



25 years of environmental
commitment

25 + 25

**Sustainability Report
2017**

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Letter from the CEO

It is a matter of major urgency. We are running out of time; in fact, it is already too late to meet many of our obligations. Humanity and its development have stretched the Earth to its limit in terms shrinking biodiversity, ocean nitrification or climate change. We have finally realised that there has been a fundamental change in recent years. It is precisely for that reason that the human race, institutions and companies all share the obligation (based on morality and a simple question of survival) to try and redress, or at least minimise, the negative impact our activities have on the environment.

Within this context, here at TIRME we made 2017 a year of reflection and strategic rethinking, coming up with measures for application in 2018. Sustainability should be on the agenda of any company, but even more so if that company's mission is to defend the environment through resource / waste management. In this sense, we have come up with a strategy and structure to create a circular economy both inside and outside the organisation. Our aim is to act as an agent for change, contributing to the measures companies and institutions have already launched to ensure a greener, more circular and sustainable Majorca. We have taken the UN SDGs as our model, developing the aspects that directly affect us as a result of the contract and services we provide to the Consell de Mallorca and Majorcan society, placing particular emphasis on SDG 17, seeking to establish alliances that will help us to introduce a more circular economy at the earliest possible opportunity.

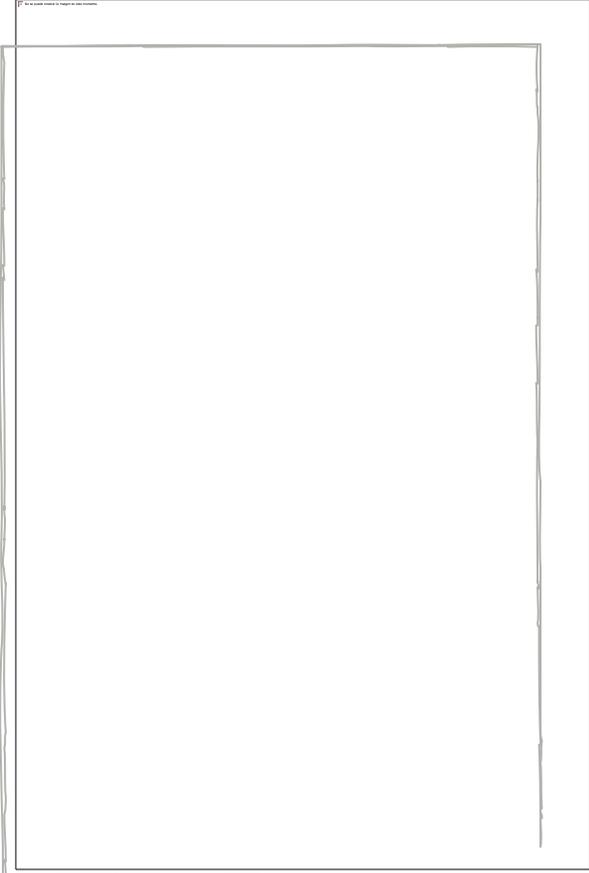
In terms of waste treatment hierarchy, this year we have once again achieved zero waste on the island, coupled with a considerable rise in recycling levels in terms of energy recovery, as part of our ongoing drive, applying all our know-how and efforts, to reach our 2020 goal of 50% recycling. In order to achieve this, it is more important than ever to work on building up the trust and confidence of the local population, the real force behind recycling and waste classification in the home or at work. We must work to raise their awareness of the importance of correct waste transformation procedures, their use and the clear benefits for the environment on both a local and a global scale.

By focusing not just on what we do, but also on how we go about it, together with the application of a corporate culture based on good governance and a quality guarantee system, this year we became the first company in the Balearic Islands to apply and certify the Legal Compliance model, contributing added security and transparency to our operations.

I would like to end by highlighting the goal of excellence and ongoing improvements that drives everyone in this organisation, whether they are carrying out operational, maintenance, monitoring or management tasks, working on new initiatives or keeping us in touch with the world. Companies are essentially the people behind them, and in this sense I would like to include not just the TIRME team that carries out its work with pride, but also the stakeholder groups that work with us, who contribute their enthusiasm and ideas that help us to fulfil our mission.

We are celebrating 25 years by looking ahead to the next 25, and beyond...

Rafael Guinea, CEO. TIRME.



TIRME, a sustainable organisation

“ We live in the same world as you”



Sandro Vizcaíno
Procurement
17 years at TIRME

- 1 ERADICACIÓN DE LA POBREZA
- 2 HAMBRE CERO
- 3 SALUD Y BIENESTAR
- 4 EDUCACIÓN DE CALIDAD
- 5 IGUALDAD DE GÉNERO
- 6 AGUA LIMPA Y SANEAMIENTO
- 7 ENERGÍA LIMPIA Y ACCESIBLE
- 8 EMPLEO DECENTE Y CRECIMIENTO ECONÓMICO
- 9 INFRAESTRUCTURAS
- 10 REDUCCIÓN DE LAS DESIGNALES
- 11 CIUDADES Y COMUNIDADES SOSTENIBLES
- 12 PRODUCCIÓN Y CONSUMO RESPONSABLES
- 13 LUCHA CONTRA EL CAMBIO CLIMÁTICO
- 14 OCEANOS Y ECOSISTEMAS ACUÁTICOS
- 15 TIERRAS Y ECOSISTEMAS TERRESTRES
- 16 PAZ, JUSTICIA Y EQUIDAD
- 17 ALIANZAS PARA LOGRAR LOS OBJETIVOS

About us

Our history

En 1992, the Consell de Mallorca awarded TIRME the public tender for the waste management system included in the **Sector Master Plan for Urban Waste Management on the island of Majorca**. Our service has evolved over the years with the implementation of three waste management plans, enabling us to prove our ability to cater for the needs of Majorca's residents and to stay one step ahead of sector trends.



1992 - the start of a success story



Adapting to needs



53 municipalities on Majorca



25 years' of service



Celebrations with our stakeholders

There is no such thing as waste - there are resources that must be put to good use

A SUSTAINABLE ORGANISATION

- Responsibility
- Transparency
- Efficient service
- Minimal environmental impact
- Promotion for the development of the local fabric

Our DNA: the circular economy

We are proud to be part of the process to place **Majorca** at the cutting edge of waste management and resource reuse and recovery, positioning it high up on the EU Action Plan for the Circular Economy and as a **benchmark both in Europe and on the wider international scene**.

A circular economy is the key objective of the 2018-2020 Strategic Plan. In line with this goal, TIRME has set up its own **Circular Economy and Sustainable Development Office** within its organisational structure.

This office operates as a **driving force** for the shift from a linear economy that follows the standard phases of production, use and disposal, towards a circular economy. This change is intended to guarantee the continued utility of products, components and resources over time, seeking to eliminate or delay as far as possible the final disposal phase.

Our Mission, Vision and Values

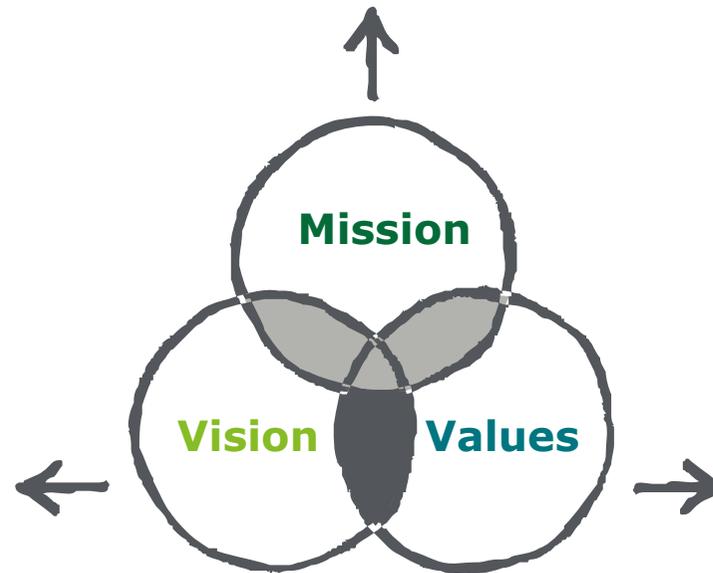
The TIRME model is based on the values of **Responsibility** and **Transparency**. In keeping with this, we publish our Sustainability Report in order to establish increasingly closer ties with our stakeholders and to continue consolidating **TIRME's commitment to transparency with the local community**. Our priority is to contribute to social wellbeing and improve the community's quality of life by offering an efficient service, minimising the environmental impact of our services and promoting the development of the local fabric.



Sustainable management capable of transforming waste into resources that generate value and improve the quality of life enjoyed by Majorca's residents and visitors, based on optimum efficiency and costs for its environmental processes.



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



Respect for people and the environment



Excellence



Honesty and transparency

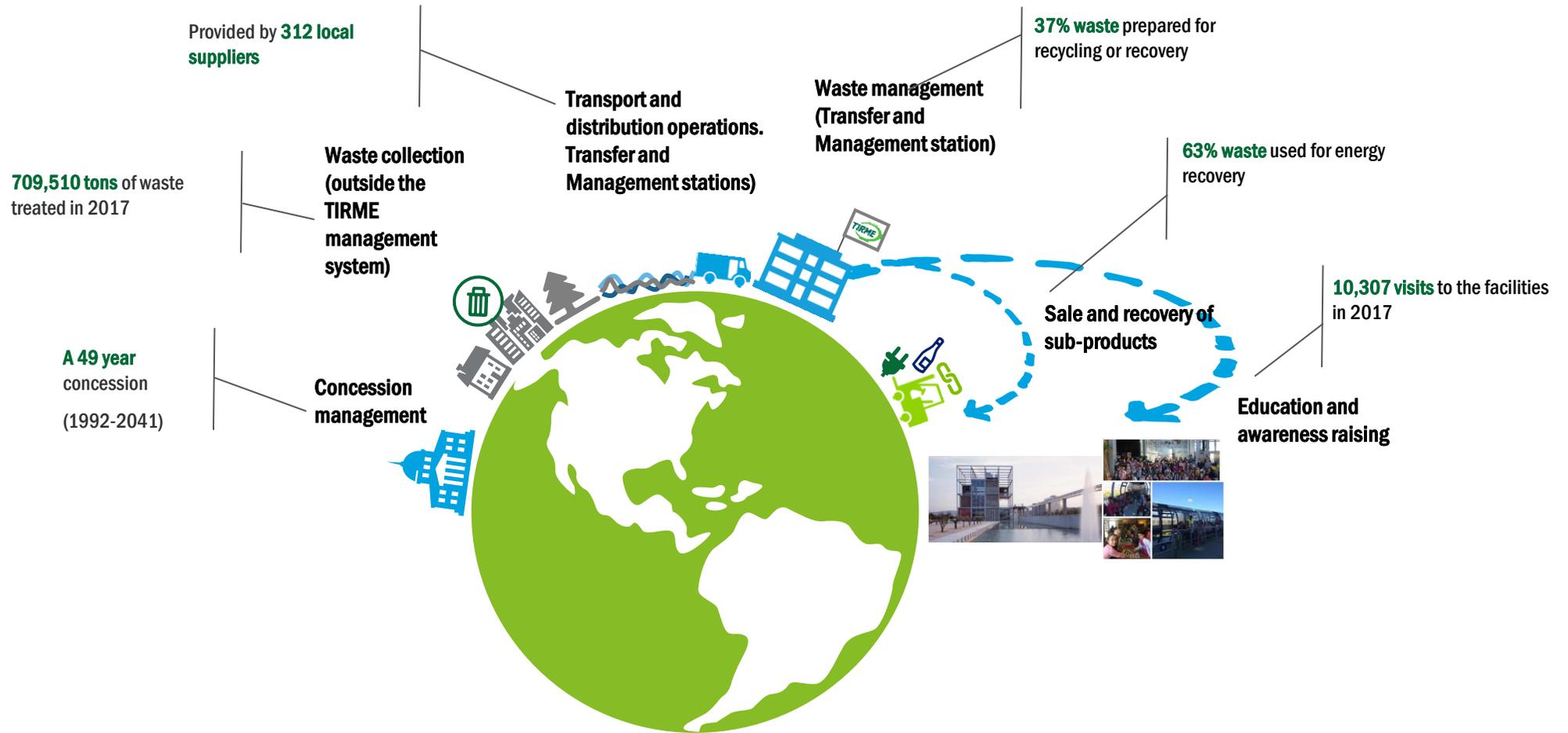


Teamwork



Innovation

The Business Model



Governance model

“ We live in the same world as you”



Nieves Rueda
Personal Assistant
15 years at TIRME



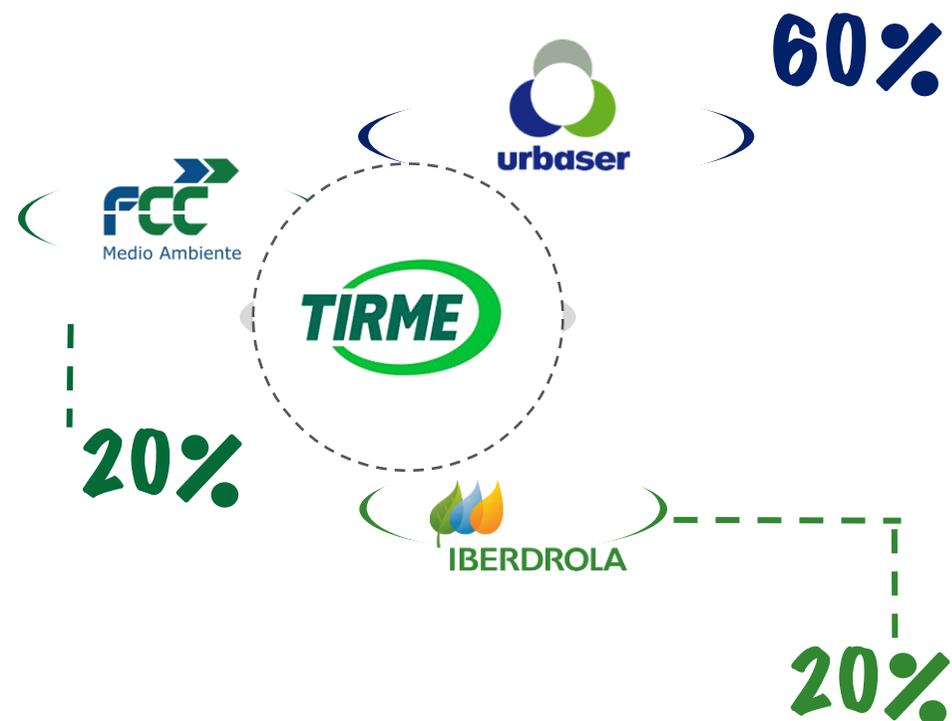
The Governance Structure



TIRME was set up in 1992 as a European Economic Interest Grouping, although it became a public limited company that same year.

The corporate governance structure is made up of the bodies necessary to guarantee governance that adds value to the company and applies the best corporate governance practices to our business.

In order to achieve this, TIRME's governing bodies are headed by an expert **Board of Directors**.



SHAREHOLDER RELATIONS

The **Shareholders' General Meeting** is held during the first six months of the year in order to approve the annual accounts as well as the application of the results and the management decisions adopted by the Company administrators. Likewise, at the Shareholders' General Meeting held in June 2017, the articles of association were modified, extending Executive Directors' term of office to 4 years, and the members of the Board of Directors were re-elected.

The Governance Structure

THE BOARD OF DIRECTORS

- ☛ All members of the Board were **re-elected** to office in 2017.
- ☛ At the close of 2017, the Board was made up of **8 shareholder members** with sector expertise, reflecting TIRME's shareholder structure: 4 members from Urbaser, 2 from FCC and a further 2 from Iberdrola.
- ☛ The Board's responsibilities are stipulated in **TIRME's Articles of Association**. There is also a set of **Regulations** and a **Manual detailing the company's General Rules**, approved in September 2011.
- ☛ These internal documents require the Board to meet at regular intervals. A total of 11 board meetings were held in 2017 (one per month with the exception of August) in order to analyse the company's evolution.
- ☛ As stipulated in **TIRME's Articles of Association**, the directors do not receive remuneration for sitting on the Board. In the case of senior executives, their payment terms and conditions are approved by the Board.



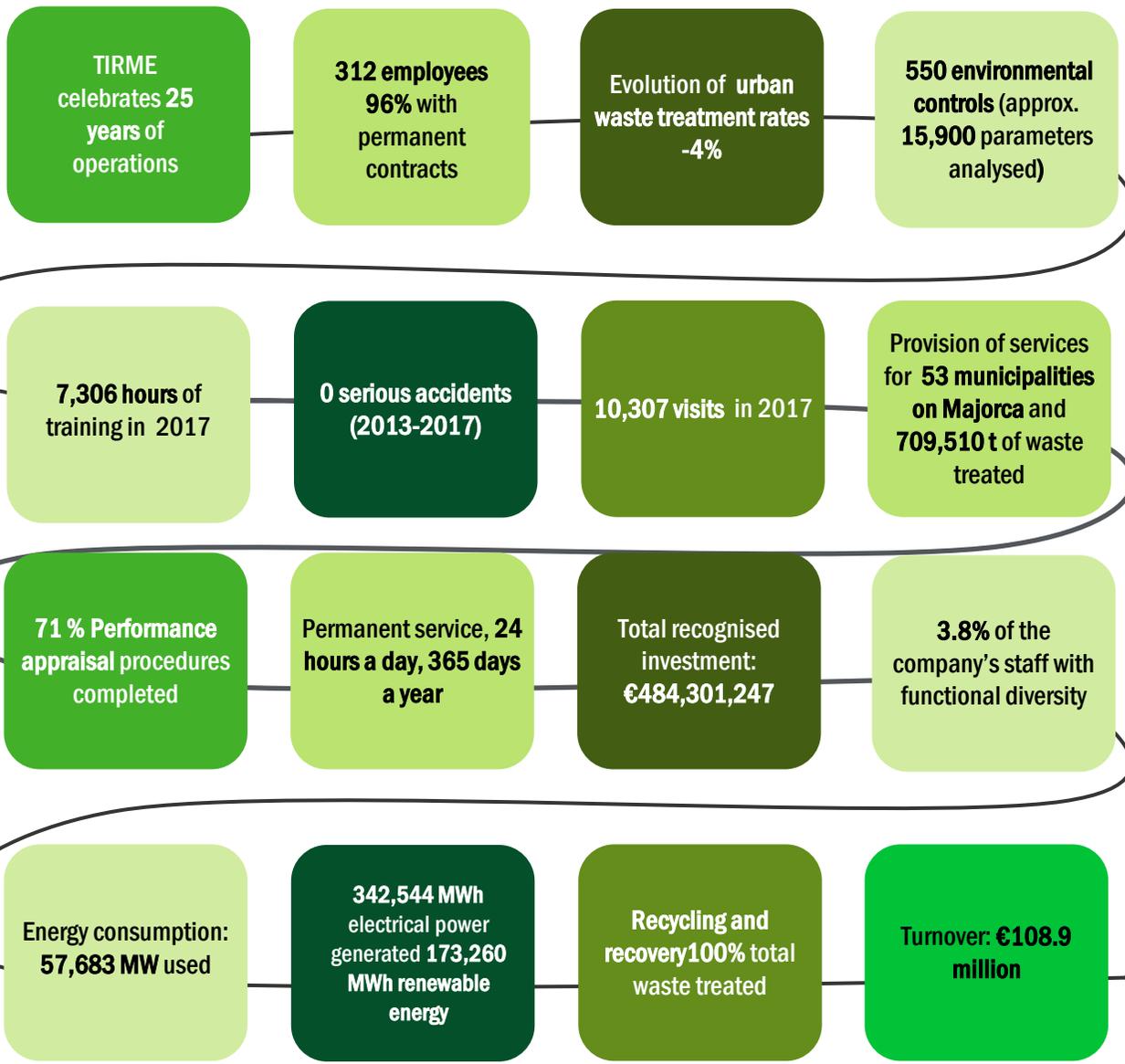
OWN COMMITTEES

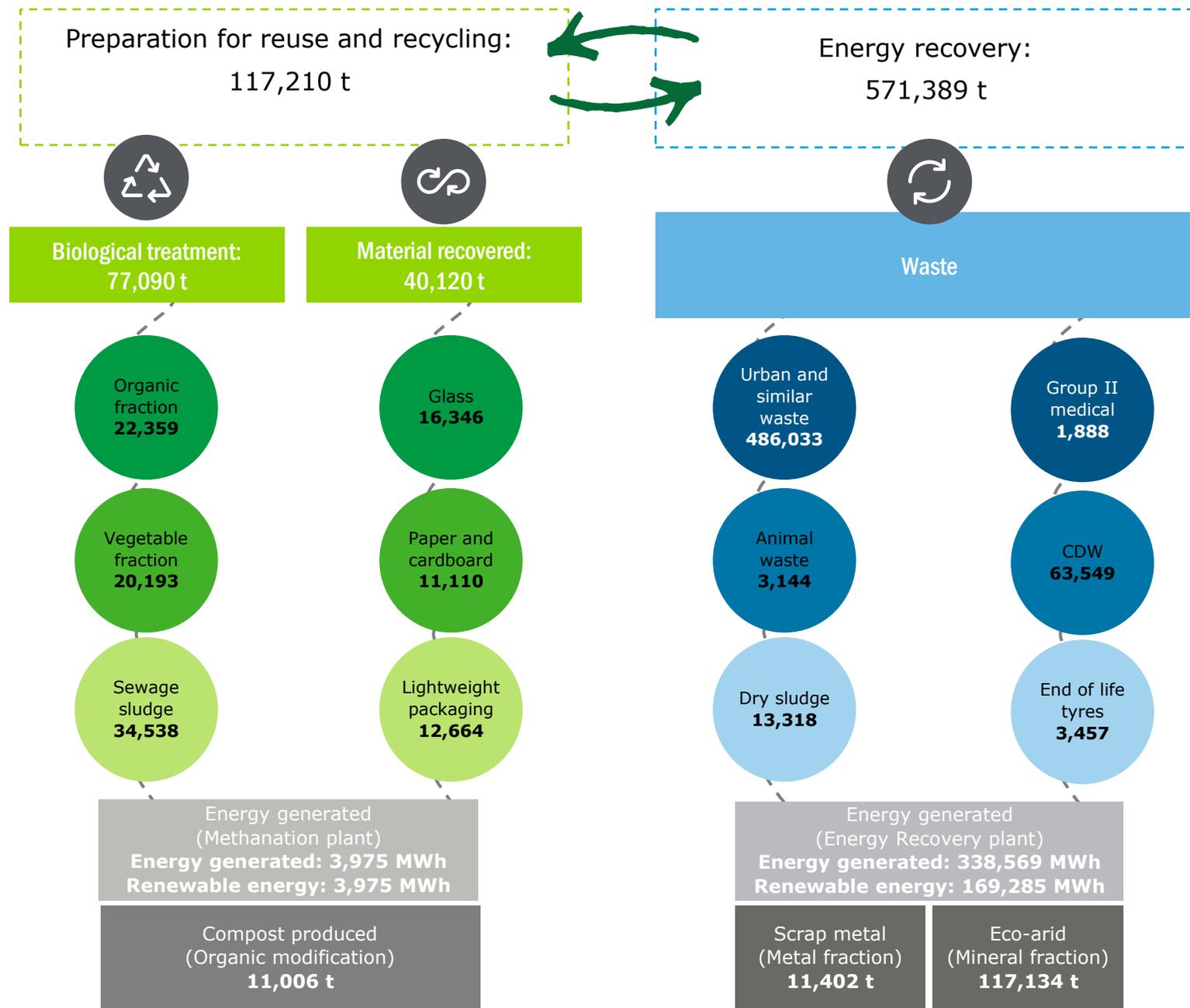
- ☛ In addition to the Board of Directors, TIRME has the following executive committees: **the Technical Committee, the Legal Committee and the Financial Committee**, comprising various shareholder representatives.
- ☛ These committees are convened by the CEO, as and when required by the Board of Directors. In 2017, the Technical Committee met twice and the Financial Committee once. Regular remote teleconference meetings are also held.

