

EVPA CoLab AWARD

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RECYCLING4ALL: A SUCCESSFUL CASE OF MULTILEVEL COLLABORATION

HOW TWO DIVERSE TEAMS CAN WORK TOGETHER IN A DYNAMIC AND AGILE WAY, ENRICHING EACH OTHER TO ACHIEVE THEIR COMMON GOALS IN THE SOCIAL IMPACT ECONOMY

Submitted by Repsol Impacto Social, Spain

BACKGROUND

A. Which **type of organisation** are you (tick all that apply)?

1. A Capital Provider (Investor): An investor deploying financial capital and other resources for impact and minimum financial return

B. Please briefly summarise your **mission**

Repsol Impacto Social was created in July 2019 as a response to Repsol's and Fundación Repsol's will to become a player in the Social Impact Economy. Fundación Repsol has allocated a fund of up to 50 M€ to enable Repsol Impacto Social (owned 100% by Fundación Repsol) to focus on Impact Investment.

Repsol Impacto Social's main aim is to invest in projects that favour the global challenge of energy transition while creating professional opportunities and/or a positive impact on people at risk of social exclusion. Besides receiving financial assistance, Repsol Impacto Social also provides the investees with guidance and strategic alliances (non-financial support).

Recycling4all, resulting from the strategic alliance between Fundación Repsol and Grupo Social ONCE as it will be detailed later (see section G), centers its activity on the e-waste collection, transportation, processing, management and valorization.

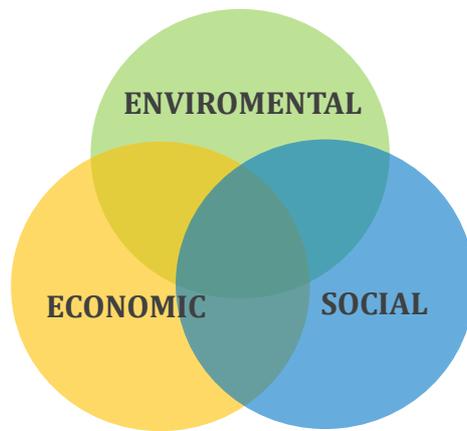
Recycling4all develops its activity with a unique business focus, consisting primarily on the relevance of the environmental positive impact of its activity followed by its management quality, the economic profitability and the social commitment by the creation of quality employment for people with disabilities.

By doing this, Recycling4all contributes to the society's global goal of waste reduction, empowering in the process groups of people with difficult access to employment.

Recycling4all aims to be a leader within the Spanish e-waste recycling sector at a national level, thanks to its processes reliability as well as its exemplariness when it comes to Corporate Social Responsibility, coordinating both actions in a profitable and effective way.

This partnership is an example of mutual cultural learning, and of how two organisations that have different backgrounds are able to work together. Ilunion has a corporate culture with a clear social DNA, whereas Repsol has a strong industrial tradition. Merging both visions, we add the best value of each partner and define a shared vision of the future.

In its process of accomplishing what was mentioned above, Recycling4all strategy is based on the “Triple positive impact” model, aligned with Repsol Impacto Social investment criteria:



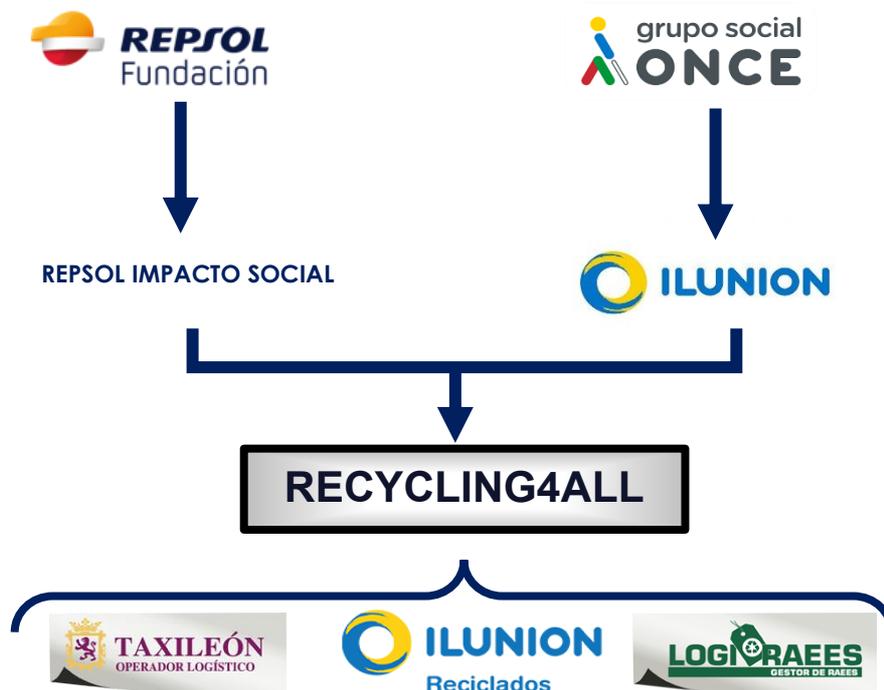
Highlights of Recygling4all in 2020:

