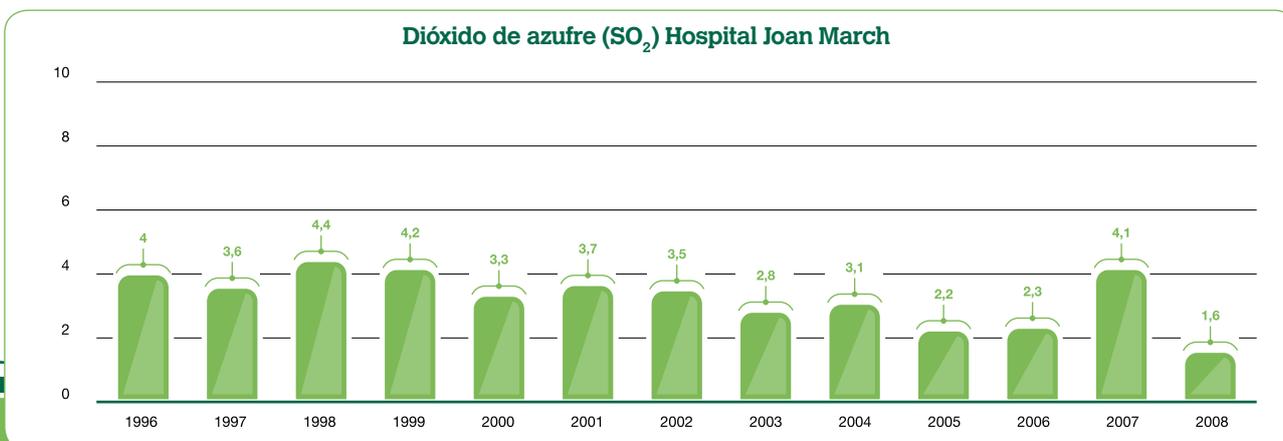
values. In the following table the data is compiled and compared, as an example, of the interval of the values (max. –Min.) measured during 1995 and 1996, used to establish a zero mark, the reference values according to the current legislation and the average values registered for the different pollutants during 2008 at the Joan March Hospital, Palmañola, Es Garrovers and Son Sardina:

Contaminante (ng/m ³)	Anterior (95-96)	RD 10373/2002, RD 1796/2003 y Directiva 2004/107/CE	Hospital Joan March	Palmanyola 2008	Es Garrovers
PM10	65,8 - 5,1	40	15,0	27	31,5
SO ₂	10,6 - 0,6	20	1,6	0,7	0,8
NO	1,2 - 0,0		0,5	1,1	1,7
NO ₂	14,5 - 1,2	42	7,1	7	7,2
NOx	-	30	8,0	7,9	8,9
Ozono	-		78,1	67	48,3
SH ₂	-		-	0,5	0,4

Metalls (ng/m ³)	Anterior (95-96)	Ref. Legal	2008		
Ferro	735 - 54		680,6	251,1	412,9
Zinc	70 - 4		29,9	21,4	13,5
Mn	12,9 - 1,4		13,0	4,2	7,2
Cu	35,6 - 8,9		8,7	7,1	33,7
Ni	42,3 - 0,0	20	2,9	1,7	3,3
Pb	21,4 - 6,2	500	4,7	5,9	3
Cr	43,7 - 0,0		1,9	1,1	2,1
Cd	0,2 - 0,0	5	0,2	0,1	0,2
As	-	6	< 2,3	< 3,1	< 3
V	-		9,3	6,0	8,0

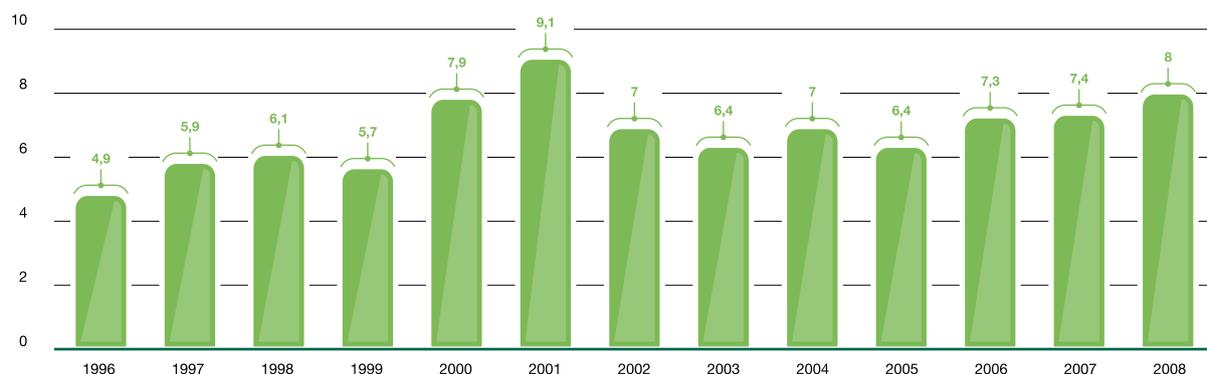
	Anterior (95-96)	Ref. Legal	2008
PAHs (ng/m ³ BAP)	4,8 - 1,2	1	0,003

The evolution of the different pollutants which are emitted is therefore shown in the following graphs :



