



35 YEARS OF EXISTENCE BUILDING THE FUTURE

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YEARS OF LIFE WITH THE FUTURE IN OUR HANDS



2016 WAS A LANDMARK YEAR IN TERMS OF LIPOR'S PERFORMANCE REGARDING PERSU 2020, THE NATIONAL STRATEGIC PLAN FOR THE MUNICIPAL SOLID WASTE SECTOR. AS FAR AS THE ACHIEVEMENT OF THE TARGETS IMPOSED ON US IS CONCERNED, LIPOR'S BENCHMARKS ENSURE THAT, IN 2020, WE'LL HAVE COMFORTABLY EXCEEDED THE PRESCRIBED VALUES, AND, MORE IMPORTANTLY, WE'LL SHOW THAT OUR TECHNICAL AND CONCEPTUAL MODEL IS THE ONE THAT BEST SAFEGUARDS THE PRINCIPLES OF A CIRCULAR ECONOMY

LIPOR'S BOARD OF DIRECTORS



LIPOR PROFILE



NAME: LIPOR – SERVIÇO INTERMUNICIPALIZADO DE GESTÃO DE RESÍDUOS DO GRANDE PORTO (INTERMUNICIPAL WASTE MANAGEMENT OF GREATER PORTO) (G4-3)
HEADQUARTERS: BAGUIM DO MONTE, GONDOMAR (G4-5)



648 km²

Geographic area of activity: Espinho, Gondomar, Maia, Matosinhos, Porto, Póvoa de Varzim, Valongo and Vila do Conde (G4-6; G4-8)



191

No. Employees (G4-9)



43,617,441€

Net Income (G4-9)



47,944 t

of waste forwarded for Organic Recovery (G4-9)



46,791 t

of waste forwarded for Multimaterial Recovery (G4-9)



402,058 t

of waste forwarded for Energy Recovery (G4-9)



NUTRIMAIS

10,656 t

Natural Soil Improver that results from the composting of raw materials sorted at their source 10,656 t of compost produced (G4-4)



RECYCLABLE WASTE

46,791 t

Waste from selective collection 46,791 t of recyclable waste (G4-4)



ENERGY

181,822 MWh

Production of electrical energy resulting from unsorted waste collection (G4-4)



159.939 t CO₂

Equivalent Greenhouse Gas (GHG) avoided



AWARDS IN 2016

- Sectoral Winner of the Public Sector medium business category of the Excellence at Work Award 2015
- “Empresa Pró Eficiência Energética” (Pro-Energy Efficiency Company) – Galp ProEnergy Seal
- Honourable Mention in the “Prémio para Equipas de Melhoria” (Improvement Teams Award) by APQ (Portuguese Association for Quality), with the KAIZEN project
- Winner of the Sustainable Development category in the Portuguese-French Trophies





THE ORGANISATION'S CORPORATE STRATEGY, WHICH AIMS TO FULFIL OUR MISSION AND BEARS IN MIND OUR APPROVED VISION, IS FOCUSED ON THE ASSUMPTION THAT "WASTE IS A RESOURCE" AND THE OBJECTIVE OF "ZERO WASTE", I.E., A SOCIETY WITHOUT WASTAGE.

AIRES PEREIRA · CHAIRMAN OF LIPOR'S BOARD OF DIRECTORS



MESSAGE FROM THE CHAIRMAN

G4-1



LIPOR AND OUR COMMON HOME

In its long 35 years of activity, LIPOR has gradually understood the importance of its role in the defence and appreciation of "our common home".

When reading the papal encyclical "Laudato Si" (Praise be to you), one realises how the elegance of the papal text brings to mind many of the themes LIPOR approaches, and also our everyday concerns, as well as the definition of the Organisation's Corporate Strategy, which always has and always will focus on the appreciation of "our common home" and those who live there, and on the resolute defence against constant assaults on ecosystems, people and groups, which are the basis of life in our Planet.

LIPOR's Mission is today much more comprehensive than the mere management of municipal waste produced in Greater Porto, as, according to our interpretation of national and European Legislation and Regulations, the mere hierarchy of waste management options, from Prevention to Reuse, Recycling and other types of recovery, and finally to confinement, is a small part of what "our common home" needs in modern times.

*We believe that LIPOR has reached an **Excellence** level, as besides managing waste using the most recent technologies and under the motto "waste is a resource", we were capable of complementing our Corporate Strategy with proper additional Strategies that promote Biodiversity, Climate, Sustainable Public Procurement, the fight against Marine Litter, External Social Accountability, the fight against Food Waste, Knowledge amongst the agents of the Sector, as well as Environmental Education and Awareness among Citizens. And even this is not all. There's always a lot to do; hence our search for continuous process improvement and Employee qualification, as well as our focus on Innovation.*

The Organisation's Corporate Strategy, which aims to fulfil our Mission and bears in mind our approved Vision, is focused on the assumption that "waste is a resource" and the objective of "zero waste", i.e., a Society without wastage.

For this purpose, LIPOR's Strategic Plan for Sustainable Waste

Management currently in force comprises several ongoing projects and initiatives - many of which involve LIPOR's associated Municipalities - that aim to fulfil national and community targets. We are comfortably on the right track, also as we constantly monitor relevant indicators, which are reported in our Observatory/Recyclometer, available on the LIPOR Portal for general and specialised information.

When analysing our performance in 2016, we register growth in processed and recovered waste and in the sale of services and products, the promotion of planned Investment and the exceedance of the initial forecasts regarding economic and financial indicators.

In a more objective analysis of LIPOR's performance in 2016, we should state that the growth in our preferred areas - multimaterial and organic waste recovery - will be fostered by the increase in door-to-door selective waste collection, which falls within the competence of the associated City Councils, duly supported by the UAIPO (LIPOR's Support Unit for the Implementation of Operational Projects). This Unit is responsible for the promotion of door-to-door selective collection projects for Domestic and Trade and Services Customers, which are currently in preparation for implementation in the entire Greater Porto region, as well as for the implementation of selective collection systems in Festivities, Pilgrimages and Sports Events, among other initiatives.

The more materials we selectively collect, the more materials will we be able to process and the higher amount of final products will we send to LIPOR's end customers.

What will LIPOR be like in the next years and how will it defend "our common home"?

In a short-term perspective, for the 2017-2020 time frame, we will focus on the fulfilment of our Strategic Plan for Sustainable Waste Management, on deepening and reinforcing the Strategies associated with our Corporate Strategy, and essentially on laying the basis for LIPOR 2030, by forecasting trends in terms of Citizen lifestyle, the shortage of virgin raw materials, the finite nature of natural resources, the promising



development of Circular Economy trends, Industry 4.0 and the scientific and technological development on a scale never seen before in our Sector.

LIPOR is sure that its Business Model will change significantly in the next years.

In 2030, we'll have a "different" LIPOR, with different infrastructures, other types of relationships with its Shareholders and Customers, with a new generation of Suppliers, with a more qualified Human Capital and a different interaction with the surrounding Community. But it will surely be, as always, a vibrant and thriving LIPOR, focused on its Mission, its business and on achieving results that allow a fair sharing of value with its stakeholders.

LIPOR and "our common home" is all that comes before that. It's the respect for our 35-year past, the respect for our Planet, the commitment towards a Future with wealth and value creation, but, most of all, it's confidently affirming, as Pope Francis does in his "Laudato Si", that "nothing in this world is indifferent to us".

AIRES PEREIRA

Chairman of LIPOR's Board of Directors

IN 2030, WE'LL HAVE A "DIFFERENT" LIPOR, WITH DIFFERENT INFRASTRUCTURES, OTHER TYPES OF RELATIONSHIPS WITH ITS SHAREHOLDERS AND CUSTOMERS, WITH A NEW GENERATION OF SUPPLIERS, WITH A MORE QUALIFIED HUMAN CAPITAL AND A DIFFERENT INTERACTION WITH THE SURROUNDING COMMUNITY. BUT IT WILL SURELY BE, AS ALWAYS, A VIBRANT AND THRIVING LIPOR, FOCUSED ON ITS MISSION, ITS BUSINESS AND ON ACHIEVING RESULTS THAT ALLOW A FAIR SHARING OF VALUE WITH ITS STAKEHOLDERS.





THE ROLE OF A COMPETENT AND PROFESSIONAL MANAGEMENT TEAM THAT STEERS A PROJECT WITH 35 YEARS OF INTENSE EXISTENCE, WHO IS AWARE OF TODAY'S ECONOMIC COMPLEXITY AND OF FUTURE CHALLENGES, IS, OF COURSE, THAT OF AN ENGINE THAT MOBILISES ALL OF LIPOR'S EMPLOYEES TO FOCUS ON THE ORGANISATION'S MISSION, THE CREATION OF VALUE, THE ACHIEVEMENT OF RESULTS AND THE PROJECTION OF THE BRAND. THIS IS HOW OUR FUTURE IS BUILT EVERY DAY.

FERNANDO LEITE · LIPOR'S CHIEF EXECUTIVE OFFICER
ISABEL NOGUEIRA | JOSÉ LUÍS MARQUES | MÓNICA MONTEIRO | PAULA MENDES · LIPOR'S MANAGERS

CORPORATE STRATEGY | G4-2



LIPOR has been defining its Agenda according to the normative principles of the European Union’s and Portugal’s environmental policies, and their combination with the Organisation’s own policy has resulted in a strategy named “LIPOR on the path to Circular Economy”.

The projection of a circular business model, substantiated by the consolidation of projects that reflect circular organisational practices, will allow the establishment of the necessary dynamics, so that LIPOR’s activity is, in fact, focused and based on a regenerative and restorative perspective of waste, also impacting upstream.

In line with this strategy and strongly believing that Circular Economy can substantially contribute to the Organisations’ Sustainable Development, LIPOR perceives the sustainable development goals (SDGs) as guiding principles for its current and future integrated action strategy.

In this context, in 2016, a profound strategic reflection was initiated, aiming at the definition of short and medium-term guidelines for its activity and, most of all, of a long-term vision – LIPOR 2030.

This business model based on foresight and planning is LIPOR’s distinctive mark, as a promoter of new strategies and seeker of more effective and innovative solutions, not only through individual actions, but mostly through a coherent sustainable waste management approach, based on dialogue, sharing and co-creation with Stakeholders.

THIS BUSINESS MODEL BASED ON FORESIGHT AND PLANNING IS LIPOR’S DISTINCTIVE MARK, AS A PROMOTER OF NEW STRATEGIES AND SEEKER OF MORE EFFECTIVE AND INNOVATIVE SOLUTIONS, NOT ONLY THROUGH INDIVIDUAL ACTIONS, BUT MOSTLY THROUGH A COHERENT SUSTAINABLE WASTE MANAGEMENT APPROACH, BASED ON DIALOGUE, SHARING AND CO-CREATION WITH STAKEHOLDERS.

From the strategic reflection and construction of LIPOR 2030 resulted the following SWOT analysis:



The dynamic of the LIPOR Project is reflected by the strong connection to the LIPOR Brand, as well as the Social Accountability Perceived (*in Opinion Barometer and Customer Satisfaction Survey*), with a level of 4.56 and 4.64 respectively, on a maximum scale of 5 (L6, L7).





**AT LIPOR, I EMBRACE PROJECTS AND STUDY CHALLENGES,
MAKING A CONTRIBUTION TO WHAT I BELIEVE TO BE THE
SUSTAINABILITY OF THE FUTURE.**

DIANA NICOLAU · COMMUNICATION, SUSTAINABILITY AND MARKETING UNIT



SUSTAINABLE DEVELOPMENT GOALS



TRANSFORMING OUR WORLD: THE 2030 AGENDA FOR SUSTAINABLE DEVELOPMENT

“Private business activity, investment and innovation are major drivers of productivity, inclusive economic growth and job creation. We acknowledge the diversity of the private sector, ranging from micro enterprises to cooperatives to multinationals. We call on all businesses to apply their creativity and innovation to solving sustainable development challenges.”

Article 67 agreed to by all 193 United Nations Member States

In September 2015, the United Nations Member States adopted the Sustainable Development Goals (SDGs), which define the global agenda for sustainable development until 2030.


This Agenda is an action plan for people, the planet and for prosperity, and Companies play a very important role in its implementation.

It establishes 17 Goals to transform our world and promote common prosperity and well-being over the next 15 years.

Having taken on the Sustainability challenge and committed itself to the global priorities of the Sustainable Development Goals, LIPOR interconnects them with its business strategies.


LIPOR’s Strategic Plan 2015-2020, which defines the main guidelines for its activity until 2020, prioritises these intervention areas.


LIPOR’S CONTRIBUTION


2 ERRADICAR A FOME

 Through the production of its natural soil improver **Nutrimais**, LIPOR contributes to the preservation or enhancement of the natural fertility of soils.


4 EDUCAÇÃO DE QUALIDADE


 The development of the **Environmental Education and Intervention Programme (PEIA)** aims to provide an educational offer that promotes citizen commitment to good environmental practices, and the acquisition of competencies for broader civic participation and environmentally responsible and sustainable behaviour.


6 ÁGUA POTÁVEL E SANEAMENTO

 The **Tinto River Valorisation** project includes the monitoring of water quality, thus allowing necessary interventions to recover the river, restore the river’s ecosystem and define its future sustainable use.


7 ENERGIAS RENOVÁVEIS E ACESSÍVEIS

 The **Energy Recovery** of unsorted waste favours the production of sustainable, local and partly renewable energy.

8 TRABALHO DIGNO E CRESCIMENTO ECONÓMICO

 LIPOR ensures the compliance of the Quality, Environmental, Safety, Occupational Health and Social Accountability **Management Systems**, in order to pursue excellence in its activities.

9 INDÚSTRIA, INOVAÇÃO E INFRAESTRUTURAS

 The implementation of a structured process for **Innovation** fosters internal knowledge and reinforces the synergies with Research and Development.

11 CIDADES E COMUNIDADES SUSTENTÁVEIS

Parque Aventura (Adventure Park) is a public leisure space that promotes physical activity and raises awareness, resulting from the sealing, rehabilitation and environmental landscape recovery of the former landfill of Ermesinde/Baguim do Monte, which was

12 PRODUÇÃO E CONSUMO SUSTENTÁVEIS

 A set of policies, programmes and actions that promote the **Prevention of Waste Production** is continuously developed in order to boost change.

13 AÇÃO CLIMÁTICA

 The **LIPOR 3M Strategy** – less Waste, less Carbon, more Climate represents LIPOR’s voluntary contribution to the fight against climate change.

15 PROTEGER A VIDA TERRESTRE

 LIPOR has publicly committed itself to the development of a **Biodiversity Promotion Strategy for the Greater Porto Region**, which includes a research and development component, and also an implementation and awareness component.

17 PARCERIAS PARA A IMPLEMENTAÇÃO DOS OBJETIVOS

 LIPOR’s participation in National and International **Multisectoral Partnerships** aims to encourage and anchor sustainable development.





**WITH MY WORK, I CONTRIBUTE TO, PARTICIPATE IN
AND AM PART OF THE CONTINUOUS IMPROVEMENT
AND OF AMBITIOUS PROJECTS, IN ORDER TO SURPASS
LIPOR'S OBJECTIVES.**

ANA MOTA - HUMAN RESOURCES DIVISION



CORPORATE GOVERNANCE



LIPOR has been developing its activities always striving for excellence and boosting new trends, reinventing and reinventing itself, and thus achieving very positive results.

In order to respond to the new challenges set by the Board, a new Organisational Macrostructure and corresponding Organigram came into force on 1st October 2016. The Mission, Vision, Values and Policy were reviewed correspondingly (G4-42).

LIPOR HAS BEEN DEVELOPING ITS ACTIVITIES ALWAYS STRIVING FOR EXCELLENCE AND BOOSTING NEW TRENDS, REINVENTING AND REINVENTING ITSELF, AND THUS ACHIEVING VERY POSITIVE RESULTS.

In the scope of its sustainable management strategy and its Quality, Environmental, Energy, Safety and Health, Social Accountability and Innovation policy, LIPOR has established that it will, in every activity, product and service, as well as in the relationship with all stakeholders:



VISION

We want to participate in the global market and create trends for a sustainable future



MISSION

To implement innovative waste management solutions, promoting a circular approach and the creation of shared value.