- 14,500 Tons of e-waste were processed in our 2 recycling plants; over 90% of that volume was reintroduced into the productive cycle to elaborate new products, avoiding the extraction of additional raw materials.
 - 60,000 Tons of e-waste were transported following the highest standards of quality and compliance through our own logistic network (more than 60 special-purpose trucks and 9 storage centers), avoiding the emission of more than 90 CO2 Tons, due to the addition of GNC and GNL vehicles to the existing fleet.
 - This activity was carried out by a workforce of 146 employees, of whom 99 have some kind of disability.
- C. Which of the **use cases** does your practice(s) apply to? Please tick all that apply!
- Transforming value chains and industries
- D. Which system practice field(s) does your practice apply to? Please select the most relevant (max three).
- Strategy design
 - Management, learning & adaptation
 - Collaboration
- E. Please give us a brief background 1) what motivated you to act and who initiated the practice(s), inside or outside your organisation, and (if applicable) 2) describe the event that triggered your engagement.

Repsol and Ilunion, two of the most relevant corporations in Spain, have worked together and have created a relationship of mutual trust for many years.

In 2019, Fundación Repsol and Ilunion signed a Letter of Intent to jointly analyze the opportunity to develop business projects in the field of energy transition and sustainability with a clear social impact, allowing the creation of job opportunities for people at risk of social exclusion.

One year later, in December 2020, Repsol Impacto Social and Ilunion (which is Grupo Social ONCE firms' brand) created a Newco called Recycling4all, SL. This newco consolidates 4 previous existing companies that vertically integrate the e-waste value chain recycling process. See the following scheme for a more visual understanding of this structure:



The purpose of Recycling4all is to bring together the expertise of both partners (Repsol Impacto Social and Ilunion), our commitment with the sustainability and social impact and our will to grow and become a reference in the Spanish e-waste recycling market.

With this goal in mind, from the very beginning both Repsol Impacto Social and Ilunion have set a formal framework that allows:

- The implementation of the Business Plan that was agreed for Recycling4all
- The strengthening of the current business
- The identification of new growth opportunities

THE PRACTICE(S)

F. Please describe the key elements of the practice so that we better understand what the practice entails, how it works and what makes it interesting.

Repsol Impacto Social and Ilunion carry out our common goals at different levels of collaboration. This Collaboration System, created specifically for Recycling4all, is the key element that makes the relationship between both companies as dynamic and agile as needed to perform the Strategic and Operational targets. Types of collaboration:

Formal collaboration

- **Recycling4all Board of Directors (quarterly):** the Board has a quarterly meeting. There are 3 members of the board: 2 appointed by Ilunion and 1 (plus 1 observer) appointed by Repsol Impacto Social. At these meetings, in addition to the members of the Board, the heads of the different Business Units, Business Development and Support Areas are also present, so the decisions are taken with the contribution of all of them.
- **Follow-up meetings (monthly):** the months without a Board of Directors meeting, the same attendants to the Board have a meeting to review the evolution of the financial, environmental and social KPIs, as well as the progress of the decisions taken in the Board. These follow-up meetings allow both partners to be continually up to date, so when the time for an approval in the Board arrives, most of the work has been done and agreed previously.
- **Business Development meetings (weekly):** as we are a company with a clear growth purpose, the BD meetings are key in our collaboration structure. They are intended to:
 - Identify new opportunities, usually through the networks of each partner (both internal and external). Being Repsol and Ilunion two big and diverse companies, the addition of both corporations creates many opportunities to explore. Some examples:
 - Business opportunities:
 - Repsol has its own Techlab, and therefore has access to first hand R&D that could lead us to the creation or enlargement of recycling lines, in order to extract more value in the treatment process.
 - Ilunion has many business branches where they employ people with disabilities in all the regions throughout Spain. This network helps the identification of employees for the new job opportunities we will generate.
 - Repsol, through its Chemical Division, can use some of the plastic outputs generated in the treatment plants as an input to produce recycled or partly recycled plastics for the Chemical Industry, helping the integration of the value chain.
 - Partnership opportunities
 - Ilunion, thanks to the years of experience and good work in this sector, has generated a relevant goodwill that enables the possibility to create quality partnerships to enlarge the e-waste recycling business presence in Spain: suppliers, clients or co-investors in plants, transport or logistics
 - Ilunion and the Grupo Social Once have a strong presence in the different Spanish regions and have created a good network both in the public and private sector, that allows the identification of interesting partners for our growing projects
 - In the R&D field Repsol, again through its own Techlab, has access to a broad network of partners in several domains: Universities, R&D companies, Public Agencies, etc that can help us explore new ways to implement the ideas that Recycling4all has identified.

- Evaluate those new opportunities: once an opportunity has arisen and is considered by both parties as interesting, it is evaluated in order to define if it's worth to move it forward.
- Test: if the evaluation process is positive, we test it to make sure the evaluation assumptions are valid from a practical stand point.
- Implementation of the new opportunities: in case the test phase is positive, it will be added to one of the existing Business Units
- **Special purpose meetings (when needed):**
 - Meetings specially held for specific purposes: Budget, relevant investments analysis, public tenders, etc

Informal collaboration:

The informal collaboration is one of the key elements that make the Repsol Impacto Social – Ilunion relationship a success case. Despite the short life of Recycling4all, there's a high level of trust in the way both organizations work. There are 2 elements that have helped to build this relationship:

- The reduced number of the teams: around 4-5 people in each team (Repsol Impacto Social and Ilunion) are involved in most of the decisions.
- Being a young “Joint Venture” makes that all of us have been involved in this project since its inception, and therefore feel it as “our own”.

G. Briefly **analyse the situation before you introduced the practice**. What contributed to maintaining the status quo and producing (undesirable) results, e.g. resources (or lack of resources), rules (informal and formal), roles (relevant actors from the public, private and social sector, their legitimacy or effectiveness) and/or the kind and quality of relationships (informal and formal cooperation, power dynamics, information flows).¹

As mentioned before, Recycling4all is a young Company so there weren't previous situations that needed to be changed.

H. Please describe the **actual results** you sought to achieve with your practice, **the parameters you sought to influence most**; roles, relationships, rules, and resources and how?

Although Recycling4all is less than 1 year old, through the Collaboration System described above we have guaranteed that both organizations give the right impulse to the development of the strategy to continue growing and increasing environmental and social impact.

A new investment in an existing facility to increase its capacity and to give operational flexibility has been approved and the project is being launched.

New sites are already under evaluation for future facilities.

New feedstocks and technologies are being studied as potential future market opportunities.

Recycling4all was able to submit two Expressions of Interest for the development of new infrastructures for two different Ministries in Spain. These were part of the Call for Expressions of Interest in the framework of the Next Generation EU Funds.

¹ See more details on using the 5R framework (Results, Ressources, Rules, Roles, Relationships) for systems analysis for example here Ashoka [Online Guide on System Change, part 3](#) based on USAIDs Programm Cycle.

I. Please describe the **intended results** you sought to achieve with your practice and **the parameters you sought to influence most** – if considerably different from the actual results described above.