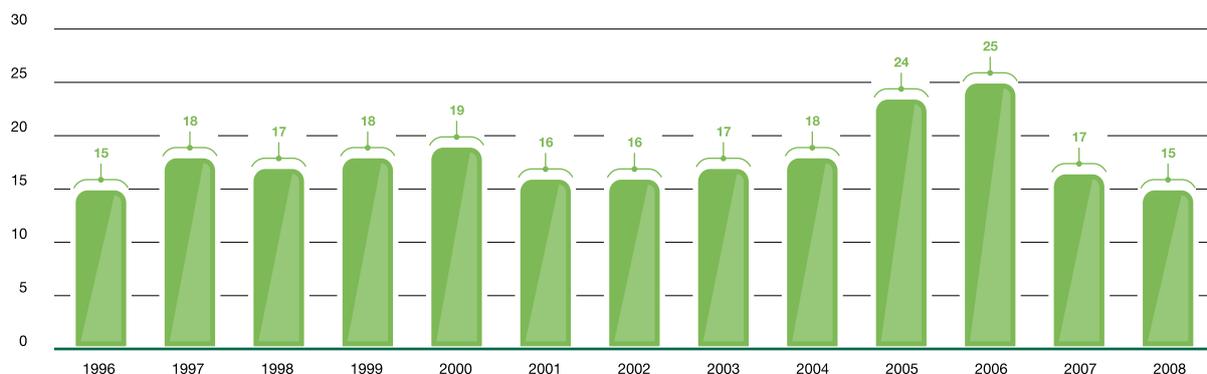
* El valor de referencia = 20 µg/m³ para protección ecosistemas.

Óxido de Nitrógeno (NOx) Hospital Joan March



* El valor de referencia = 30 µg/m³ para protección vegetación.

Partículas (PM) Hospital Joan March



The comparison between the values obtained for the different parameters before and after the incinerator was brought into service, their evolution over time and the current situation, shows that there has been no significant effect on the air quality in the local environment caused by the activities of waste management carried out in zone 1 (Area Can Canut and Son Reus).

3.2.2. Ground surfaces and soils

In accordance with the PMVA there is an annual analysis of the amounts of PCDD/Fs and heavy metals (Zn, Ni, Fe, Cd, Pb, Hg, Mn, Cu, As, Sn, Cr, Ba, Co, Mo), at 6 and 13 points respectively, situated in the area around Zone 1 (Area Can Canut and Son Reus), using two of the most distant points (J, L) as reference

points. The data available from the campaign carried out in 2008 and its comparison with background levels and historical values, allows us to conclude that there have been no affects up to the present time.

3.2.3. Analysis of sub - soils and aquifers

The environmental monitoring in this case is based on the carrying out of piezometric controls, the sampling and both the physical – chemical and microbiological analysis at different times of the year. The PMVA specifies which wells are designated for the monitoring of the waste treatment plants, selecting wells both

upstream and downstream of each of the installations, in accordance with the piezometric levels and the direction of flow of the resulting subterranean water. With the choice of the wells and the comparison of the results it is possible to detect any contamination of an aquifer in advance.

This control is complemented by the analysis of the sub – soil (non – saturated area), and the hydro-geological study (saturated area) carried out every five years in Zone 1 (Area Can Canut and Son Reus) as in zone 2 (Santa Margarita). Due to the long term nature of these tests, during 2008 soil samples were only taken in zone 2.

Up to the present time the PDSGRUM installations have not been found to have any effect on the quality of the subterranean water monitored.

3.2.4. Measurement of noise

The levels of noise are another parameter included in the PMVA. The measurements are taken at different locations and at different times of day (morning / afternoon and evening; on working days and holidays or at the weekend) in a total of 17 points in the immediate vicinity of all the treatment plants in zone 1 (Area Can Canut and Son Reus) and in a total of 5 neighbouring populated areas.

With regard to the noise levels, controls performed during 2008 at different points on the perimeter of the installations and populated areas conclude:

- The effects of noise level on the existing populated nuclei in the evaluation area are basically caused by traffic travelling along nearby road infrastructures.

- The noise levels decrease considerably at holiday periods, due to the decrease in variable activities (intensity of surrounding traffic, human activities and industrial activities in the area).
- It is found that the noise levels have progressively decreased in the successive sound level monitoring campaigns (2005,2006,2007 and 2008) carried out with an identical experimental procedure and methodology, in compliance with the legal levels admissible.

	noise level dB(A)					
	working day			holiday		
	morning	afternoon	evening	morning	afternoon	evening
	Ld = 75 (b) Ld = 65 (a)	Le = 75 (b) Le = 65 (a)	Ln = 65 (b) Ln = 55 (a)	Ld = 75 (b) Ld = 65 (a)	Le = 75 (b) Le = 65 (a)	Ln = 65 (b) Ln = 55 (a)
1	40,7	37,1	33,2	39,8	37,9	40,4
2	46,9	41,6	32,0	41,6	41,6	36,1
3	43,4	39,2	35,9	40,9	42,6	47,9
4	54,4	35,1	35,2	40,5	37,7	36,4
5	68,1	55,9	56,8	60,8	58,8	54,0
6	points replaced because of building work at the sites (new points					
7	18 and 19)					
8	42,9	37,5	34,7	45,2	39,8	40,7
9	48,6	34,7	40,1	37,4	34,3	40,9
10	44,7	43,2	39,1	43,2	45,6	56,3
11	46,8	44,1	50,8	43,3	39,9	46,4
12	62,0	56,1	43,3	46,4	46,6	49,6
13	49,8	45,4	43,7	46,3	45,7	44,0
14	35,8	43,2	40,9	37,7	44,5	40,8
15	59,1	62,7	36,2	59,1	38,8	43,9
16	48,6	53,1	51,8	41,5	44,0	52,5
17	43,1	47,4	44,8	43,1	47,6	46,3
18	54,2	49,4	49,2	44,6	46,1	50,6
19	69,4	63,6	58,8	55,4	49,3	45,9
A	36,4	39,8	33,6	40,9	52,0	35,8
C	70,8	71,3	67,2	68,6	69,7	66,6
E	68,8	68,6	60,9	69,1	68,7	65,5
G	41,3	46,5	28,0	44,9	44,3	34,7
I	56,1	56,0	32,9	56,1	54,4	45,0