2017 at a glance

“ We share your interests and concerns ”







Communication and Dialogue

“ We live in the same world as you”



Marga Piqueras
Operations
16 years at TIRME



Commitments to our Stakeholders

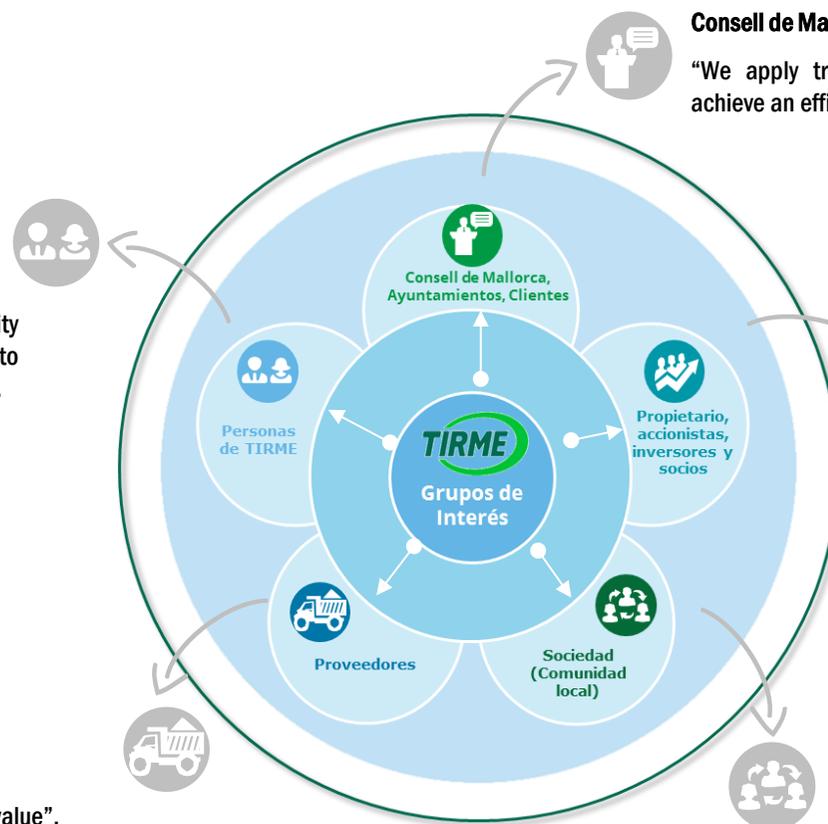
Ensuring the creation of consolidated and sustainable relations with its stakeholders is a key element of TIRME's business model. It has therefore taken on long-term commitments towards its stakeholders, seeking to create value for all.

TIRME employees

"We are committed to creating quality employment for the local community, working to guarantee health and wellbeing at our facilities".

Suppliers

"We seek to create shared, local value".



Consell de Mallorca, local authorities, customers

"We apply transparent work practices in order to achieve an efficient and sustainable business model".

Owners, shareholders, investors and partners

"We are constantly working to discover new processes that enable us to move ahead in the circular economy".

Society

"We contribute to the welfare of society, guaranteeing a quality environment and conservation of Majorca's natural resources".

In 2017, TIRME reviewed and updated its materiality analysis in order to ensure that it reflects the reality of our business today.

Our Stakeholder communication channels

1/ Two-way

We work hard to establish two-way communication channels that provide an in-depth insight into their needs and expectations.



2/ Responses

Active listening enables us to determine action plans that will guarantee stakeholder satisfaction.

3/ Review and updating

Annual reviews of the communication channels available enable us to tailor them to new trends and ensure optimum adaptation levels.

In order to manage our stakeholder relations, TIRME has set up a **Social Responsibility Management Model**, certified in accordance with IQNet SR10 standards. The key elements are listed below:



identification of the various Stakeholders;



awareness of their needs and expectations;



establishing relational frames;



developing assessment and improvement tools.

The model is based on the principles of transparency, dialogue and mutual collaboration.

Our Stakeholder communication channels

Consell, local authorities, customers



- Regular meetings
- Opinion studies
- Website
- Facility tours
- Customer service system
- Data monitoring platform
- email
- Correspondence
- Ethics channel
- **Sustainability report**

Owners, shareholders, investors and partners



- Membership of the Board / committees or other governance bodies /
- General Shareholders Meetings
- Joint steering groups
- Regular reports
- Ethics channel
- **Sustainability report**

Society (the local community)



- Mass media (TV, press, radio, digital media, etc.)
- Website and social media
- Facility tours
- Local forums
- Suggestions and complaints management system (permanent telephone service)
- Opinion studies
- Membership of sector organisations
- Collaboration agreements
- Joint development meetings
- Meetings
- Ethics channel
- **Sustainability report**

Suppliers



- Collaboration agreements, orders and contracts
- Activity coordination
- Meetings
- Supplier assessment
- Opinion studies
- Website
- Ethics channel
- **Sustainability report**

TIRME employees



- *Dialoga con* and *Dialogator*
- Committees: Works Council; H&S; Conciliation; Training and Equality Commission.
- Team meetings
- Intranet
- Email communication unit
- Work environment surveys
- Staff assistance and advice service
- Internal coaching service
- Noticeboards
- Breakfast with the management teams
- Meeting with the CEO
- Leonardo workshop
- Másfamilia Foundation channel
- Ethic channel
- **Sustainability report**

Quality service

“ We live in the same world as you”



Elena Coromina
Communication
9 years at TIRME



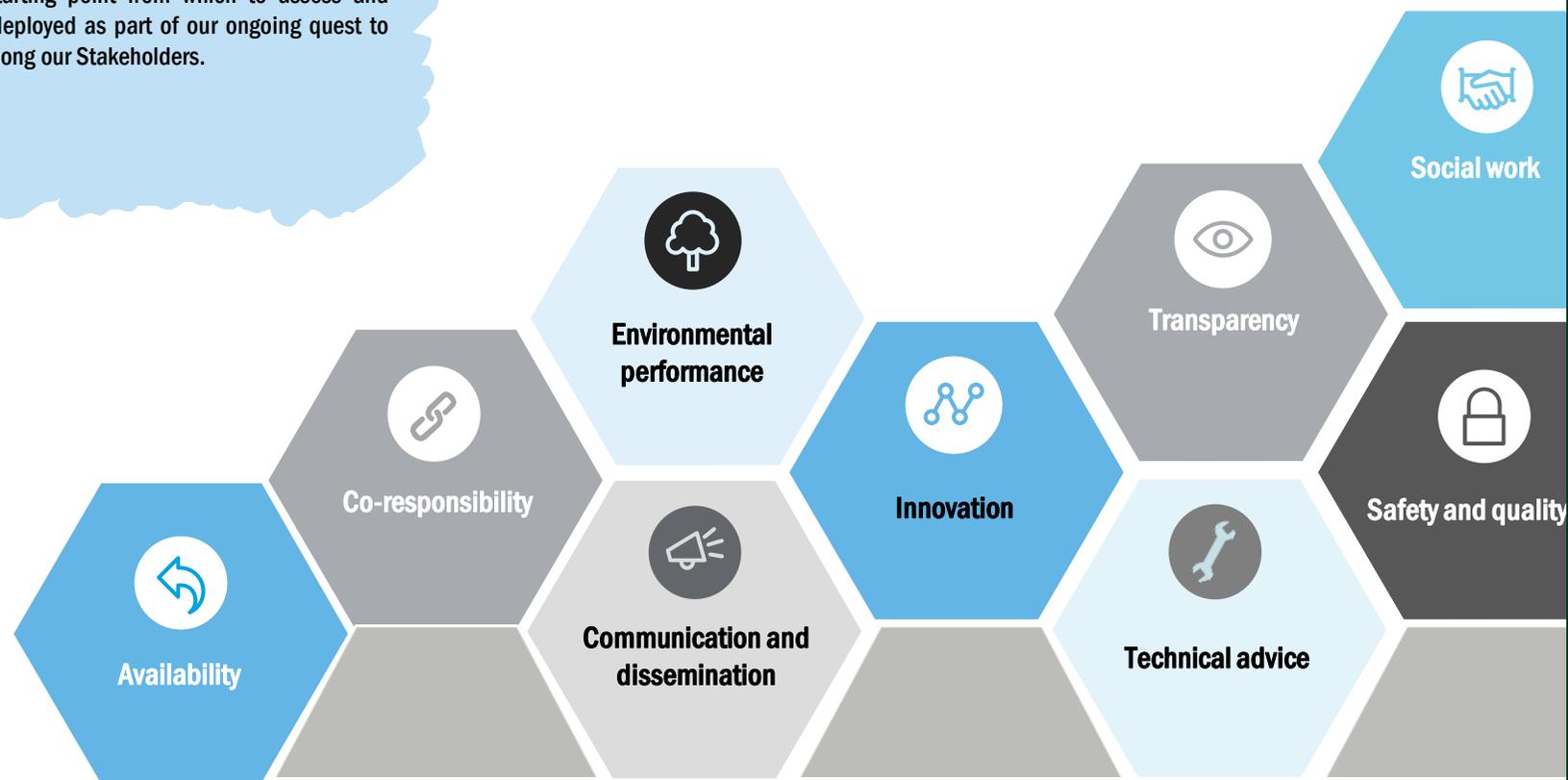
Our service

At TIRME we work to provide **quality service** of the highest standard, one of the key priorities included in our Strategic Plan. Indeed, managing the quality of our service is what has enabled us to gain the trust and satisfaction of our Stakeholders throughout the organisation's 25 year history.

We firmly believe that it is essential to commit to each of our stakeholders, establishing and maintaining **an ongoing and transparent dialogue** in order to discover their concerns and expectations, handling them in an efficient and inclusive manner.

In order to achieve this, TIRME has **prioritized its stakeholders** in accordance with their relevance for the company. Along these same lines, we also conducted a materiality analysis, which provides a starting point from which to assess and prioritize the projects and actions to be deployed as part of our ongoing quest to secure optimum degrees of satisfaction among our Stakeholders.

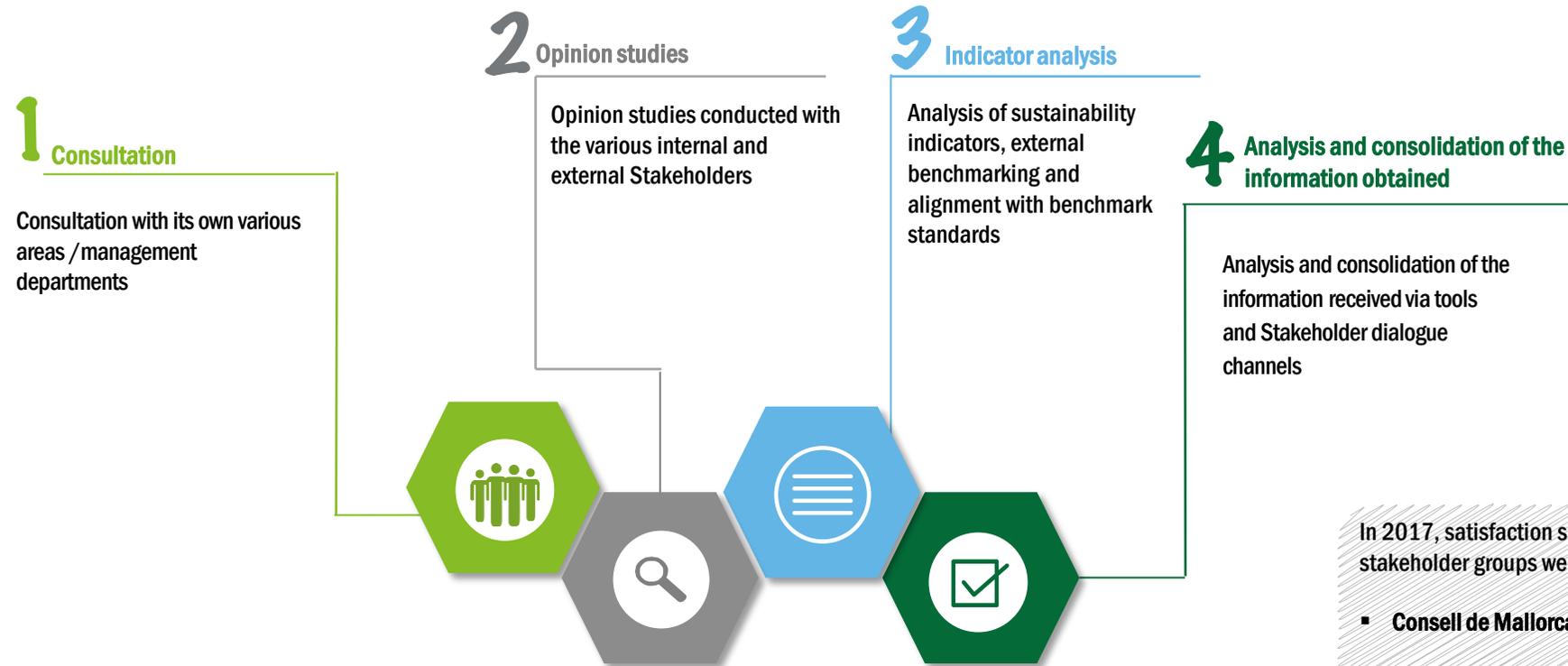
With the launch of its new **2018-2020 Strategic Plan**, TIRME aims to tackle a crucial period of planning and strategic transition. Our in-depth knowledge of our stakeholders has enabled us to draw up solid action lines that can be converted into specific projects and measures to monitor all their expectations and concerns. **This frame provides a direct link between our strategic objectives and Stakeholder expectations.**



Focusing on what matters: Materiality analysis

TIRME conducts regular materiality studies based on the in-depth analysis of information obtained from various external and internal sources. It enables us to determine the most importance aspects in terms of TIRME's relations with its various Stakeholders.

This analysis is based on the following:



The materiality study takes the following aspects into consideration:

- The **importance** of the organisation's economic, environmental and social impact.
- The **influence** on Stakeholder assessment and decisions.

In 2017, satisfaction surveys for the following stakeholder groups were updated:

- **Consell de Mallorca**
- **Local authorities**
- **Suppliers**
- **TIRME employees**

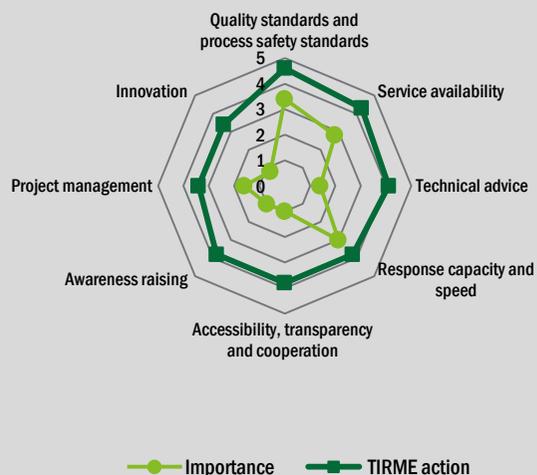
Customers. Consell de Mallorca



“It provides solutions for the problems we face” Consell de Mallorca



MATERIAL ISSUES

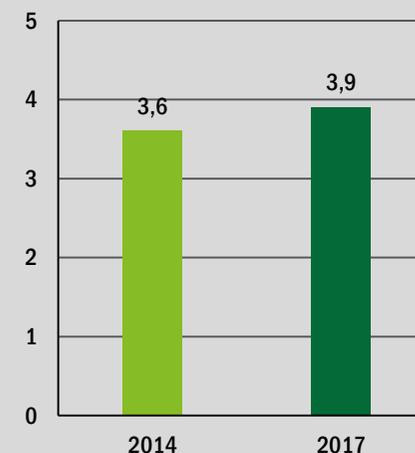


2017 ACTIONS

- Processing of the project for extension work on the Methanation Plant (Phase II)
- Collaboration in the organisation of the 'Smart Island World' congress
- 25th anniversary celebrations
- Attendance at events during the public participation phase of the new Master Plan
- Collaboration with updating the operating regulations
- Improvement and extension projects for Insular Public System facilities (SPI in its Spanish initials)
- Systems for environmental monitoring and sale of sub-products
- Participation in the Co-creative Youth European project
- Promotion for the introduction of eco-arids via the Consell de Mallorca – roads
- Monitoring of the testing and sample extraction phase of projects in collaboration with the Centre for Public Works Studies and Experimentation (CEDEX in its Spanish initials).
- Updating of the satisfaction survey, extending the scope of the material issues assessed, such as innovation, service availability, awareness raising actions, project management, accessibility, transparency and cooperation.



OVERALL SATISFACTION



CHALLENGES FOR 2018



- To provide the Consell de Mallorca with technical support for the project to develop a viewer for providing environmental data based on the Environmental Surveillance and Measures programme (PMVA in its Spanish initials) on the website targeting the general population.
- To modify the waste management plan to consolidate its position as a company providing a public service.
- To extend the monitoring of the CEDEX project experimental phase by a further two years.
- To promote studies aimed at finding new recovery alternatives for eco-arid.
- To boost optimisation and improvements to production processes in order to minimise complaints and/or any negative impact on the environment.

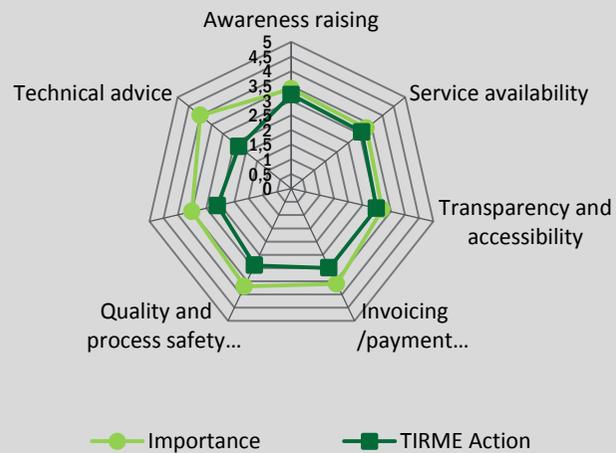
Customers. Local authorities



“Confidence in TIRME and what it does” Interview with local authority



MATERIAL ISSUES



2017 ACTIONS

- Extended access to the data platform for other interested local authorities
- Development of a project for the external roll out of delivery notes (BAPI project)
- Promotion of visits to the Centre for Environmental Information and Education (CIEA in its Spanish initials) by local authority managers
- Planting of olive trees in municipalities where we provide services to commemorate our 25th anniversary
- Extension and improvements to services as proposed by local authorities
- Collaboration in job creation projects



OVERALL SATISFACTION



CHALLENGES FOR 2018



- To increase the content of visits to the Centre for Environmental Information and Education (CIEA in its Spanish initials).
- To organise an environmental exhibition.
- To create the Museum of the Environment.
- To continue moving ahead to guarantee that the technical support provided is fit for purpose.
- Projects to improve availability and standards of service at Transfer Stations.

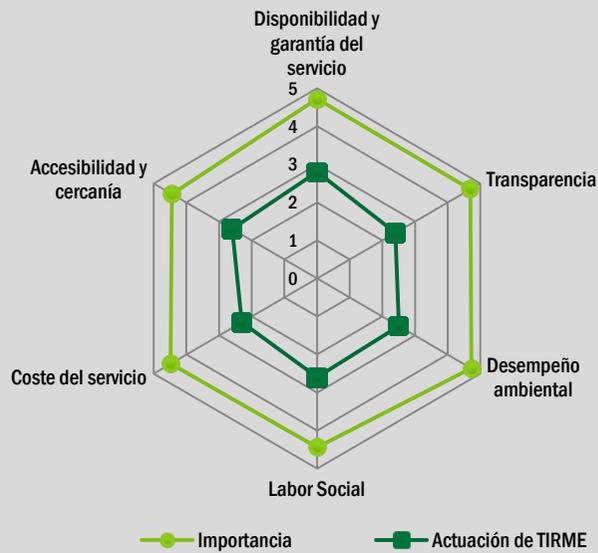
The community



2017 saw a 4.6% rise in the number of visits, which stood at a total of **10,307**



MATERIAL ISSUES

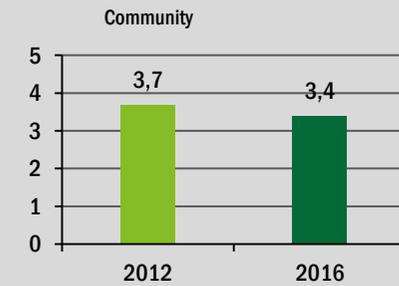


2017 ACTIONS

- Facility tours with the team responsible for drawing up the future Waste Sector Director Plan
- Awareness raising award in collaboration with the Chemistry Department of the University of the Balearic Islands
- 25th anniversary celebrations for Stakeholders
- Circular Economy action plan
- Application of information obtained via social media
- Improvements to the procedure for handling local residents' complaints
- Open door policy: organisation of weekend tours for the local community



OVERALL SATISFACTION



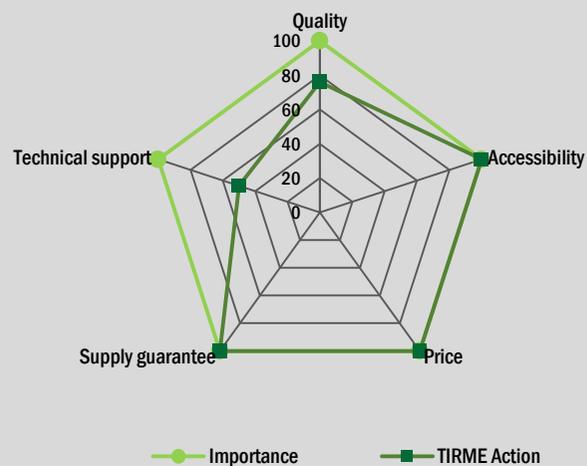
CHALLENGES FOR 2018



- Project for improvements to the Centre for Environmental Information and Education (CIEA in its Spanish initials)
- Consolidation of sponsorship actions and collaboration with the local community (e.g. ecologists' associations, the media, etc.)
- Strategic business alliances and transfer of know-how
- Ongoing promotion of initiatives aimed at achieving the 17 Sustainable Development Goals and contributing value to the community
- To link TIRME's image to the circular economy and the sustainable use of resources

Customers. Sub-products: eco-arid and scrap metal

MATERIAL ISSUES

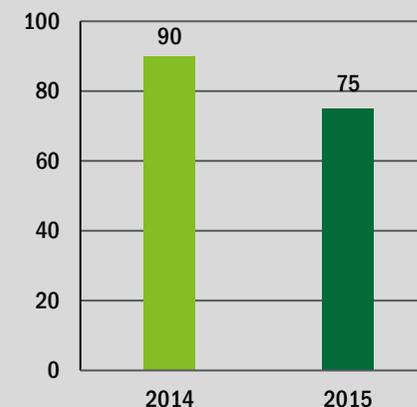


2017 ACTIONS

- Presentation of our sub-products at the 'Smart Island World' circular economy congress.
- Renewal of the eco-arid CE Marking in line with current usage following the 2017 quality control and management inspection.
- Continuation of the project with the Centre for Public Works Studies and Experimentation (CEDEX in its Spanish initials) to monitor eco-arid performance in subbases on a stretch of Palma's second ring road.
- Feasibility study on the use of eco-arid in bituminous mixes.
- Standardisation of survey criteria to obtain data in line with our material issues, allowing for year-on-year comparisons.

OVERALL SATISFACTION

ECO-ARID CUSTOMERS



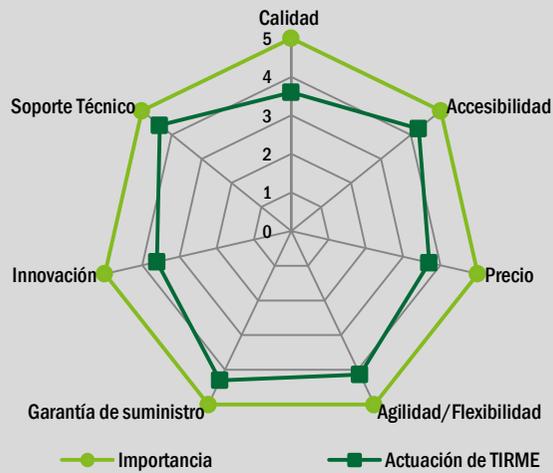
CHALLENGES FOR 2018



- To introduce phase two of the project to reduce incorrect waste.
- To extend CE marking for use with bituminous mixes.
- To draw up works usage specifications for eco-arid.
- To update the satisfaction survey, extending the scope of the material issues assessed, such as accessibility, technical support, innovation and supply guarantee.
- To draw up and conduct a specific survey targeting scrap metal customers, ensuring that it covers the key aspects affecting them.
- To continue with the ongoing task of ensuring that the technical service provided is fit for purpose.