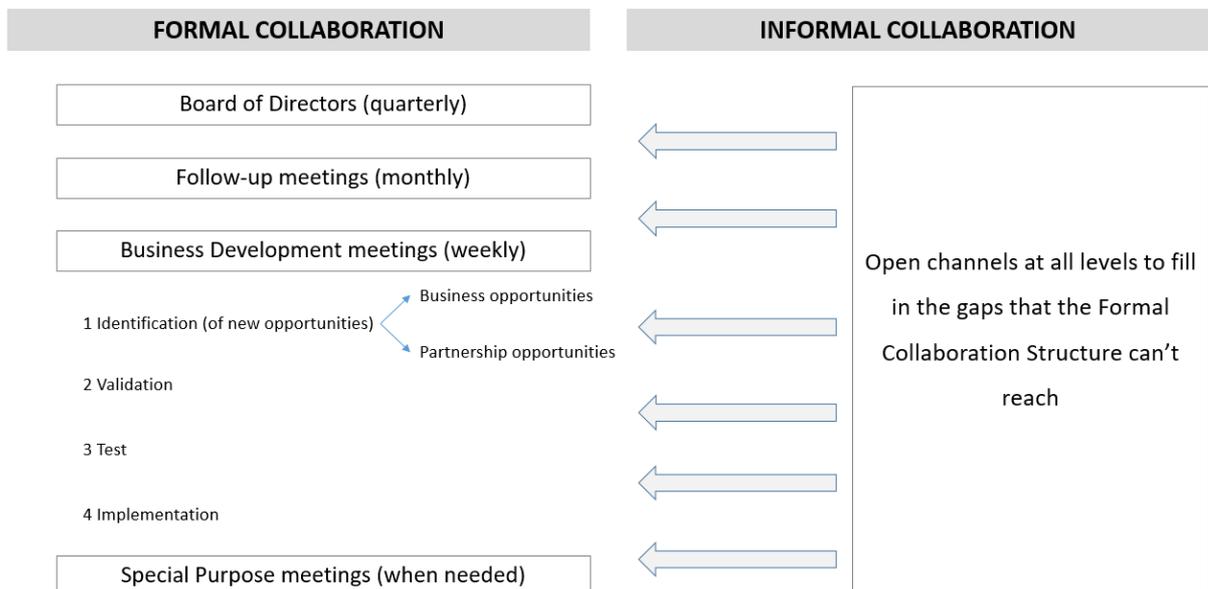
Intended results are not considerably different from actual results, although we have been able to explore more opportunity areas than originally expected (new business opportunities being studied linked to new technologies, Expressions of Interest in the framework of the Next Generation EU Funds, collaboration in different projects of both organizations, like reforestation...)

We believe that the e-waste recycling sector offers a lot of opportunities for several reasons:

- The increasing presence of electronic and technologic devices in our society.
- The global awareness about the need to move from a linear to a circular economy.
- The need to comply with more strict regulations in the recycling sector at the three levels (European, National and Regional)

In addition, the social component that Recycling4all has in its DNA, together with the Quality and Excellence Standards defined in all our activities and the Collaboration System created between RIS and Ilunion, can offer a unique solution for these opportunities.

J. Please specifically explain the **role other actors and collaboration played** in this practice (if not the main practice itself) and insert a figure that illustrates the main stakeholders and partnerships that play a role in the practice you are presenting here.



YOUR INSIGHTS

K. What went well and why? What were the challenges you faced and how did you overcome them? What would you do differently today and why?

It is true that two consolidated companies as Repsol and Ilunion have different cultures that can create difficulties when both start to work together. What helped us overcome those difficulties were:

- Defining clear and periodic ways of collaboration.
- Getting to know each other at a personal level. Even if this project was born and is growing during the pandemic created by Covid-19, we have made the effort to create opportunities to meet in person, do several travels with members of both organizations, etc. And that has really helped to increase the level of confidence and collaboration within Recycling4all.

L. Which three pieces of advice would you give to your peers?

1. Define clear goals that are shared by everyone from the beginning. And, if you define yourself as a social impact organization, the social goals must be as a permanent guideline in your strategy
2. Define different degrees of collaboration that enables the information flow between the different players at all levels
3. Create not only formal but also informal collaboration structures that fill the gap that may appear between the formal levels of collaboration

FURTHER RESOURCES

Please add links to additional information, reports etc.



Adobe Acrobat
Document

<https://www.fundacionrepsol.com/es/noticias/firmamos-un-acuerdo-con-ilunion-para-impulsar-proyectos-con-impacto-social>

https://cincodias.elpais.com/cincodias/2020/12/27/companias/1609070633_074549.html

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