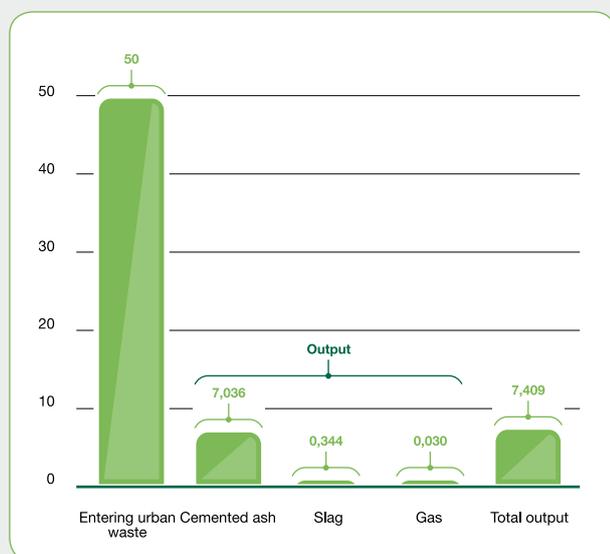
-  above the applicable limit at the point of measurement (for residential or industrial use as applicable)
-  points for which there is no reference(areas affected by transport infrastructure to be determined)
-  comply with the acoustic quality objectives

3.3. Environmental control of by products

3.3.1. Cemented ash and slag from incineration

Since the declassification of cemented ash and slag in 1996, continued period analysis has been carried out on the waste and its leachates, both with regards to the levels of heavy metals, dioxins and furans as well as the analysis of its toxicity in accordance with the official methods. The results obtained during 2008 show, as has been the case since the tests started, that the cemented ash, the slag and its leachates are neither toxic nor hazardous.

The analysis of dioxins and furans in the ash and the slag, together with the controls carried out on the atmospheric emissions from the incineration and energy recovery plant, and their comparison with levels of dioxins in the entering waste material, show furthermore that the incineration of waste at the Son Reus plant leads to a net destruction of dioxins present in the urban waste, reducing their presence by more than 80%. Likewise the levels have always been a long way below the authorized limits:



* Note: the unit of measurement is $\mu\text{g I-TEQ/t RSU}$.

3.3.2. The production of compost

With the aim of controlling the compost obtain from the organic material in the waste and the sludge from the treatment plants and to avoid any consequent environmental damage by its application as a soil fertilizer, the following parameters are monitored: humidity, pH, conductivity, organic material, particle size, impurities, organic nitrogen, ammonical nitrogen, nitrates, grade of maturity, relative C / N levels, heavy metals (Cd, Cr, Cu, Hg, Ni, Pb, Zn), germination test and pathogens (e.coli and Salmonella), to assure the levels of hygiene in the product. The above mentioned controls are carried out on the compost produced in each and every composting plant (Area Can Canut, Felanitx, Sa Pobla, Ariany and Calvià). The frequency of the samples is set by the nominal treatment capacity of the installation, that being every three months in the largest plant (that located in zone 1 – Area Can Canut) and every six months in the others.

The results obtained are compared against the quality criteria specified in the Royal Decree 824/2005, referring to fertilizer products and their modification as a result of the publication of the Order APA/863/2008. Its characterisation, carried out from an agronomical point of view, has allowed it to be marketed with guarantees regards the application of the product, given that the levels of heavy metals in the entering sludge result in a compost which is classified as type C, thus restricting the dosage which may be applied to crops.

It is hoped that when the solar drying plant is up and running permanently that it will be possible to select the sludge with the lowest concentrations of heavy metals for use in the composting process, and thus improve the quality of the compost produced.

3.4. New lines of work embarked upon during 2008

During 2008 the following actions have been embarked upon in relation to the environmental control of the waste treatment plants:

- Inclusion in the environmental control plans for the new requirements, which enter in the Integrated Environmental

Authorisations granted to TIRME for the following installations IPPC : Incineration and Energy Recovery Plant and its extension, the secure site for the deposition of cemented ash, the slag treatment plant (for being a technically related installation) and the landfill site for reject construction and demolition material (RCD) and bulk waste in Santa Margarita.

- Adaptation to the new legal environmental requirements which are not included in the PMVA of 2001(RD 653/2003 of incineration, management frameworks for subterranean water, RD 824/2005 related to fertilizer products, etc)
- Inclusion of monitoring of new waste treatment plants, which are currently under construction (the extension of Incineration and Energy Recovery Plant at Son Reus), and / or the entering in service (solar drying plant for sewage sludge and the end landfill site) as a consequence of the review which took place in the PDSGRUM in 2006 and which includes improvements in the service and management of urban waste.
- Reaching of the zero point with regards the new installations, as well as the guarantee of tests to evaluate the environmental services provided by the new equipment (smells, noise etc...)
- The renewal of the development protocol of the collaboration agreement between the
- “Consell de Mallorca”, the Balearic Islands University and TIRME, to carry out the actions planned in the newly reviewed PMVA.
- Adaptation to the ruling UNE-EN 14.181 about the assurance of quality in automatic measuring systems.

4. Introduction of management systems

Throughout 2008 and after the renewal of the certificate in 2006 (valid until 2009), TIRME has continued to work to introduce integrated quality and environmental management systems in accordance with the regulations of the UNE-EN-ISO 14001:2004 and

UNE-EN-ISO 9001:2000, for the activities currently certified for the Design, Construction, Start Up and Use of Waste Treatment Plants and Associated Infrastructures. In this line of work the integrated system of specific processes at the Composting Plant in Calvià have been included, and now join with those already existing for the Incineration and Energy Recovery Plant, the secure site for the deposition of cemented ash, the transfer stations, the light packaging sorting plant, the sludge composting plants in Felanitx, Sa Pobla and Ariany.

The same as during the development phase, during 2008, work has been carried out on the design and execution of new projects contemplated in the last review of the Majorcan Sectorial Master Plan for Municipal waste Management (PDSGRUM), such as the extension of the incineration plant and the solar drying plant for sewage sludge.