VALUES

To be ambitious and passionate
To be creative and think positive
To be responsible and rigorous
To be ethical and a team

WE ARE COMMITTED TO LIPOR



POLICY

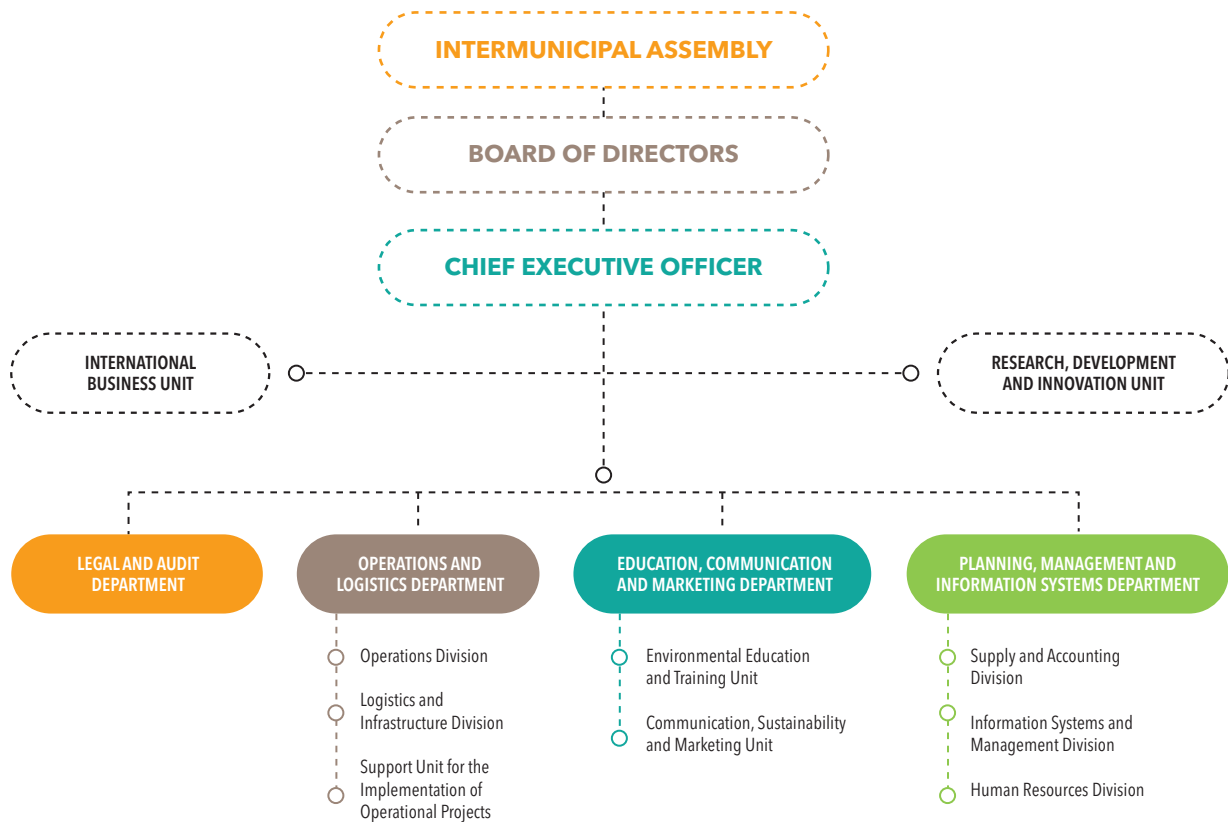
Lipor defined, as part of its sustainable management strategy, its policy for Quality, Environment, Energy, Health and Safety, Social Responsibility and Innovation

- Assert the organisation's role as a reference in sustainable waste management, promoting circular economy and a process approach;
- Comply with all legal requirements and other standards the Organisation adheres to, namely regarding Social Accountability; Respect the principles of international regulatory instruments, namely the ILO Conventions and the international Human Rights standards, annexed hereto and also available on our website;
- Prevent all forms of pollution, eliminate or reduce health and safety risks for employees and the surrounding community, and promote quality, bearing in mind the nature, scope, deriving accidents and potential environmental impact of its activities;
- Prevent work-related injuries and diseases, promoting hygiene, safety and health, through a thorough analysis of its activities and deriving risks and the instruction, training and involvement of the employees;
- Promote the continuous improvement of innovation processes, thus reinforcing corporate knowledge, promoting an innovation and creativity culture and increasing the Organisation's worth;
- Ensure the stakeholders' satisfaction, establishing solid partnerships with suppliers through the integration of sustainable requirements into the purchase process, so that it has a positive impact on society and the economy and less impact on the environment;
- Systematically improve its energy performance by conceiving and implementing an energy efficiency culture and practices within the Organisation;
- Continuously meet the needs and expectations of stakeholders, thus gradually increasing their satisfaction and confidence in the Organisation;
- Promote the adoption of LIPOR's culture and values and continuously improve its action in all areas.



LIPOR's Statutes establish two Bodies, the Intermunicipal Assembly and the Board of Directors. In order to fulfil the Association's tasks and competencies, its Services are divided into Organisational Units (Department, Division and Unit), according to the following Organigram (G4-34):

FOR LIPOR, IT IS ESSENTIAL TO ENSURE TRANSPARENCY REGARDING ITS STRUCTURE AND THE COMPOSITION OF ITS GOVERNANCE BODIES. THIS INFORMATION IS THEREFORE PUBLICLY AVAILABLE ON ITS PORTAL.



For LIPOR, it is essential to ensure transparency regarding its structure and the composition of its governance bodies. This information is therefore publicly available on its Portal.

Bearing in mind the Organisation's strategic agenda, the guidelines for LIPOR's different Organisational Units are annually established, as well as the strategic objectives for their respective action perspectives. The contribution of each Organisational Unit translates into the elaboration of the Framework for Assessment and Accountability, which is monthly followed up by the Management Team (G4-45, G4-46, G4-47)

The concept of Ethics is inherent to all those who integrate society, i.e., all individuals, and it can be defined as a set of rules of conduct and moral foundations.

The Ethics Code determines and supports the top management's decisions, steers the values that guide the Organisation's purpose and harmonises the behaviour of employees and remaining partners with LIPOR's principles (G4-56).

In 2017, LIPOR's Ethics Code will be revised and updated according to the changes made in the governance structure.





I'M A LIPOR EMPLOYEE, WHERE I WORK AS A DRIVER, AND MY EXPECTATION FOR THE FUTURE IS THAT OUR GROUP BECOMES MORE COHESIVE, UNITED AND ORGANISED, IN ORDER TO REACH MORE POTENTIAL CUSTOMERS. AS AN EMPLOYEE REPRESENTATIVE, MY EXPECTATION FOR THE FUTURE IS THAT ALL EMPLOYEES CAN BE HEARD BY THE BOARD, FOR INSTANCE, THROUGH THE SUBMISSION OF QUERIES, COMPLAINTS, SUGGESTIONS AND MUTUAL HELP.

EMANUEL MAIA · LIPOR EMPLOYEE REPRESENTATIVE

STAKEHOLDER ENGAGEMENT



LIPOR has always greatly interacted with its stakeholders, basing its engagement on transparency, cooperation and sharing principles, with the purpose of creating shared value.

The adherence to the AA1000APS (2008) standard, in 2010, was essential to systematise and guide LIPOR's action in this area, bearing in mind the Inclusivity, Materiality and Responsiveness Principles.

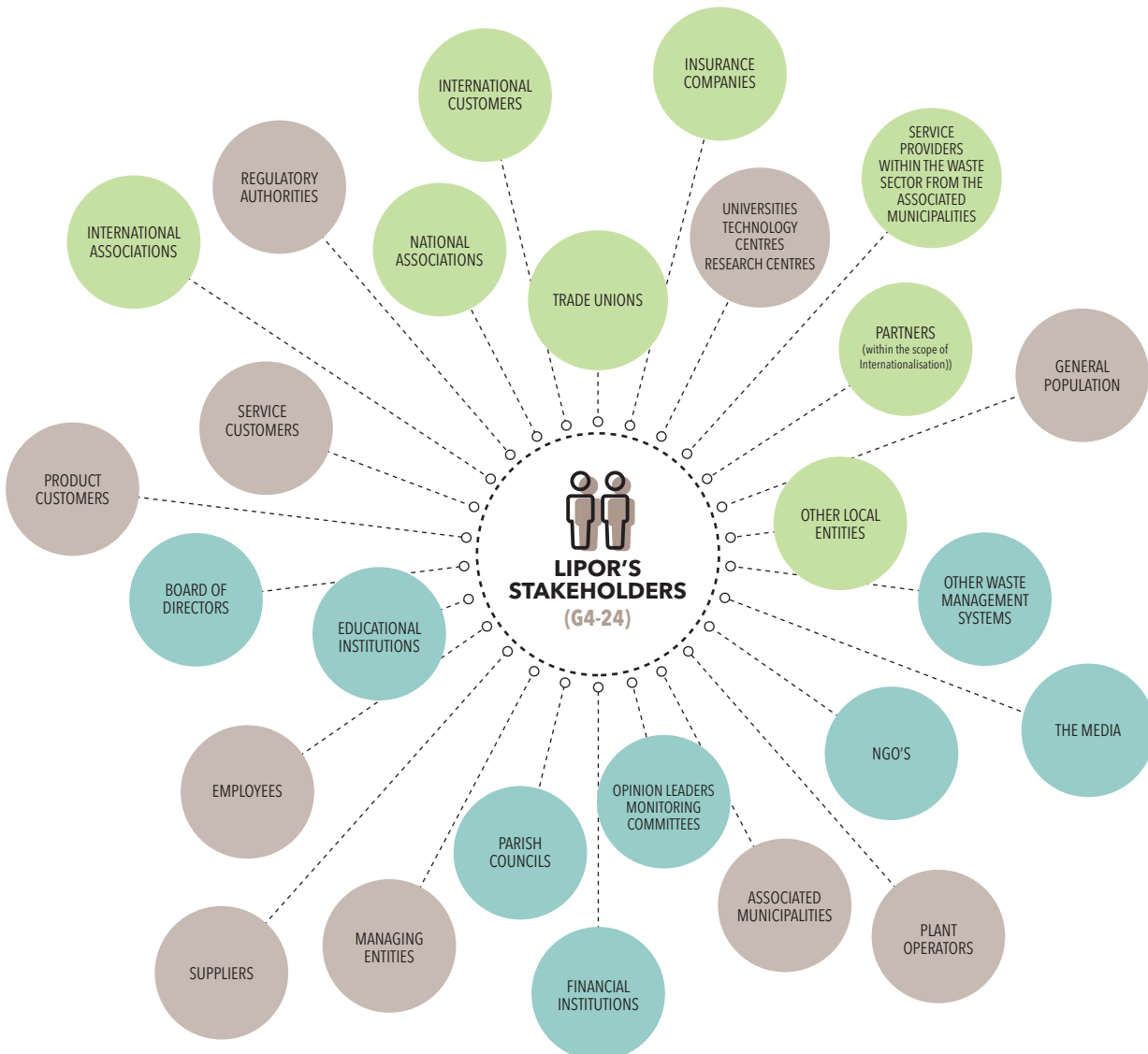
In 2014, several biennial activities were promoted, which were again analysed in 2016: Stakeholder update; Review of

the influence/dependence matrix; Stakeholder consultation; Definition of material themes; and Materiality matrix.

STAKEHOLDER UPDATE

Within the scope of Stakeholder update, we decided that it was necessary to include "Other Local Entities" as a stakeholder, in addition to the Local Entities already identified.

LIPOR's Stakeholders are the following (G4-24):



INFLUENCE-DEPENDENCE MATRIX

The purpose of the Influence-Dependence Matrix is to position Stakeholders according to their influence level (high or low) and dependence level (high or low) regarding the Organisation (G4-25).

Following its revision, the newly identified Stakeholder (Other Local Entities) was positioned and the Stakeholders "Trade Unions", "Partners within the scope of Internationalisation" and "International customers" were repositioned.

MUCH MORE THAN JUST SERVING ITS PURPOSE, IT IS INTENDED THAT THE CONSULTATION PROCESS REPRESENTS A CREATIVE AND INNOVATIVE APPROACH, WITH THE PURPOSE OF SURPRISING AND PROVIDING NEW STORIES TO TELL AND NEW FORMATS TO USE.

		STAKEHOLDER INFLUENCE ON THE ORGANISATION (OR PROJECT, OR LINE OF BUSINESS)			
		NO INFLUENCE	LITTLE INFLUENCE	SOME INFLUENCE	HIGH INFLUENCE/FORMAL POWER
STAKEHOLDER DEPENDENCE ON THE ORGANISATION (OR PROJECT, OR LINE OF BUSINESS)	LOW DEPENDENCE			<ul style="list-style-type: none"> · Associated municipalities · Product customers · Service customers · Suppliers · Universities, Technology Centres, Research Centres 	<ul style="list-style-type: none"> · Regulatory Authorities · Employees · Managing Entities · Plant Operators · General population
	HIGH DEPENDENCE	<ul style="list-style-type: none"> · Other Local Entities 	<ul style="list-style-type: none"> · Trade Unions · Partners (within the scope of Internationalisation) · International associations · National associations · Insurance companies · Service providers within the waste sector from the associated Municipalities · International customers 	<ul style="list-style-type: none"> · Educational institutions · Opinion leaders, Monitoring Committees · Other waste management systems · Parish Councils · NGOs · The Media 	<ul style="list-style-type: none"> · Board of Directors · Financial Institutions

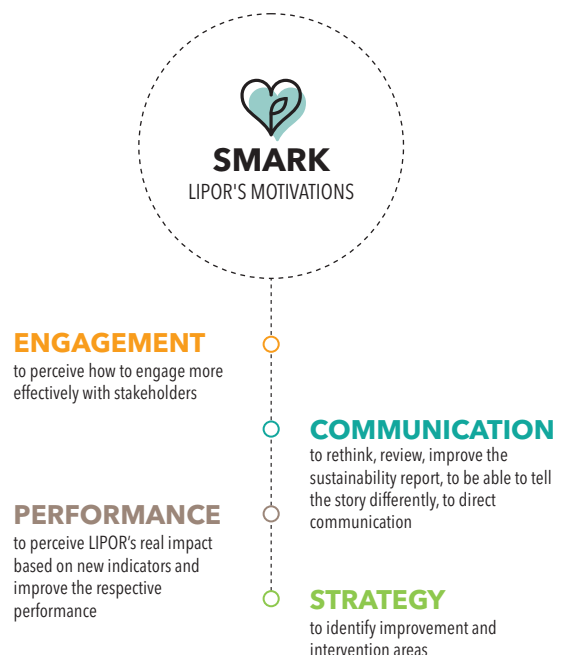
- **Fair Treatment:** To honour the commitments made to these Stakeholders. To keep Stakeholders satisfied within the boundaries of a balanced cost-benefit ratio.
- **Strategic Opportunity or Threat:** To invest on Stakeholder engagement, in order to grasp their needs/expectations and develop solutions.
- **Low Priority:** To provide access to the Organisation's general communication channels.
- **To maintain Participation and Information:** In order to ensure balance between the concerns of Stakeholders with high level of influence and the people affected by decisions.

STAKEHOLDER CONSULTATION

The biennial Stakeholder consultation is a landmark for LIPOR.

Much more than just serving its purpose, it is intended that the consultation process represents a creative and innovative approach, with the purpose of surprising and providing new stories to tell and new formats to use.

In order to achieve this, LIPOR implemented a SMARK (Social Mark) Project - Assessment of contributions to the Society associated with LIPOR's activity - which was developed by an External Entity, with the following motivations:



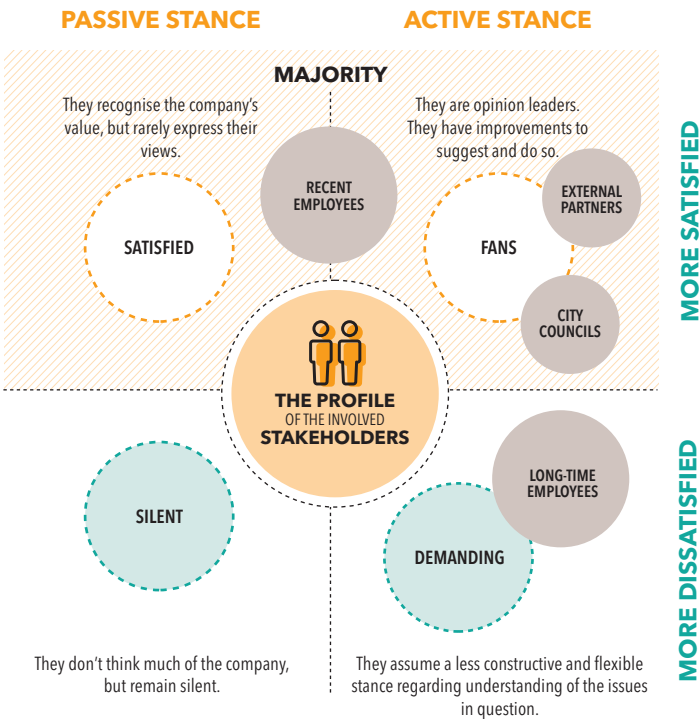
This study should focus on the Stakeholders positioned in the upper right quadrant: Associated municipalities, Product customers, Service customers, Suppliers, Universities, Technology Centres, Research Centres - some influence - Regulatory Authorities, Employees, Managing Entities, Plant Operators and General population - high influence (formal power).

The purpose was to collect perceptions, expectations and suggestions from LIPOR's Partners, thus portraying (1) the profile of the involved stakeholders, defining (2) LIPOR's main contributions to society, and identifying (3) the materially relevant themes.

The methodology used consisted of individual meetings, having also 2 focus groups been organised for the Municipalities and Employees groups (G4-37).