Customers. Sub-products: packaging

MATERIAL ISSUES



2017 ACTIONS

- Introduction of improvements to the Lightweight Packaging Sorting Plant in order to ensure optimum recovery efficiency, using state-of-the-art sorting technologies, whilst taking into consideration the limitations of the existing plant.
- Ensuring compliance with ECOEMBES' Technical Specifications for Recovered Materials (ETMRs in its Spanish initials), following the modifications carried out at the Packaging Sorting Plant.
- Separation of sales management from the product design and development area.
- Presentation of our sub-products at the 'Smart Island World' circular economy congress.
- Standardisation of survey criteria to obtain data in line with our material issues, allowing for year-on-year comparisons.

OVERALL SATISFACTION



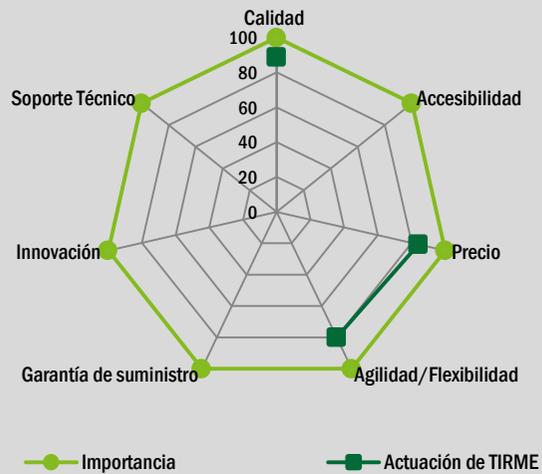
CHALLENGES FOR 2018



- To implement controls via the Administration Collaborating Body (OCA in its Spanish initials) following the introduction of improvements to the packaging plant.
- To introduce automatic recircularization into the packaging management process.
- To quantify and assess the mid and long term results of improvements to the packaging plant.
- To update the satisfaction survey, extending the scope of the material issues assessed, such as accessibility, technical support, innovation and supply guarantee.
- To continue with the ongoing task of ensuring that the technical service provided is fit for purpose.

Customers. Sub-products: compost

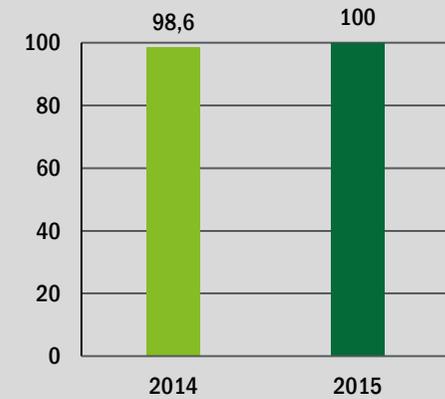
MATERIAL ISSUES



2017 ACTIONS

- Creation of a protocol for public tenders for the sale of this sub-product.
- Application of the project to install a new turner to boost compost production.
- Separation of sales management from the product design and development area.
- Work on compost dispatch based on the new SIGMA-QR procedure.
- Presentation of our new sub-product reuse process at the 'Smart Island World' circular economy congress.

OVERALL SATISFACTION



CHALLENGES FOR 2018

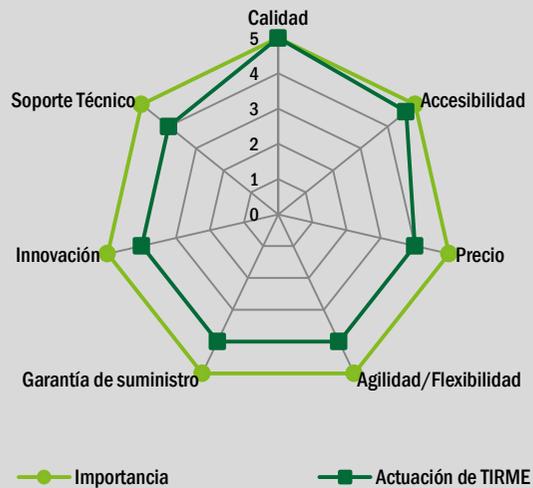


- To update the fertilizer register
- To boost TIRME's visibility and image by means of circular economy projects and the efficient use of resources.
- To update the satisfaction survey, extending the scope of the material issues assessed, such as accessibility, technical support, innovation and supply guarantee.
- To continue with the ongoing task of ensuring that the technical service provided is fit for purpose.

Customers. Sub-products: energy



MATERIAL ISSUES

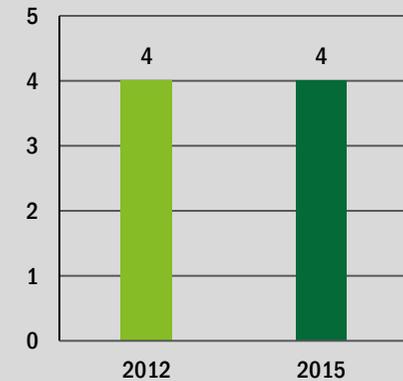


2017 ACTIONS

- Replacement of low performance engines at the energy valorisation plant (air condenser system).
- Acquisition of a frequency variation compressor for more efficient energy consumption levels.
- Optimum pit management.
- Fuel optimisation.
- Project to boost packaging treatment efficiency levels.
- Project for the installation of cross lighting and skylights in all plants.
- Guarantee of origin certification
- Ilunion project
- Presentation of our sub-products at the 'Smart Island World' circular economy congress.



OVERALL SATISFACTION



CHALLENGES FOR 2018



- To replace the entire vehicle fleet with electric cars
- To install LED lighting in high power consumption areas and facilities.
- To replace diesel oil consumption with natural gas.
- To install presence sensors in buildings.
- To obtain a zero balance in terms of energy consumption and the generation of renewable energies at the Environmental Technologies Park (PTAM in its Spanish initials).
- To use the biogas generated at the Environmental Technologies Park (PTAM in its Spanish initials)
- To install photovoltaic panels in the solar drying system.

Ethical and committed management

“ We live in the same world as you”



Marina Martínez
Environment Department
13 years at TIRME

- 1 ERRORES DE LA POBREZA
- 2 ALIMENTACIÓN
- 3 SALUD Y BIENESTAR
- 4 EDUCACIÓN DE CALIDAD
- 5 IGUALDAD DE GÉNERO
- 6 AGUA LIMPIA
- 7 ENERGÍA LIMPIA Y ECONOMÍA ENERGÉTICA
- 8 EMPLEO DECENTE Y CRECIMIENTO ECONÓMICO
- 9 INFRAESTRUCTURAS
- 10 REDUCCIÓN DE LAS DESIGNALES
- 11 CIUDADES Y COMUNIDADES SOSTENIBLES
- 12 PRODUCCIÓN Y CONSUMO RESPONSABLES
- 13 LUCHA CONTRA EL CAMBIO CLIMÁTICO
- 14 VIDA SUBACUÁTICA
- 15 VIDA TERRESTRE
- 16 PAZ, JUSTICIA E INSTITUCIONES SÓLIDAS
- 17 ALIANZAS PARA LOGRAR LOS OBJETIVOS

Ethics culture



The principles behind our culture



These principles are essential in order to guarantee the organisation's **competitiveness, success and leadership**, whilst at the same time contributing to the personal and career growth and **progress** of TIRME's employees and society in general. We have a **Code of Ethics, internal regulations and a Compliance system**, designed to encourage the standardised and ethical behaviour of all our staff and therefore guarantee a beneficial climate of coexistence and self-accountability.

Code of Ethics



Compliance system

Ensuring ethical behaviour



Code of Ethics

Within the frame of good governance practices and in accordance with the principles of corporate social responsibility, TIRME has drawn up a Code of Ethics, detailing its commitment to corporate ethics, quality and transparency.



Following the integral updating of its compliance model, TIRME opted to review its Code of Ethics over the course of 2017, adapting it to the new challenges that lie ahead.



The Code defines the values that must guide the behaviour of all members of the organisation, consolidating TIRME's ethical culture and setting shared action guideline that every one respects and complies with. The new code also addresses more specific issues related to the breach of regulations and the responsibilities of everyone in the organisation in terms of information management and confidentiality.



Staff **must comply** with the code in their daily activities within the organisation as well as in their dealings with Stakeholders.



The new Code of Ethics **has been distributed to all members of staff**, and is also given to all new employees when they sign their job contract. It is permanently available for consultation on the TIRME website at https://www.TIRME.com/es/codigo_etico_01f21s22.html



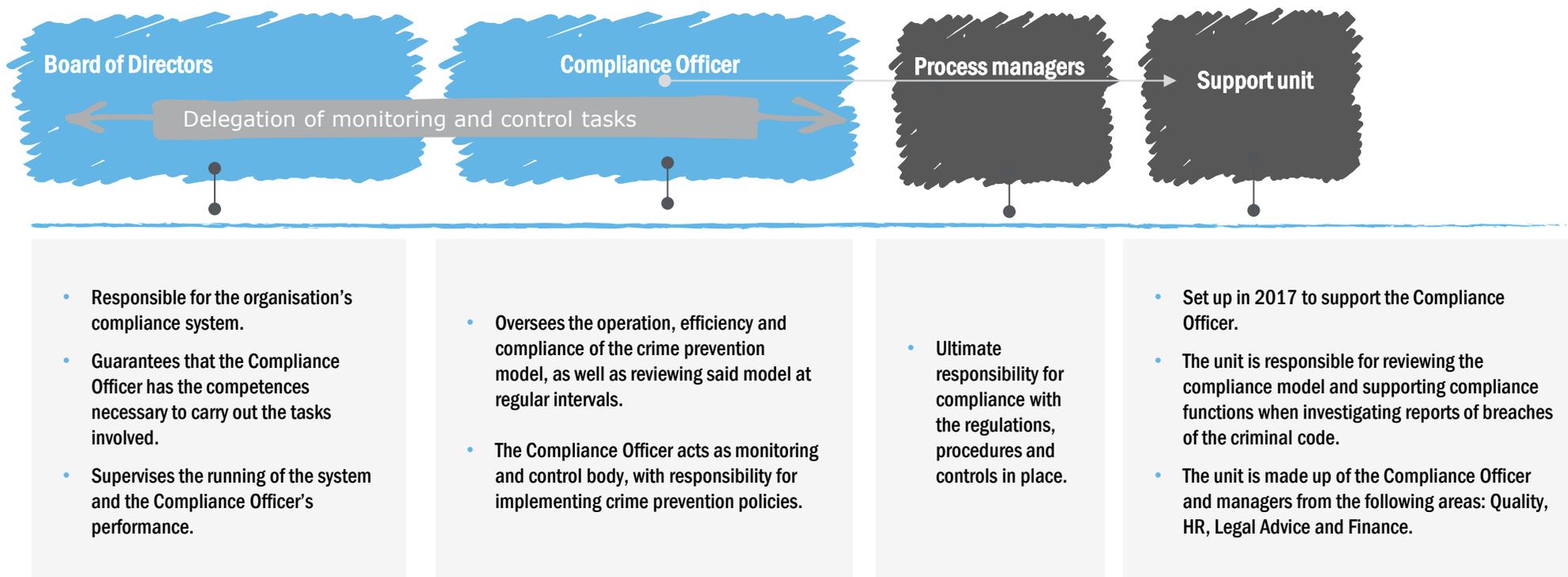
An ethics channel has also been set up to report any possible breaches of the Code of Ethics. This channel is also open to the public via the following email address: canaletico@TIRME.com. The challenge for 2018 is to improve accessibility and systemise the procedures for handling reported incidents.

Compliance system



Compliance system

In order to complement the Code of Ethics, and in line with the provisions of the Spanish Criminal Code, TIRME's senior management team has drawn up a regulatory compliance system divided into three areas: a governance model, crime prevention manual; training and communication.



REPORTING MODEL



The Compliance Officer reports regularly to the Board on the status of the reports received via the ethics channel and all other relevant actions undertaken in the area of Compliance since the last report.

Compliance system



TIRME, at the forefront of compliance

In 2017, TIRME implemented its **criminal compliance model** in accordance with **regulation 19601 (Criminal Compliance Regulation)**. TIRME's efforts in this area have been acknowledged and rewarded by AENOR. It is the first company in the Balearic Islands to receive this certification and the first in Spain in the waste management sector. The Regional Minister for the Environment of the Consell de Mallorca personally presented TIRME with this award.

As a result of the work carried out, a total of **500 checks** have been defined to offset the **22 criminal risks** identified and reviewed during the audit process. The certification of this model guarantees **ongoing improvements to the management system**. Likewise, TIRME has provided proof of its coherent criminal risk management model which has been **fully incorporated into the organisation**.



Understanding of the regulation and TIRME's current status in terms of criminal risk management.



Restructuring work to adapt the model.



Development of an innovative model tailored to meet the needs of the waste management sector and based on transparency and good governance.



Awareness and introduction of the model in the organisation.



Photograph taken during the AENOR awards ceremony.

Strengths highlighted in the Audit:

- ✓ "Particularly worthy of mention is the degree of detail describing the actions included in the Mitigation Plan, as well as their orientation towards achieving ongoing improvements to the criminal compliance system".
- ✓ "The painstaking work carried out using the organisation's own resources in order to identify and assess criminal risks, involving staff from all corporate areas."
- ✓ "The outstanding insight of the staff interviewed regarding the risks and controls that affect them."

Responsible and sustainable management

“ We live in the same world as you”



Ernesto Moza
Maintenance Department
21 years at TIRME

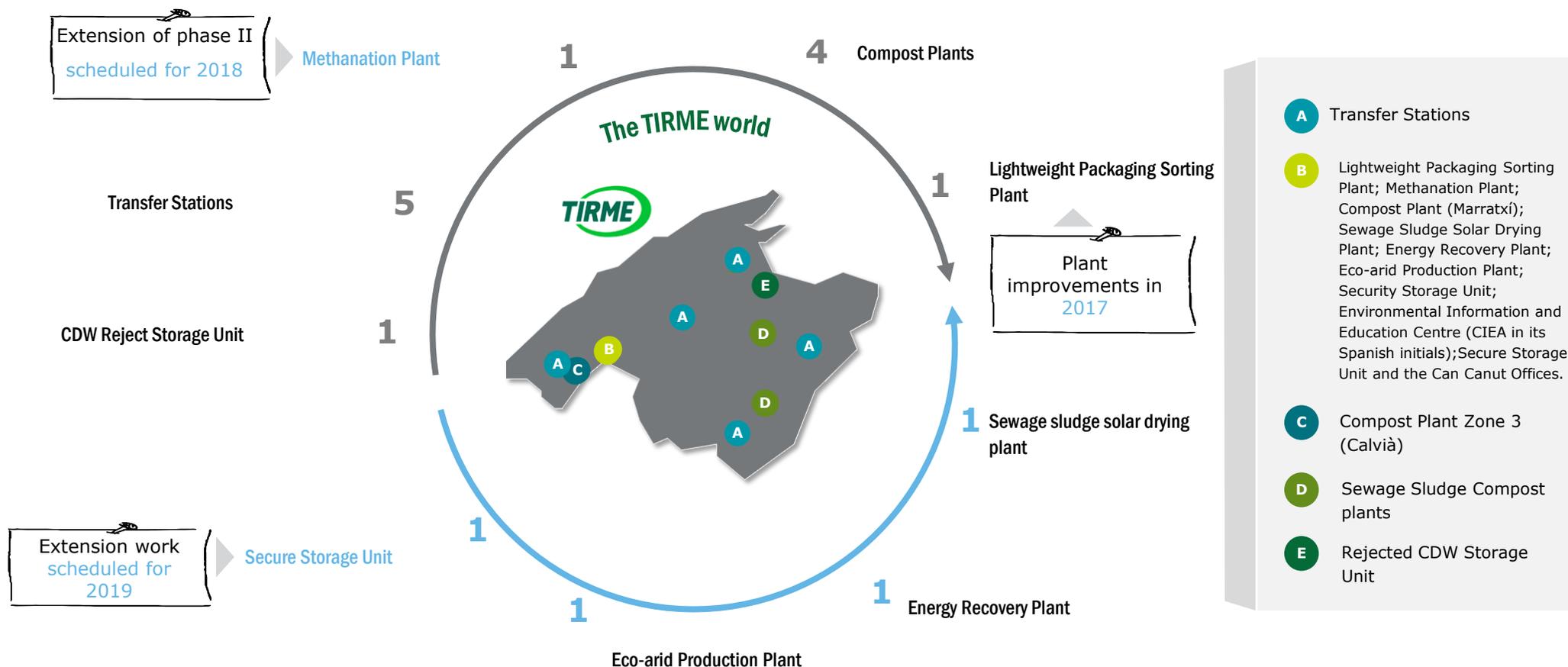


A commitment to service



Our commitment to our customers and the community on Majorca is reflected in the high standards of professionalism we apply to the services we provide, 24 hours a day, 7 days a week, 365 days a year.

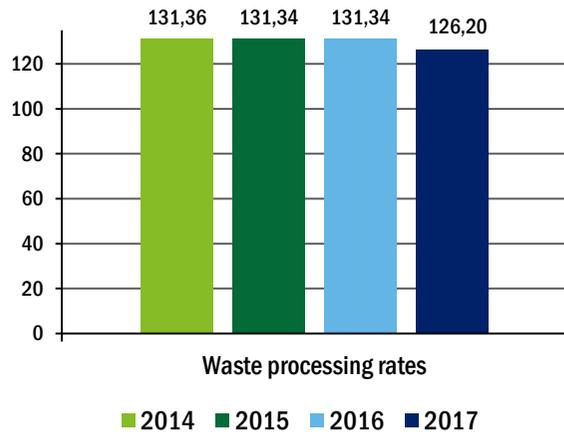
At no time in our 25 year history have we interrupted our activity. Indeed, we have worked hard each day to provide a service of the highest standard and maximum levels of contribution. We have 17 facilities strategically located around the island, all of which play a key role in providing an integral waste treatment service that complies with waste hierarchy priorities with the aim of achieving zero waste dumping. The service provided by TIRME, determined by the Majorcan Master Plan for Urban Waste (PDSGRUM in its Spanish initials), is made up of the following:



Ongoing improvements



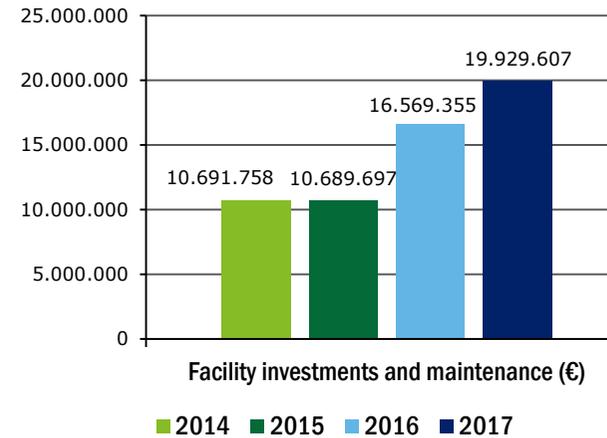
Evolution in resident waste treatment rates



We work to provide a quality service for Majorcan society that contributes added value and is economically sustainable for all.



Facility investments and maintenance €

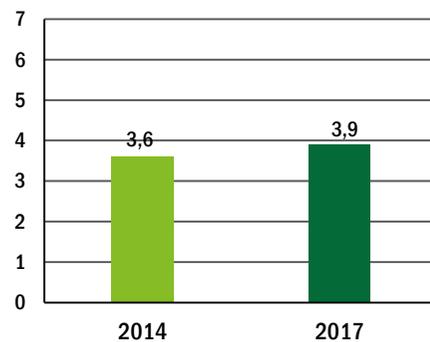


We invest in our facilities as part of our bid to remain at the cutting edge of our sector in terms of innovation and technology.

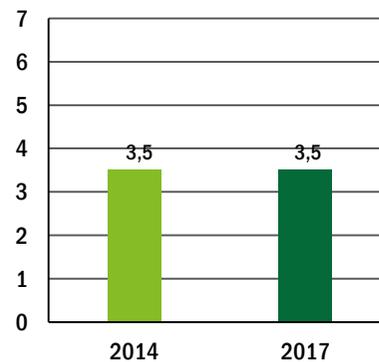


Overall satisfaction

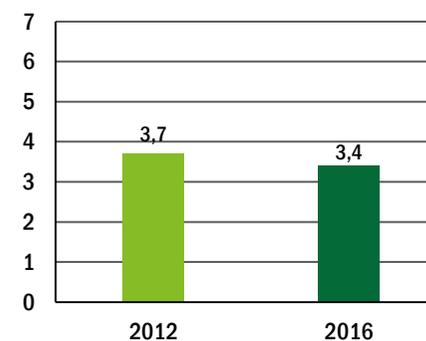
Overall satisfaction: Consell de Mallorca



Overall satisfaction: local authorities



Overall satisfaction: residents



At TIRME we are aware that working closely with the local authorities, the Consell de Mallorca and the general public is vital in order to ensure our ongoing improvement as an organisation and to continue contributing value for all.

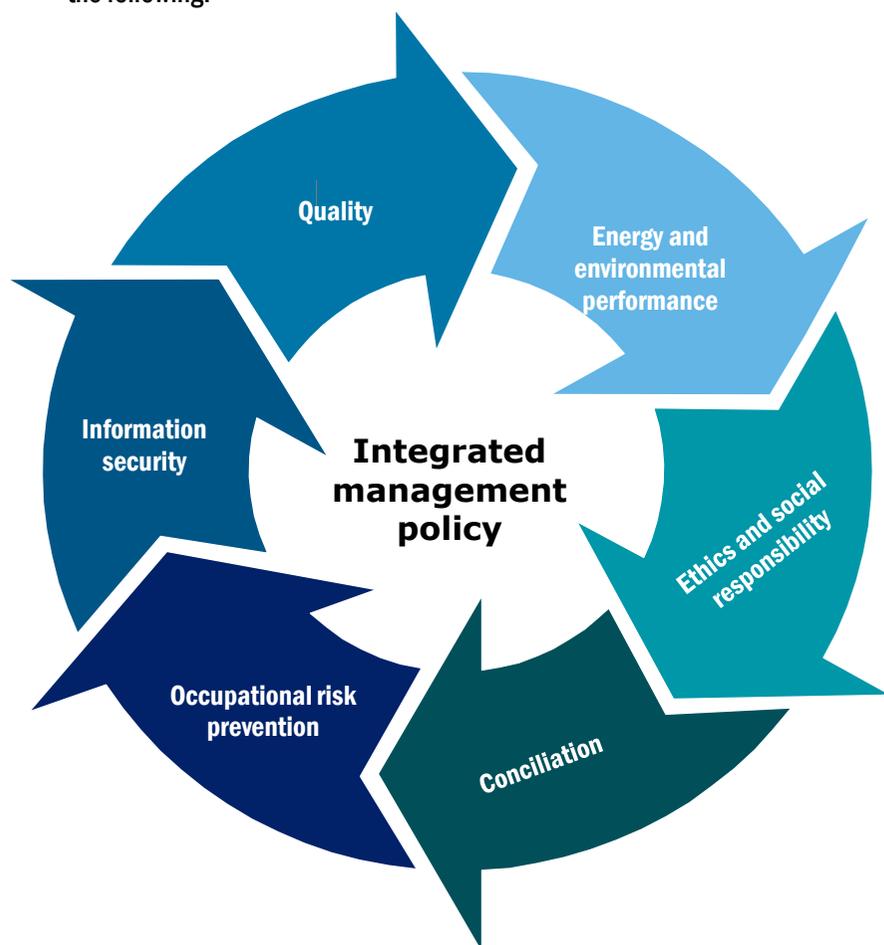
Our Integrated Management Policy

Our **Integrated Management Policy** provides a frame that enables us to continue developing a model based on the principles of **excellence, ethics, social responsibility and ongoing improvements**. We address these concepts from the perspectives of **environmental care and a work-life balance, health, safety and wellbeing for individuals**. All these principles play a crucial role in guaranteeing the long-term sustainability of our organisation.