As part of its integrated management system, TIRME continues to identify the environmental aspects of its activities, developing the monitoring and control programme described above for its facilities as well as their surroundings and also establishing a system of environmental performance indicators to facilitate the evaluation and development of improvement programmes.

To allow the introduction of this environmental management system according to the regulation UNE-EN-ISO 14001:2004, some of the installations, which are awaiting certification, have received a grant from the Environment Council of the Balearic Island Government, this having been awarded in November 2008.

In the corporate culture of TIRME, social responsibility is also important and is a key structural element, in its double focus on improving the working conditions for its employees (internal responsibility) as well as improving conditions for the society as a whole (external responsibility).

In this sense, and as a novelty in 2008, it has received the certification for being a Family Responsible Company, according to the model EFR 1000-1. Likewise, the management requirements for the prevention of accidents at work, according to the regulation OHSAS 18001:2007 have also been integrated into the management system of the company, this having been certified by an independent accredited organisation (AENOR).

5. R&D+I Projects

A series of R&D+I activities were carried out during the 2008 financial year to allow continuous improvement in the quality of by-products and their applicability, the optimisation of processes, evaluation and introduction of new and more efficient technologies, always with the ultimate goal of ensuring sustainable management of resources.

The research lines that are currently open are as follows:

- Participation in the programme of inter comparison of methods of water analysis with the.

INLABAG is a work group comprising laboratories of the Balearic Islands, both public as well as private ones, which perform water analyses. The purpose of this group is to develop exercises for comparison with other laboratories. The coordinating laboratory is the Water Laboratory of the Directorate General of Hydrological Resources of the Environment Council of the Balearic Islands. These exercises are a fundamental tool for evaluating and improving the quality of laboratory results, and allow the participants to demonstrate their technical competence to their clients through accreditation (ISO 17025) or certification (ISO 9001).

Participation in this programme assures the quality of the tests and trials, and optimisations of the processes used internally by the company.

- Collaboration with the Centre for Studies and Experimentation in Civil Construction Projects belonging to the Ministry of public works (CEDEX), in researching the re-use of slag resulting from waste incineration for use in road construction.

In previous years CEDEX signed an agreement with the Ministry of the Environment for the "Use of slag from MSW incinerators in roads". The purpose of the work is to analyse the possibilities of using slag in roads, defining the fields of application, technical specifications for each application and a technical use guide to facilitate the correct use of these materials. TIRME is part of the working group coordinated by AEVERSU to work in conjunction with CEDEX.

- Research agreement with the Balearic Island University (UIB) to classify the smells produced by the management of urban waste with the actions foreseen in the PMVA.

The main aim of this project is to investigate and establish a correlation between the quantification of a series of compounds and the perception of the intensity of the smell so that an index may be established. The research project began in 2007, and is expected to finish at the end of 2009. As a result of experimental development carried out up to the present time, an initial estimate of the problem has been established.

- Environmental Control and optimising of the use of the Corral Serra landfill site (Reject landfill site zone 2 - Santa Margarita) in the period 2008-2009. Agreement with the Leonardo Torres Quevedo Foundation. Group of environmental engineers at the University of Cantabria.

The main aims of this project are to analyse the potential contamination of soil and underground waters, to analyse potential biogas from old waste, analyse potential settlements, monitor the evolution of the leachates from current wastes and to design a monitoring plan for the functioning of the landfill site.

- Study of the evolution of corrosion in the boilers of the Incineration and Energy Recovery Plant at Son Reus.

The aim of this project is to analyse the parameters that influence the process of corrosion in the boiler pipes at the Incineration and Energy Recovery Plant, to discover the rate of corrosion and using this data, to take the action in the operation of the installation leading to the reduction to a minimum of this phenomenon.

- Modelling of fluid flow of transfer of heat in the incineration plant in Majorca. Group of numeric fluid dynamics. University of Zaragoza.

This study models the combustion in the grill, the fluid flow of gases in the hearth and the transfer of localised heat at specific points of the walls of the boiler pipes. To achieve this computational fluid dynamic techniques have been applied.

- Study of the classification of persistent organic pollutants derived from the incineration of urban waste.

The aim of this study is to make an exhaustive classification of the persistent organic compounds present in all the residual currents at the Incineration and Energy Recovery Plant at Son Reus. To achieve this, sampling and analysis has been carried out of the atmospheric emissions and the other by – products derived from heat treatment (ash and slag from incineration). Part of the aforementioned study has been carried out in the framework of an agreement with the Superior Board for Scientific Investigation (CSIC).

- Study to determine the amount of biogenic carbon contained in the emissions to the atmosphere from at the Incineration and Energy Recovery Plant at Son Reus.

This study has been based on the measurement of radiocarbon (C14), using a the ASTM-D6866 method, on both emission sources at the plant (line 1 and line 2) to differentiate the fraction of CO2 emitted originating from biogenic sources (and that , therefore which is not calculated in relation to the emission of greenhouse gases) from that of fossil origin.

6. Associated companies

6.1. Mac Insular, S.L.

Mac Insular S.L is the concessionary company responsible for the management of public service in relation to the transfer and treatment of the waste coming from construction, demolition, bulk materials or disused tyres in Majorca. At the present time TIRME S.A has a 40% share of the company and is responsible for its management.

To carry out the management of the aforementioned waste, Mac Insular S.L has, according to the corresponding Directive Plan, 6

centres transfer and pre- treatment, located strategically around Majorca and 2 treatment plants, one in the municipal area of Santa Margarita and the second, of greater importance, situated in the municipal area of Bunyola, close to the main production areas of this type of waste.

During the financial year 2008, there has been a reduction in sales of 16% over the previous year, reaching a total of 31,241,541 €, having made a loss after tax of 116,591€.