This process resulted in the following findings:

(1) THE PROFILE OF THE INVOLVED STAKEHOLDERS:



THE METHODOLOGY USED CONSISTED OF INDIVIDUAL MEETINGS, HAVING ALSO 2 FOCUS GROUPS BEEN ORGANISED FOR THE MUNICIPALITIES AND EMPLOYEES GROUPS.

THE PURPOSE WAS TO COLLECT PERCEPTIONS, EXPECTATIONS AND SUGGESTIONS FROM LIPOR'S PARTNERS, THUS PORTRAYING (1) THE PROFILE OF THE INVOLVED STAKEHOLDERS, DEFINING (2) LIPOR'S MAIN CONTRIBUTIONS TO SOCIETY, AND IDENTIFYING (3) THE MATERIALLY RELEVANT THEMES.

(2) LIPOR'S MAIN CONTRIBUTIONS TO SOCIETY:

CHANGE IN THE LANDSCAPE
Closing of landfills and opening of spaces to the city

CHANGE IN PARADIGMS
From trash to waste, source of wealth and job creation

CHANGE IN RELATIONS
Close proximity to local community, ongoing environmental awareness/ education amongst the population

THE CONSULTATION REVEALED A GENERAL PERCEPTION THAT THE CONSTITUTION OF LIPOR RESULTED IN VARIOUS DETERMINING CHANGES FOR THE ECOSYSTEM AND THE POPULATION TO A LARGER EXTENT.



(3) THE MATERIALLY RELEVANT THEMES FOR STAKEHOLDERS (G4-18):



HENCE, THE MANAGEMENT TEAM HAS IDENTIFIED LIPOR'S MATERIAL THEMES BEARING IN MIND (1) THE BOARD'S NEW CHALLENGES, (2) THE STRATEGIC REFLECTION, AND (3) THE MATERIAL THEMES LISTED BY THE STAKEHOLDERS.

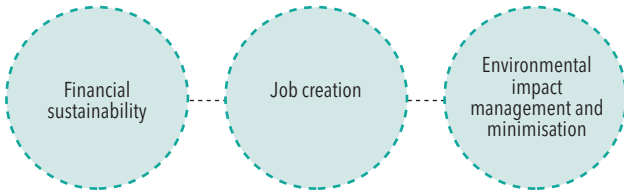
According to AccountAbility, an issue is materially relevant if it influences the decisions, actions and the performance of an Organisation and its Stakeholders.

Hence, the Management Team has identified LIPOR's material themes bearing in mind (1) the Board's new challenges, (2) the strategic reflection, and (3) the material themes listed by the Stakeholders (G4-19, G4-45).

The following table matches LIPOR's material themes with the themes identified by the Stakeholders (G4-27):

LIPOR **SPECIFIC**

TURN LIPOR INTO A REFERENCE



LIPOR **CHARACTERISTIC**

GOOD MANAGEMENT

LIPOR'S MATERIAL THEMES		STAKEHOLDERS' MATERIAL THEMES
1. Environmental Education and Awareness		
2. Increase of the amount of materials received with potential for environmental and organic recovery	●	Promotion of Change in Behaviour
3. Competencies and know-how		
4. Product and service quality	●	Leadership and Sharing within the sector
5. Sustainability commitment and strategy	●	Integration of and Proximity to Local Community
6. Organisation's financial balance		
7. RDI initiatives	●	Financial Sustainability
8. Increase of the amount of materials received with potential for environmental and organic recovery		
9. Quality employment	●	Job creation
10. Maintenance of Management Systems		
11. Greenhouse Gas Emissions	●	Environmental impact management and minimisation
12. Energy Efficiency		
13. Biodiversity	●	
14. Incentive for new businesses and opportunities		



The following materiality matrix (G4-20; G4-21) results from the intersection of the importance of the themes for Stakeholders and the impact of the themes for LIPOR:

MATERIALITY MATRIX



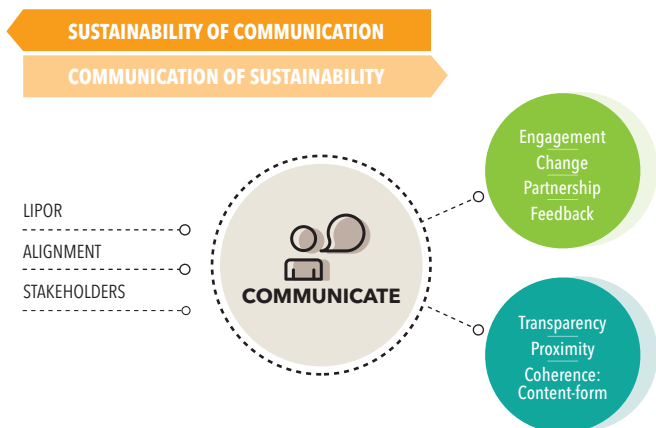
COMMUNICATION AND ENGAGEMENT MECHANISMS

Through communication, organisations assume their position and strive to gain the trust of all those with whom they interact (Stakeholders).

Knowing that Responsible Communication causes change in behaviour and promotes organisation commitment, LIPOR perceives:

- Communication as a differentiation factor
- A selection criterion for consumers
- The establishment of a trusting relationship with the community
- Stakeholder engagement

The communication strategy adopted by LIPOR is embodied in the mapping of Stakeholder Communication and Engagement Mechanisms, associated with their main cause and respective impact. (G4-14, G4-26)



CUSTOMER ASSESSMENT

LIPOR continues to regard customer satisfaction as a success instrument, wherefore its assessment was once again one of the Organisation’s objectives. The quality assessment of the products and services LIPOR provides through its several areas allows the definition of strategies to fulfil the customers’ needs and expectations, thus improving the critical aspects identified by them.

In 2016, as in previous years, a Customer satisfaction assessment survey was performed by an external, independent entity, DOMP, through telephone interviews. The study performed included the analysis of overall levels of Customer satisfaction, as well as the gathering of results by area of service and product, using once more the FM-SERVQUAL tool.

This study, which took place in two periods (May and November 2016), revealed a global LIPOR Customer satisfaction index of 4.59 (scale of 0 to 5), allowing (G4-PR5):

- The rigorous measurement of satisfaction levels regarding the service and products provided by LIPOR;
- Direct comparison of LIPOR’s several service areas;
- Awareness of Customer perception regarding the evolution of satisfaction levels, and of the reasons for that evolution;
- The assessment of aspects such as loyalty, social image, and potential complaints, with the establishment of a web of relations between all those aspects;
- Recommendation of LIPOR services/products;
- Intention to purchase again.

LIPOR approaches all situations exposed to the Complaints Centre and respective areas in a perspective of continuous improvement, thus analysing them and implementing corrective actions (G4-PR5).

In 2016, LIPOR’s Complaints Centre remained under the responsibility of the Audit, Total Quality and Sustainability Office/Information Systems and Management Division (from October 2016), having received 25 dissatisfactions, 12 of which regarding take-back requests and 8 regarding the Ecofone service (G4-EN34).





MY ROLE AT LIPOR CONSISTS OF DOING MY BEST AT MY JOB EVERY DAY, SO THAT LIPOR REMAINS A STRONG AND LASTING COMPANY.

JOSÉ ROCHA - LOGISTICS AND INFRASTRUCTURE DIVISION

LIPOR WITH THE ENVIRONMENT IN THE HEART...



LIPOR's action is fundamentally based on the search for excellence and quality in favour of the populations it serves and its Associated Municipalities. This strategy will allow us to accomplish our Vision "To participate in the global market and create trends for a sustainable future". To this purpose, LIPOR intends to implement innovative waste management solutions, promoting a circular approach and the creation of shared value, while maintaining the Organisation's financial balance.

WE FOCUS ON INNOVATION THROUGH THE PROMOTION OF NEW PROJECTS AND BUSINESS OPPORTUNITIES THAT WILL CREATE SUSTAINABLE VALUE FOR THE ORGANISATION AND ITS STAKEHOLDERS.

OUR PERFORMANCE

LIPOR has reached a position of **Excellence**, being a forerunner of new trends, reinventing and reinventing itself, and thus achieving very positive results.

ECONOMIC RESULTS

The year 2016 ended with growth in our Turnover, EBITDA and Net Income of 1%, 9% and 29% respectively, in comparison with 2015.

This result demonstrates the Organisation's daily effort and constant search for new effective solutions, by redesigning processes and promoting Employee qualification, striving for process optimisation and cost reduction. In this sense, we focus on Innovation through the promotion of new projects and business opportunities that will create sustainable value for the Organisation and its Stakeholders.

In 2016, the Turnover amounted to 36.9 million euros. This performance basically reflects an increase in Provision of Services and a stabilisation of Product sales.

Regarding significant financial assistance received from Government, one of the most relevant items pertains to contributions from the Cohesion Fund. **(G4-EC4)**



The economic results achieved demonstrate the unquestionable quality of an assertive and responsible management team, in constant interaction with the associated municipalities, which are committed to the project, aiming to serve a population increasingly committed to ecological values.

Diana Falcão
Graduated in Economics and Doctoral Student in Sustainability



DIRECT ECONOMIC VALUE GENERATED (G4-EC1)

REVENUES	VALUE 2014	VALUE 2015	VALUE 2016
Sales and Provision of services	33 415 651	36 551 752	36 929 782
Supplementary Income	226 754	275 354	229 611
Transfers and subsidies obtained	6 250 319	6 197 769	6 375 504
Interests from Deposits	1 208 319	123 873	82 544
Cash Discounts Obtained	0	0	1
TOTAL	41 101 043	43 148 748	43 617 441

ECONOMIC VALUE DISTRIBUTED (G4-EC1)

OPERATING COSTS	2014	2015	2016
External Services and Supplies	28 435 593	42 128 478	41 775 499
Salaries and employee benefits	3 810 279	3 787 908	3 660 383
Payments to capital providers	3 647 754	3 214 457	2 867 510
Payments to the Government	48 555	39 907	17 287
Community Investments	49 509	126 229	144 408
Environmental awareness	38 798	81 858	63 516
Prevention projects	1 025	0	698
Home Composting and Organic Farming projects	8 321	22 358	72 008
Landfill of Ermesinde/Adventure Park	1 365	22 013	8 186
TOTAL	35 991 690	49 296 978	48 465 088

SIGNIFICANT FINANCIAL ASSISTANCE RECEIVED FROM GOVERNMENT (G4-EC4)

ENTITY	VALUE 2014	VALUE 2015	VALUE 2016
Cohesion Fund	1 423 700	7 991 176	7 915 520
Ademe Agence de Le Environnement et de la Maitrise ERP (European Recycling Platform) Portugal RLAB Project Building SPP Project	2 932	2 823	
PAYT Project			
AN PROALV (Portuguese National Agency for the Management of Lifelong Learning Programme)			3 400
Life Project	47 567		
Rennes Metropole			
Sociedade Ponto Verde	19 336	753	4 000
Executive Board of PNAEE (Portuguese National Action Plan for Energy Efficiency)	4 167		
Transfers and Subsidies	6 176 319	6 194 193	6 368 104
IEFP – Institute for Employment and Vocational Training		1 867	4 357
I. P. Juventude – Portuguese Youth Institute			
CCDRN – Northern Portugal Regional Coordination and Development Commission			
POPH – Operational Programme for Human Potential			
Contributions to Investments	6 176 319	6 192 326	6 363 747
TOTAL	7 674 020	14 188 945	14 291 024



CONTINUOUS IMPROVEMENT

LIPOR aims to continuously improve its efficiency in all processes and areas, by stimulating innovation and promoting new methodologies.

Continuous Improvement is a fundamental pillar of LIPOR's culture and working method, based on the pursuit of productivity and quality, thus creating sustainable value for the Organisation and its Stakeholders.

The Kaizen methodology allowed the development of a series of mechanisms that support the continuous improvement of the Organisation, and the creation of a guideline for team and process management. The big challenge is to evolve to the next level, i.e., to implement this methodology in process mapping and development and in the structured resolution of problems.

THE KAIZEN METHODOLOGY ALLOWED THE DEVELOPMENT OF A SERIES OF MECHANISMS THAT SUPPORT THE CONTINUOUS IMPROVEMENT OF THE ORGANISATION, AND THE CREATION OF A GUIDELINE FOR TEAM AND PROCESS MANAGEMENT. THE BIG CHALLENGE IS TO EVOLVE TO THE NEXT LEVEL, I.E., TO IMPLEMENT THIS METHODOLOGY IN PROCESS MAPPING AND DEVELOPMENT AND IN THE STRUCTURED RESOLUTION OF PROBLEMS.

SUPPLIERS

Through an active participation in the development of sustainable policies, LIPOR strives to integrate its suppliers and subcontractors in its social and environmental concerns, in order to ensure the sustainable development of its activity.

Being a public entity and also following the implementation of the SA8000 standard, LIPOR develops several actions in order to ensure that its suppliers comply with labour legislation in effect.

For this purpose, LIPOR created a **Suppliers and Subcontractors Conduct Code**, which establishes a commitment between LIPOR and its suppliers, regarding the principles of the Universal Declaration of Human Rights, the Conventions of the International Labour Organization and National and Community Legislation in effect, which must be implemented in their commercial activities. The Conduct Code can be disseminated or sent by e-mail, included in specifications (in case of Public Tenders and/or Direct Procurement over €10,000.00), and can also be found on LIPOR's website.

In 2016, suppliers with sales volumes of €10,000.00 or higher, or a billing volume of six invoices or more had to submit a duly signed and stamped Statement of Commitment to the Conduct Code.

In these cases, a computer warning system informs the Purchasing and Supply Division team that a certain supplier hasn't signed a Statement of Commitment yet. After reading the Conduct Code, the supplier must send to LIPOR's Purchasing and Supply Division a duly signed and stamped Statement of Commitment to the Code.

The Statement of Commitment's duration corresponds to a certification cycle (3 years). Once that period expires, all of LIPOR's suppliers go back to the zero stage and the action plan's premises/requirements are once again activated.

The analysis of the year 2016, which was the second year of the cycle, revealed that 590 suppliers traded with LIPOR, 206 of which being associated with sales amounting to €10,000.00 or more and a billing volume of 6 accounting documents or more.

BEING A PUBLIC ENTITY AND ALSO FOLLOWING THE IMPLEMENTATION OF THE SA8000 STANDARD, LIPOR DEVELOPS SEVERAL ACTIONS IN ORDER TO ENSURE THAT ITS SUPPLIERS COMPLY WITH LABOUR LEGISLATION IN EFFECT.



218

LIPOR ALSO PERFORMS A SUPPLIER PERFORMANCE EVALUATION. IN 2016 (1ST SEMESTER AND 2ND SEMESTER), 218 SUPPLIERS WERE EVALUATED, WHICH CORRESPONDS TO 37% OF ALL OF LIPOR'S SUPPLIERS.

In this context, in 2016, 71 Conduct Codes and respective Statements of Commitment were sent, having all been duly signed and stamped. Following the communication of certification renewal, 10 Conduct Codes were voluntarily sent. **(G4-LA14)**

The annually devised **Supplier and Subcontractor Control Programme** bears in mind a classification given to suppliers (A or B) based on the following criteria:

1. Provides services within LIPOR's scope of activity;
2. Provides services within LIPOR's facilities;
3. Was assessed within the last supplier performance evaluation.

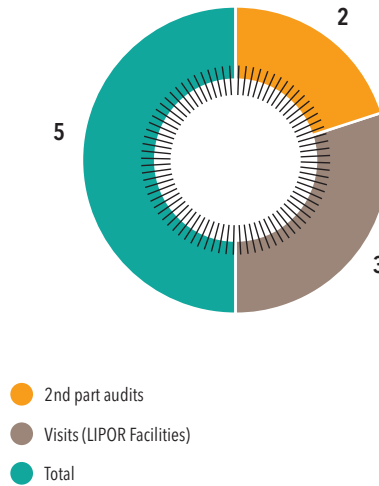
Suppliers are thus classified and subjected to the following type of control:

- A)** Classified with 3 criteria: subject to audit;
- B)** Classified with 1 or 2 criteria: no action.

However, it is important to mention that other suppliers may be included in LIPOR's Supplier Control Programme whenever that is considered relevant for LIPOR's activities. Suppliers that are subject to audit receive from LIPOR the audit report with the results regarding SA8000 requirements, and are urged to develop actions to solve the identified problems.

LIPOR also performs a Supplier Performance Evaluation. In 2016 (1st semester and 2nd semester), 218 suppliers were evaluated, which corresponds to 37% of all of LIPOR's suppliers.

SCOPE OF THE SUPPLIER AND SUBCONTRACTOR CONTROL PROGRAMME (G4-LA15)



LIPOR and Bompiso are an example of a solid partnership, based on trust and the dynamics of interpersonal relations.

Glória Moreira | Bompiso

OUR STRATEGIES

The arising of a circular economy must be considered the major topic of the current strategic and political reality and, therefore, approached in a long-term perspective.

In this context, LIPOR's engagement with the Circular Economy theme represents the Organisation's commitment to what we believe to be a responsible business action, a vision which is, in fact, integrated in the Organisation's Strategic Plan. This document establishes the main guidelines for LIPOR's activity until 2020, regarding waste as a resource, as a structured course of action for waste recovery and treatment.