Led by the senior management team

The commitments laid out in the Policy are initiatives launched by TIRME's senior management team, who leads actions aimed at understanding and assimilating its contents, thereby ensuring that these undertakings become part of our corporate culture. In this sense, this management policy defines our overall directives and commitments in terms of the following:



Ethics and Social Responsibility

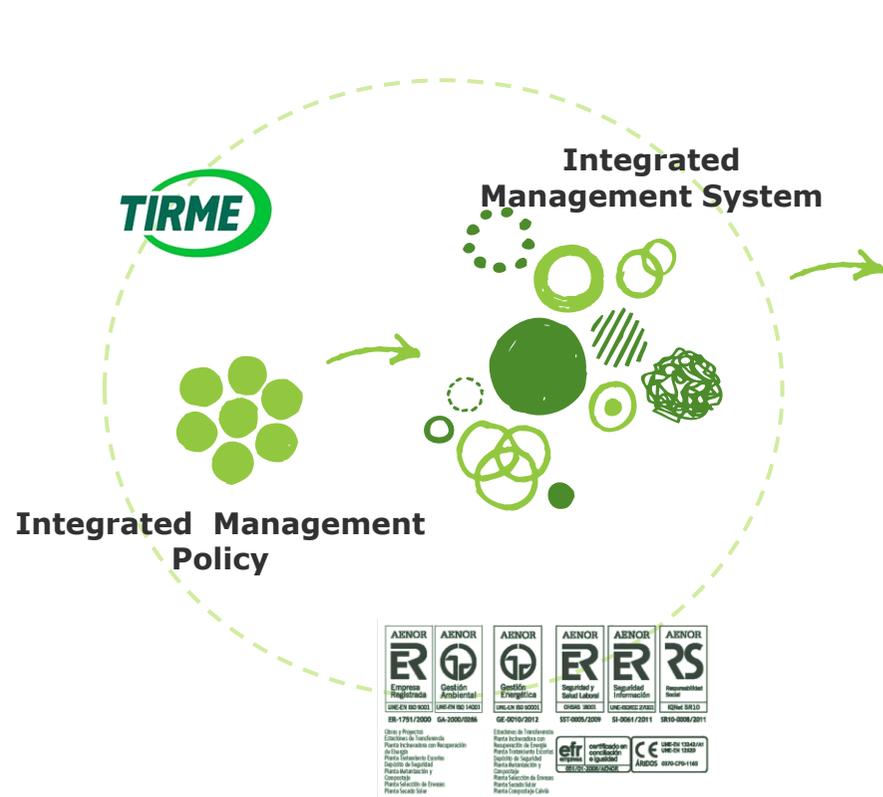
form one of the bases of our Integrated Management Policy

We have opted for a model that is committed to:

- Obtaining **positive social and economic results**;
- **Compliance** with applicable regulations
- The inclusion of the **principle of contamination prevention** in the design, execution and assessment of our projects and processes
- Protection for **our employees' health and wellbeing**
- **Equality and non-discrimination** in the workplace
- **Involvement with the social fabric** and cooperation with its development
- **Fluent and transparent dialogue** with all our Stakeholders
- Anti-corruption practices

Our integrated Management System

We have an **Integrated Management System** for the application of our **Corporate Policy**. This system defines the organisational structure and lays the foundations for the responsibilities, procedures, processes and resources necessary to handle and achieve the goals set in terms of quality, the environment, occupational risk prevention, energy efficiency, information security, the work-life balance, ethics and social responsibility.



The Integrated System has been developed in accordance with the following international standards:

- ✓ UNE-EN-ISO 9000 (Quality)
- ✓ UNE-EN-ISO ISO 14001 (Environment)
- ✓ OHSAS 18001 (Occupational Health and Safety)
- ✓ FRC1000-1 (Work-life balance and Equality)
- ✓ IQNet SR 10 (Social responsibility)
- ✓ UNE-ISO/IEC 27001 (Information security)
- ✓ ISO 50001 (Energy management)
- ✓ UNE 19601 (Criminal compliance)

An integral System

TIRME



Our facilities

Environmental Information and Education Centre

'Can Canut' Offices

Transfer Stations

Lightweight Packaging Sorting Plant

Methanation Plant

Compost Plants

Sewage Sludge solar drying plant

Energy Valorisation Plant

Secure Storage Unit

Eco-arid Production Plant

Santa Margalida Reject Storage Facility



Environmental Information and Education Centre

In addition to its waste treatment plants, TIRME also manages the Environmental Information and Education Centre; a space for training and dissemination activities, as well as citizen awareness raising actions.

As part of the guidelines defined in the Majorcan master Plan for Urban Waste (PDSGRUM in its Spanish initials), TIRME undertakes to carry out awareness raising and environmental education campaigns, as well as to encourage visitors to tour our facilities.



'Can Canut' Offices

Also known internally as the 'Cases de Can Canut' these facilities house TIRME's head offices, where the administrative work takes place.



Transfer Stations

Reception and compacting of waste from peripheral areas for their later transfer to treatment facilities, thereby cutting the number of lorries on Majorca's roads and greenhouse gas emissions by reducing the number of journeys and maximising the tons transported on each leg.



Lightweight Packaging Sorting Plant

Reception of packaging waste obtained from selective waste collection and later reuse thanks to the recycling of the various materials. Waste is sent from the islands of Majorca, Ibiza and Formentera.

An integral system

TIRME



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Methanation Plant

Biogas is produced by fermenting the organic waste obtained from selective municipal collection and the waste generated by specific producers and from has a high methane content which is used to generate 100% electric energy using a generator. Waste Water Treatment Plant sludge. Biogas



In 2017, plans were drawn up for an ambitious action to extend the methanation process (phase II) and double the capacity for treating selectively collected organic matter.



Compost Plants

Compost production based on the organic fraction of urban waste, from material decomposed in the methanation plant and/or Sludge from the Waste Water Treatment Plants, with the use of vegetable fraction used as a structural material.



Sewage Sludge Solar Drying Plant

The drying and decomposition of sludge using solar radiation in order to obtain a biofuel with sufficient calorific value for its thermal treatment in the Energy Recovery Plant. In addition to solar radiation, the heat from the residual energy from the biogas engine is used.



Energy Recovery plant

This plant guarantees the efficient recovery of waste energy, which is 50% renewable. Associated with this facility is the Secure Storage Unit for stabilised ash and an Eco-arid Production Plant.

An integral system

TIRME



Our facilities

Environmental Information and Education Centre

Can Canut' Offices"

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Eco-arid Production Plant

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Secure Storage Unit

A storage site with double waterproofing, a work drain and safety drain, used to store fly ash and waste from the treatment of gases produced during the incineration process, once it has been stabilised with a cement mix .



Eco-arid Production Plant

A facility where incineration slag is processed in order to obtain a secondary arid (a raw material used in civil engineering works) and to separate the (ferric and non-ferric) metal fraction for later reuse.



An eco-arid storage site was constructed in 2017 to supply large-scale consumers of this sub-product.



Santa Margalida Reject Storage Facilities

A site to store reject materials generated at the treatment plants included in the sector Master Plan for managing construction and demolition waste. There has been practically no activity at this site in recent years, thanks to the increased capacity of the Energy Valorisation Plant.



Operations at this facility recommenced in May 2017 to handle plaster obtained from the selective CDW collection.

Strategic challenges

“ We work each day to make this island a better place...because we love it as much as you do”



Strategic planning

At TIRME, we work to ensure the long-term sustainability of our business, seeking ways to contribute the know-how acquired throughout our long-standing experience in waste management to **the move towards a circular economy**. In this sense, it is vital to regularly **review and reformulate our mid and long term strategies**, ensuring that they are fit for **the real situation of our business and the needs of our environment**.



One of the bases of this model is to **integrate the needs of all our Stakeholders** into our operations.



Stakeholder **needs** are **classified and prioritised**, in line with our **strategic goals**. Each one is assigned to the various processes we carry out at TIRME.



Our strategic plans are drawn up at regular intervals. They are based on a **sharing model** in which both the organisation's various management areas and our Stakeholders take part.



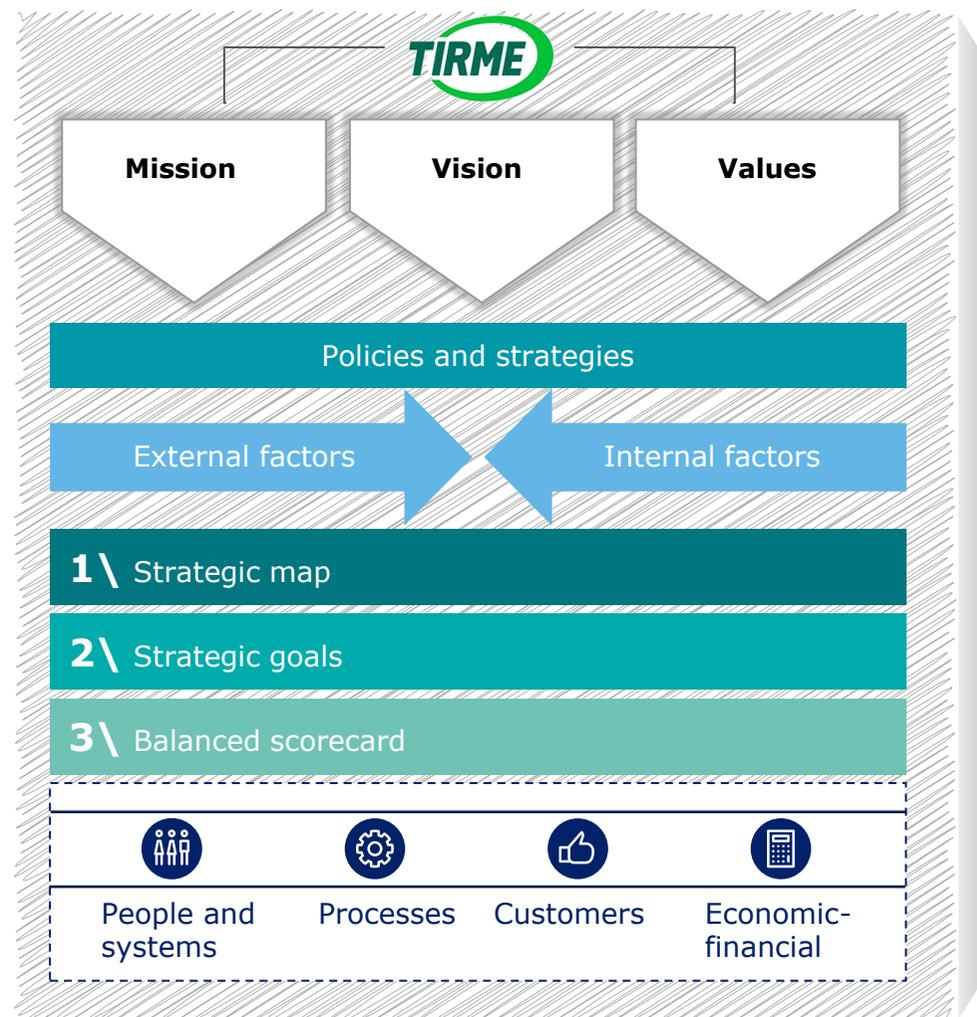
Once the strategic goals have been defined, a series of action lines are drawn up, which allow for the transversal deployment of the organisation's **Mission, Vision, Culture and Policy**.



Each strategic line has a series of **specific action plans**.

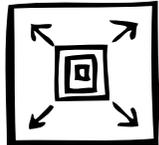


The result of this procedure is a **strategic map** detailing the goals and specific actions that will enable us to achieve them, divided by activity area.



Strategic planning

Degree of compliance – 2014-2017 Strategic Plan



The Strategic Plan lays the foundations for all our actions. Once the 2014-2017 Strategic Plan has ended, it is essential to assess **the extent to which the goals set at the start of the period have been met**, acknowledging **our achievements**, but also identifying those areas where there are still **opportunities for improvement**.

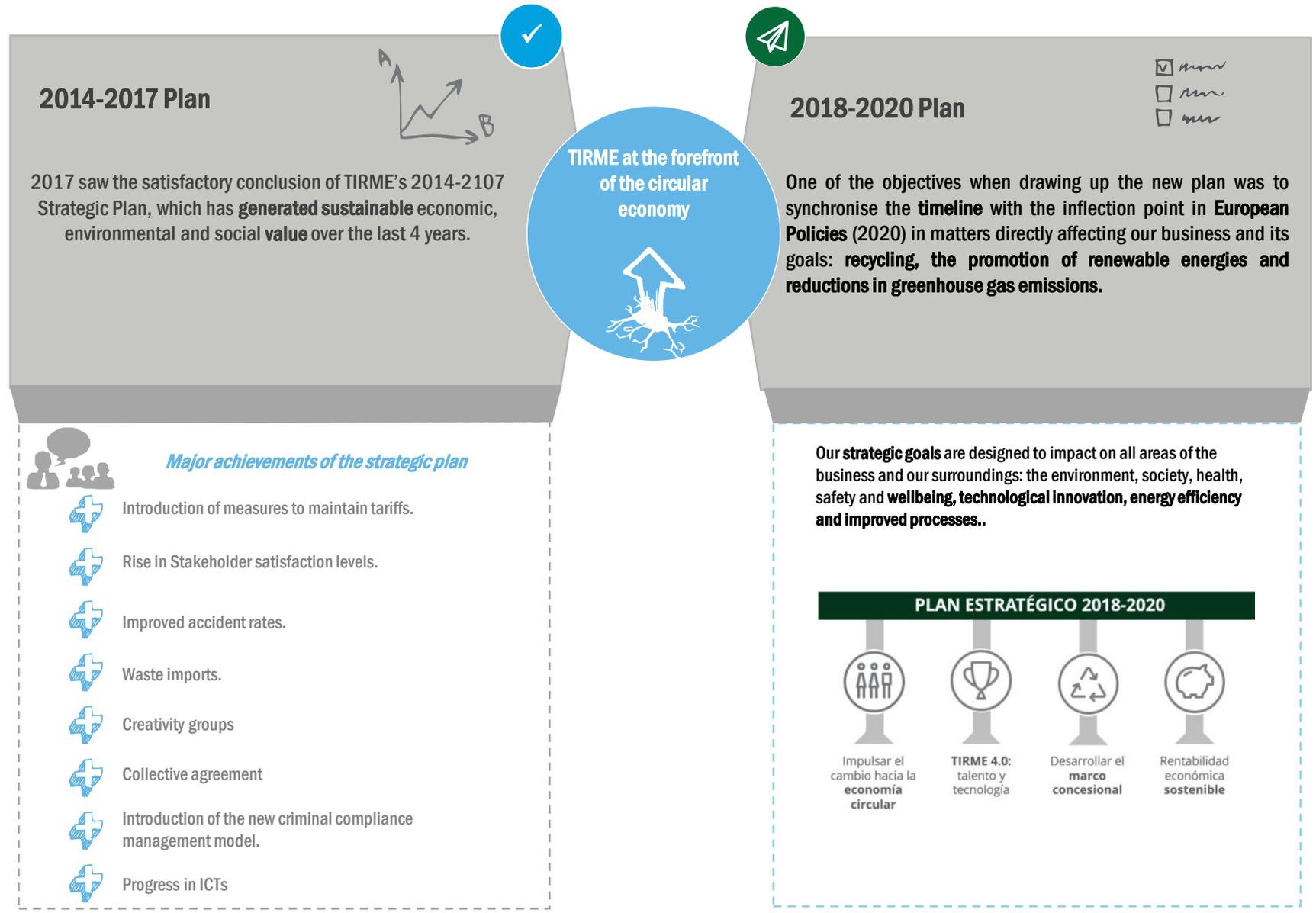


The structure of the plan, which includes quantifiable indicators, enables us to measure performance in a structured and reliable manner. This reflection is also a key source of information when designing the next strategic plan.

Indicators	Value objective	Value achieved	Period	Status
Degree of compliance with strategic planning	80%	74%	2014-2017	☹️
% of goals shared between management areas / departments	80%	93%	2014-2017	😊
% with personal goals and assessment mechanisms linked to the strategic map	80%	100%	2017	😊

Strategic planning

2017, a year of strategic transition at TIRME



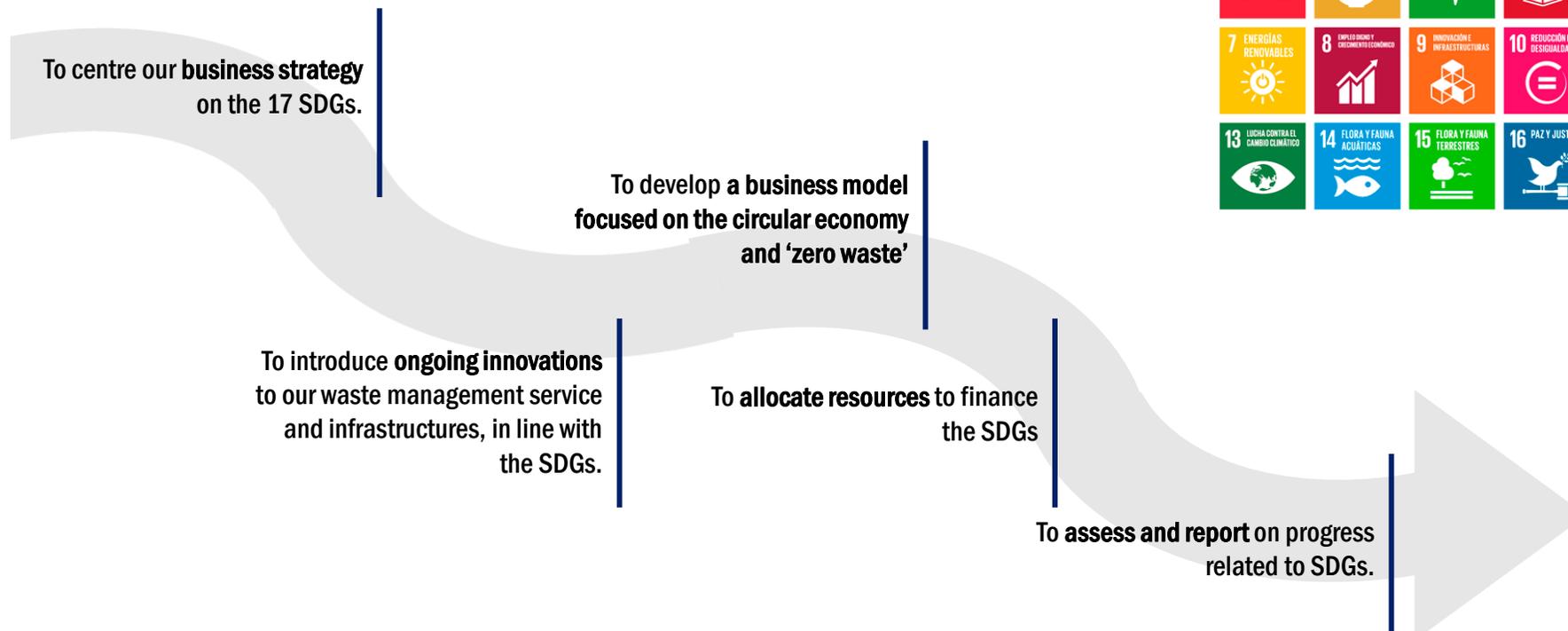
Contributing to Sustainable Development Goals

In line with its values of responsibility and contributing to society and the environment, this year TIRME introduced specific initiatives aimed at contributing to each of the SDGs (Sustainable Development Goals), linking them to the core concepts of its 2018-2020 Strategic Plan.

Our Circular Economy and Sustainable Development Office monitors TIRME's work to achieve these goals, ensuring that the actions included in the Strategic Plan are conducted in line with the **United Nations 2030 Agenda**.

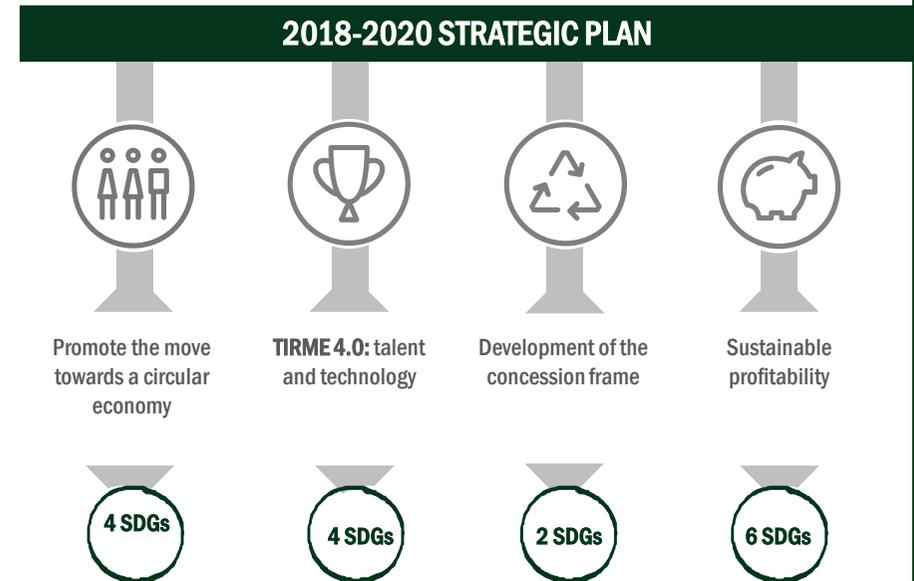
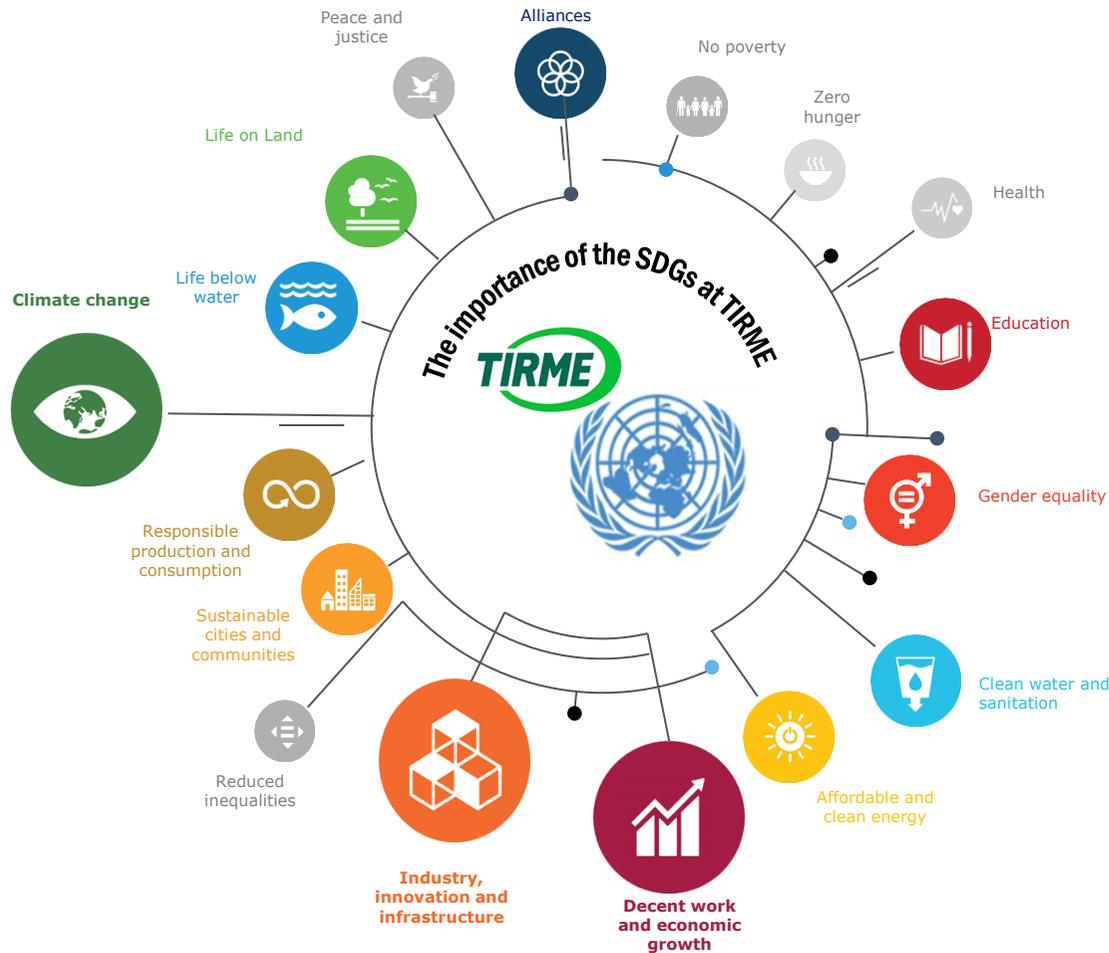
In September 2015, the United Nations (UN) passed the 2030 Agenda for Sustainable Development, which includes the Sustainable Development Goals (SDGs).