These results are the consequence of a reduced level of activity in the construction sector in Majorca during the financial year 2008.

6.2. Balear de Trituraciones, S.L.

To cover the specific needs which might arise at any point around the island of Majorca with regards the reduction of volume by shredding of specific types of waste, TIRME has a 52% share in the creation of the company Balear de Trituraciones S.L , which consists of a mobile shredding unit, whose characteristics allow it to be easily transported to the site where the waste in question is to be found : garden waste, mattresses, furniture, etc.

During the financial year 2008, it had a volume of sales totalling 1,219,795€, in line with that obtained in 2007, giving a profit after tax of 310,299€

7. Projects – Financing

TIRME continues to be involved in the construction of new infrastructure, installations and improvements foreseen in the third PDSGRUM started in the financial year 2007. Up to the 31st

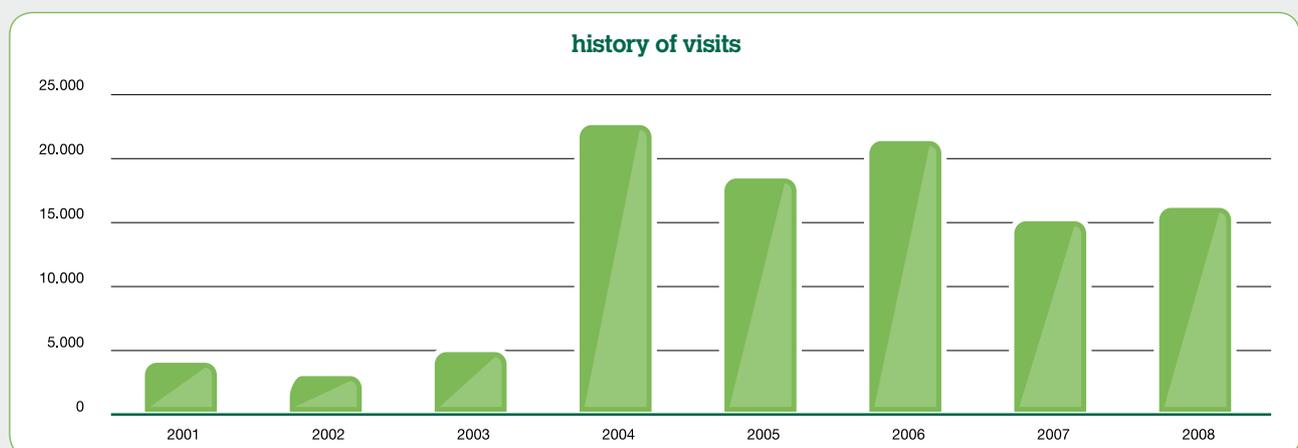
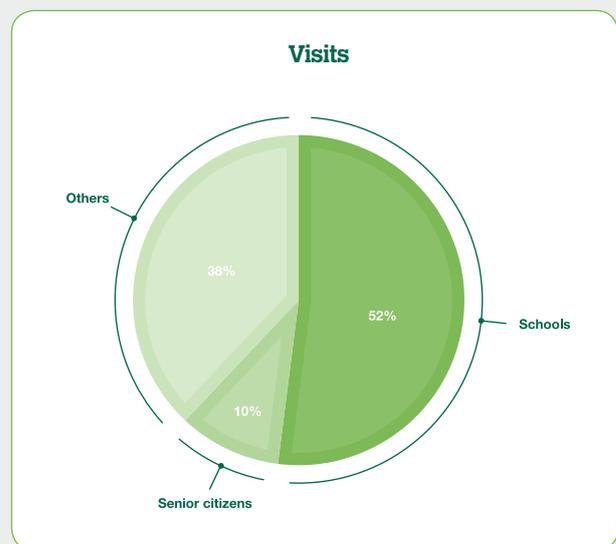
December 2008, the final landfill site and the solar drying plant for sewage sludge have been completed. On the other hand, the extension project for the Incineration and Energy Recovery Plant at Son Reus (third and fourth lines of incineration) is continuing as planned, at is expected to be completed by the end of 2010. The other projects and improvements contemplated in the aforementioned review of the PDSGRUM (Adaptation of the transfer stations, improvements to the treatment plant in zone 1, improvement of infrastructures, etc.) are awaiting approval from the Council of Majorca before building work can begin.

With regard the financing of these investments and improvements contemplated in the third PDSGRUM , up to 31st December 2008 a total of 115.7 million Euros have been made available from different loans signed during the financial year 2007 (Credit Contract 494 M € - part B and VAT loan 48M €), of which 11.7 million Euros corresponds to the financing of VAT incurred on the aforementioned investments.

Within the model of waste management in Majorca there is a primordial importance to education and raise of public awareness, given that the recycling of waste has to depend on the separation of materials and therefore relies on the collaboration of the public.

In this framework, the Environmental Information and Education Centre is the structural tool for the education, spread and support of environmental initiatives and activities with special attention being paid to the environmental views and problems of our society.