Throughout the past years, LIPOR has created several internal multidisciplinary groups, to respond to the various initiatives it gets involved in and the diverse approaches to its activity.

INTEGRATED WASTE MANAGEMENT

The projection of a circular business model, substantiated by the consolidation of projects that reflect circular organisational practices, allows the establishment of the necessary dynamics, so that LIPOR's activity is, in fact, focused and based on a regenerative and restorative perspective of waste, also impacting upstream, through the decrease of waste production and promotion of new forms of consumption.

The reintroduction of "waste" as a "resource" in the value chain is of particular relevance to the recovery of organic waste. In this context, we should highlight Nutrimais, a high quality natural soil improver that is applied to soils in order to "return to the earth what comes from the earth". Nutrimais is a 100% natural product, which is certified for use in organic farming and results from the composting of raw materials (organic fraction of municipal waste) sorted at their source. Nutrimais Compost complies with all requirements defined by the legislation in effect. In 2016, we concluded the renewal of the marketing authorisation for the NUTRIMAIS fertilising matter, applicable until 2022, in accordance with the legislation in effect (G4-PR3).

LIPOR and its Associated Municipalities have defined a clear and well-structured strategy for sustained and sustainable waste management, which is based on door-to-door selective collection strategies, information management, Unit reformulation for optimisation and efficiency purposes, a financial consolidation that supports the strategy, a national and international opportunity approach, communication and awareness-raising.

In order to increase multimaterial and organic recovery volumes, several projects were initiated in 2016, as a response to the actions defined in area ii. (increase of preparation for reuse and recycling, and of recyclable waste quality) of LIPOR's Strategic Plan, such as:

- Expansion and reinforcement of the eco-container network;
- Implementation and expansion of projects for municipal waste selective collection in Events;
- Implementation and expansion of projects for organic waste door-to-door selective collection, for domestic and non-domestic producers;
- Implementation and expansion of projects for green waste selective collection, for domestic and non-domestic producers.



In our Hotel, integrated waste management helped reinforce amongst our teams the recovery of raw materials, thus avoiding an excessive amount of waste and reducing certain food-related costs. Simultaneously, we try to make our customers aware of our adoption of an increasingly healthy and sustainable cuisine.

Arnaldo Azevedo | Hotel Teatro



The delivery of selective disposal equipment to non-domestic producers was supported by the “Aqui Separamos com o Coração” (Here We Sort with our Hearts) Campaign. The purpose of this campaign is to raise awareness among producers of proper sorting of the organic and multimaterial fractions, having firstly been contacted about 900 potential new customers, of which 635 establishments adhered to the selective collection of these fractions. This Campaign includes monitoring and assessment periods, to evaluate the work developed. In 2017, the second phase of the campaign will be implemented, within the same line of action, hoping to increase the number of participating establishments.

The promotion and expansion of the selective collection of used cooking oils and other waste flows, which started in 2015, also continued throughout 2016.



LIPOR is aware that, in the future, it will change from processor to consultant and incubator; hence, the innovation and development process will most likely become one of the most relevant processes for the organisation. In my view, this is now clear at LIPOR.

António Castilho | Consultant

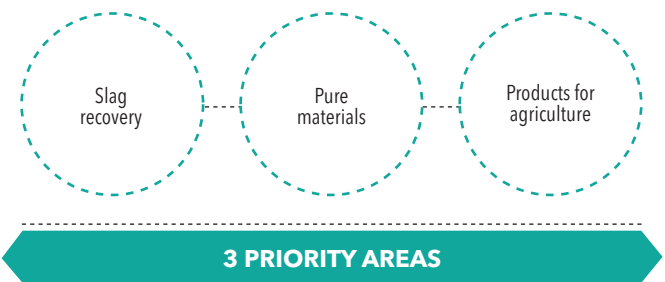
RESEARCH, DEVELOPMENT AND INNOVATION

The Organisation invests in Innovation aiming to create value. Through the Innovation window, LIPOR aims at approaching situations from different perspectives, finding new effective solutions for different types of issues, redesigning processes, facing new challenges in a creative way and changing paradigms.

Being the first certified entity in the Portuguese waste sector, LIPOR has been implementing a Research, Development and Innovation Management System (SGIDI) since 2012, with certification according to the NP 4457:2007 standard within the scope of: “Research, Development and Innovation of sustainable waste management solutions”. SGIDI is based on 4 different processes (Idea Management, Project Management, Project Portfolio Management and Interface and Knowledge Management), that aim at the acquisition and retention of knowledge, the promotion of partnerships and financing and the implementation of projects to create new products and services, thus contributing to value enhancement within the organisation.

The RDI Core is a transversal work group that develops all RDI activities within the Organisation. From the macrostructure restructuring, in October 2016, resulted a Research, Development and Innovation Unit (UIDI), which is subordinated to the Board and is now responsible for SGIDI. The RDI Core was kept as an advisory and follow-up body for ideas within the organisation.

LIPOR Innovation focuses on 3 priority areas:



The Research, Development and Innovation Unit manages LIPOR’s Innovation Projects and Studies portfolio.

The development of Studies aims at the acquisition of useful knowledge for the Organisation’s usual activities or the planning of new actions. The development of Projects aims at the creation of value within the Organisation, at an economic, environmental and social level.

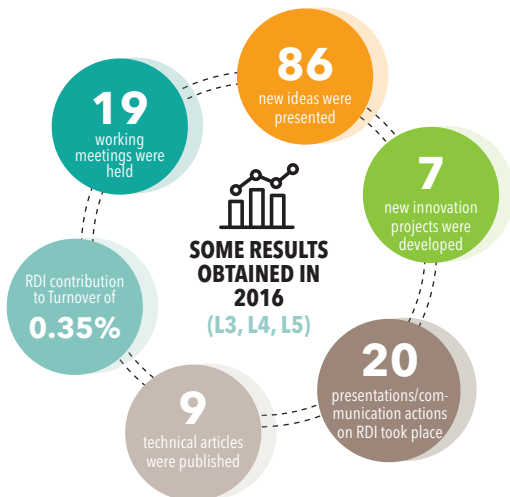


In 2016, the following studies and projects were in progress:

NAME OF STUDY	SCOPE
Action 2020 – Business Solutions for Sustainable Development	Agenda for business action promoted by BCSD to boost sustainable development in cooperation with public policy-makers and civil society agents.
LIPOR Biodiversity 2013-2020	To implement a Biodiversity Strategy so that LIPOR can ascertain the impact of its activities on biodiversity, and to develop an action plan that sets impact minimisation strategies and/or compensation actions.
Selective Collection Monitoring	Implementation of a selective waste collection monitoring model at an inter-municipal level.
COMPOSTING WITH EMs 2016	To analyse the influence of effective microorganisms in the decrease of pH value and the electrical conductivity of compost; to analyse the effect of the inclusion of EMs in the composting process.
Wisén 2016	To conceive an integrated sensor system solution to control and monitor locations and/or tasks and/or employees, at LIPOR's operational units in Baguim do Monte.

NAME OF PROJECT	SCOPE
Green Spaces 2020	Sustainable green space management at LIPOR's facilities.
Social and Environmental Action	To promote selective collection in local initiatives, such as thematic fairs, pilgrimages and similar events, and to help local community support and social institutions.
Reuse Centres	Setting up of a Reuse Centre to promote waste reduction, reuse, repair and recovery and good environmental practices amongst the population.
RV 2020 (Green Waste 2020)	To increase the amount of green waste selectively collected in the 8 municipalities.

Some results obtained in 2016 (L3, L4, L5):



INTERNATIONALISATION

With the restructuring of LIPOR's macrostructure, in 2016, a new area arose, the UNI – International Business Unit – which was integrated in LIPOR's organigram for the first time, although LIPOR's internationalisation was already being promoted by the International Area since 2013.

The recently denominated UNI has thus replaced the International Area, which existed until September 2016. This was an important milestone in the consolidation of this area, which thus remains one of LIPOR's strategic pillars to boost business and the Organisation.

In a business context constantly marked by challenges, Organisations must reinvent themselves and adjust to Market developments, becoming ever more competitive, always searching for excellence and exploiting their differentiating characteristics that set them apart from the competition.

In this sense, as a Future-oriented Organisation, LIPOR aligns its focus and position in order to respond to medium and long-term challenges. A business expansion to international markets, based on a defined and coherent internationalisation strategy, is UNI's contribution to the achievement of LIPOR's objectives, namely the ambitious objective to reach a Turnover of 50 million euros in 2020.

The work done regarding the exploitation of opportunities in the international market has already provided visible results, which represent an important return for the Organisation, on numerous levels.

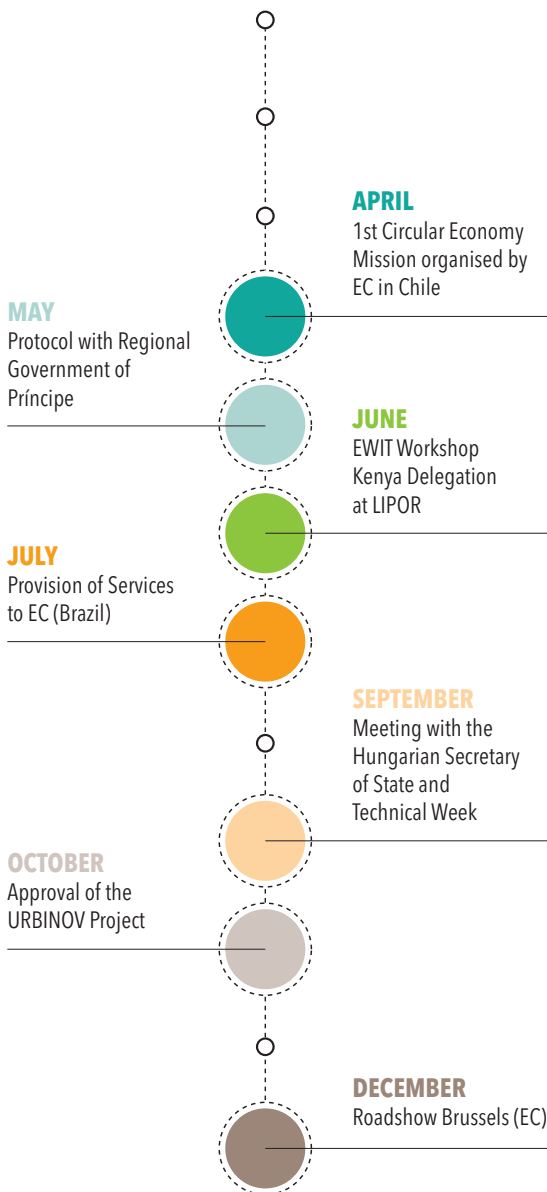


We must highlight the projection of the LIPOR brand in international markets, a well-known and recognised excellence brand, LIPOR's participation in several international events for the promotion of the Environment and/or the "Europe" brand, the provision of services and search for business opportunities within the European Commission (EC) and the Multilateral Development Bank (MDB).

Therefore, for sustainability reporting purposes, we've defined the following specific indicators for this Unit:

- No. of Expressions of interest
- No. of approved proposals/projects
- No. of Business Missions

From the wide range of activities that took place in 2016, we highlight the following, in chronological order:



THE WORK DONE REGARDING THE EXPLOITATION OF OPPORTUNITIES IN THE INTERNATIONAL MARKET HAS ALREADY PROVIDED VISIBLE RESULTS, WHICH REPRESENT AN IMPORTANT RETURN FOR THE ORGANISATION, ON NUMEROUS LEVELS.

WE MUST HIGHLIGHT THE PROJECTION OF THE LIPOR BRAND IN INTERNATIONAL MARKETS, A WELL-KNOWN AND RECOGNISED EXCELLENCE BRAND, LIPOR'S PARTICIPATION IN SEVERAL INTERNATIONAL EVENTS FOR THE PROMOTION OF THE ENVIRONMENT AND/OR THE "EUROPE" BRAND.

Some results obtained in 2016 (L8, L9, L10):



ENVIRONMENTAL AWARENESS AND EDUCATION

In order to promote citizen commitment to good environmental practices, foster the acquisition of competences for broader civic participation and the growth and consolidation of environmentally responsible and sustainable processes, LIPOR strongly invests in Environmental Awareness and Education. The scope of this action is reflected in the diversity of the developed projects and initiatives, as well as the people involved. In 2016, the total population reached with Environmental Education and Awareness actions amounted to 88,688. (L1)



The “LIPOR Geração +” (LIPOR Generation +) Project is part of LIPOR's educational offer destined for Associations, Educational, Social and Higher Education Institutions.

3 years after its implementation, the project continues to promote a spirit of continuous activity and community engagement, thus ensuring stable annual indicators.

The project's activities are based on the development of Intervention Plans that seek to satisfy the needs identified in a first diagnosis phase, in order to optimise the Institutions' Environmental Management processes.

The project has currently 173 enrolled institutions, with a potentially reachable community of 59,770 citizens. In 2016, there were 1,027 direct intervention actions, involving 25,557 participants and resulting in the awarding of 23 new “Coração Verde” (Green Heart) Certificates (L2), with a total of 32 Certifications within the scope of the project.

The Certified institutions are regularly followed up, to ensure that they keep the good practices, in view of the renewal of their Certification, every two years. Within the scope of the follow-up process, each certified institution receives a Handbook of Good Practices, which is a support tool for the consolidation of environmentally sustainable behaviours and the achievement of a balanced autonomisation of processes.

The comparative analysis of initial and final results achieved by the certified institutions reveals the behavioural change throughout the implementation of the Action Plan, with an average growth of 47.3% in the amount of waste sent by these Organisations for Multimaterial Recovery (corresponding to an increase of 42 tons/year) and an average reduction of 36.8% in unsorted waste production (corresponding to a decrease in production of 171 tons). As additional information, when we compare the level of environmental behaviour of these Institutions at the moment of their initial audit (diagnosis) with the results at the moment of the certification audit, we register an average growth of 54.5% in this indicator.



With the “LIPOR Generation +” project, MAPADI challenges its limits, colouring differences a greener tone!

António Ramalho | MAPADI

THE PROJECT HAS CURRENTLY 173 ENROLLED INSTITUTIONS, WITH A POTENTIALLY REACHABLE COMMUNITY OF 59,770 CITIZENS. IN 2016, THERE WERE 1,027 DIRECT INTERVENTION ACTIONS, INVOLVING 25,557 PARTICIPANTS AND RESULTING IN THE AWARDING OF 23 NEW “CORAÇÃO VERDE” (GREEN HEART) CERTIFICATES (L2), WITH A TOTAL OF 32 CERTIFICATIONS WITHIN THE SCOPE OF THE PROJECT.



PREVENTION OF WASTE PRODUCTION

In cooperation with the associated Municipalities, LIPOR has striven to act as a catalyst for change, using a set of policies, programmes and actions that promote and stimulate the progress of LIPOR's area of intervention towards a more sustainable future.

From the several ongoing projects, we highlight Life Cycle Assessment, Sustainable Public Procurement, Food Waste ("Dose Certa" Project and Food Waste Mapping) and the Participation in the European Week for Waste Reduction (EWWR).

The pilot project **"Análise de Ciclo de Vida" (LCA - Life Cycle Assessment)** regarding the cemetery waste recovery process was concluded in the beginning of 2016, having then the applicability of the improvement suggestions been assessed. Following this pilot project, it was decided to apply the LCA tool to other Internal Organisational Processes, namely the organic recovery process, particularly focusing on the use of Nutrimais as a soil improver. This analysis will start in 2017 (G4-PR1).

The **Food Waste** issue has been approached amongst restaurants and citizens, with actions that raise awareness of the reduction of food waste production, promote a balanced diet (in partnership with the Portuguese Association of Nutritionists) and a more balanced/mindful behaviour/consumption. We've already reached 35 "Dose Certa" (Right Serving) Establishments.

In order to assess the impact on its area of influence, LIPOR conducted a study, in partnership with the Faculty of Engineering of the University of Porto, with the purpose of obtaining a **Food Waste Mapping**, so to:

- Share the information with the purpose of minimising a global problem: food waste versus world hunger;
- Adopt a universal definition of food surplus and standardise measuring methodologies;
- Quantify and study the causes of food surplus as a way to facilitate the application of preventive and effective measures to fight food waste.

In 2016, the 7th edition of the **European Week for Waste Reduction - EWWR** took place, under the main theme - Packaging Waste Reduction: Use-less packaging! As an EWWR organiser for Municipalities within its area of intervention, LIPOR registered 143 actions in all Action developer categories.

FROM THE SEVERAL ONGOING PROJECTS, WE HIGHLIGHT LIFE CYCLE ASSESSMENT, SUSTAINABLE PUBLIC PROCUREMENT, FOOD WASTE ("DOSE CERTA" PROJECT AND FOOD WASTE MAPPING) AND THE PARTICIPATION IN THE EUROPEAN WEEK FOR WASTE REDUCTION (EWWR).