Our strategy in terms of the SDGs:



SDGs at TIRME

At TIRME, we believe that the best ways of incorporating and developing the sustainable development goals into organisation is to adopt an integrated approach in line with the bases of the organisation's Strategic Plan.



SDGs at TIRME

2018-2020 STRATEGIC PLAN



Promote the move towards a circular economy

12 PRODUCCIÓN Y CONSUMO RESPONSABLES



At TIRME we encourage sustainable management and the efficient use of natural resources by introducing actions aimed at the prevention, reduction, recycling and reuse of the waste generated by our activity **(TIRME and environmental management)**

14 VIDA SUBMARINA



The fact that our activity takes place in the Balearic Islands means that the marine environment is of vital importance. We therefore work closely with other organisations for the prevention and significant reduction of pollution in the Mediterranean. **(Contribution to society)**

13 ACCIÓN POR EL CLIMA



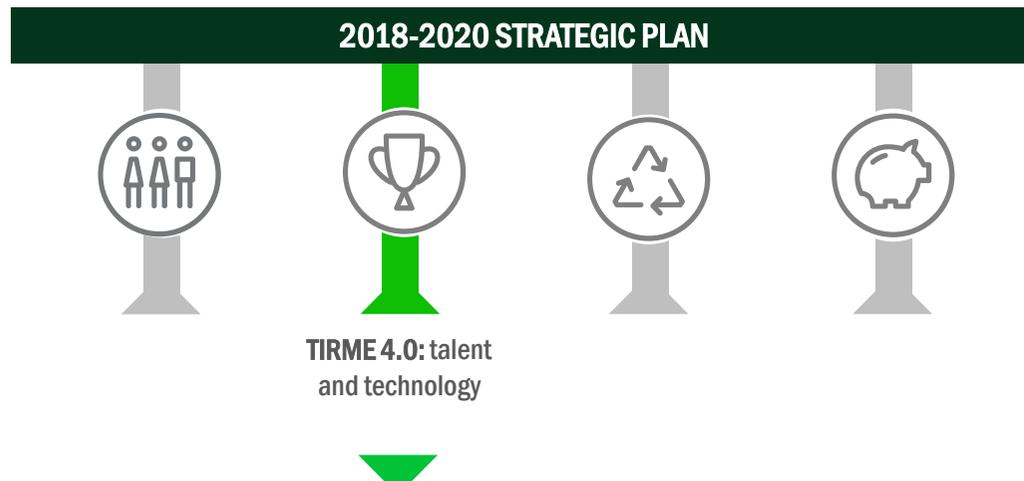
At TIRME we are aware of the crucial role we play in promoting education, awareness and human and institutional capacity to offset the impact of climate change, adaptation to it and early warnings. In this sense, we proactively include measures to combat climate change in our policies, strategies and nationwide plans. **(TIRME and environmental management)**

15 VIDA DE ECOSISTEMAS TERRESTRES



At TIRME we have undertaken to apply specific measures to minimise the impact of our activity and prevent the degradation of natural habitats, working to preserve the biodiversity of the island of Majorca, where our activity takes place. **(TIRME and environmental management)**

SDGs at TIRME



TIRME is aware of the importance of developing local talent in order to sustain its activity over time. In this sense, we promote internal and external training activities, and also work with schools and other centres of education to guarantee the training of future talent. **(People development)**



TIRME is committed to working for the benefit of the local economy, financial growth and the creation of decent work for all, through investments in technology and innovation and the promotion of sustainable tourism and local products as a source of employment. **(People development)**

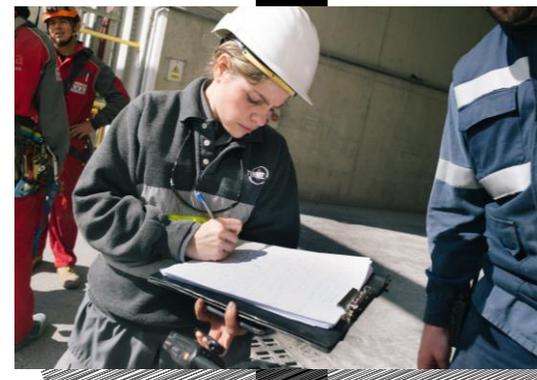
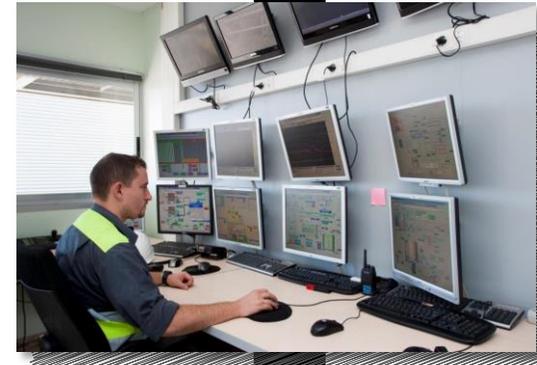
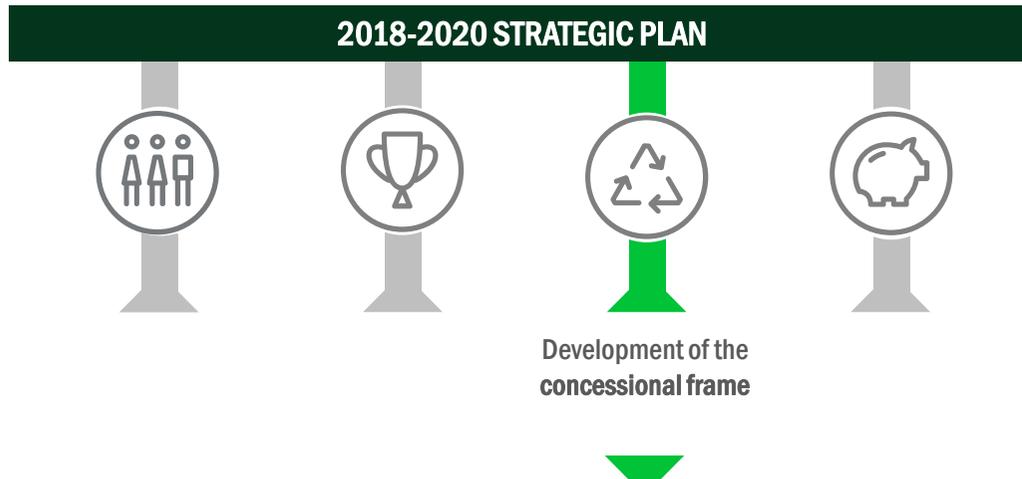


We guarantee the full and effective involvement of women and equal opportunities for leadership at all decision-making levels. **(People development)**



The use of technology, together with the dedication of our team of highly-skilled professionals, are key factors in developing a business model that can be sustained over time both in economic and environmental terms. **(Innovation and technology)**

SDGs at TIRME



We apply innovation and technology to all our processes and infrastructures, applying best practices to our business and waste management activities. Our aim is to provide optimum standards of service for Majorca's community, in line with the action guidelines defined by the Consell. **(Innovation and technology)**



The sustainability of TIRME's business activity is guaranteed by the effective management of its relations and alliance with the Consell de Mallorca, local authorities and municipalities, as well as the business fabric and society in general. **(Responsible and sustainable management)**

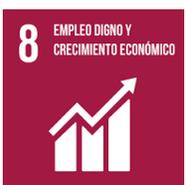
SDGs at TIRME



6 AGUA LIMPIA Y SANEAMIENTO
TIRME is aware of the need for the correct management of water resources in order to prevent future shortages. It is therefore committed to introducing the integrated management of water resources to ensure their effective management, maximising reuse and reducing contamination levels. **(TIRME and environmental management)**



7 ENERGÍA ASEQUIBLE Y NO CONTAMINANTE
TIRME knows that energy plays a key role in sustainable development and that it is important to support initiatives for research and development into clean energy. We are therefore committed to achieving yearly increases in the proportion of renewable energies used for our processes, as well as to adopting measures that will make our activity increasingly energy efficient. **(TIRME and environmental management)**



8 EMPLEO DIGNO Y CRECIMIENTO ECONÓMICO
We believe that economic diversification and innovation are crucial in order to achieve sustained economic growth. Our list of priorities therefore includes creating local employment and integrating people at risk of exclusion, as well as promoting economic growth in all those areas where our activity takes place. **(Supply chain management)**



9 INNOVACIÓN E INFRAESTRUCTURAS
Creating modern infrastructures and efficient processes is essential in order to secure long-term profitability, whilst abiding at all times with our values based on care for the environment and the local community. **(Innovation and technology)**



11 CIUDADES Y COMUNIDADES SOSTENIBLES
Our activity plays a key role in creating sustainable cities. One of TIRME's key priorities is to guarantee ongoing quality service for all Majorca's municipalities, providing efficient waste management and minimising any negative impacts (spills, odours, noise, etc.). **(TIRME and environmental management)**



12 PRODUCCIÓN Y CONSUMO RESPONSABLES
Responsible management and the efficient use of natural resources lies at the heart of TIRME's corporate philosophy. This management approach is one of the key measures for guaranteeing the long-term profitability and sustainability of our business. **(TIRME and environmental management)**

Innovation and technology

“ We seek solutions
and improvements”

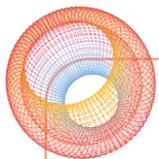
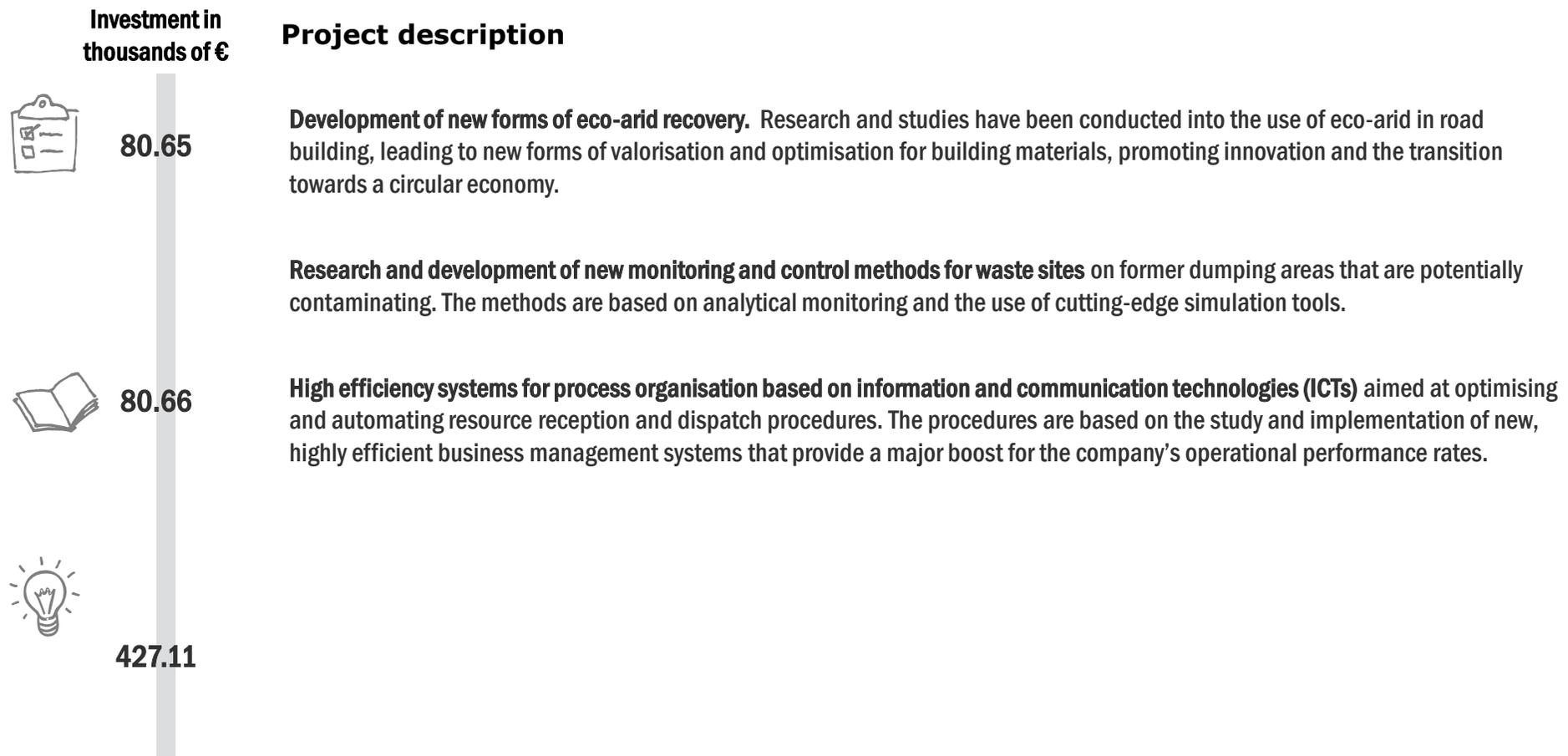


Completed projects

In line with its commitment to sustainable development and innovation, each year TIRME allocates major resources to the development of new processes, the implementation of state-of-the-art technologies, the **development of new products in order to boost its competitiveness, benefit the local population and improve social well-being, as well as increasing knowledge and know-how in all its areas.** What follows is an overview of the principal projects carried out by the company in 2017. It must be stressed that the budgets are approximate and include 2017 expenditure only. Investments for each project are pending validation and are currently submitted for R&D&I accreditation by an ENAC (Spain's accreditation agency) certified body.

	Investment in thousands of €	Project description
	513.28	A new high-efficiency waste recovery system (Methanation phase II) A new organic waste treatment system with a high response capacity, able to cope with the sharp seasonal hike in Majorca's population. The system allows for new degrees of recovery for organic products, contributing greater added value and offering outstanding application potential.
	417.43	Development of an innovative process for separating and sorting lightweight packaging for the recovery of highly selective plastic fractions and a degree of automation capable of offering differentiating percentages of effectiveness. The aim is to provide an optimum response to the sharp variations in the quality of incoming waste due to seasonal fluctuations in Majorca's population levels.

Completed projects



TIRME assigns an internal figure to each project, responsible for promoting, initiating, overseeing and reporting on the progress of the R&D&I project in question.

TIRME and environmental management



Biodiversity



One of TIRME's primary concerns is to care for our island, working to conserve its ecosystems and environmental capital. In 2017 our efforts were channelled towards **the conservation of marine biodiversity**, a vital ecosystem for Majorca and its biodiversity.

In December 2017 an agreement was signed with the **Palma Aquarium Foundation** to promote environmental conservation and protection as well as marine biodiversity. Both parties to the agreement undertook to introduce joint actions in the following areas: the responsible treatment of urban waste; raising awareness amongst society with campaigns centred on sustainable habits and measures; the introduction of cutting-edge technologies in waste management processes, encouraging innovative and creative ideas; promoting the recovery of endangered species and the restoration of damaged ecosystems.

Natura Parc Foundation

We support the **Natura Parc Foundation** and its project to monitor the **red kite**, a bird in danger of extinction in the Balearic Islands. The initiative consists of ringing the offspring of this bird in order to collect data regarding their location and habitats, and therefore detect the problems that are putting this autochthonous species in danger.

Our collaboration has allowed the project to be extended over time and has provided the Foundation with additional resources for this initiative, which will improve the monitoring of this protected species.

Restoration of Son Noviet

The environmental process of the **Plan for the environmental and landscape recovery** of the **Son Noviet** quarry in Petra has now been completed. The project includes a complete inventory of key factors for the site and its environment, including details of the various biophysical and socio-economic characteristics, as well as the landscape, land uses, definition of the natural spaces and protected species, urban planning and other territorial factors requiring consideration.

At the service of the environment

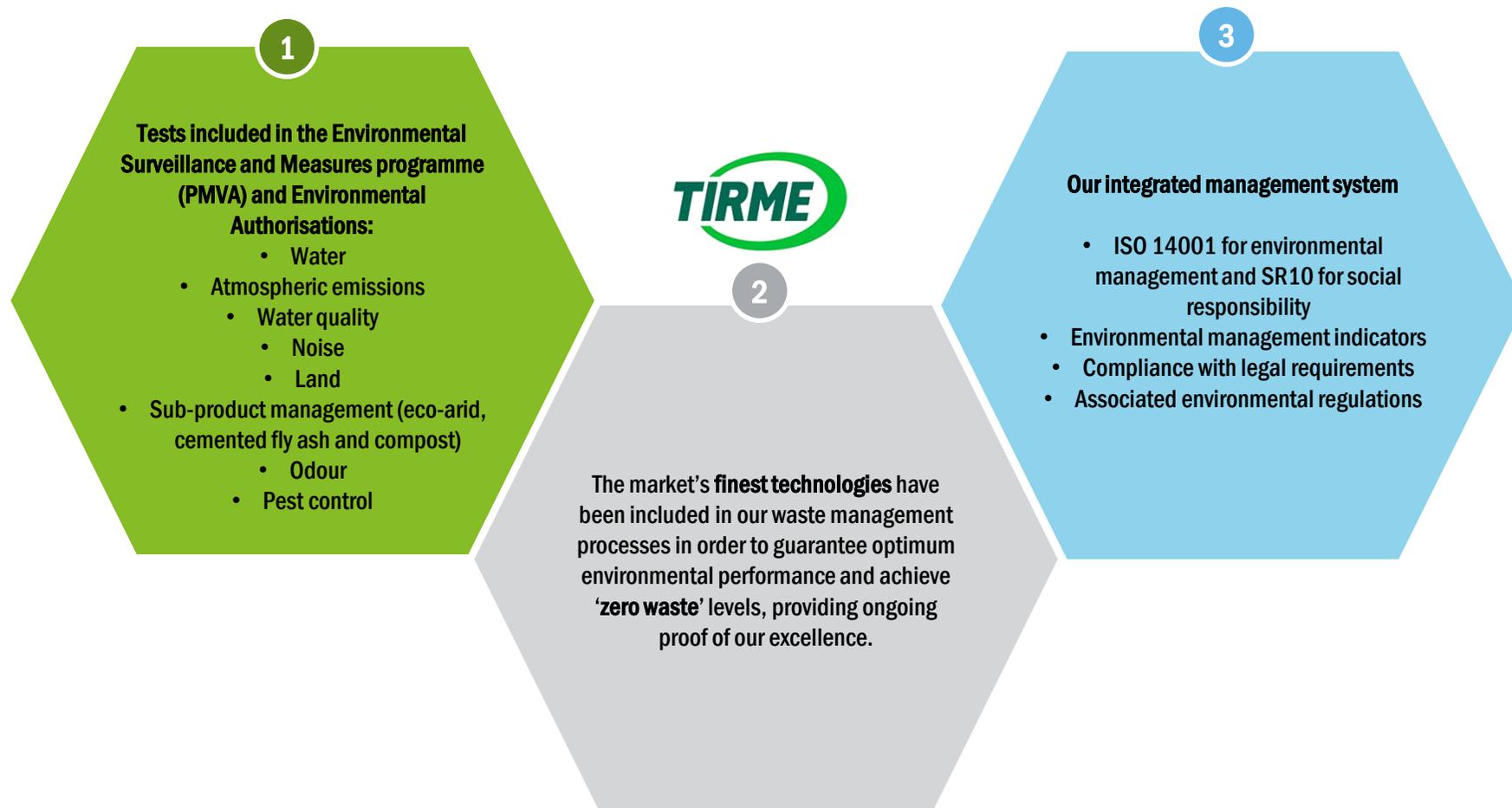
The essence of our mission is to contribute to the conservation of Majorca's environment.

Conserving our island and its rich environmental heritage is TIRME's number one priority in our day-to-day activity and the first variable for consideration when taking operational decisions.

In view of the nature of TIRME's business model, our main goal is to maximise reuse of the waste generated, eventually reaching a full circular economy model capable of guaranteeing Majorca's strategic objective of 'zero domestic waste'.



At the service of the environment



At the service of the environment



Environmental Surveillance and Measures Programme

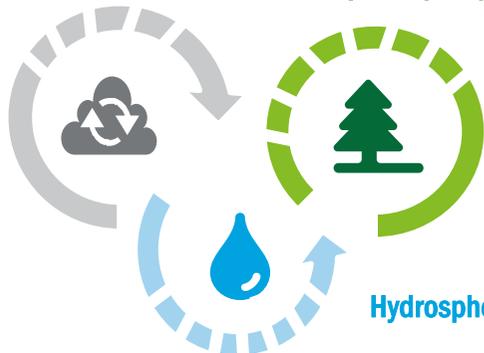
TIRME has drawn up an Environmental Surveillance and Measures Programme (PMVA in its Spanish initials) that defines the strategic concepts for the ongoing surveillance of environmental quality of the areas where the various waste treatment facilities are located.

The environmental surveillance measures to be applied include the monitoring of various contaminating elements and their mobility between the three environmental compartments: the atmosphere (air); lithosphere (land); and hydrosphere (water). As a result, any impact and possible consequences for the local population and the environment in the catchment area can be measured.

Each year, we assess and monitor the overall evolution of the impact time TIRME's activity has on its immediate surroundings, measured against the starting point (prior to the start of operations at the various facilities).

Atmosphere (air)

Lithosphere (land)



Hydrosphere (water)

Zones	Affected municipalities	Plants of facilities set up in each zone
Zone 1	Son Reus - Palma Can Canut - Marratxí	Lightweight Packaging Sorting Plant Compost Plant Methanation Plant Energy Recovery Plant Eco-arid Production Plant Secure Storage Unit for Cemented Fly Ash
Zone 2	Santa Margalida	Reject Construction and Demolition Waste Storage Unit
Zone 3	Calviá	Compost Plant
Zone 4	Ariany	Compost Plant for WWTP sludge
Zone 5	Felanitx	Compost Plant for WWTP sludge
Transfer stations	Affected municipalities	
Nord	Alcudia	
Centre	Binissalem	
Llevant	Manacor	
Ponent	Calviá	
Sud	Campos	

Emissions and air quality



The volume of emissions produced by treatment operations will vary in accordance with the amount of waste handled over the year. Our facilities are equipped with the gas treatment systems necessary to minimise these emissions, guaranteeing that they are within the regulation limits at all times.

TIRME monitors the emissions of the most significant contaminating agents for each **waste treatment procedure** (HCl, CO, NO_x, SO₂, particles, TOC, HF, metals, dioxins and furans (NH₃, H₂S, etc.). As for the type of controls conducted, some are ongoing, thanks to analysers installed in the chimneys (measured by accredited bodies), whilst others are carried out at regular intervals during compulsory inspections by an accredited Authorised Control Body (OCA in its Spanish initials).