8. Public awareness campaigns



During 2008, the installations at the Environmental Technology Park received a total of 16,016 visits, divided as follows:

- Schools (Educational centres): 8,340 (52%)
- Citizen groups: 1,615 (10%)
- Cultural organizations and others: 6,061 (38%)

Among the events held in 2008 which have taken place at the Environmental Information and Education Centre the following are worth mentioning :

Campaigns:

- Closing ceremony of X campaign of 'Els Reis de Vidre' (7th January)
- Closing ceremony of XIV campaign of 'No les llancis' (27th May)
- VIII Edition of the Environmental awards for Majorca (3rd June)
- Prize giving ceremony for 'VII competition for objects made out of waste (6th June)
- Presentation of the campaign ' Jornades Deixelles + 3Rs = - CO2' (30th October)
- Inauguration of the XV Campaign 'No les llancis' (31st October)

Congresses and conferences:

- 'I International Conference about sustainability in cities' ISR (14th and 15th February)
- Closing ceremony 'III Congress of the Association Hispano-Portuguese for the Economy of Natural Resources and the Environment' (6th June)
- Congress III IMBE 'The Third international meeting on environmental biotechnology and engineering" (25th September).
- Conference Enrique Mariscal

Courses on safety at work:

- ' Prevention and response to fire in the work place' (8th February)
- ' Protection from falls from high places' (13th June)

Press conferences:

- Presentation of the Postgraduate Course ' University expert in waste management' (17th November)
- Presentation of the recycling containers for glass (21st November)

Furthermore, TIRME has participated in the following fairs and forums:

- Foro de ocupación de la Universitat de les Illes Balears (UIB) (12th and 13th March)
- "Fira de la ciència" (17, 18 y 19 April)
- "Fira d'Alcúdia" (3, 4 y 5 October)

9. Co-operation with other organisations

9.1. Sponsorship

During 2008 TIRME continued its sponsorship of the Environmental Awards of the Consell de Mallorca

TIRME continued to participate in specific campaigns focusing on the separation of waste materials and its collection and waste minimization such as the "Els Reis de Vidre" (The Kings of Glass) campaign sponsored by TIRME and the Chamber of Commerce of Majorca, with the collaboration of the Consell de Mallorca, the Majorcan Government and Sa Nostra savings bank among others.

9.2. Collaboration

9.2.1. Mallorca Recicla

In Majorca when we talk about waste, we must also include the pioneering environmental programme entitled ‘ Mallorca recicla’ (Majorca recycles). The result of an agreement between the Consell de Mallorca, the company TIRME and the Fundació Deixelles, ‘Mallorca recicla’ works to increase public awareness in the area of urban waste.

‘Mallorca recicla’ is a programme, which since 1996, has promoted the reduction, the re-use, the recycling and the recovery of waste materials. This project seeks to promote the participation of the society as a whole, as well as the continued introduction of new techniques, new technology, new legislation and changes in the society. Furthermore the project has the versatility to reach all the inhabitants of Majorca through the publication of leaflets, through talks and presentations, through an attendance at fairs and the diffusion of information via the media in general: (radio programmes, television, newspaper articles and a web site.) all of these above mentioned methods of information, advisory tasks and educational activities are totally free.

The main objective is to raise awareness to the content and aims of the Main Sectional Plan, by giving the public the maximum

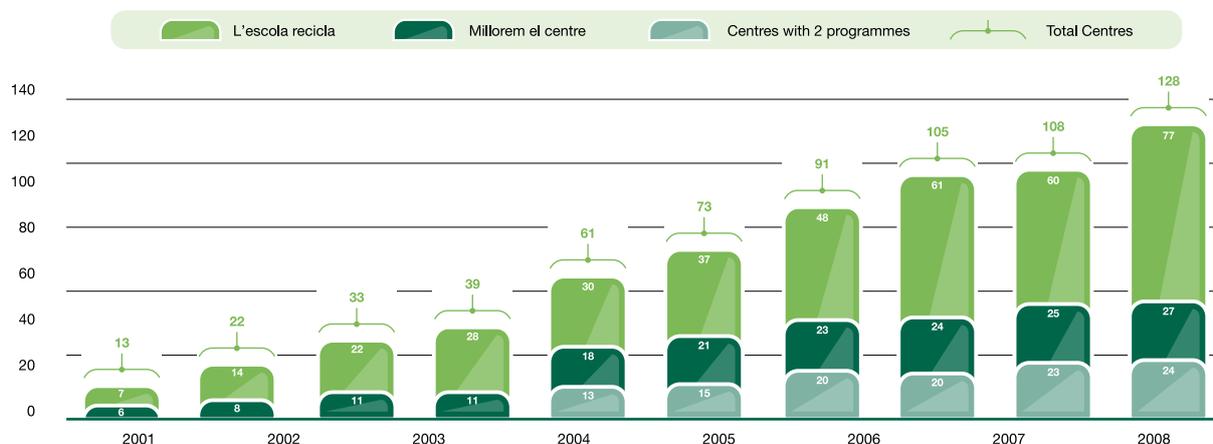
information possible about waste disposal. To improve the management of waste, four action areas have been established:

- Education, commercial, the local inhabitants and local administration:

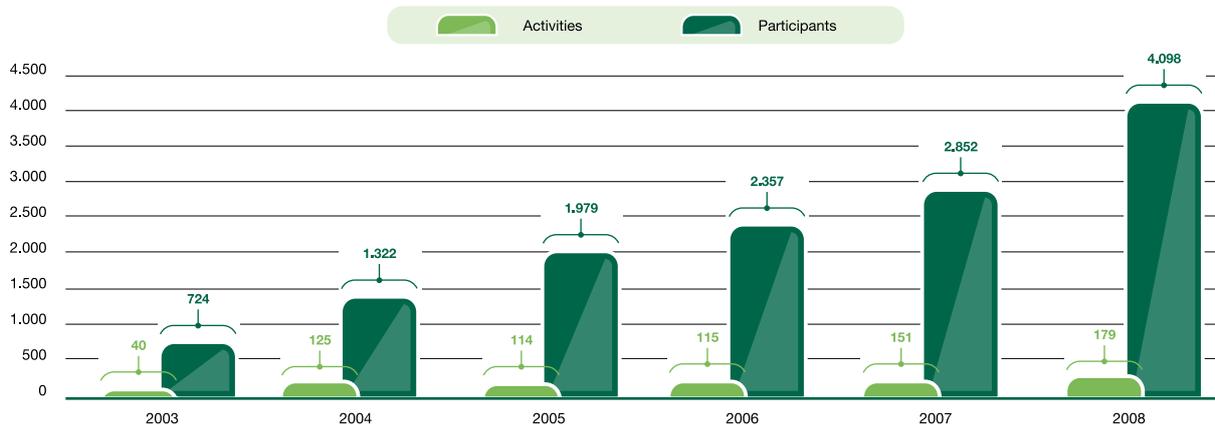
The most important activities carried out in 2008 were:

- 128 schools participated in educational programmes.
- In the commercial environment 179 activities were carried out with a total participation of 4,098 people.
- It can be said that more than 16,000 people received training related to the programme.
- There was an attendance at 21 fairs.
- The programme has incorporated two new activities: environment days “reciclam tots” (we all recycle) which was inaugurated on the 5th June in the Parc de la Mar.
- The recording of the first record of “ Joanet Recicles”, which includes 10 songs about recycling.
- 1,637 consultations by citizen related to waste disposal have been attended either by telephone, fax or through the internet.