In continuation of LIPOR's strategy regarding the reduction of Carbon Emissions and Energy Efficiency, and within the scope of its **Sustainable Public Procurement** policy, we highlight the adjudication of the procedure to provide LIPOR II facilities, in Maia, with 100% renewable energy. This procedure is a reference for future purchases regarding Energy Efficiency.



I believe that LIPOR is concerned about the prevention of waste production, which is inherent to human activities. Hence, communication and awareness are valuable tools for a change in attitudes and mentalities. Children are thus one of the key pillars as multipliers and environmental awareness agents. It is important to keep in mind that waste production is everyone's responsibility, so everyone can contribute to solving it.

Felicidade Pereira | City Council of Valongo



ENERGY

An efficient use of energy is, more and more, a major priority, leading to a reduction of operating costs and a sustainable policy. A strong and structured determination regarding energy efficiency is, therefore, much needed, one that translates into technical and organisational competencies and the involvement of appropriate human resources.

In 2016, the defined target to “Increase by 1% LIPOR’s global energy efficiency” wasn’t reached, remaining about 1.12% below the expectations. However, despite not having achieved the target, LIPOR has globally improved by about 0.3% its energy performance, i.e., it produced more with the same amount of energy, having registered an energy intensity of 0.0881 GJ/t. **(G4-EN5)**

Several factors contribute to a rational and efficient use of energy, for instance: equipment and facilities operation, the technologies used, the structural condition of buildings, employee behaviour, among others. From the most relevant actions developed during 2016, we highlight:

- The implementation of the ISO 50001 Standard helped to systematise all the work performed regarding energy efficiency, which was, to date, implemented in a disperse and unorganised manner, thus allowing the establishment of routines and procedures to promote energy efficiency on a daily basis and reduce consumptions.

- Awareness, communication and training actions, with very impressive results.
- The purchase of green energy resulted in the reduction of LIPOR’s Carbon Footprint. LIPOR signed a contract with the electricity supplier to purchase electrical energy produced from 100% renewable energy sources. This procedure allowed not only a reduction of Greenhouse Gas emissions of about 516 tCO₂e per year, but also a cost reduction.
- The expansion of the metering system was very useful, as it helps to detect energy waste, on a daily basis.
- With the enhancement of the sorting conveyor, which had a low material forwarding efficiency, we managed to improve productivity from 2.9 tons/hour to 3.1 tons/hour.

With the purpose of reducing energy consumption associated with its activity, and resorting to the implementation of more efficient technological solutions, LIPOR submitted two applications to the Energy Efficiency Fund (FEE), to replace outdoor and indoor light fixtures with LED fixtures. The results of the submitted applications will be announced in 2017, and these will allow LIPOR to reduce its electrical energy consumption by about 75% and 80% respectively. **(G4-EN6)**

DIRECT ENERGY CONSUMPTION BY PRIMARY ENERGY SOURCE (GJ) **(G4-EN3)**

FACILITY	SOURCE	2014	2015	2016
Composting Plant (CVO)	Natural gas	1883	1686	2065
	Fuel (diesel)	2808	2837	2738
	Electricity (GJ)	15939	16105	16724
Energy Recovery Plant (CVE)	Natural gas	3656	3602	8000
	Fuel (diesel)	386	146	182
	Electricity (GJ)	2990	704	1328
Landfill	Fuel (diesel)	1580	814	1032
	Electricity (GJ)	1135	1065	1383
Closed Landfills (Ermesinde and Matosinhos)	Matosinhos - Electricity (GJ)	132	124	117
	Ermesinde - Electricity (GJ)	591	484	416
LIPOR (in general)	Electricity (GJ)	4170	4245	4250
	Natural gas	240	216	173
	Fuel (diesel)	4127	3908	4309
	Fuel (gasoline)	69	148	137



The analysis of this table reveals that the higher natural gas consumption is related to the increase in the amount of granular product in CVO, as well as the 2 technical shutdowns of CVE. The increase in fuel consumption (diesel) is due to the increase in the amount of waste received at CVE's landfill, due to its technical shutdowns, as well as a slight increase in diesel consumption within LIPOR's system (of about 10,000 litres). Regarding electricity consumed in CVE's landfill, there was a significant increase, not directly linked to the amount of leachates treated, but to weather conditions (a hotter year requires more aeration within the biological treatment process and, consequently, a higher energy consumption).

CLIMATE CHANGE

LIPOR considers that its commitment to a sustainable development should imply the integration of climate change in its business strategy, wherefore it assumes its responsibilities as a greenhouse gas (GHG) producer and managing entity and as a promoter of knowledge, action and mobilisation amongst citizens and the society.



LIPOR has been showing its ability to respond to new challenges, acknowledging the risks of the waste management chain and moving forward with the company's action plan for Adaptation to Climate Change. LIPOR's strategy regarding climate change protects all stakeholders, implements circular economy and enhances climate resilience.

Carlos Borrego · University of Aveiro

LIPOR COMMITTED ITSELF TO REDUCE, IN 2016, ITS EMISSIONS BY 16% (IN COMPARISON WITH THE REFERENCE YEAR OF 2006).

The adoption of the LIPOR 3M - less Waste, less Carbon, more Climate Strategy represents its commitment to action, based on 4 areas of action:

- **Area 1:** To be aware of and disseminate its emissions profile and assess the potential for avoided emissions;
- **Area 2:** To reduce its emissions and compensate the inevitable emissions from its fleet;
- **Area 3:** To mobilise citizens and partners for the reduction of carbon emissions;
- **Area 4:** To cooperate in order to disseminate good practices, promote innovation and knowledge.

According to the current national and European legislation, the EU Emissions Trading System still doesn't include the waste sector; however, LIPOR acknowledges that climate change is one of the biggest challenges of the present time, which requires combined action by governments, organisations and citizens. Bearing in mind that waste management is, at the same time, a source of and a mitigation instrument for greenhouse gas (GHG) emissions, LIPOR acknowledges the importance of this theme to the sector and, particularly, its activity. In 2015, LIPOR integrated **Adaptation** in its strategy to fight Climate change, which was renamed 3M Strategy - less waste, less carbon, more climate. Within the scope of Adaptation, LIPOR is performing, together with its main Stakeholders, a vulnerability assessment of its waste management chain. This work resulted in the identification of the main risks and of Adaptation measures that aim to reduce LIPOR's vulnerability to Climate Change. None of the identified risks are critical for the organisation. **(G4-EC2)**

LIPOR committed itself to reduce, in 2016, its emissions by 16% (in comparison with the reference year of 2006). As a result of the work undertaken, LIPOR achieved, in 2016, a reduction of 17.7%, having thus surpassed the proposed target. Considering the defined strategy, this decrease in emissions thus results from the Organisation's efforts to minimise waste disposal in landfill and recover the biogas produced in the closed landfills, having only 0.9% of all waste of the LIPOR System been confined in 2016. **(G4-EN19)**



TOTAL GREENHOUSE GAS (GHG) EMISSIONS (G4-EN15, G4-EN16, G4-EN17)

VALUES IN CO ₂ E	2006	2014	2015	2016	Δ 2006/16
2006 = 100%	100%	84%		82%	
TOTAL LIPOR GHG EMISSIONS · 3M TARGETS	402 807	337 314	331 945	331 679	-17.7%
Scope 1 - Direct Emissions	401 011	334 799	329 597	328 697	-18.0%
Waste Treatment and Recovery	399 635	333 890	328 771	327 520	-18.0%
Technical Confinement	191 464	122 253	115 958	108 925	
Organic Recovery (CVO)	4 393	8 349	8 611	7 589	
Energy Recovery (CVE)	203 778	203 288	204 202	211 007	
Fuel consumption in the facilities	805	290	274	588	-26.9%
Natural Gas	805	290	263	575	
Sorting Plant (RMM)	4.3				
Composting Plant (CVO)	33	106	94	116	
Energy Recovery Plant (CVE)	760	171	157	449	
LIPOR in general	8	14	12	9.7	
Diesel (CVE)	N,D,	0.04	10.72	13.4	
Transportation and Mobility	570	619	553	588	3.1%
Self-owned Fleet	314	179	177	203	
Light Vehicles Fleet	57				
Heavy Vehicles Fleet	206				
Ecofone Fleet	51				
Mobile machinery	256	439	375	385	50.4%
Sorting Plant (RMM)	256	116	107	108	
Composting Plant (CVO)	N,D,	207	208	201	
Technical Confinement (Landfill of Maia)	N,D,	116	60	76	
Scope 2 - Indirect Emissions (electricity)	1 749	2 355	2 166	2 837	62.2%
Sorting Plant (RMM)	230				
Composting Plant (CVO)	1 117	1 721	1 614	2 335	
Energy Recovery Plant (CVE)	0	102	24	54	
Technical Confinement (CT)	0	138	127	221	
LIPOR in general	401	394	401	227	
Scope 3 - Other Indirect Emissions	47	160	181	145	206.7%
Work Travels	47	28	39	52	10.4%
Train	0.5	0.9	0.6	0.7	60%
Aeroplane	47	26	36	51	9%
Passenger car (rental)	N,D,	0.9	1.9	0.1	
Bus/Coach (rental)	N,D,	0.2	0.3	0.2	
Third parties' fleet (slag and scrap transportation)	N,D,	132	142	93	
VALUES IN CO₂E	2006	2014	2015	2016	Δ 2006/16
Scope 1 - Direct Emissions	401 011	334 799	329 597	328 697	-18.0%
Scope 2 - Indirect Emissions (electricity)	1 749	2 355	2 166	2 837	62.2%
Scope 3 - Other Indirect Emissions	47	160	181	145	206.7%
LIPOR TOTAL	402 807	337 314	331 945	331 679	-17.7%
Reduction in comparison with 2006 (%)		-16.3%	-17.6%	-17.7%	
Reduction in comparison with 2006 (tCO ₂ e)		-65 492	-70 862	-71 128	

N/D · not defined



Regarding scope 3 emissions, which were initially focused on each Entity’s own operations, GHG Protocol methodologies have evolved to include all emissions generated throughout the organisations’ value chain and the life cycle of the goods and services they provide. In accordance with GHG Protocol Value Chain Standard guidelines, LIPOR decided, in 2013, to broaden the scope of its inventory to include the different activities of its value chain, as shown in the table:

tCO ₂ E	2014	2015	2016	%	Δ 2015/16
Scope 3 - Other Indirect Emissions	7 556	61 196	62 414	100%	2.0%
C.01 - Purchased goods and services			43	0.1%	
C.02 - Capital goods			17	0.0%	
C.03 - Energy and fuels		804	1 018	1.6%	26.5%
C.04 - Transportation (upstream)	6 883	6 628	6 955	11.1%	4.9%
C.06 - Business travels			24	0.0%	
C.07 - Employee commuting	28	39	52	0.1%	33.3%
C.09 - Transportation (downstream)	150	273	296	0.5%	8.6%
C.10 - Processing of intermediate products	495	617	509	0.8%	17.5%
C.11 - Use of goods and services		50 853	51 333	82.2%	0.9%
C.11 - Utilização de bens e serviços		1 982	2 165	3.5%	9.3%

In this context, the following table shows emissions from the entire LIPOR waste management value chain:

tCO ₂ E	2014	2015	2016	%	Δ 2015/16
TOTAL LIPOR GHG EMISSIONS	344 710	400 901	393 948	100%	-1.8%
Scope 1 - Direct emissions	334 799	337 539	328 697	83.5%	-2.6%
Scope 2 - Indirect emissions	2 355	2 166	2 837	0.7%	31.0%
Scope 3 - Other indirect emissions	7 556	61 196	62 414	15.8%	1.3%

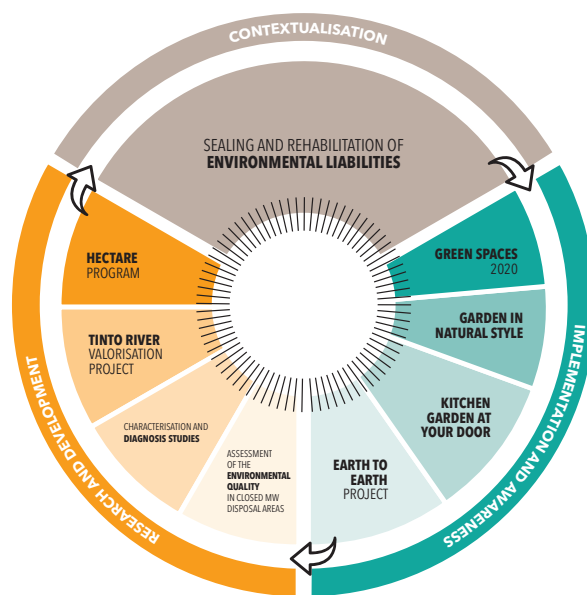
Taking into account LIPOR’s direct emissions (scope 1 and 2) and waste received at its facilities from the 8 associated Municipalities, LIPOR registers an intensity of 0.682 tCO₂/t. (G4-EN18)

BIODIVERSITY

The “LIPOR| Biodiversidade 2013-2020” (LIPOR| Biodiversity 2013-2020) Statement of Commitment was adopted by the Top Management in March 2014. Through this voluntary commitment, LIPOR commits itself to the development of a Biodiversity Strategy that includes the implementation of minimisation strategies and/or actions to compensate the impacts of its activities on biodiversity.

LIPOR thus constitutes an example of integration of biodiversity and ecosystem services in corporate practice, through the development of several Projects.

We achieved the following results in the Implementation and Awareness component and in the Research and Development component (G4-EN13).



BIODIVERSITY STRATEGY: ACTION COMPONENTS



In the Implementation and Awareness component:



GREEN SPACES 2016

Creation of 5,800 m² of productive and sustainable gardens at LIPOR
 CVO orchard and picnic area slope in Adventure Park

Creation of 900 m² of productive and sustainable gardens in the Associated Municipalities
 Kastelo Association and Tinto River Walkway

Construction of a Sustainable Shelter for animals
 Superadobe construction

Reconstruction of the Lake of Horta da Formiga

Cultivation of 1,400 aromatic plants in LIPOR's Nursery
 €3,500 savings

Forwarding of 3.84 tons of Green Waste for organic recovery

Harvesting of about 1,300 kg of Fruits and Vegetables in LIPOR's green spaces
 Offered to Semente Association, sold to employees or fed to animals

Application of about 55 Compost big bags in LIPOR's green spaces
 Soil formation and natural fertilisation

“Horta À Porta” (Kitchen Garden At Your Door) is an urban kitchen gardens project which promotes the contact with nature, a healthy diet and quality of life, prevents the production of organic waste and seeks to encourage sustainable behaviours amongst the population of the eight municipalities. In 2016, 5 new kitchen gardens were created, thus totalling an organic farming area of 111,224 m². This project currently covers 50 kitchen gardens and 1,656 plots.

“Jardim ao Natural” (Garden in Natural Style) is a project that aims to promote biodiversity in green spaces, using sustainable practices in their implementation and maintenance. Until the end of 2016, we had received 2,243 commitment charters, resulting in 236 hectares of sustainable green areas.

“Terra à Terra” (Earth To Earth) is a project that promotes the practice of home composting, thus fostering the use of organic compost as an alternative to chemical fertilisers, which improves soil structure and life. It should be mentioned that, in 2016, the “Terra à Terra” project provided training on home composting to over 2,100 people, having delivered 1,866 composters, which allow a potential diversion of 880 t/year of organic waste. In total, more than 11,200 composters were implemented thanks to this project, accomplishing a diversion of more than 5,000 t/year of organic waste.

From the ongoing projects pertaining to the Research and Development component, we highlight the following results: The **Environmental Characterisation And Mapping Of Biotopes Present in the areas managed by LIPOR** is still ongoing, and the main objective in the present year was to characterise and map the diversity of biotopes present in LIPOR's landfills, more precisely through the mapping and characterisation of the different existing urban habitat categories (UHCs). As a preliminary general finding, we can state that the methodology used in this study has proved to be a solid and efficient approach to the quantitative and qualitative assessment of biotope diversity (UHCs) in the different ecological conditions that exist in the three analysed landfills. This methodology will also allow a precise and efficient monitoring of quantitative and qualitative changes in biotopes, due to the inherent mapping scale. The final results of the study and respective intervention strategy for the areas under study will be divulged in 2017.

111,224m²

IN 2016, 5 NEW KITCHEN GARDENS WERE CREATED, THUS TOTALLING AN ORGANIC FARMING AREA OF 111,224 M². THIS PROJECT CURRENTLY COVERS 50 KITCHEN GARDENS AND 1,656 PLOTS.



The **Assessment of the Environmental Quality in closed Municipal solid waste disposal areas** produced very satisfactory preliminary findings, with no current evidence of negative impacts of these landfills on the surrounding areas.

In continuation of the actions to recover the Tinto River and bring the population closer to it, within the scope of the **Tinto River Valorisation Project**, a Walkway alongside the river, built near our Facilities, was inaugurated. On this occasion, a Supplement to the Tinto River Protocol was also signed with the respective partners. Furthermore, the Fernando Pessoa University conducted monthly sampling campaigns along the Tinto River, and the River keeper was responsible for the drafting of daily bulletins regarding the area near LIPOR.