Sulphur oxide emissions (SO_x/SO₂) from TIRME treatment procedures (kg per year)

2015	2016	2017
35,147	34,159	39,590

Nitrogen oxide emissions (NO_x/NO₂) from TIRME treatment procedures (kg per year)

2015	2016	2017
269,793	251,422	258,986

Emissions of particles in suspension (PM₁₀) from TIRME treatment procedures (kg per year)

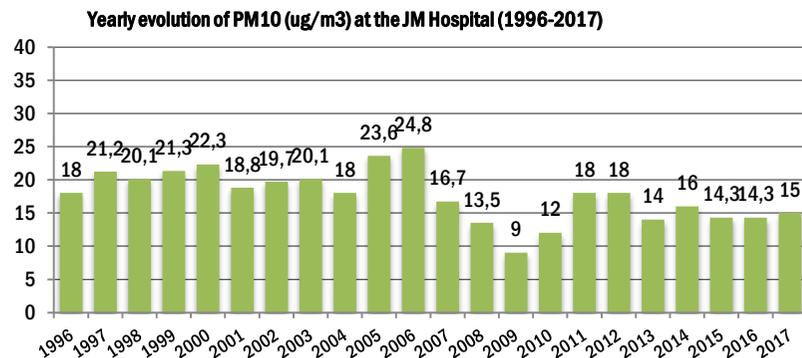
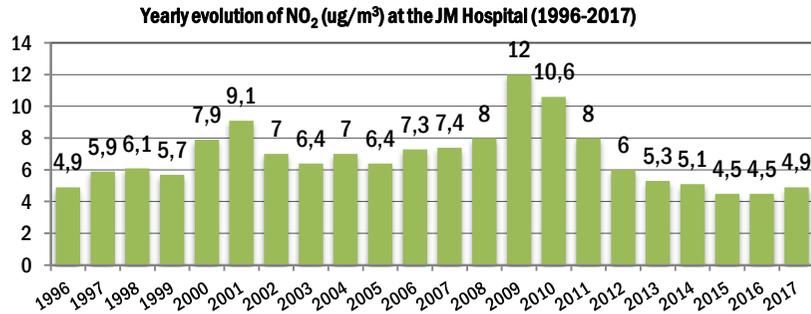
2015	2016	2017
1,617	1,380	1,537

Emissions and air quality

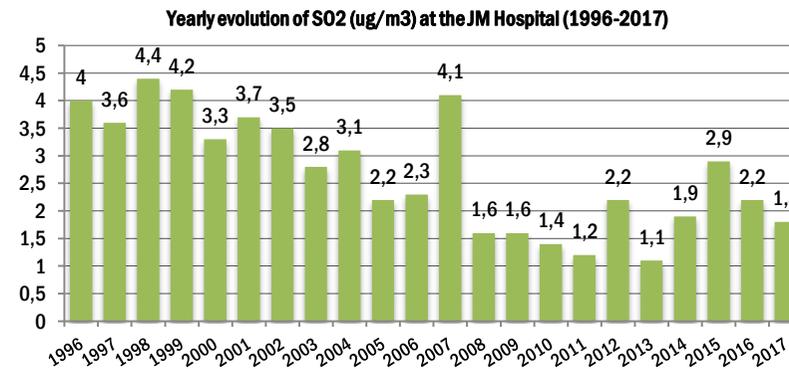


We constantly monitor the air quality in the vicinity of our facilities

In addition to measuring its atmospheric emissions, TIRME carries out air quality checks in the vicinity of its Zone 1 facilities to ensure that its emissions do not have any significant impact. Two stations constantly monitor compliance with the parameters determined by law (SO₂, NO₂ y NO_x, O₃, PM₁₀, PM_{2.5}, H₂S and meteorological data). The stations are connected in real time with the Atmosphere Department of the Balearic Island Government's Regional Ministry of Territory, Energy and Mobility and also form part of the Balearic Islands' Air Quality Surveillance Network, which in turn is included in the Spanish and European networks. Regular campaigns are also run for those parameters that cannot be measured constantly, such as Polycyclic Aromatic Hydrocarbons (PAHs) and fine (PM_{2.5}) and coarse (PM₁₀) fraction particle heavy metals.



The fact that these checks have been conducted since before the start of operations at the facilities (zero point) has enabled us to conclude that the waste facilities do not impact on the area's air quality, as shown in the contaminating element evolution graphs (based on data starting from 1996).



Land and subsoil tests



► Our facilities have been designed to prevent negative impacts on the land and groundwater.

TIRME carries out **regular controls** to reduce the risk of negative impact of its waste management activities on the land.

The Environmental Surveillance and Measures Programme has allowed for the identification of 13 points in Zone 1 which are the object of regular controls, analysing heavy metals, dioxins and furans..



The map shows the 13 points where regular tests are carried out.

In addition, TIRME draws up specific Land Base Reports for those facilities that require this information. Land reports have been completed for the sites of the following facilities: the Energy Recovery Plant; Secure Storage Unit; Eco-arid Production Plant; Zone 2 Reject Waste Storage Unit; Sludge Solar Drying Plant; Methanation Plant; and Zone 1 Compost Plant.



In 2017 it was further confirmed that TIRME's facilities and activity has not impacted negatively on the land.

Every 5 years, TIRME tests the subsoil in various areas where its facilities are locate: Zone 1 (Son Reus - Can Canut) and Zone 2 (Santa Margalida). These tests are carried out using drilling and sounding methods as well as sample extraction at various levels of up to 40-45 metres deep.



The next testing periods will be in 2021 for Zone 1 and 2018 for Zone 2.

Tests carried out to date have confirmed that TIRME's facilities and activity has not impacted negatively on the subsoil.

Water quality



Our facilities have been designed to minimise potable water consumption, promoting the reuse of rainwater, process water and leachates for the internal processes carried out at the waste treatment plants.

The facilities at 'Can Canut' and 'Son Reus', the main waste treatment areas, and the Santa Margalida Reject Waste Storage Unit include pools and tanks to collect and use rainwater, as well as process water and leachates. There is also a regenerated water network from the tertiary treatment of processed water. This water also replaces consumption from the water supply system.

A pipeline network connects the Can Canut area and the cement fly ash Secure Storage Unit to the Energy Recovery Plant. This further extends the beneficial impact of water collection to include the Energy Recovery Plant, which also uses water purged from its main processes for secondary processes at the same facility.

The water used for the refrigeration processes and to create the steam that drives the turbines comes from the municipal network and is pre-treated at the Wastewater Treatment Plant (WWTP), comprising filter systems, inverse osmosis and ionic exchange resins.

m ³	2015	2016	2017
Network water	184,231	193,479	177,667
Groundwater	53,803	59,321	52,789
Rain / Surface water	57,237	83,395	73,636
Externally supplied water	295,271	336,195	304,092
Reused water over total consumption	35	29	30

- Total water consumption in 2017: **608,184 m³**
- % of reused water: **30%**

Water quality



In recent years, investments have been made in projects to optimise water consumption in our processes and at our facilities:

Surplus water collection

- We collect surplus water from our production processes and also rainwater, separating the clean and dirty water.
- Our facilities are equipped with pipes and connections to mix water flows, adapting the amount and quality to the needs of each consumer.



The equivalent to the water consumed by **4,000 people over a year.**

Improvements to the hydraulic network and elimination of leaks

Full and partial meter readings are taken each day for the various production processes. Furthermore, monthly checks are carried out on consumption levels for each facility and system, analysing any possible deviations (leaks).



10-15% reduction in network water

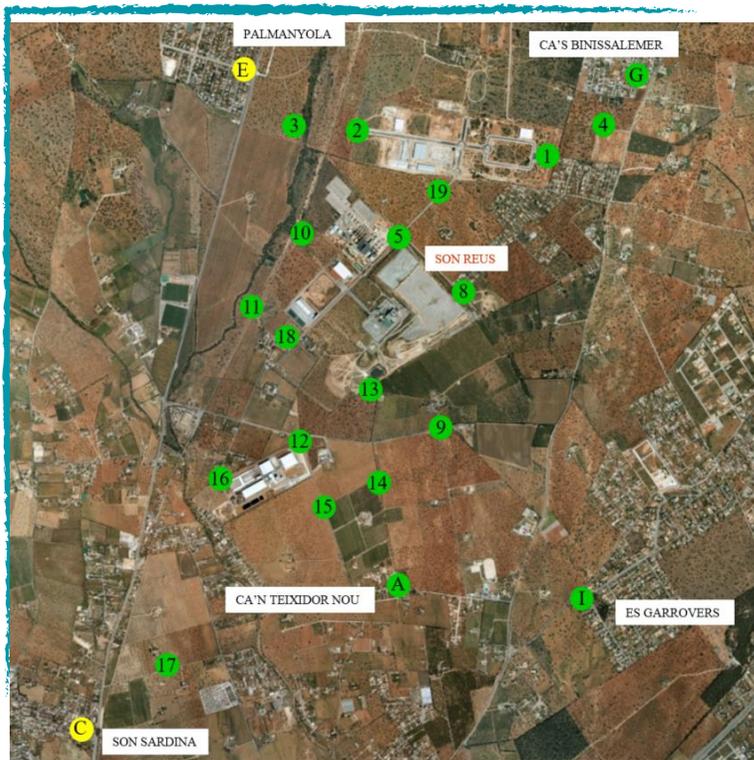
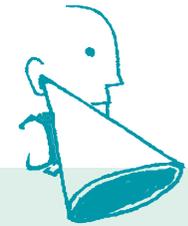
Leachate Treatment Plant

- A new Leachate Treatment Plant (LTP) to process water with a high concentration of salt and suspended solids, transforming it into better quality water for reuse in secondary processes. As a general savings measure, water from the Leachate Treatment Plant (LTP) has been reused in secondary processes at the Energy Recovery Plant.



Water savings equivalent to the standard consumption of **400 people** per year.

Noise control



The results of the noise control tests revealed that none exceeded the limit applicable to the specific measurement point.

The map shows a traffic light performance system for the measurement points : all appear in green with the exception of two, where noise levels are higher due to the noise from the road they are located on.

Regular monitoring of the noise and vibrations produced by our facilities

The nature of our work involves large-scale infrastructures that, without the appropriate management systems, may cause noise pollution. We are aware of this, and therefore our Environmental Surveillance and Measures programme includes the detailed annual monitoring of the noise produced by our facilities at 22 strategic points, thereby ensuring we cover all the areas that may be affected.

Monitoring is carried out both on working and non-working days and at various times, thereby providing an insight into behaviour patterns throughout the day. The aim is to guarantee compliance with the area's noise quality goals. Drawing from all the annual tests conducted, a year-on-year comparison is made of general trends in noise levels. TIRME also analyses the underlying reasons for these trends in order to gain a greater understanding and awareness of its surrounding area.

Our commitment to the community is based on minimizing any potential disturbance our service may cause. In this sense, our teams study possible improvements to our facilities aimed at further reducing our noise levels. We also carry out additional voluntary noise controls at our Transfer Stations in order to ensure that they also comply with the limits set.

In addition to the overall assessment of Zone 1, specific inspections are held to measure noise level compliance at the facilities holding Integrate Environmental authorization (COTIR, Methanation and Z1 Compost, the Solar Drying Plant and DRZ2).

Odour control

At TIRME we work to minimise our impact and any possible inconvenience for neighbouring residents

Due to the nature of the activity, odour impact is one of the major inconveniences of waste treatment. TIRME is committed to minimising the impact of its activity and solving any incidents related to its management. In this sense, monitoring the odours generated by our activity and minimising odours from our facilities in one of our priorities. Annual tests are carried out by an accredited body at our Zone 1 Compost Plant, the Methanation Plant and the Solar Drying Plant. These tests measure odours directly at the emission points as well as their dispersion patterns in order to obtain odour maps.

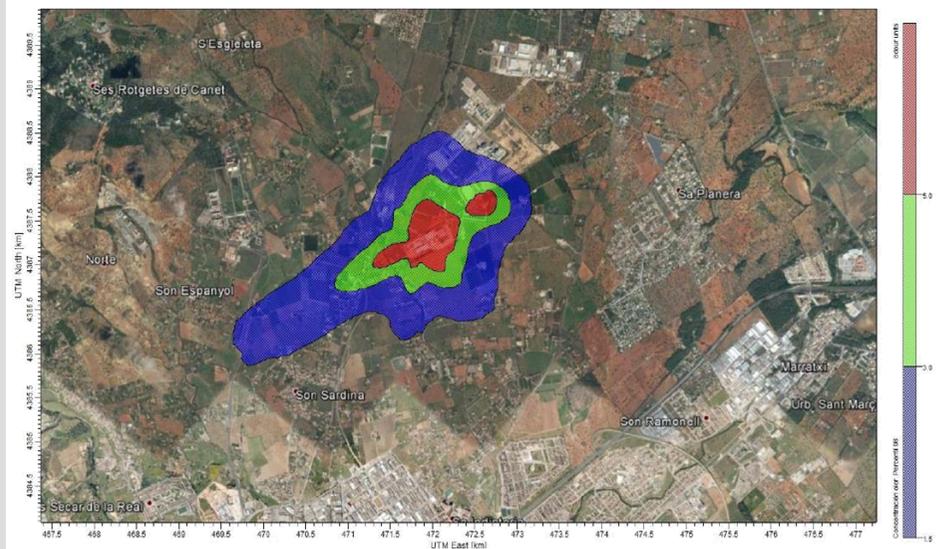
In our area of activity, the processes that generate odour depend to a large extent on weather conditions. It is therefore particularly important to conduct detailed odour test, monitoring climate conditions and maintaining ongoing communications with the community in order to provide a rapid response whenever necessary.

If a complaint is lodged, TIRME investigates the connection with the various processes we carry out in order to detect the focal point of the odour and determine the most effective solution.

This year we have worked closely with local residents in the areas where our facilities are located in order to improve our processes and minimise odour-related inconveniences.

TIRME seeks alignment with Best Available Techniques (BAT) in questions of odour control as a means of guaranteeing optimum standards of service for our community.

We use the odour map (contours indicating equal levels of odour concentration) to identify those areas where possible odour-related inconveniences may occur.



An example of an odour map, created for meta-compost in 2017 (mapping of the Can Canut area).



TIRME and the 20/20/20 Plan



20/20/20 Plan

TIRME has opted to participate in the European Union's 20-20-20 targets by launching a series of its own climate and energy measures. The 20-20-20 Plan is linked to strategic goals for driving the change towards a circular economy, TIRME 4.0: talent and technology, as well as sustainable profitability. Our aim is to tailor our energy management model, focusing on renewable energies and major reductions in our greenhouse gas emissions.

Our Strategic Plan drawn up for the 2018-2020 period includes the objective of a 15% reduction in GGE emissions by 2020, in comparison with the 2005 base value.



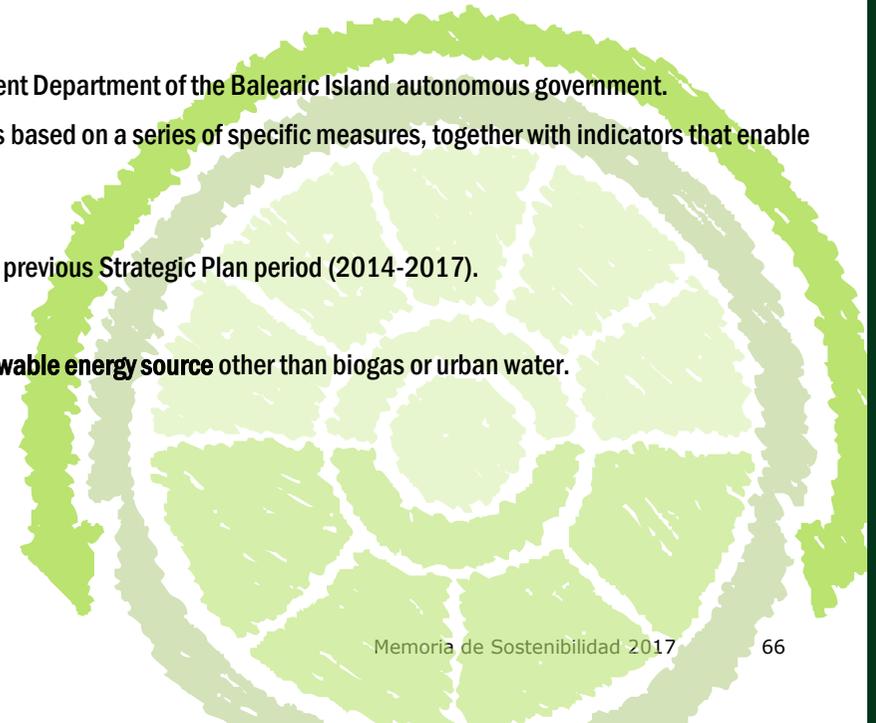
Future challenges

At TIRME we are setting increasingly ambitious goals in line with our principles of **excellence and ongoing improvement**. In order to guarantee the scope of these measures, we have defined a series of indicators that enable us to quantify the degree of achievement each year. We have set the following challenges for 2018:

1. **Carbon footprint** certification.
2. **Improvements** to the air quality control booths and weather stations.
3. Introduction of an **online** system for reporting **emission data** from the Energy Recovery Plant to the Environment Department of the Balearic Island autonomous government.

Increasing our energy efficiency to combat climate change is a key priority in the 2018-2020 Strategic Plan. This is based on a series of specific measures, together with indicators that enable us to measure the degree of achievement:

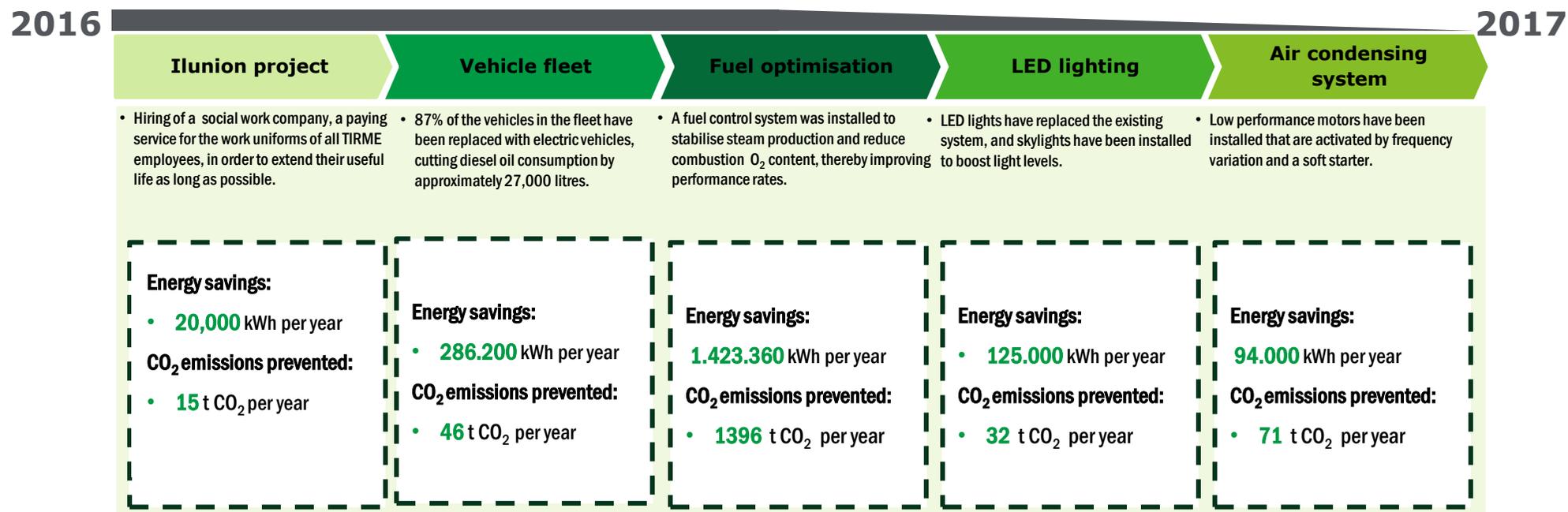
- The challenge: **2% reduction in TIRME's energy consumption ratio** in comparison with the average rate for the previous Strategic Plan period (2014-2017).
- Indicator: Reduced consumption.
- Challenge: Installation of at least an additional **100 kW** of power generated for **self-consumption from a renewable energy source** other than biogas or urban water.
- Indicator: An increase in the number of renewable energy sources.



Energy efficiency

Our energy efficiency projects

The quest for energy efficiency is an essential part of our mission. We adopt measures to ensure that renovation and alteration work to existing and new facilities always guarantees maximum operational efficiency. Accordingly, we analyse and design projects and specific measures to continue moving ahead in terms of energy efficiency.



Planned improvements

- **Phase II methanation:** in order to cope with the steady rise in selective organic matter collection planned by the Consell, extension work has been carried out on the Methanation Plant. This will double the organic matter treatment capacity and cut prior storage time to a minimum.
- To replace diesel oil with **compressed natural gas** in the fleet of vehicles used by our **regular carriers**.
- **Use of the thermal energy** generated by the biogas engine.
- Introduction of the **hygroscopic cycle system** in the Energy Recovery Plant and the use of the thermal energy it generates.
- Introduction of **photovoltaic energy** in the transfer stations and the Centre for Environmental Information and Education.
- Installation of additional **presence sensors** at our facilities.

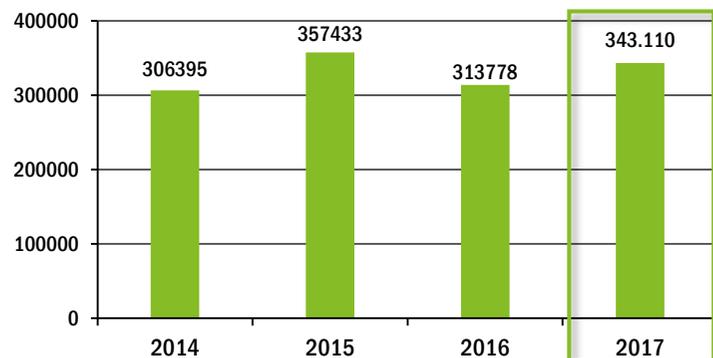
Our undertaking: responsible consumption and energy efficiency

Most of our energy consumption is attributable to the following:

- Electricity generation processes at our Energy Recovery Plant, **50%** of which comes from renewable energy (in line with Spain's National Renewable Energy Action Plan 2011-2020 (PANER in its Spanish initials).
- The biogas obtained in the Methanation Plant, **100% renewable**;
- Our photovoltaic energy generators.

Our energy performance

Electrical power generation (MWh)



■ Electrical power generation



Recovery

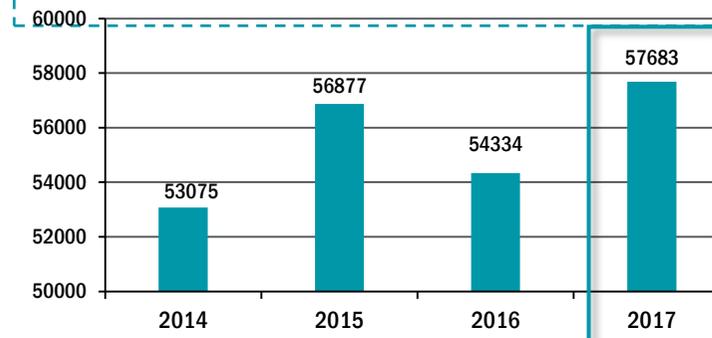


Methanation



Photovoltaic

Electrical power consumption (MWh)



■ Electrical power consumption



Waste treatment plants



Administrative buildings



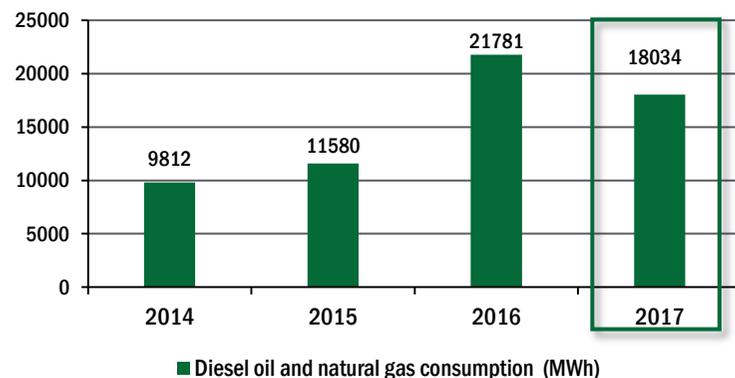
Transfer Stations

- Our major generators of electrical power are based on the waste recovery process.
- In comparison with 2016, there has been a year-on-year rise in the electric power generated, mainly attributable to the increase in recovered waste (21,686 tons more than in 2016).
- Power generation from biogas and photovoltaic energy is also on the rise.
- **50%** of the energy generated is renewable, totalling 173,259 MWh.