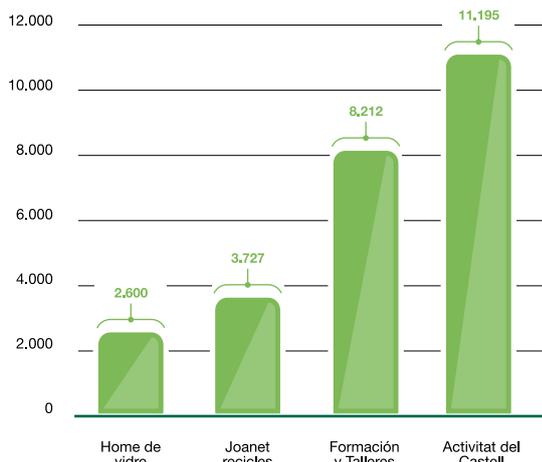
Educational sector : centre and programmes



Comparative commercial sector



Activities for local inhabitants (number of participants)



9.2.2.Fundaci3 Deixalles

On the 5th March 2001 an agreement was signed with the 'Fundaci3 Deixalles' (an organisation which is dedicated to reintroducing people with integration problems back into the society and into the labour market via jobs related to the collection, sorting and sale of urban waste), in the different installations belonging to TIRME.

9.2.3. University of the Balearic Islands (UIB)

9.2.3.1. Postgraduate - university expert in waste management

For 2008 – 2009 the postgraduate course entitled ' university expert in waste management' is being offered thanks to the agreement signed between the Environment Department of the Consell de Mallorca, TIRME and the UIB.

In this post graduate course, which started in 2008, there were 39 students who received 113 hours of lectures. The sessions were given in the Environmental Education and Information centre in the Majorcan Environmental Technology Park.

The postgraduate course, which is aimed and university graduates, set as its objective the training of professionals in waste management, so that they might work in different sectors : administration, management, training, environmental education and moreover to give a global view of the management of; urban waste , waste from the construction and demolition sector and bulk waste material and hazardous waste, whilst at the same time emphasising the management of these types of waste in the Balearic Islands.

9.2.3.2. The history of mining

Due to the interest shown in making a study of the history of mining in Majorca, an agreement was signed between the Ministry of Commerce, Industry and Energy, the college of Miners, the companies GESA – ENDESA and Mac Insular and the UIB (as the spokesmen).

Thanks to this agreement, the task of finding and investigating existing information related to the history of mining has begun, with the aim of it being catalogued.

9.3. Conferences

During 2008 TIRME has given 12 talks, dealing with subjects related to the functions that it carries out. These talks formed part of Day conferences or Congresses held by different organisations at which TIRME was invited to participate to talk about its experience and its view about the issues being discussed.

The organising bodies were :

- Institutions: Conselleria Medi Ambient del Govern de les Illes Balears. (Majorcan Environment Council)
- Universities: University CEU San Pablo and Universidad Complutense de Madrid.
- Companies: ISR/CER, IMEDES and Federambiente
- Profesional Colleges: College of mining engineers of NO
- Congresese: CONAMA (National Environmental congress)

The main issues dealt with were:

- Incineration
- The model of urban waste management in Majorca

The talks were given in:

- Nationally : Palma, Gijón, Valencia, Oviedo, Madrid and Sevilla.
- Internationally: Oporto, Nápoles and Harvard.

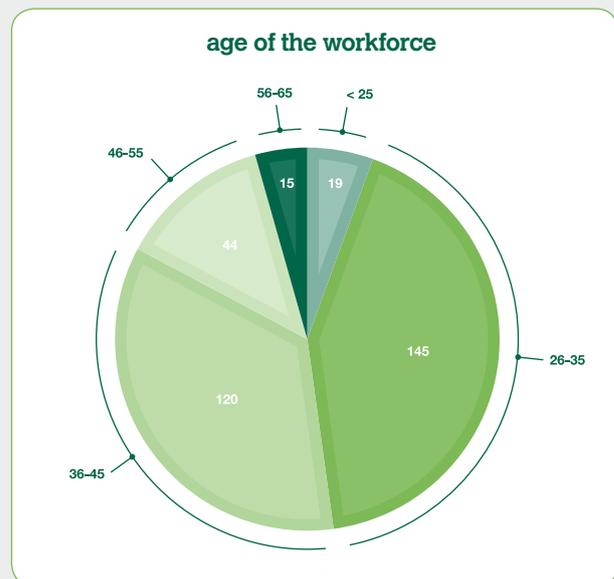
10. Corporate social responsibility

10.1. Personnel

10.1.1. The people

The personnel who make up the staff of TIRME play a key role in the development of the company's activities and assumption of new projects.