Within the scope of **"Programa Hectare" (Hectare Programme)**, LIPOR promotes investment in the rehabilitation of 20 hectares of public areas throughout LIPOR's 8 Municipalities.

This project is ongoing. Technical procedures in about 2 hectares in Maia and Valongo (Ermesinde) have already been concluded, both areas near the Leça River. The Hectare Programme will next be implemented in Monte de Santana (Vila do Conde), Parque de Real (Matosinhos) and Monte de Santa Justa (Valongo).

LIPOR's participation in the Hectare Programme will ensure the survival of over 5,000 native trees, which were recently planted in the area. Besides fostering biodiversity, these

WITHIN THE SCOPE OF "PROGRAMA HECTARE" (HECTARE PROGRAMME), LIPOR PROMOTES INVESTMENT IN THE REHABILITATION OF 20 HECTARES OF PUBLIC AREAS THROUGHOUT LIPOR'S 8 MUNICIPALITIES.

plants embellish the landscape and enrich the territory, regulate water in soils, retain air pollutants and store carbon. These 5,000 trees provide ecological services to the society with an estimated value of 10,500 euros per year and will also store 25 tons of carbon per year (when full-grown).

TRAINING AND QUALIFICATION

Being aware of the scarce training offer regarding the Waste Sector in Portugal, LIPOR obtained Certification as Training Entity by the CEFA - Fundação para os Estudos e Formação Autárquica (Foundation for Studies and Municipal Training) - and created the **Academia LIPOR (LIPOR Academy)**. In 2016, it became a promoter organisation with accreditation by the Chamber of Engineers.

The Training Offer of LIPOR Academy is divided into 6 areas of action:

- General Training
- Advanced Training
- Technical Training
- Teacher Training
- Bio Training
- Adapted Solutions



LIPOR's collaboration in the FUTURE - 100.000 trees in the Metropolitan Area of Porto - project has been important in various aspects. For instance, in the production process of native trees and shrubs for the rehabilitation of degraded areas or the enhancement of the urban ecosystem. But also for the success of the intervention in many of those areas under rehabilitation (Hectare Programme).

Marta Pinto | FUTURO



IN 2016, 34 COURSES WERE HELD, WITH A TOTAL OF 431 TRAINING HOURS AND 1,037 TRAINEES, WHO HIGHLIGHTED AS POSITIVE ASPECTS THE ACQUIRED KNOWLEDGE, THE THEMES APPROACHED AND THE ACADEMY'S FACILITIES.

Being destined for public and private entities, technicians from the associated municipalities, teachers, recent graduates in the environmental field and the general population, the courses approached themes such as Municipal Waste Management, Sustainability, Innovation, Environmental Communication and Marketing, Multimaterial Sorting, Prevention of Waste Production, Circular Economy and Organic Farming, among others.



In 2016, 34 courses were held, with a total of 431 training hours and 1,037 trainees, who highlighted as positive aspects the acquired knowledge, the themes approached and the Academy's facilities.

LIPOR Academy presented its Moodle Platform in 2016, through which it provided several e-learning and b-learning courses. E-learning was one of the initiatives developed in 2016, which is set to continue in 2017.

OUR PEOPLE

LIPOR's contribution to the pursuit of a sustainable future for all is not complete in itself. The connection to Employees and the surrounding community is utterly important for LIPOR's sustainability project.

LIPOR continues to invest in Social Accountability and to believe that the implementation and certification of a Management System is the most effective way to manage Social Accountability, wherefore, in 2016, it started the transition to the new version of the SA8000:2014 standard.

With this transition, it was necessary to create a Social Performance Team, which wasn't required in the previous version. This Team created in 2016 includes Employee and Board representatives and has the task of following up the progress and performance of LIPOR's Social Accountability system.

LIPOR CONTINUES TO INVEST IN SOCIAL ACCOUNTABILITY AND TO BELIEVE THAT THE IMPLEMENTATION AND CERTIFICATION OF A MANAGEMENT SYSTEM IS THE MOST EFFECTIVE WAY TO MANAGE SOCIAL ACCOUNTABILITY.



We are LIPOR!

From left to right: **Benedita Chaves, Susana Abreu, Fernando Maia, Carina Monteiro, Carlos Fonte, e João Martins** | LIPOR Employees



EMPLOYMENT

The Organisation’s major asset is undoubtedly its human capital, which comprises Direct employees and Supervised employees (G4-10). All Employees are considered to be an integral part of the Organisation and, as such, they enjoy the same rights and benefits. **We are LIPOR because we are People!**

Regarding working hours, all direct and supervised LIPOR Employees worked full time in 2016 (7 daily hours).

As far as the employment contract is concerned, all Direct employees work under an employment contract in public service for an indefinite period. Supervised employees have an employment contract for the application’s duration; however, these workers maintain their unemployment allowance and receive a grant from LIPOR.

Within the scope of the Management System according to the SA8000 Standard, LIPOR includes Supervised employees in the Social Accountability visits, giving them the opportunity to express their views on several issues related to their employment relationships, among others. These employees are also invited to participate in general meetings regarding the Organisation’s Strategy, Objectives and Performance Communication. LIPOR also strives to ensure that all benefits awarded to its Employees are extended to Supervised employees. (G4-LA2)

Employment created by our Business Partners (Citrup, Hidurbe, Port’Ambiente) through the operation and exploitation of the Composting Plant, the Energy Recovery Plant and the Landfill is essential to the results achieved by LIPOR.

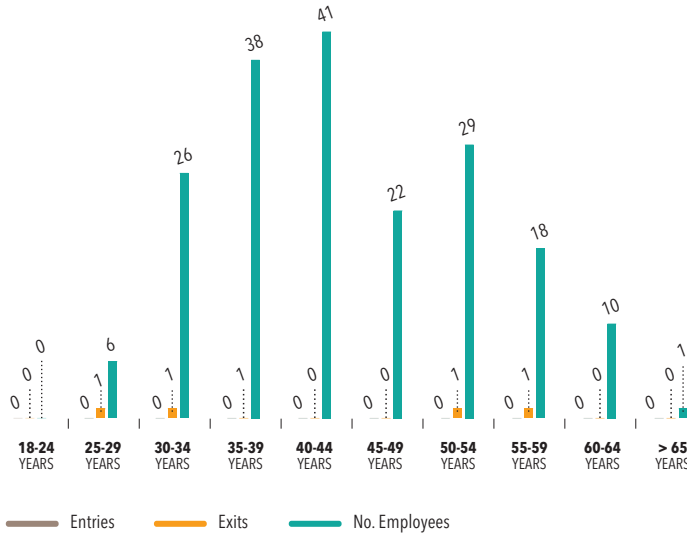
TYPE OF RELATION WITH LIPOR		2014			2015			2016		
		MAN	WOMAN	TOTAL	MAN	WOMAN	TOTAL	MAN	WOMAN	TOTAL
Direct employees	PERMANENT STAFF	150	56	206	141	53	194	138	53	191
	Self-employed workers	0	0	0	0	0	0	0	0	0
	Trainees	0	0	0	0	1	1	0	0	0
Supervised Workers	Life-Employment Project	0	0	0	0	0	0	0	0	0
	CEI	10	1	11	26	2	28	15	0	15
	TOTAL	10	1	11	26	3	29	15	0	15
Casual Employees (independent)	Temporary workers	0	0	0	0	0	0	0	0	0
	Consultants	0	0	0	0	0	0	0	0	0
	TOTAL	0	0	0	0	0	0	153	53	206

Since its conversion from FERTOR into LIPOR, the organisation has been implementing a policy of proximity to the parishes where it operates, namely Baguim do Monte. I’m very pleased to testify that many of our residents found jobs at LIPOR, which has opened its doors to them. This has a positive impact on the community, as it provides a living for several families. LIPOR is, without a doubt, an asset for Baguim do Monte.

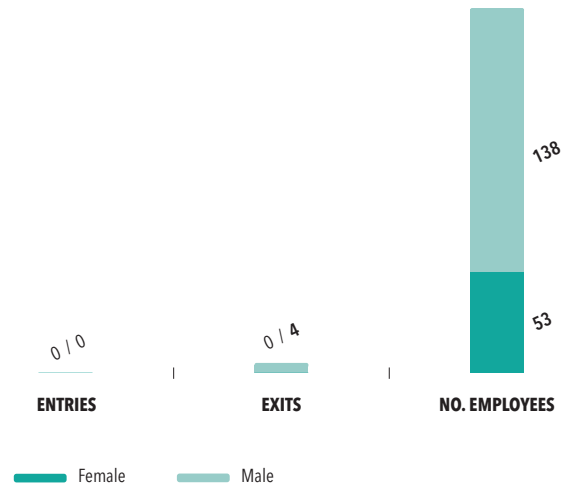
Nuno Coelho | Chairman of the Parish Council of Baguim do Monte



TOTAL NUMBER OF EMPLOYEES AND EMPLOYEE TURNOVER BY AGE GROUP (G4-LA1)



NÚMERO TOTAL E TAXA DE ROTATIVIDADE DE EMPREGADOS POR GÉNERO (G4-LA1)



OCCUPATIONAL HEALTH AND SAFETY AND SOCIAL ACCOUNTABILITY

The election for Employee Representatives was held on 21st January 2016, with the participation of 85 employees. There were 9 blank ballots and 1 null ballot. 6 representatives were elected: 3 permanent members and 3 substitutes. To join the permanent Employee Representatives and form the Safety Committee, 3 employees were appointed by the Board as their Representatives, and LIPOR’s Occupational physician (Dr.^a Albina Torres) was chosen to be the Occupational Health and Safety Committee’s Consultant. Since the election, Employee representatives and Board representatives have held regular meetings. In this way, all LIPOR employees are represented in formal health and safety committees. In addition, LIPOR believes that dialogue at the workplace is a key element, so it is crucial that Employees can easily communicate with the Organisation’s top management. Therefore, on 31st May 2016, the election for Employee representative for SA8000 took place, in which 105 direct LIPOR and CEI Employees participated. The Employee Emanuel José Teixeira Maia won the election. Furthermore, there is an internal multidisciplinary group named Change Agents, to which Employees can resort to express their concerns regarding safety and hygiene. (G4-57, G4-LA5)

ABSENTEEISM RATE (G4-LA6)

	DIRECT EMPLOYEES		
	Mulheres	Homens	Total
Total Absenteeism Rate	13.68%	8.40%	12.23%
GRI calculation *	8.68%	4.31%	7.48%

	SUPERVISED EMPLOYEES		
	Mulheres	Homens	Total
Total Absenteeism Rate	10.95%	2.25%	10.53%
GRI calculation *	0.40%	0.00%	0.38%

	LIPOR EMPLOYEES		SUPERVISED WORKERS	
	Homens	Mulheres	Homens	Mulheres
No. of accidents	22	0	5	0
Frequency (Tf)	54.85	0	9.68	0
Severity (Tg)	1027	0	74.2	0
Sick Leave Days	318.46	0	23	0
Occupational diseases	2	0	0	0
Fatal Accidents	0	0	0	0

100%

ALL LIPOR EMPLOYEES ARE REPRESENTED IN FORMAL HEALTH AND SAFETY COMMITTEES.



**“COMPORTAMENTOS SEGUROS”
(SAFE BEHAVIOUR) PROJECT**

LIPOR is certified according to the NP EN ISO 9001 standard, by APCER, being subject to internal and external audits that assess system compliance with standard requirements. The certification of the Quality Management System proves its compliance.

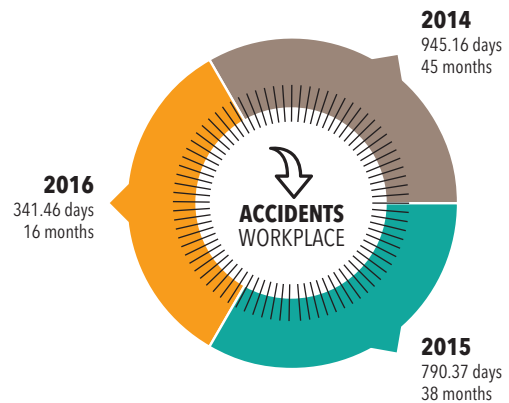
Within the scope of Health and Safety, we highlight the **“Safe Behaviour” Project**, launched in 2015, which aims to prevent people from getting hurt. In 2015, the project encompassed a Preparation and Communication stage and a Training stage. In 2016, several initiatives were implemented to materialise the attitudes and behaviours learned:

- **Safety coffee break:** To allow for operators to talk directly to safety technicians about safety matters at LIPOR.
- **Safety dialogue:** To promote weekly routine conversations between direct supervisors and operators. The purpose of this tool is to ensure that relevant and basic information is effectively provided to operators.
- **Safety tour:** To create a routine safety-oriented visit to the plant, every two months, for superior levels.

This Project ended in the end of 2016, having achieved the following results:

- When comparing the year 2016 with 2015, there was a 23.08% decrease in the number of accidents with one or more sick leave days, consequently decreasing the Frequency rate by 11.76%.
- In 2016, 27 accidents occurred, 20 of which involved sick leave. These accidents resulted in the loss of 341.46 workdays.
- Regarding lost days, there was a 56.80% decrease, from 2015 to 2016, and also a 50.43% decrease in workplace accidents severity rate.
- Overall, in 2016, 35% of accidents were caused by musculoskeletal injuries, 27% were due to blows and 15% to pricks.
- Regarding lost days, 62% were due to accidents caused by musculoskeletal injuries.

WITHIN THE SCOPE OF HEALTH AND SAFETY, WE HIGHLIGHT THE “SAFE BEHAVIOUR” PROJECT, LAUNCHED IN 2015, WHICH AIMS TO PREVENT PEOPLE FROM GETTING HURT.



The following table shows the variation in the number of workplace accidents and lost days since 2013.

	2013	VARIATION (%)	2014	VARIATION (%)	2015	VARIATION (%)	2016
Total No. of Accidents	31	+41.94	44	-27.27	32	-15.63	27
No. of Accidents	28	+32.14	37	-29.73	26	-23.07	20
(1 or + sick leave days)	401	+135.70	945.16	-17.40	790.37	-56.80	341.46
No. of Sick leave days	72.05	+44.40	104.04	-29.71	73.13	-11.76	64.53
Frequency Rate	1,032	+157.56	2658	-17.38	2223	-50.43	1102



DIVERSITY AND EQUAL OPPORTUNITY

LIPOR regards diversity and equal opportunity as basic action premises, which are established in its Ethics Code and experienced every day within the Organisation.

Through the Principles of Conduct of the Ethics Code, LIPOR ensures Equal treatment and non-discrimination, Legality and Good Faith, Truth and Transparency, Integrity, Responsibility and Equity. Moreover, as in other requirements, LIPOR maintains its social accountability policy, which includes the prohibition of discrimination.

No cases of discrimination were reported in the Social Accountability Visits that took place during 2016.

Career-based remuneration is defined by specific legislation applicable to all Employees in Public Service (Law no. 35/2014 of 20 June and Implementing Decree no. 14/2008 of 31 July), so LIPOR can't apply different remunerations. Annual salary review for Public Administration Employees, as well as daily subsistence, meal and travel allowances scales are defined by Order no. 1553-C/2008 of 31 December (G4-55). At LIPOR, the salary scale is applied in the same way to the determination of basic salary by gender, so there's no discrimination regarding remuneration. The national minimum wage (now amounting to €530.00) was changed by Decree-Law no. 254-A/2015, of 31 December. **(G4-54, G4-LA13)**

GENDER AND AGE GROUP OF LIPOR'S EMPLOYEES (G4-LA12)

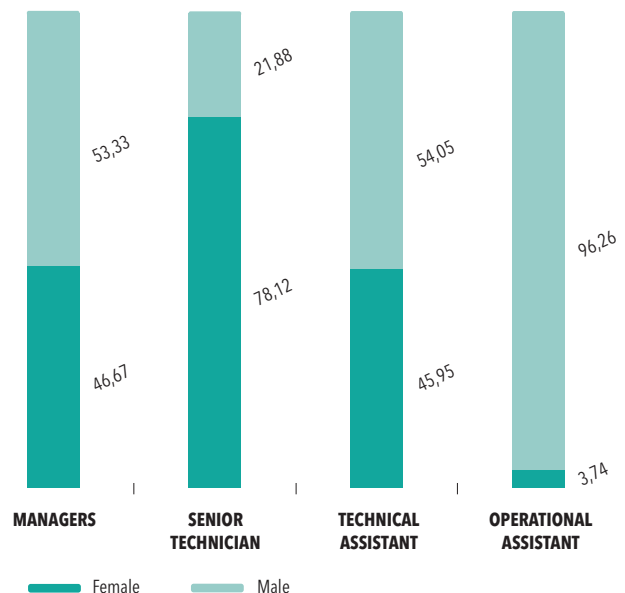
	2016																							
	18-24 Years			25-29 Years			30-34 Years			35-39 Years			40-44 Years		45-49 Years		50-54 Years		55-59 Years		60-64 Years		> 65 Years	
	M	F	Total	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	
Managers	8	7	15	0	0	0	0	1	1	3	1	1	5	1	0	1	0	0	0	1	0	0	0	
Senior Technician	7	25	32	0	0	0	0	1	1	3	11	2	10	0	3	0	0	0	0	1	0	0	0	
Technical Assistant	20	17	37	0	0	0	0	4	2	8	5	3	6	1	1	3	0	1	1	0	1	0	1	
Operational Assistant	103	4	107	0	0	6	0	16	0	6	1	13	1	15	1	25	0	16	0	6	1	0	0	
TOTAL	138	53	191	0	0	6	0	22	4	20	18	19	22	17	5	29	0	17	1	8	2	0	1	



LIPOR stands for the environment, society and future. It gives me great pleasure to work at LIPOR. I hope I can help LIPOR grow even more in the future. That would be the icing on the cake!