- There was a 5.8% rise in energy consumption over 2016, due to the increase in the total number of tons processed at the installations.
- The waste treatment plants account for the majority of TIRME's energy consumption, **98.5%** of the total.

Our energy performance

Diesel fuel and natural gas consumption (MWh)



Recovery plants

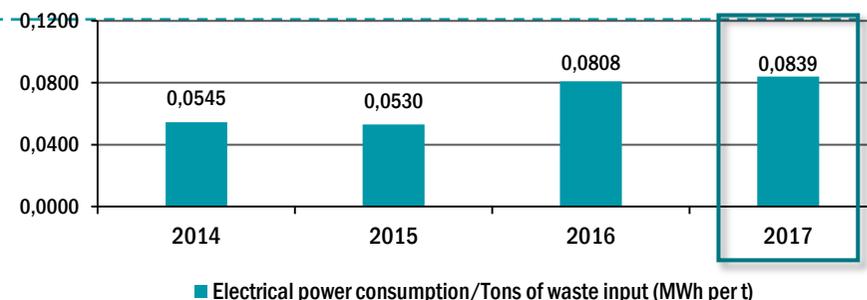


Solar Drying, Compost, Packaging
Sorting and slag,

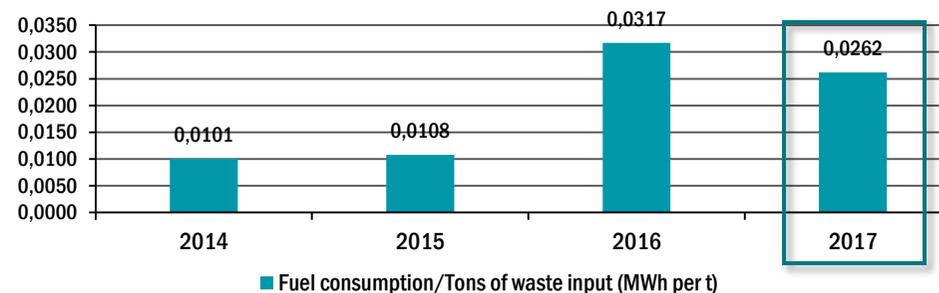
- Auxiliary fuel consumption accounts for 24% of the energy consumption.
- We are currently immersed in the transition from diesel fuel to natural gas in order to boost both our environmental and financial efficiency, which is leading to lower consumption and CO₂ emission levels.
- Good practice initiatives are being introduced in order to cut fuel consumption, based on the application of measures such as pit controls and efficient waste management.

- Operational line power consumption (electricity and fuels) by ton of waste input rose 3% in comparison with 2016.

Electrical power consumption intensity



Fuel consumption intensity



Contributing to society

“ We live in the same world as you ”



Manolo Jiménez
Maintenance
14 years at TIRME

Jaume Salom
Maintenance
20 years at TIRME



Our commitment to Majorca and its community

TIRME has a strong sense of commitment to Majorca, and is determined to build up **close and lasting relations** with its community. In this sense, we work constantly to promote **initiatives aimed at benefiting the local community**, not only financially, but also socially and environmentally, in line with our Corporate Social Responsibility undertakings.

2017 saw further confirmation of our commitment to our social action initiatives:

- ✓ **Centre for Environmental Information and Education (CIEA in its Spanish initials)**: a space for environmental awareness raising and education actions for groups.
- ✓ **Jovent Farm School**: environmental activities for children. This year's activities included two Environment Days.
- ✓ **Agreements with the Autonomous University of Barcelona and other universities** (University of Cantabria, University of Zaragoza, Tarragona, University of La Rioja) as well as technology centres and institutes, the CSIC-Eduardo Torroja Institute of Construction Science, the Centre for Public Works Studies and Experimentation (CEDEX in its Spanish initials), the French National Institute for Industrial and Environmental Risks (INERIS), Carbon-Chemical Institute): internships.
- ✓ **Participation in sector organisations, professional associations and local companies** to disseminate the sustainable development principles among the island's social fabric: ASPLARSEM (Business Association for Municipal Waste and Packaging Recovery and Sorting); AEVERSU (Business Association for USW Energy Valorization); CEWEP (Confederation of European Waste-to-Energy Plants), APD (Association for Management Progress); Cercle d'Economia, CAEB (Confederation of Balearic Island Business Associations) and more recently the IMPULSA Foundation and SECOT (an organisation dependent on the Chamber of Commerce).
- ✓ **Agreement with Sonrisa Médica**, a not-for-profit association aimed at transforming medical facilities through comedy, music and magic. TIRME signed a sponsorship agreement with Sonrisa Médica in order to provide aid for its work and to continue financing the work of professional clowns in hospitals..
- ✓ **Collaboration agreement with Inca local authority**. TIRME signed a collaboration agreement with Inca local authority to provide support for its training and employability projects for the municipality's unemployed. TIRME's contribution is based on inviting participants in these programmes to tour its facilities and also a masterclass in recruitment, staff selection procedures and access to the labour market.



Our Initiatives



The agreement with the **Deixalles Foundation** has been extended.

The objective is to promote insertion in society and the labour market for people at risk of social exclusion in the Balearic Islands.

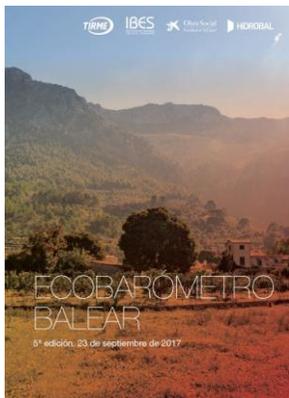


We have renewed our sponsorship agreement with Paralympic alpine skier Úrsula Pueyo.

An example for many, this outstanding Paralympic athlete is an example of drive, determination, success and teamwork, values that TIRME works to promote in its community.



TIRME will be one of Úrsula's sponsors at the 2018 Pyeongchang Winter Olympics.



TIRME has been involved in the fifth edition of the **eco-barometer**, as part of its environmental commitment to the island and insular environmental practices in general.

This year, 600 interviews were conducted with Balearic Island residents in order to gain a deeper insight into environmental awareness.

The principal problems detected remain unchanged from last year, confirmation that the major concerns are **the massification of the islands, dirt and a wasteful use of water.**



Our Initiatives



We are proud of the fact that 2017 saw the inclusion of a further measure to our environmental management system, thereby extending TIRME's action scope to include a key conservation element that is vital for the island of Majorca: **the sea.**

As we mentioned in reference to our actions in the field of biodiversity, in 2017 we signed an agreement with the **Palma Aquarium Foundation** to introduce measures aimed at improving the environment and protecting marine biodiversity.

The first action resulting from this agreement was an awareness raising campaign targeting Majorca's population in relation to the problem of plastic contamination in our oceans, which was covered by all the leading media. Awareness raising activities were also carried out through TIRME's Reciclan family and the Balearic-based organisation Clean Wave. This organisation works not only to boost awareness among the population, but also to eliminate single use plastic bottles. TIRME collaborated with the production of Clean Wave's documentary entitled '**Out of Plastic**' and purchased a batch of the bottles it produces as proof of its support for this organisation.

The bottles were distributed to all employees, thereby eliminating the single use plastic cups that were available at the drinking fountains.

Initiatives planned for 2018 include activities such as beach clean-ups and the production of T-shirts in aid of good causes.



Awards and accolades



Medal for Merit at Work

The European Association of Economy and Competitiveness (AEDEEC in its Spanish initials) awarded us the Medal for Merit at Work, in recognition of TIRME's efforts to promote employment, our excellence in business practices and the promotion of Corporate Social Responsibility.



Social commitment medal

The **Jovent Farm** has granted TIRME its **medal for social commitment** for its work in this area over the course of the year.



ASPLARSEM Award (Association of Municipal Packaging Waste Recovery and Sorting Plants)

ASPLARSEM launched the second edition of its competition for ideas to improve processes and safety at packaging waste management plants. The competition seeks to boost the creativity of the participants, all employees at this type of facility.

TIRME actively encourages its employees to take part in these competitions. As a result, a TIRME worker from the packaging sorting plant won second prize in the ASPLARSEM competition for an idea to improve the tensing system of the multi-material press at the plant. What's more, this improvement was implemented in TIRME in 2017 and the prize money was donated integrally to charities chosen by the employee.



TIRME Awards for Maintenance Review Prevention

In order to encourage safe and responsible practices among all our collaborators, in 2017 we awarded **the Maintenance Review Prevention Awards** for our work centres to those contactors with outstanding performance in the area of the occupational health and safety. A total of three awards were given to contractors operating in the energy recovery, material recovery and peripheral plants.

Our Initiatives



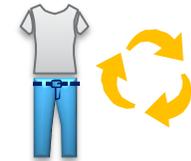
One of TIRME's priority strategic goals is to promote the circular economy and an efficient use of resources.

In line with this goal, in 2017 TIRME renewed its collaboration with Ilunion, a company operated by ONCE (the Spanish Organisation for the Blind) working with the functionally diverse, within the frame of the General Law for the disabled and their social inclusion. On this occasion the company was hired for the reuse transformation of our staff's work uniforms. The initiative includes both the purchase of the clothing (this year TIRME has introduced new uniforms adapted to the changes in workers' protection and safety requirements), as well as their collection, washing, ironing and even their repair. The company also withdraws the clothing at the end of its useful life, providing TIRME with certification of the destruction and recycling of the elements that can be put to other uses (fabrics, zips, etc.).

Ilunion works with functionally diverse employees of the ONCE company, within the frame of the *General Law of the disabled and their social inclusion*.

Electricity consumption of washing machines and dryers cut by **20,000 kWh per year**

- 600 m³ water saved
- 900 Kg savings in detergents
- 550 m³ less waste water
- 4 new jobs for Majorca



At TIRME we are committed to **creating quality employment**, both directly within our organisation and indirectly through initiatives such as **Coach Exit**. This initiative seeks to promote access to quality jobs by young people at risk of social exclusion, strengthening their professional and enabling them to **play an active role in the community**.

In 2017 we confirmed our cooperation with the **Exit Foundation** in order to carry out a series of joint projects. The initiative consists of innovating training projects whereby tutors (TIRME employees) are assigned to each of the young participants, in order to provide them with motivation and guidance at the start of their careers.

275 young professionals found a job

A boost for young people's motivation and self-esteem

The tutors improve their professional skills and establish closer ties with TIRME.



Responsible supply chain management

“ We live in the same world as you”

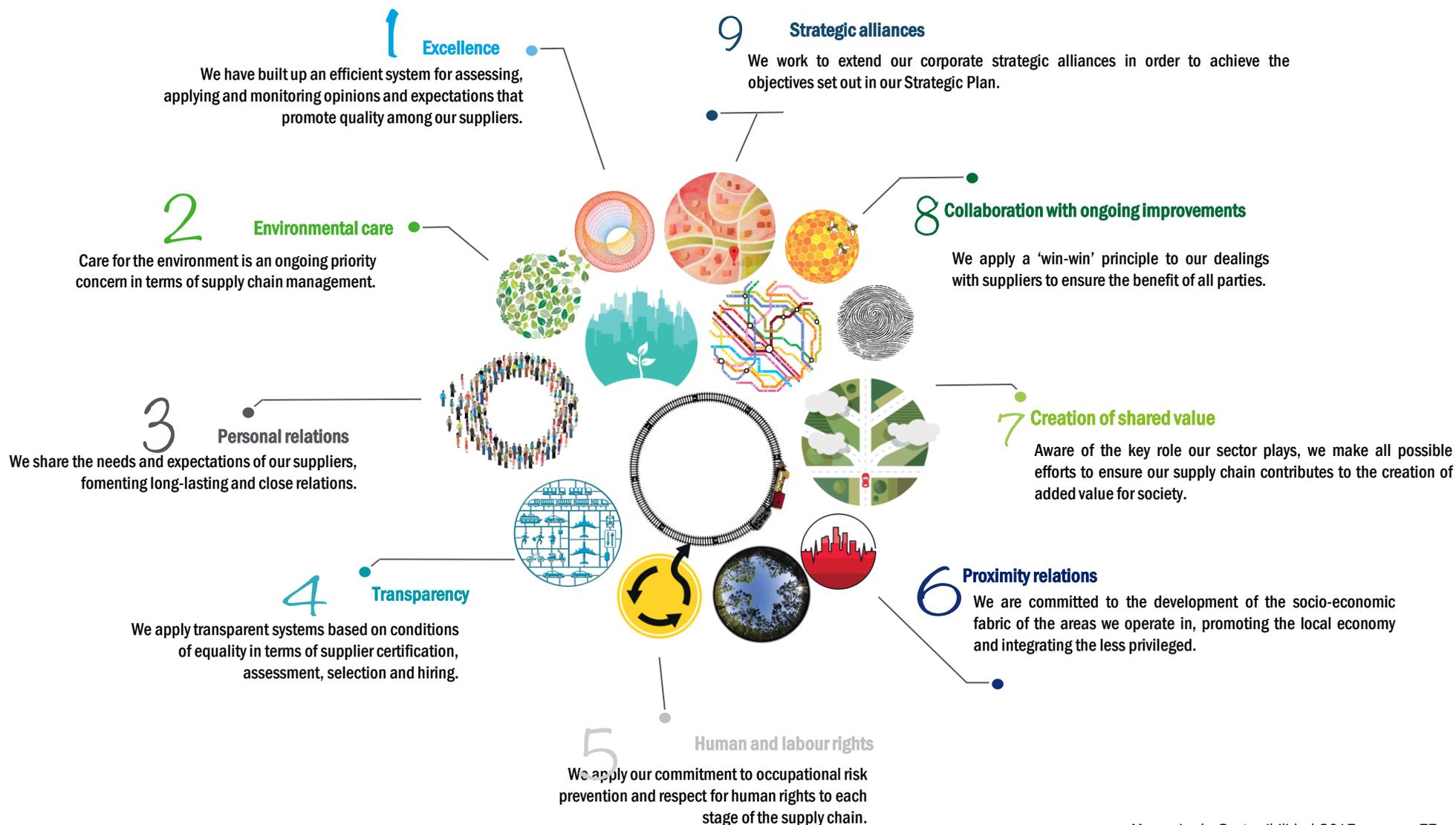
Tomás Hernández
Accounting
16 years at TIRME



Responsible supply chain management

Our Procurement Policy

TIRME knows that **corporate excellence** and the **creation of shared value** depend on sustainable relations with suppliers. In order to guarantee quality service and achieve its strategic goals, TIRME has drawn up a **Procurement Policy** applicable to all the company's suppliers.



Responsible supply chain management

Principles and values of our procurement policy

The foundations for sustainable relations



An integral part of the TIRME strategy, our Procurement Policy is based on two core responsible supply concepts: ongoing improvements and hiring local suppliers

Procurement Policy



Promoted values



Within the frame of its **Procurement Policy**, TIRME has developed a series of principles and procedures that lay the foundations for our relations with suppliers. The aim is to promote the following:

Ongoing improvements in order to design new products and improve existing ones based on an ongoing flow of direct communication with suppliers. This enables both parties to establish synergies based on specialisation and the exchange of good practices.



Hiring local suppliers in order to build up closer relations and minimise possible discrepancies between our expectations and actual supplier service. This contributes not only to achieving the objectives set, but also promotes local employment, with the consequent positive impact on the Majorcan economy, reducing the risks associated with insularity.

Transparency and conditions of equality at all stages of TIRME's relations with its suppliers (certification, selection, hiring and assessment).



Excellence achieved through an objective and effective assessment systems, together with the ongoing monitoring of suppliers.

Procurement model

General Terms and Conditions of Contract

- The General Terms and Conditions of Contract are **published on our website**, thereby guaranteeing the transparent and open nature of the organisation's relations with its suppliers.
- In addition, procurement processes with suppliers are formalised by signing a summary of the **general terms and conditions of procurement** which is sent out to all suppliers. This document includes details of all the procedures, clauses, responsibilities and obligations to which both TIRME and the suppliers are bound.
- In all cases, suppliers are required to comply with the **General Terms and Conditions of Procurement**, based on the principles of the United Nations Global Compact.

Selection, Certification and Assessment Procedure

- The system for supplier selection, certification and assessment includes procurement practices in line with our **ethical, social, environmental, health and safety criteria**.
- All suppliers must **be certified and registered on the management system**.
- Critical suppliers are submitted to an annual global assessment process, which includes criteria such as price, place, specifications, **environmental performance, ethics and social responsibility**.

Responsible Procurement Guide

- Our Responsible Procurement Policy aims to promote **sustainable and caring consumption**, focusing on the social, labour and ecological conditions of the production and use of the products and services contracted and consumed by the company.
- In this sense, we have drawn up a Responsible Procurement Guide, whereby supply choices are based not only on financial criteria, but also consider the **social and environmental costs** involved.

Number of orders (2017)



15 Million €
paid to local suppliers in 2017

4,432 suppliers work with us



25 million €
paid to our suppliers in 2017

Responsible procurement guide

The Responsible Procurement Guide aims to ensure the inclusion of **ethical, social and environmental** criteria, in addition to financial considerations, in the supply choice process.

Assessment of environmental aspects, including the analysis of natural and energy resource consumption, as well as the generation of waste and emissions throughout the product and service life cycle.

Assessment of social aspects, including support for local SMEs, defending autochthonous products, collaborating with companies that promote employment for the functionally diverse, the labour reinsertion of certain groups and accessibility.



Social Procurement

- Better quality employment (working conditions)
- Support for the social economy and autochthonous products
- Insertion onto the labour market and society of people at risk of social exclusion
- Investment in training, promotion and the work-life balance



Ethical Procurement

- Compliance with regulations in force
- Compliance with labour regulations and the occupational risk prevention law
- Human rights promotion
- Prevention of child exploitation and forced labour
- Minimum working conditions for the production and supply chains
- Fight against corruption



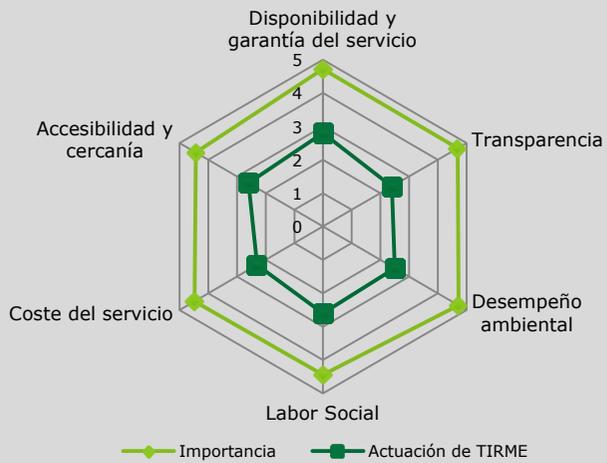
Eco-friendly Procurement

- Consumption limited to real needs
- Procurement of non-toxic and non-contaminating products
- Minimum waste generation
- Application of energy efficient criteria
- Promotion of the circular economy
- Promotion of the procurement and supply of locally-sourced products

Suppliers



MATERIALITY MATRIX

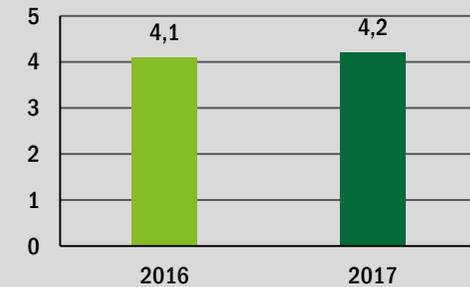


2017 ACTIONS

- Activation of the meeting with suppliers following major plant reviews, a new benchmarking action
- Adaptation of the agreement with the Deixalles Foundation
- Launch of the Ilunion circular economy project
- Relation-building event with suppliers within the frame of activities to mark TIRME's 25th anniversary
- Supplier satisfaction surveys



OVERALL SATISFACTION



CHALLENGES FOR 2018



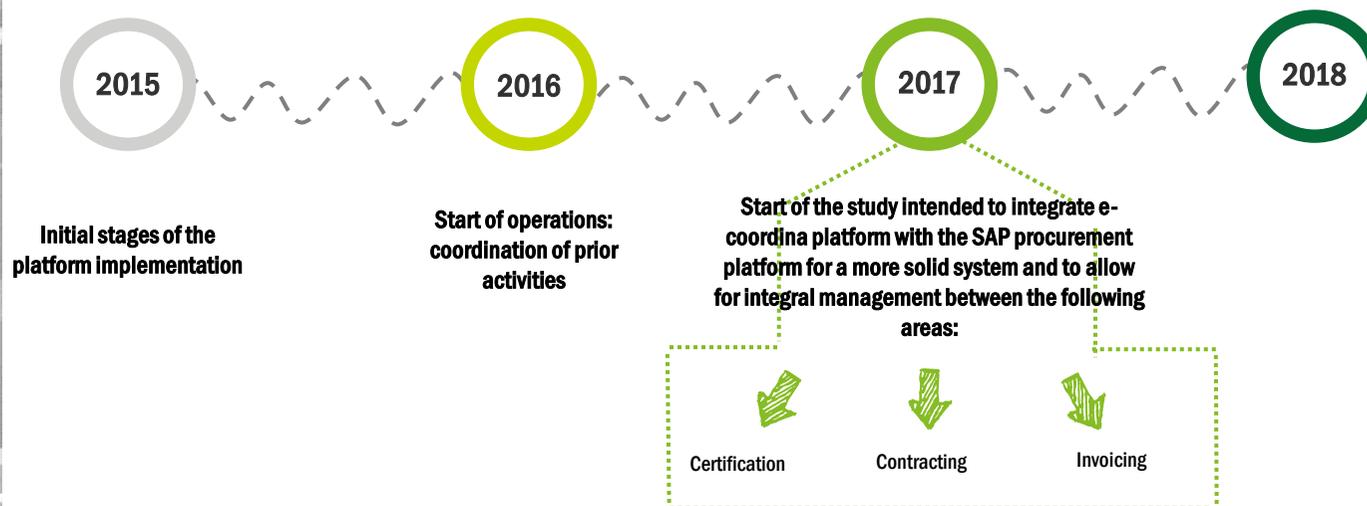
- To extend the functions of the e-coordina platform, linking it to the procurement system
- To link certified suppliers to BIOSIS (fingerprint access control)

The e-coordina project



The e-coordina project

The supplier management system is of vital importance for TIRME, and therefore each year major efforts are channelled into securing ongoing improvements in this area.



This new platform will be integrated into systems applications and products (SAP) and access controls, thereby guaranteeing that all corporate departments work exclusively with certified suppliers that have provided all the documentary proof required to ensure that they operate in accordance with TIRME's values.