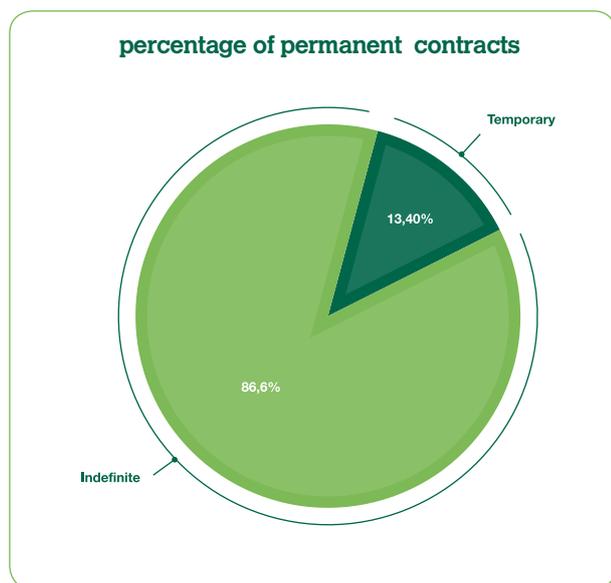
During 2008, the average number of employees of TIRME was 343, which is an increase of 3% over 2007. 91% of these employees are included in the working conditions regulated by the collective agreement of the company.



The average age of the staff is 37, which allows a suitable balance between the freshness of new ideas from the younger employees and the practical knowledge of the older members of staff.

TIRME, in accordance with its company policy of social responsibility, adopts the agreement not to engage anyone who is under age, and follows an internal regulation of contractual agreements with staff and a common ethical code for all of its employees.

The work of ensuring staff loyalty remains one of the key points dealt with by the personnel department at TIRME and as is shown in the following graph, the index of indefinite contracts is situated around 86.8% compared to 13.4% of temporary contracts. This latter type of contract is normally reserved for specific tasks or services rendered to the company.



10.1.2. Opportunities

TIRME continues to work to guarantee equality in the treatment and opportunities for both men and women and to ensure that there is no discrimination by gender, race, country of origin, age or religion. To achieve this objective, a series of measures have been established in all of the processes of staff selection, training, pay policies, promotions, redundancies etc. These are principles put forward by the Management of TIRME and form a part of the company's policy.

The company continues to take into account the criteria of local and regional occupation, above all in its transfer stations, so as to contribute to the reduction of required movements.

TIRME encourages the incorporation of women in the work place. At the end of 2008 and with the support of the workers' representative, a " positive action plan to achieve an equality of opportunities for men and women" who work in the company was drafted and approved which includes the following phases:

- Phase of obligation on the part of the company board and the workers' representative.
- Phase of diagnosis which includes the specific aims to be achieved, priority action areas, specific action to be developed and time periods in which they should be carried out.
- Phase of planning the projects.
- Introduction phase.
- Phase of evaluation and supervision using the indicators.

The percentage of women on the staff is around 17.49% (60 women). Although at management level there is no feminine representation, it is important to bring attention to the positive aspect that in the level immediately below this, that is to say as head of department, 40% of the positions are occupied by women.

In a breakdown by activity, the position of 'technician in charge' is that which has the largest female representation due to the type of activity offered in the offices.

Position	Porcentaje de mujeres
Head of department	40 %
Head of service	0 %
Technician in position of responsibility	37,50 %
Technician in charge I	24,39 %
Professional A	13,04 %
Professional B	1,75 %
Professional C	15,71 %
Auxiliary professional	40 %

In TIRME we work to integrate disabled workers into the staff opting for direct employment to promote the integration of disabled workers beyond that required by the Law of Social Integration of Disabled Workers (LISMI in its Spanish acronym), furthermore we opt for support projects for companies with initiatives in this field.

2.3% of the workforce is represented by this group and through direct employment these members of staff are carrying out a diversity of different positions.

10.1.3. Staff Training

The company has a policy of Continuous Training for its staff through the planning and carrying out of a diversity of training courses (specific techniques, skills, risk prevention, languages etc....). The aim is to ensure that each worker has the necessary skills to carry out the tasks that affect the quality, the environment, the prevention of accidents at work, the development of awareness in issues related to a family responsible company, at the same time making them aware of their importance in the achievement of the goals and the policies of the company.

To achieve this objective, TIRME elaborates an annual training programme, considering, among other things, the strategic objectives, the investment and the education projects. During the year 32 training courses have been carried out, lasting a total of 6859 hours.

Furthermore, 55 additional training courses have been carried out, lasting a total of 2973 hours, to guarantee the adaptation to the new training models given by the continuously changing market.

10.2. The social commitments of TIRME

10.2.1. The conciliation of personal, family and working life

TIRME has been distinguished in 2008 by being awarded the certificate for being a family responsible company (EFR in its

Spanish acronym) and as such offers a wide range of social and working advantages to its staff, which allow them to conciliate their personal, family and working lives.

A series of measures has been adopted with the following aims in mind :

- To promote the sensibility of the organisation towards the conciliation and to create a corporative culture which respects the values of the aforementioned conciliation.
- To impel internal communication as an indispensable tool for the generation of trust in the organisation, to give homogeneity in the actions of the company and to boost its results.
- To manage the conciliation in the same way that it manages its quality or its environmental impact, by measuring the effect that it has on the aims.
- Improve the tools that directly affect the management of the workforce, given that this is directly proportional to the increase in production capacity in the work as well as its quality, and therefore achieves an improvement in the skills of the workforce.
- To put together measures leading to a flexibility in the time and working space to adapt it to the needs in each stage of the lives of the workforce.
- To offer support to people in their professional and personal development, giving them the skills and capacities needed for this conciliation.
- To make the services of the company available to the workforce, from its installations and infrastructures to the resources available, with the aim of improving the quality of life and the conciliation.
- To guarantee that the personal and family life will not be an impediment or condition for the hiring or promotion of a member of staff.

10.2.2. Health and safety

The main achievement for TIRME in this field has been the obtaining of the certificate OHSAS thanks to the fact that integration of the prevention of accidents at work, has been right from the start, one of the key policies of the Company Management.