Paulo Ferreira | LIPOR Employee

% OF LIPOR EMPLOYEES BY GENDER (G4-LA12)



TRAINING AND EDUCATION

ALIPOR strongly invests in training and competence improvement of its human capital, namely through the continuous training of its Employees (G4-LA9).

LIPOR is a public law legal person, bound to the Contractual Ties, Career and Remuneration scheme for Employees in Public Service; Career Management follows proper legal procedures (Law no. 35/2014 of 20 June). In any case, there's an effort to promote the professional development of Employees, giving them the opportunity to assume new job positions or duties, through changes and internal competitions. LIPOR has safeguarded all Employee Career and work situations, so that these transitions occur smoothly. (G4-LA10)

LIPOR STRONGLY INVESTS IN TRAINING AND COMPETENCE IMPROVEMENT OF ITS HUMAN CAPITAL, NAMELY THROUGH THE CONTINUOUS TRAINING OF ITS EMPLOYEES (G4-LA9).

Employee performance is assessed by use of the Integrated System for Management and Performance Assessment of the Public Administration (SIADAP), applied in accordance with Law no. 66-B/2007 of 28 December, and adapted for application to Local Administration by the Implementing Decree no. 18/2009 of 4 September. This system is based on two components: individual or shared objectives and competencies. With the last legislative change, SIADAP 3 was changed into a two-year cycle. LIPOR's Employees are currently under the 2015/2016 assessment cycle. (G4-LA11)

AVERAGE TRAINING HOURS PER YEAR. BY EMPLOYEE CATEGORY AND GENDER (G4-LA9)		2016		
		MALE	FEMALE	TOTAL
Training Hours	Managers	170.50	242.50	413.00
	Senior Technician	902.25	944.05	1 846.30
	Technical Assistant	399.30	300.75	700.05
	Operational Assistant	1 182.50	3.00	1 185.50
	TOTAL TRAINING HOURS	2 654.55	1 490.30	4 144.85
Employees	Managers	8.00	7.00	15.00
	Senior Technician	7.00	25.00	32.00
	Technical Assistant	20.00	17.00	37.00
	Operational Assistant	103.00	4.00	107.00
	TOTAL EMPLOYEES	138.00	53.00	191.00
Training Hours per Employee	Managers	21.31	34.64	27.53
	Senior Technician	128.89	37.76	57.70
	Technical Assistant	19.96	17.69	18.92
	Operational Assistant	11.48	0.75	11.08
		19.24	28.12	21.70



AT LIPOR, WE LIVE THE PRESENT, BUT WORK FOR THE FUTURE. THEREFORE, I HOPE THAT, IN MANY YEARS' TIME, I WILL STILL BE AS PROUD AS I AM TODAY TO CONTINUE TO WORK AT AN ORGANISATION THAT IS MANY YEARS AHEAD OF THE OTHER COMPANIES OF ITS SECTOR AND CONTINUES TO CONTRIBUTE TO A BETTER FUTURE.

FILIPE CARNEIRO · OPERATIONS AND LOGISTICS DEPARTMENT



...AND THE FUTURE IN ITS HANDS








LIPOR'S NEW BUSINESS PLAN WILL BE BASED ON ITS CORE STRATEGIES AND ON SCENARIO CONTEXTS AND TRENDS FOR THE SECTOR.

On 12th November 2017, LIPOR will celebrate 35 years of existence. 35 years means maturity, consolidation and, at the same time, renovation. 35 years with an important past and, presently, the planting of seeds for our future project.

The LIPOR with the **Future in its Hands** challenge is guided by the Organisation's vision for 2030, realised through a holistic and systemic approach to its activity.

LIPOR's new Business Plan will be based on its Core Strategies and on Scenario Contexts and Trends for the Sector.

	ODS	THEMATIC AREA/ STRATEGIES	LIPOR 2030 OBJECTIVE	LIPOR 2020 TARGET
	12	Prevention of waste production	To act as a catalyst for change, through the promotion and implementation of measures that will minimise waste production and hazardous content.	<ul style="list-style-type: none"> • 10% reduction of waste produced in comparison with waste produced in 2012; • Fulfilment of the actions established in LIPOR's Strategic Plan 2015-2020
	9	Research, Development and Innovation	To promote an innovation culture within the Organisation and foster contact with strategic public, private and research partners.	<ul style="list-style-type: none"> • To boost R&D and Innovation projects • To create an Innovation Agenda with Municipalities for 2016-2020 • To create a business incubator • To structure industrial symbioses with business partners
	13	LIPOR 3M - less Waste, less Carbon, more Climate	To underpin the commitment to a strategic action for climate change, focusing on adaptation.	<ul style="list-style-type: none"> • 20% reduction (324 kg CO2e/inhab. year) of emissions in comparison with the reference year (2006)
	4	Environmental Education and Training	To reinforce environmental culture and literacy in order to promote active citizenship.	<ul style="list-style-type: none"> • Alignment with national environmental education strategy • LIPOR awareness impact assessment study • To assess the impact of future citizen lifestyle on the waste management business
	15	Biodiversity	To boost a biodiversity strategy in business context, and promote environmental quality and community well-being.	<ul style="list-style-type: none"> • Plan for the integration of closed areas (landfills) in the surrounding metropolitan structure • Improvement of water and sediment quality of the Tinto River (in comparison with 2013)





AT LIPOR, I SEEK TO MAINTAIN A PROFESSIONAL, ETHICAL AND HELPFUL ATTITUDE, THAT PRESERVES THE ORGANISATIONAL CULTURE.

MARISA SOUSA · COMMUNICATION, SUSTAINABILITY AND MARKETING UNIT

FOR MORE INFORMATION



Content Index

LIPOR – Serviço Inter municipalizado de Gestão de Resíduos do Grande Porto

DISCLOSURE MANAGEMENT APPROACH (G4-DMA)

LIPOR'S MATERIAL ASPECTS	CORRESPONDENCE TO GRI ASPECTS	CORRESPONDENCE TO INDICATORS	MANAGEMENT APPROACH	LINES OF ACTION	POLICIES/ COMMITMENTS
Environmental education and awareness	—	Total Population Reached with Environmental Education and Awareness actions L1 No. of annual certifications of the "LIPOR Geração +" (LIPOR Generation +) project L2	LIPOR regards the environmental education and awareness of the community it serves as one of its major responsibilities. Hence, in order to promote citizen engagement and change mentalities, LIPOR's Education, Communication and Marketing Department, which comprises the Environmental Education and Training Unit, has a group of technicians who promote several activities for different target audiences, aiming to encourage the adoption of attitudes that promote waste recovery and the preservation of the environment.	Within the Environmental Education and Awareness area, LIPOR's action follows an Environmental Education and Intervention Plan – PEIA – which establishes the development of several activities for the Community, based on three areas of intervention: <ul style="list-style-type: none"> • LIPOR Educa (LIPOR Educates): Actions and Initiatives intended to schools; • LIPOR (In)forma (LIPOR Informs/Trains): Actions associated with training; • LIPOR Interage (LIPOR Interacts): Activities for the promotion of LIPOR's infrastructures amongst the Community. <p>In 2016, 88,688 people were involved in the actions developed within the scope of Environmental Education and Awareness.</p>	<ul style="list-style-type: none"> • Mission, Vision, Values and Policy • LIPOR's Strategic Plan 2015-2020 • Environmental Education and Intervention Plan
Increase of the amount of materials received with potential for multimaterial and organic recovery	G4-DMA MATERIALS	G4-EN1; G4-EN2	Having clearly recognised that waste management must be approached in a resource perspective, LIPOR focuses all its efforts on proper waste recovery, based on the projection of a circular business model and the development of projects that demonstrate auxiliary circular practices. LIPOR's action consolidates a stance based on the creation of value within the production cycle, by reintroducing "waste" as a "resource" in the value chain.	The operational areas are duly certified according to the ISO14001, ISO9001 and OHSAS1800 standards, which ensures that all requirements are duly met, and are subject to periodical audits. All work performed is subject to customer satisfaction assessment, from which an Action Plan is developed to implement/respond to the issues raised.	<ul style="list-style-type: none"> • Mission, Vision, Values and Policy • Quality, Environmental, Energy, Health and Safety, Social Accountability and Innovation Policy LIPOR's Strategic Plan 2015-2020 • Plano Estratégico da LIPOR 2015-2020 • Certification according to the ISO 9001 – Quality Management System Standard
	G4-DMA EFFLUENTS AND WASTE	G4-EN22; G4-EN23; G4-EN24; G4-EN25; G4-EN26			
Product and service quality	G4-DMA · CUSTOMER HEALTH AND SAFETY	G4-PR1; G4-PR2	Product and service quality excellence is a decisive factor for LIPOR's success.	The operational areas are duly certified according to the ISO14001, ISO9001 and OHSAS1800 standards, which ensures that all requirements are duly met, and are subject to periodical audits. All work performed is subject to customer satisfaction assessment, from which an Action Plan is developed to implement/respond to the issues raised.	<ul style="list-style-type: none"> • Mission, Vision, Values and Policy • Quality, Environmental, Energy, Health and Safety • Social Accountability and Innovation Policy • LIPOR's Strategic Plan 2015-2020 • Certification according to the ISO 9001 – Quality Management System Standard
	G4-DMA · PRODUCT AND SERVICE LABELLING	G4-PR3; G4-PR4; G4-PR5			
	G4-DMA · MARKETING COMMUNICATIONS	G4-PR6; G4-PR7			
	G4-DMA · CUSTOMER PRIVACY	G4-PR8			
	G4-DMA · COMPLIANCE	G4-PR9			



LIPOR'S MATERIAL ASPECTS	CORRESPONDENCE TO GRI ASPECTS	CORRESPONDENCE TO INDICATORS	MANAGEMENT APPROACH	LINES OF ACTION	POLICIES/ COMMITMENTS
Quality employment	G4-DMA EMPLOYMENT	G4-LA1; G4-LA2; G4-LA3	LIPOR strives every day to fulfil its Mission, Vision, Values and Quality, Environmental, Safety, Social Accountability, Energy and Innovation Policy.	<p>Within the scope of the SA8000 – Social Accountability Standard certification, LIPOR sets annual objectives and performs regular audits to the entire Organisation. The Social Accountability Management System, applied to the entire organisation, aims to:</p> <ul style="list-style-type: none"> • Improve the internal organisational environment by showing LIPOR's concern with its Employees and further improving health and safety conditions; • Ensure the fulfilment of the SA8000 Social Accountability Standard requirements; • Provide incentives from which employees, suppliers and other stakeholders may benefit; • Improve information and communication, thus increasing trust from Stakeholders (customers, community, suppliers, others...); • Consolidate LIPOR's image and reputation as a socially responsible Organisation; • Comprehend more quickly the results of the work performed in this area. <p>Within the scope of the Integrated Quality, Environmental, Safety and Hygiene Management System, annual objectives regarding safety and hygiene are defined and periodically evaluated by the Board. In system review meetings, the Organisation's main risks and workplace accidents are analysed, being then established action plans to cope with them.</p> <p>Regarding training, an Annual Training Plan is defined based on the assessment of the needs of the different areas and employees. The Training Plan includes specific training on environmental issues (e.g., legislation on waste), but also general issues. In addition, LIPOR has been implementing a Competencies Management project, which involves all employees, aiming to:</p> <ul style="list-style-type: none"> • Align behaviours and competences with the organisational strategy; • Harmonise behaviours and attitudes; • Develop people's aligned performance; • Reinforce the leadership role, facilitating guidance through the identification of verifiable actions aligned with behaviours and competences; • Increase the objectivity of the "competences" component within an assessment system. <p>The management system review meetings also comprise the analysis of the level of fulfilment of LIPOR's Annual Training Plan.</p>	<ul style="list-style-type: none"> • Quality, Environmental, Energy, Health and Safety • Social Accountability and Innovation Policy • Certification according to the SA8000 – Social Accountability Standard • LIPOR's Corruption Risk and Related Offences Management Plan • Ethics Code
	G4-DMA LABOUR RELATIONS	G4-LA4	Issues like Child Labour, Discrimination (race, gender or others), Slave or Compulsory Labour, etc., are duly controlled in order to ensure the thorough fulfilment of the legal requirements applicable to LIPOR (e.g., regarding recruitment and remuneration) and the requirements of the SA8000 – Social Accountability standard.		
	G4-DMA OCCUPATIONAL HEALTH AND SAFETY	G4-LA5; G4-LA6; G4-LA7; G4-LA8	As far as the training area is concerned, LIPOR considers it to be a fundamental component to promote the Organisation's development. Therefore, in spite of financial restrictions, LIPOR has continued to invest in training, the development of employee competences and the granting of social benefits to its Employees.		
	G4-DMA TRAINING AND EDUCATION	G4-LA9; G4-LA10; G4-LA11			
	G4-DMA DIVERSITY AND EQUAL OPPORTUNITY	G4-LA12			
	G4-DMA EQUAL REMUNERATION FOR WOMEN AND MEN	G4-LA13			
	G4-DMA SUPPLIER ASSESSMENT FOR LABOUR PRACTICES	G4-LA14; G4-LA15			
	G4-DMA LABOUR PRACTICES GRIEVANCE MECHANISMS	G4-LA16			



LIPOR'S MATERIAL ASPECTS	CORRESPONDENCE TO GRI ASPECTS	CORRESPONDENCE TO INDICATORS	MANAGEMENT APPROACH	LINES OF ACTION	POLICIES/ COMMITMENTS
Competencies and know-how	—	RDI contribution to Turnover (%) L3 No. of technical articles published L4	Since 2013, LIPOR regards Innovation and Internationalisation as strategic priorities for the Organisation. When the Organisation's macrostructure was rearranged, these areas became Organisational Units. LIPOR strives to develop different types of innovation: product innovation, process innovation, organisational innovation and marketing innovation. On the other hand, due to the nature of LIPOR's activity, the concepts of social innovation and eco-innovation are evident in various RDI projects developed by the Organisation.	In 2016, LIPOR maintained the certification of its Research, Development and Innovation Management System, according to the NP 4457 Standard, which enables the management of several interfaces and interactions between scientific and technological knowledge, the organisation and its surroundings, aiming to: • Promote creativity, and foster and manage ideas and opportunities; • Efficiently monitor the organisation's interaction with the technological world, the market, the most recent innovations, patents, licences; – Systematise RDI activities; • Systematise RDI activities; • Make RDI project management more efficient and effective; • Adopt an RDI management model based on a policy and on objective management; • Promote innovation and encourage its use as a management instrument.	• LIPOR's Strategic Plan 2015-2020 • Quality, Environmental, Energy, Health and Safety • Social Accountability and Innovation Policy • Certification according to the NP4457 – Research, Development and Innovation Management System Standard
RDI initiatives	—	Number of new Product/ Service Innovation projects L5 No. of Expressions of Interest L8 No. of approved proposals/ projects L9	As far as research is concerned, LIPOR is currently developing several applied research studies, but also intends to undertake efforts to develop fundamental or basic research.	The RDI Core, which includes Employees from several functional areas, was kept as an advisory body, with the purpose of divulging the Organisation's innovation culture.	
Incentive for new businesses and opportunities	—	No. of Business Missions L10	The international approach is a result of the experience and know-how we've gathered throughout 35 years of activity, made available to our customers and international partners, adding value through Resource enhancement, Social accountability and Performance eco-efficiency.	The International Business Unit ensures customised solutions. LIPOR is fully committed to the projects, provides comprehensive solutions and the reliability of a brand with 35 years of experience. The development of LIPOR's projects is supported by a network of well-known and highly skilled technological and services partners.	
Sustainability commitment and strategy	—	Level of Connection to the LIPOR Brand – Opinion Barometer L6 Social Accountability Perceived L7	LIPOR's commitment to Sustainability has been guiding its development. Sustainability principles are integrated in the Organisation's daily management: • To take on the challenge of Sustainability; • To promote Prevention; • To strengthen the relationship with stakeholders; • To regard waste as a resource; • To define and implement a Waste Management Hierarchy; • To be a self-sufficient Organisation; • To apply the "Polluter Pays" principle and the Producer Responsibility policy. Having taken on the Sustainability challenge and committed itself to the global priorities of the Sustainable Development Goals, LIPOR interconnects them with its business strategies.	LIPOR develops a wide range of projects that approach the environmental, energy, social accountability, prevention, environmental education and awareness areas, demonstrating its unequivocal commitment to Sustainability. It should be noted that some of these projects are long-term projects, allowing the consolidation of our relationship with Stakeholders and the achievement of consistent results.	• LIPOR's Strategic Plan 2015-2020 • Mission, Vision, Values and Policy