This ambitious project will guarantee a single supply chain management system across the organisation, providing all departments that so require it with access to **updated supplier information and enabling them to track the certification process in real time.**

Health, safety and wellbeing at our facilities

“ We live in the same world as you”



Jaume Salom
Maintenance
20 years at TIRME

Isabel Socias
Institutional Relations
15 years at TIRME

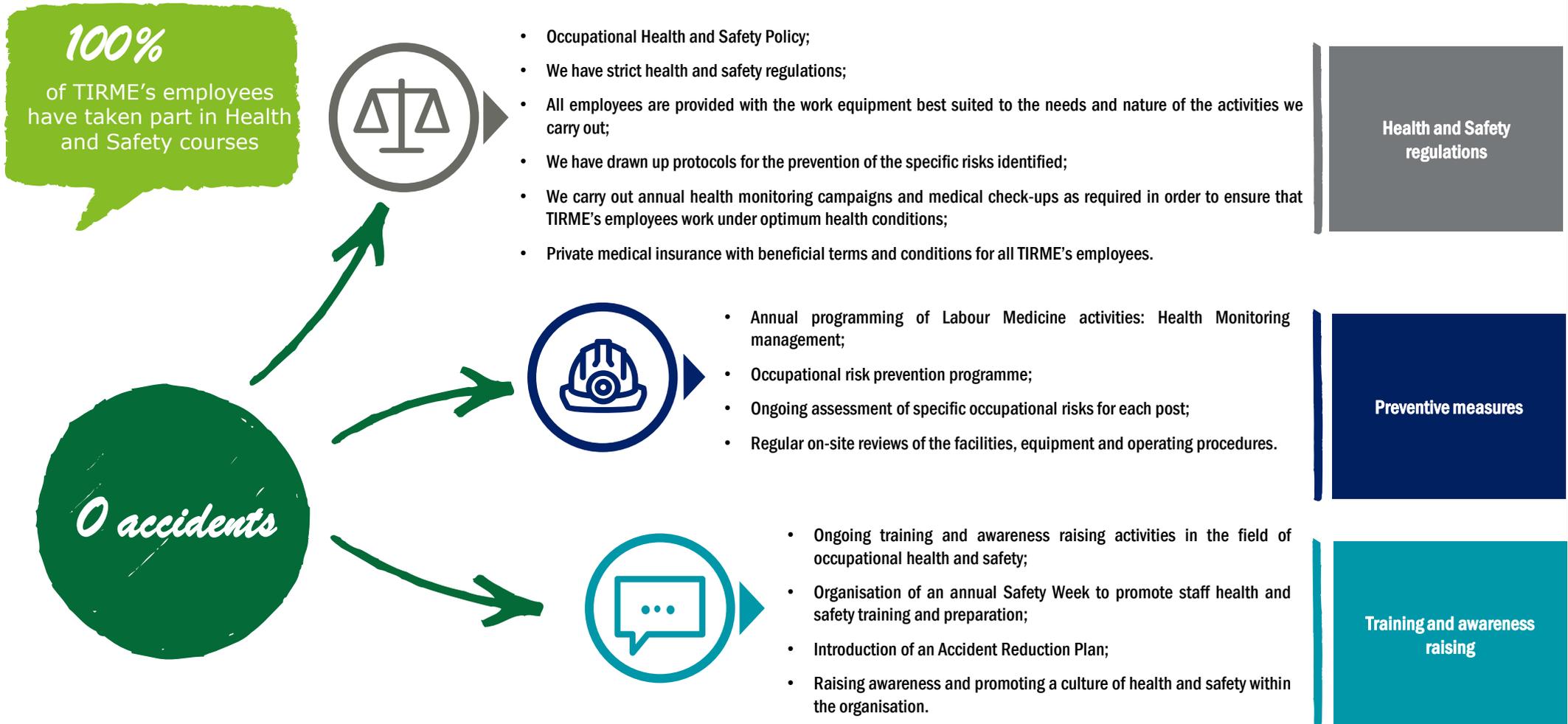


Health, safety and wellbeing at our facilities

Health and Safety at TIRME: objective ZERO ACCIDENTS

In our new 2018-2020 Strategic Plan, the key objective for Human Resources continues to be a **Zero Accident** rate.

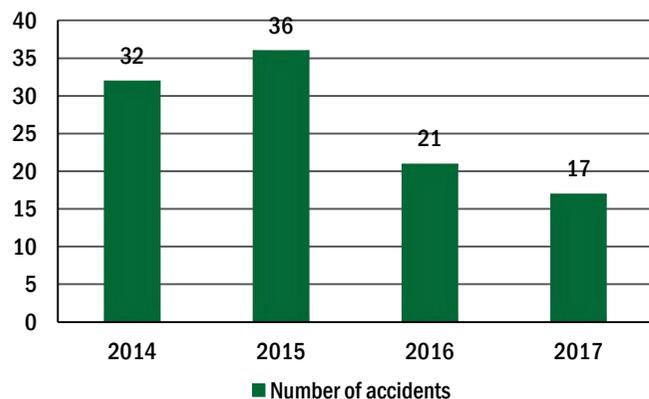
At TIRME, our employees always come first. In order to continue moving ahead in terms of health and safety and to reach our objective, we have drawn up the following bases for the organisation's health and safety management model:



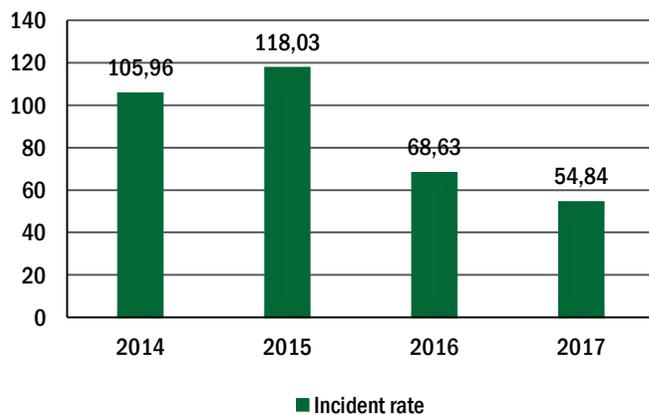
Health, safety and wellbeing at our facilities

Health and Safety at TIRME: objective ZERO ACCIDENTS

Accident rate



Incident rate



Positive progress in accident and incident rates are the clear result of the efforts and resources we assign to health and safety in order to achieve our objective of

0 ACCIDENTS



Initiatives carried out

- 1 At TIRME, 682 people received health and safety training in 20 training actions.
- 2 2,147 hours of training in occupational risk prevention was provided, an average of approximately 7 hours per person.
- 3 A total of 249 medical check-ups were carried out on our teams.
- 4 Promotion of the Age Management Plan designed to tailor health and safety measures to the needs of the various age groups included in the organisation.
- 5 'Healthy Company' campaigns including initiatives such as 'Protect your Health' for the prevention of musculoskeletal disorders.
- 6 Continuation of the internal coaching service for interested TIRME employees.
- 7 Continuation of Occupational Risk Prevention training via the **m-learning** (mobile) platform based on short learning units.
- 8 Message / campaign mailings via the Communication Unit to raise awareness among TIRME employees of psychosocial risk factors.

The Zero and ½ Plan

The Zero and a Half Plan

In order to minimise the number of serious accidents, in 2016 TIRME launched its Zero and ½ Plan.

The project was carried out by four work teams. A total of **26 actions** were approved; 9 have now been completed and a further 16 are currently in progress.

Thanks to this plan, 2017 saw a reduction in the accident rate, a trend that is expected to continue as a result of the actions currently in progress., working towards our objective of **zero accidents**.



Actions carried out

✓ On-site presence of prevention staff



✓ Optimisation of the internal physiotherapy service



✓ Promotion of healthy eating habits



✓ Task leadership: single OTs



✓ A more effective Health and Safety Committee



✓ Shorter-term monitoring of objectives



Promoting a safe environment

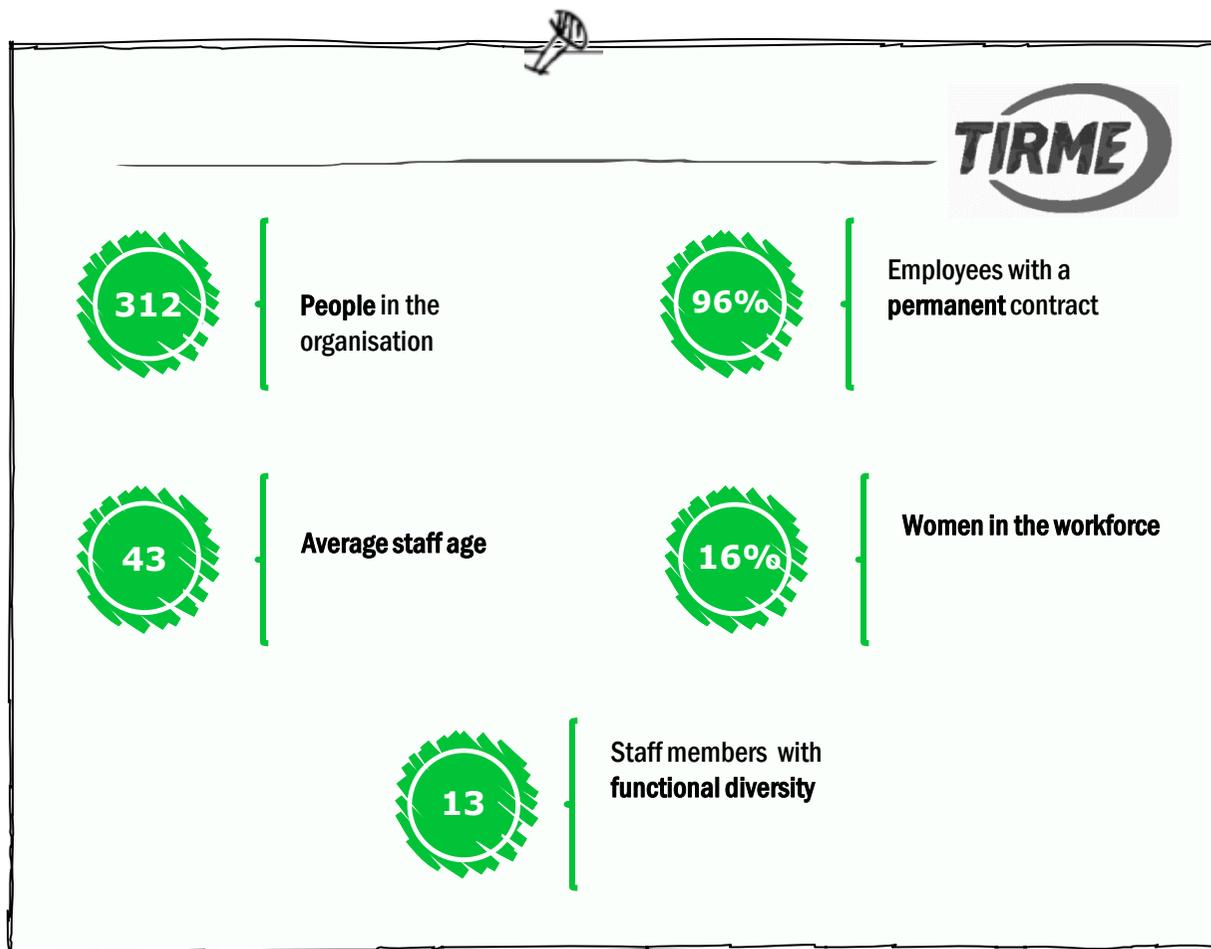
Personal development

“ 25 years by your side; we're looking ahead to the next 25!”



A good place to work

People are TIRME's greatest asset and one of the principal reasons for our success.



For this reason, and particularly in view of the sector we operate in, TIRME's Human Resource strategy is based on the following:

- Ensuring a **pleasant working environment** rooted in commitment, equality and non-discrimination, achieving a work-life balance, respect, communication, teamwork and career development.
- Promoting the **wellbeing, health and safety** of each member of the organisation.

The following tools enable us to guarantee an environment based on coexistence and compliance with our ethical criteria:

- **Collective Labour Agreement**
- **Code of Ethics**
- **Harassment Prevention Protocol.**
- **General Regulations Manual**
- **Criminal Risk Prevention Manual**

Additionally, and in order to encourage participative people management and monitor compliance with our values, we have created the following governance bodies: **a work-life Balance and Equality Committee; Health and Safety Committee; Works Council; Parity Commission; Training Commission; Job Profile and Functions Manual Commission.**

Internal clients



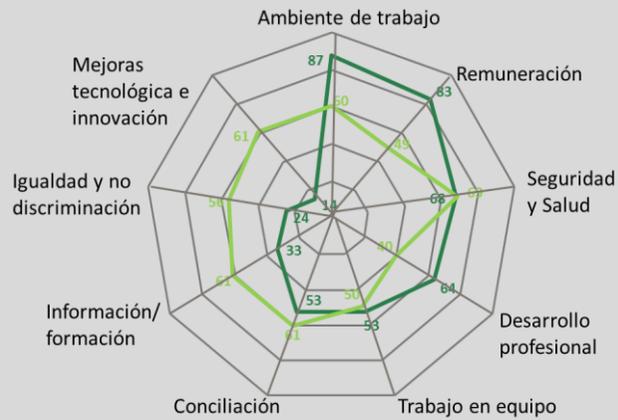
Subcontracted workers are also required to complete satisfaction surveys in order to assess the following aspects:

- Environmental commitment
- Health and safety in their post
- Communication and transparency



MATERIALITY MATRIX

- % que considera IMPORTANTE (la elige entre las 5 más importantes)
- % que está TOTALMENTE+MUY DE ACUERDO

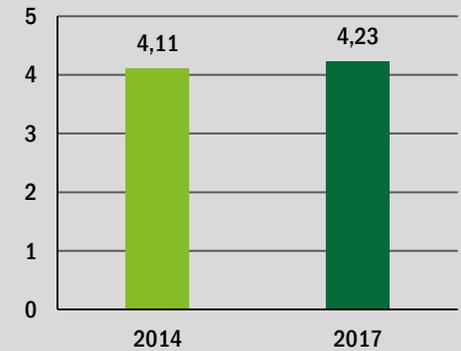


2017 ACTIONS

- Launch of the Internal Communication Plan
- Introduction of new indicators for improved measuring of participation and creativity
- Approval of the new Job Profile and Functions Manual (JPFM)
- Launch of the Values Competition
- Analysis and definition of action plans based on the results of the 'Process Optimisation and Staff Adaptation' study



OVERALL SATISFACTION



CHALLENGES FOR 2018

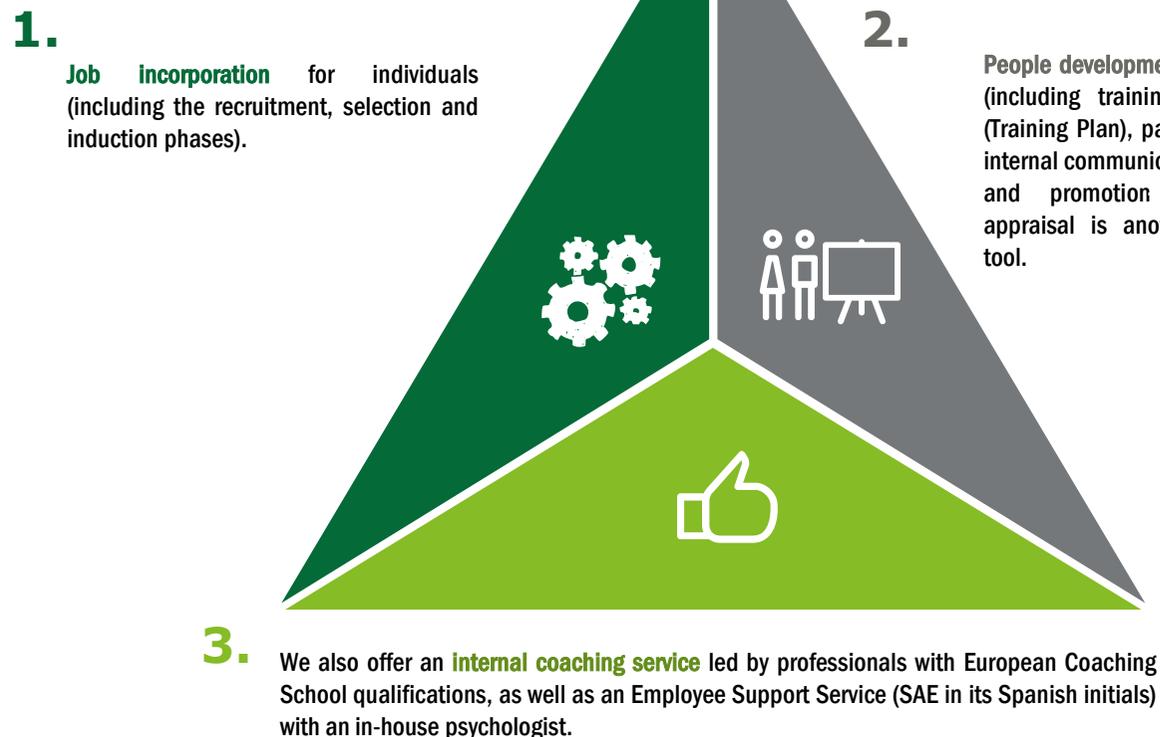


- Remuneration for university interns
- A psychosocial approach to accident management (Bradford factor)
- Development of specific career plans
- Obtain external recognition
- CSR competitions
- Training in the Code of Ethics for all employees
- Boosting Age Management to offset the consequences of staff ageing.
- Completion of the 'Zero and ½ Plan' to reduce accident rates
- Review and updating of the Job Profile and Functions Manual
- Continuation of external participation in the People Management area

Personal development

Our Integrated policy

TIRME's integrated policy acknowledges people's value and highlights our commitment to their ongoing development. In this sense, TIRME has fully integrated all our Human Resource processes into the **Integrated Management System (SIGMA-QR)**, enabling us to accompany and support TIRME employees at each phase. We are also collaborating with AENOR on the development of a new global regulation: 'Human Resource Management' (CTN 314).



Here at TIRME we strongly believe that human capital is our greatest asset and the principal factor behind achieving our business goals and securing our future.

Likewise, we provide ongoing opportunities for personal and career development as well as internal promotion, applying talent retention and development policies aimed at ensuring job stability, of mutual benefit for all.

Personal Development Plan

People Development Plan

TIRME is an organisation committed to ensuring a work-life balance, which we consider to be a key aspect for our employees' wellbeing that will impact directly on their motivation and productivity.

Our People Development Plan includes a series of measures and objectives that will enable employees to balance their working, personal and family lives.

Since 2008, we have held a **Family Responsible Company (FRC)** certificate, awarded by the Másfamilia Foundation. Furthermore, since 2011 we have obtained increasingly higher scores in the certificate's annual renovation processes. This certification was a prior step to SR-10 certification, which we also completed in 2011, making TIRME the first company in the Balearic Islands and the tenth in Spain to receive this certificate.



Strategic axes and action plan



Training and development



Throughout 2017, TIRME continued with its commitment to innovating and the updating of its Training Plan in order to tailor it to the reality of the context it operates in, sector trends and the practical needs of each profile. Work is also ongoing to create specific **career plans** for all members of staff. TIRME considers training to be an investment and ongoing means of tackling challenges and boosting competitiveness, productivity and quality.



Key training actions in 2017

B-LEARNING

A training programme combining face-to-face and virtual activities, bringing technology to learning.

OCCUPATIONAL RISKS

Ongoing training in ORP.

Basic training course in occupational risk prevention including practical tutorials held during working hours.

ORP campaigns based on training pills sent out to our employees. Examples include the musculoskeletal campaign, the principal cause of accidents at TIRME.

CODE OF ETHICS TRAINING

A training course on the new Code of Ethics and training pills sent out to employees on corporate policies and compliance with regulations.

Compliance training.

TECHNICAL TRAINING

Technical training based on facility operations processes: technical instructions and procedures.

INNOVATION IN TRAINING

An innovative learning tool for acquiring time management skills based on a virtual reality game. Gamification has a major impact, boosting social interaction, as well as motivating and reinforcing knowledge and know-how.

Employee services

Given that they are our principal asset and a key factor in our success, we are determined to reward our employees for their efforts and performance each day. We therefore consider that in addition to competitive remuneration rates, it is essential to provide them with an attractive and pleasant working environment.

In this sense, we are fully convinced of the importance of maintaining permanent communication channels in order to keep employees updated with the organisation's progress, fomenting a culture of ongoing improvement and involvement in the TIRME business project. We also encourage bottom-up communications and employee access to management staff in order to detect any possible discontent or suggestions and adopt the most appropriate actions. These aspects are all included in an **Annual Communication Plan**.



Initiatives carried out

- **People Development Plan:** 83.78% of actions carried out.
- **Safety Week** – including 10 training actions, a total of 757 training hours and 194 employees taking part. These data account for practically 100% of the staff planned.
- **Training plan** – 28 out of a total of 30 training actions included in the plan were carried out. Outside the plan, a total of 17 training actions and 9 specific departmental training actions were completed.
- **Harassment Prevention Protocol** (not activated in 2017).
- **Health Monitoring Campaign** – a total of 349 medical check-ups were carried out in order to protect company staff's health, focusing particularly on the question of age (employees over 55).
- **Disability and Diversity Integration Plan** - 40% of the actions carried out.
- **Addiction Plan**–26.67% of actions carried out.
- **Healthy Company Campaign**– focusing on age management and musculoskeletal disorders.
- **Employee Support Service (ESS)** – a service based on providing confidential and impartial occupational psychological support in order to address various problems related to organisational and/or personal issues in the workplace. In 2017, five interventions were carried out as a result of 10 cases.
- **Internal Coaching service.** The coaching service is run by 3 members of staff who have received training from the European Coaching School. In 2017, 19 sessions were held, requested as a result of 10 cases.



Awards and certificates

TIRME holds the Másfamilia Foundation certificate awarded to Family Responsible Companies (FRC) due to its commitment to the work-life balance and the introduction of measures such as flexitime, equality, teleworking and early retirement options.

In 2011, we were also awarded the IQNET SR10 **certificate for social responsibility**.



Creativity workshops



In line with the strategic goal “**Promoting an attitude of creativity and ongoing improvement**, included in the 2014-2017 Strategic Plan, in 2014 we began to promote a series of activities aimed at boosting employee creativity. These activities, which are open to all TIRME’s staff, seek to encourage employees to present proposals and develop improvement plans through the promotion of **internal innovation and teamwork**.

In order to achieve this, a number of **Creativity Ambassadors** were appointed. The Ambassadors are groups of two or three people that have the necessary skills to fulfil this role. They act as leaders for the workshops, encouraging and facilitating creativity.

The principal initiative is the **Leonardo Workshop**, an opportunity for TIRME employees to develop creative thinking skills and know-how using techniques such as brainstorming, teamwork, public speaking or coaching. In 2017, 17 TIRME employees were selected to take part in the workshop’s 12 sessions, with the Creativity Ambassadors assuming the role of internal trainers. TIRME also systematised its idea collection system in order to compile all the suggestions for improvements and to monitor those being put into practice.



Initiative goals:

- ✓ To create a favourable environment for creative dynamics between corporate staff at all levels
- ✓ To boost creativity as a driving force for innovation
- ✓ To generate new ideas and come up with solutions, considering each problem an opportunity for improvement
- ✓ To revitalise work and boost productivity
- ✓ To use creativity as a key element for adding differential value to our products and services
- ✓ To improve our capacity to adapt to change (a proactive attitude to change)
- ✓ To gradually introduce more flexible work structures and methodologies
- ✓ To improve the work atmosphere and strengthen the sense of belonging

Appendix I

About the reporting model

About the reporting model

In line with the model implemented last year, the structure and contents of the 2017 Sustainability Report have been designed to respond to the principal expectations and concerns shown by our Stakeholders.



TIRME employees



Suppliers



Customers



Society



Owners, Shareholders, Investors and Partners

Methodology

This Sustainability Report has been drawn up in accordance with the results obtained from the **materiality analysis**, in accordance with the directives set by the Global Reporting Initiative (GRI) in its Standards version. This process has enabled us to respond to the following three questions:

- What matters?
- To who? and How much?: our Stakeholders.
- How should it be managed?

Materiality study

During the course of 2017, TIRME has reviewed and updated its materiality analysis to ensure that it reflects the current reality of our business. A description of this process is given below:

Identification of Material Issues based on internal consultations; stakeholder satisfaction surveys and opinion studies and the analysis of sustainability indicators.

Consideration was given to the list of (global and sector) material issues identified by the Global Reporting Initiative (GRI) and the Sustainability Accounting Standards Board (SASB).

2. **Prioritisation of Material Issues**
3. **Assessment and Validation of the Final Issues**
4. **Final list of Material Issues**

Alignment of the 2018-2020 Strategic Plan with Sustainable Development Goals (SDGs)

In 2017 approval was obtained for the new 2018-2020 Strategic Plan. One of the innovations of the new plan was that each strategic objective is in line with the main Sustainable Development Goals (SDGs) associated with TIRME's activity, with the inclusion of specific initiatives aimed at ensuring they are successfully met.

Scope of information

The report covers **the entire TIRME organisation**, and includes information on all our plants and facilities on the island of Majorca. It does not include information on the companies in which TIRME holds a stake.