LIPOR'S MATERIAL ASPECTS	CORRESPONDENCE TO GRI ASPECTS	CORRESPONDENCE TO INDICATORS	MANAGEMENT APPROACH	LINES OF ACTION	POLICIES/ COMMITMENTS
Maintenance of Management Systems	G4-DMA COMPLIANCE G4-DMA ENVIRONMENTAL PRACTICES GRIEVANCE MECHANISMS	G4-EN29; G4-EN34; G4-S08; G4-PR9	LIPOR's Quality, Environmental, Energy, Health and Safety, Social Accountability and Innovation Policy reflects its standards and the Board of Directors' commitment regarding quality assurance, pollution prevention, protection and defence of the environment, safety management, social accountability and investment in research, development and innovation.	It should be noted that some of these projects are long-term projects, allowing the consolidation of our relationship with Stakeholders and the achievement of consistent results.	<ul style="list-style-type: none"> • Quality, Environmental, Energy, Health and Safety • Social Accountability and Innovation Policy
Organisation's financial balance	G4-DMA ECONOMIC CATEGORY	G4-EC1; G4-EC2; G4-EC3; G4-EC4	As a Municipalities Association, LIPOR's purpose is not to obtain profit; however, it constantly focuses on the optimisation of its performance, in order to decrease its dependence on the fees charged to the Associated Municipalities.	<p>LIPOR's strong investment in the community reflects its commitment to its Mission.</p> <p>In order to ensure the Organisation's economic sustainability, there's a Balance Tariff that reflects the real costs of waste management.</p> <p>The Organisation's performance is monitored using COGNOS, a Business Intelligence tool.</p>	<ul style="list-style-type: none"> • LIPOR Statutes • LIPOR's Strategic Plan 2015-2020 • LIPOR's Corruption Risk and Related Offences Management Plan
Biodiversity	G4-DMA BIODIVERSITY	G4-EN11; G4-EN12; G4-EN13; G4-EN14	LIPOR has always based its action on sustainability principles, resulting in the development of numerous sustainability, social accountability and environmental education projects. In this context, the inherent concerns regarding the protection and enhancement of biodiversity are substantiated through the development of several related projects.	In 2016, the Research and Development projects under study were implemented.	<ul style="list-style-type: none"> • LIPOR's Strategic Plan 2015-2020
Greenhouse Gas Emissions	G4-DMA EMISSIONS	G4-EN15; G4-EN16; G4-EN17; G4-EN18; G4-EN19; G4-EN20; G4-EN21	As a part of its commitment to sustainable development, LIPOR considers essential to fully integrate the climate change issue in its activities, thus regarding: <ul style="list-style-type: none"> • Climate Change as the main threat to global sustainability and, hence, the top priority of its environmental and sustainable development policy; • The Fight against and Adaptation to Climate Change as structuring strategies for its action, given its responsibilities as a GHG emissions managing agent and producer, and as a promoter of knowledge, action and mobilisation amongst citizens and the society. 	<p>The adoption of the LIPOR 3M – less Waste, less Carbon, more Climate strategy represents its commitment to action:</p> <p>Area 1: To be aware of and disseminate its emissions profile and assess the potential for avoided emissions;</p> <p>Area 2: To reduce its emissions and compensate the inevitable emissions from its fleet;</p> <p>Area 3: To mobilise citizens and partners for the reduction of carbon emissions;</p> <p>Area 4: To cooperate in order to disseminate good practices, promote innovation and knowledge.</p>	<ul style="list-style-type: none"> • LIPOR's Strategic Plan 2015-2020 • 3M Strategy – less Waste, less Carbon, more Climate
Energy Efficiency	G4-DMA ENERGY	G4-EN3; G4-EN4; G4-EN5; G4-EN6; G4-EN7			<ul style="list-style-type: none"> • Implementation of the ISO 50001 – Energy Management standard



GRI G4 CONTENT INDEX (G4-32)

GENERAL STANDARD DISCLOSURES

GENERAL STANDARD CONTENTS	PAGE	OMISSIONS	EXTERNAL VERIFICATION	INDICATOR	LOCATION REPORT
Strategy and analysis					
G4-1	6	None	✓	Message from the Chairman of LIPOR's Board of Directors	Message from the Chairman
G4-2	9	None	✓	Key impacts, risks and opportunities.	Corporate Strategy
Organisational profile					
G4-3	4	None	✓	Name of the organisation.	LIPOR Profile
G4-4	4	None	✓	Primary brands, products and/or services.	LIPOR Profile Portal LIPOR: http://www.LIPOR.pt/pt/residuos-urbanos/valorizacao-organica/nutrimais/ http://www.lipor.pt/pt/residuos-urbanos/valorizacao-multimaterial/descricao-da-unidade/ http://www.lipor.pt/pt/residuos-urbanos/valorizacao-energetica/descricao-unidade/ http://www.LIPOR.pt/pt/ecofone/ http://www.LIPOR.pt/pt/servicos/ http://www.LIPOR.pt/pt/educacao-ambiental/parque-aventura/o-que-e-o-parque/
G4-5	4	None	✓	Location of the organisation's headquarters.	LIPOR Profile
G4-6	4	None	✓	Number of countries where the organisation operates and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	LIPOR Profile
G4-7	51 Portal LIPOR: http://www.lipor.pt/pt/a-lipor/quem-somos/historial/	None	✓	Nature of ownership and legal form.	For more information
G4-8	4	None	✓	Markets served.	LIPOR Profile
G4-9	4	None	✓	Scale of the organisation.	LIPOR Profile



GENERAL STANDARD CONTENTS	PAGE	OMISSIONS	EXTERNAL VERIFICATION	INDICATOR	LOCATION REPORT
G4-10	39	None	✓	Total number of employees, workforce by contract, region and gender. Type of work, significant variations in the number of employees.	Our Performance – Employees
G4-11	52 LIPOR has some particularities as an Organisation, due to its legal status as a Municipalities Association. As such, it strictly complies with national labour legislation, fulfilling Law no. 59/2008 of 11 September, which approves the Legal System of Employment Contract in Public Service and regulates collective bargaining agreements. Currently, none of LIPOR's Employees are covered by a collective bargaining agreement.	None	✓	Percentage of employees covered by collective bargaining agreements.	For more information
G4-12	52 590 LIPOR Suppliers on 31 st December 2016 Supplier costs (euros) International 12.030.253,51 National 31.625.474,53 Total 43.655.728,04	None	✓	Organisation's supply chain	For more information
G4-13	52 No changes occurred.	None	✓	Significant changes during the reporting period regarding the organisation's size, structure, ownership, or supply chain.	For more information
G4-14	20, 52 Portal LIPOR: http://www.lipor.pt/pt/sustentabilidade-e-responsabilidade-social/projetos-de-responsabilidade-social/norma-aa1000aps-partes-interessadas/principios-da-norma-aa1000-2008/	None	✓	Explanation of whether and how the precautionary principle is addressed by the organisation.	For more information
G4-15	52 LIPOR subscribes to the Aalborg Charter, the Charter of European Cities & Towns Towards Sustainability. This occurred within the scope of the promotion of the "Sustainable Future" project and the implementation of Local Agenda 21 processes in the Parishes within LIPOR's area of intervention. Regarding the Food Waste issue, LIPOR endorsed the DON'T WASTE OUR FUTURE Charter 2015 .	None	✓	Externally developed economic, environmental and social charters, principles, or other initiatives to which the organisation subscribes or endorses.	For more information
G4-16	52 Portal LIPOR: http://www.LIPOR.pt/pt/a-LIPOR/quem-somos/parcerias/	None	✓	Memberships in associations (such as industry associations) and/or national/international advocacy organisations.	For more information



GENERAL STANDARD CONTENTS	PAGE	OMISSIONS	EXTERNAL VERIFICATION	INDICATOR	LOCATION REPORT
Identified material aspects and boundaries					
G4-17	53 Financial Statements – LIPOR Report and Accounts 2016 Portal LIPOR: http://www.lipor.pt/pt/bibliotecas/	None	✓	Entities included in the organisation's consolidated financial statements or equivalent documents.	For more information
G4-18	19	None	✓	Process for defining the report content and the aspect boundaries.	Stakeholder Engagement
G4-19	19	None	✓	Material aspects identified in the process for defining report content.	Stakeholder Engagement
G4-20	20	None	✓	Boundary of each material aspect within the organisation.	Stakeholder Engagement
G4-21	20	None	✓	Boundary of each material aspect outside the organisation.	Stakeholder Engagement
G4-22	53 Some exceptions duly identified throughout the Report.	None	✓	Effect of any restatements of information provided in previous reports, and the reasons for such restatements.	For more information
G4-23	77	None	✓	Significant changes from previous reporting periods in the scope and aspect boundaries.	For more information
Stakeholder Engagement					
G4-24	16	None	✓	List of stakeholder groups engaged by the organisation.	Stakeholder Engagement
G4-25	17	None	✓	Basis for identification and selection of stakeholders.	Stakeholder Engagement
G4-26	20, 53 Portal LIPOR: http://www.lipor.pt/en/sustainability-and-social-responsibility/social-responsibility-projects/aa1000aps-standard-stakeholders/principles-of-the-aa1000-standard-2008/	None	✓	Approaches to stakeholder engagement, including frequency, by type of stakeholder.	For more information
G4-27	19 Stakeholder Communication and Engagement Mechanisms Portal LIPOR: http://www.lipor.pt/en/sustainability-and-social-responsibility/social-responsibility-projects/aa1000aps-standard-stakeholders/principles-of-the-aa1000-standard-2008/	None	✓	Key topics and concerns that have been raised by stakeholders as a result of their engagement, and how the organisation responds to those topics and concerns.	For more information



GENERAL STANDARD CONTENTS	PAGE	OMISSIONS	EXTERNAL VERIFICATION	INDICATOR	LOCATION REPORT
Report profile					
G4-28	79	None	✓	Reporting period (fiscal or calendar year) for information provided.	For more information
G4-29	79	None	✓	Date of most recent previous report (if any).	For more information
G4-30	79	None	✓	Reporting cycle (annual, biennial, etc.).	For more information
G4-31	79	None	✓	Contact point for questions regarding the report or its contents.	For more information
G4-32	79	None	✓	Reporting option (Core or Comprehensive) and reference to external verification.	For more information
				Summary of report contents according to GRI guidelines.	For more information
G4-33	79	None	✓	Policies and current practices regarding the external verification of the report.	Summary of the Content of GRI G4
Governance					
G4-34	14, 54 The members of the Board of Directors are also members of the Intermunicipal Assembly	None	✓	Governance structure of the organisation, including committees of the highest governance body.	Corporate Governance
	Constitution of LIPOR's management 2016				
	Gender within management	H	M	Total	
	Intermunicipal Assembly	19	5	24	
	Board of Directors	6	2	8	
G4-35	54 Portal LIPOR: http://www.LIPOR.pt/pt/a-LIPOR/quem-somos/o-governo-da-organizacao/	None	✓	Process for delegating authority for economic, environmental and social topics from the highest governance body to senior executives and other employees.	For more information
G4-36	54 Portal LIPOR: http://www.LIPOR.pt/pt/a-LIPOR/quem-somos/o-governo-da-organizacao/	None	✓	Indication of whether the organisation has appointed an executive-level position or positions with responsibility for economic, environmental and social topics, and whether post holders report directly to the highest governance body.	For more information
G4-37	18	None	✓	Indication of processes for consultation between stakeholders and the highest governance body on economic, environmental and social topics.	Stakeholder Engagement



GENERAL STANDARD CONTENTS	PAGE	OMISSIONS	EXTERNAL VERIFICATION	INDICATOR	LOCATION REPORT
G4-38	55 Portal LIPOR: http://www.LIPOR.pt/pt/a-LIPOR/quem-somos/o-governo-da-organizacao/ See G4-34	None	✓	Composition of the highest governance body and its committees.	Corporate Governance
G4-39	55 The Chairman of the Board of Directors is not the Executive Officer of the Organisation. The Board of Directors has delegated this function to the Chief Executive Officer.	None	✓	Indication of whether the Chairman of the highest governance body is also an executive officer (and, if so, his or her function within the organisation's management and the reasons for this arrangement).	For more information
G4-40	55 Portal LIPOR: http://www.LIPOR.pt/pt/a-LIPOR/quem-somos/o-governo-da-organizacao/	None	✓	Nomination and selection processes for the highest governance body and its committees, and the criteria used for nominating and selecting highest governance body members.	We Are what we Do – Corporate Governance
G4-41	55 Portal LIPOR: http://www.LIPOR.pt/pt/a-LIPOR/quem-somos/o-governo-da-organizacao/	None	✓	Process used for the highest governance body to ensure conflicts of interest are avoided and managed.	For more information
G4-42	13	None	✓	Indication of the highest governance body's and senior executives' roles in the development, approval, and updating of the organisation's policy, mission, vision and value statements, as well as the definition of strategies, policies, and goals related to economic, environmental and social impacts.	Corporate Governance
G4-43	55 Portal LIPOR: http://www.LIPOR.pt/pt/a-LIPOR/quem-somos/o-governo-da-organizacao/ As the process is political, there's no advantage in determining the qualifications and expertise of the members of the Board of Directors.	None	✓	Indication of the measures taken to develop and enhance the highest governance body's collective knowledge of economic, environmental and social topics.	For more information
G4-44	55 Portal LIPOR: http://www.LIPOR.pt/pt/a-LIPOR/quem-somos/o-governo-da-organizacao/processo-para-autoavaliacao-do-desempenho-da-governanca/	None	✓	Processes for self-evaluation of the highest governance body's own performance, particularly with respect to economic, environmental and social performance, as well as actions taken in response to the evaluation's results.	For more information



GENERAL STANDARD CONTENTS	PAGE	OMISSIONS	EXTERNAL VERIFICATION	INDICATOR	LOCATION REPORT
G4-45	14, 19, 56 Portal LIPOR: http://www.LIPOR.pt/pt/a-LIPOR/quem-somos/o-governo-da-organizacao/	None	✓	Indication of the highest governance body's role in the identification and management of economic, environmental and social impacts, risks, and opportunities, as well as the highest governance body's role in the implementation of due diligence processes.	Corporate Governance Stakeholder Engagement
G4-46	14	None	✓	Indication of the stakeholder consultation and involvement process used to support the identification and management of economic, environmental and social impacts, risks, and opportunities.	Corporate Governance
G4-47	14	None	✓	Indication of the highest governance body's role in reviewing the effectiveness of the organisation's risk management processes for economic, environmental and social topics.	Corporate Governance
G4-48	56 Portal LIPOR: http://www.lipor.pt/pt/a-lipor/quem-somos/o-governo-da-organizacao/	None	✓	Indication of the frequency of the highest governance body's review of economic, environmental and social impacts, risks, and opportunities.	For more information
G4-49	56 Within the scope of LIPOR's certification process according to the SA8000 Social Accountability standard, Emanuel Maia is elected by and for the employees as their Representative. One of the Employee Representative's duties is to establish the connection between employees and the Board, namely by handling and forwarding Concerns and Suggestions. This connection is established directly with the CEO, the Board Representative for SA8000, in order to ensure process independence and confidentiality. Besides promoting a direct relationship between employees and managers, LIPOR makes available to employees a Suggestion Box, where they can place their questions anonymously. They can also talk directly with the Employee Representative, if they prefer, and ask for anonymity. If there is no need for anonymity, an Intranet platform is also available for employees to express their suggestions, doubts and questions in a simple and quick way. These mechanisms are available to all LIPOR employees, CEI employees and subcontracted workers.	None	✓	Indication of the highest committee or position that formally reviews and approves the organisation's sustainability report and ensures that all material aspects are covered.	For more information



GENERAL STANDARD CONTENTS	PAGE	OMISSIONS	EXTERNAL VERIFICATION	INDICATOR	LOCATION REPORT
G4-50	57 The most relevant issues for the Organisation are decided by the Board of Directors, the executive body, which meets every week, thus ensuring a continuous follow-up of the most relevant dossiers for the Organisation. In 2016, 2 questions/concerns were addressed by Employees to the Employee Representative. These were answered directly by the CEO.	None	✓	Process for communicating concerns and suggestions to the highest governance body.	For more information
G4-51	57 Portal LIPOR: http://www.LIPOR.pt/pt/a-LIPOR/quem-somos/o-governo-da-organizacao/remuneracao-para-membros-do-governo/	None	✓	Reference to remuneration policies for the highest governance body and senior executives, as well as how performance criteria in the remuneration policy relate to the economic, environmental and social objectives.	For more information
G4-52	57 In accordance with its legal status of Municipalities Association, LIPOR determines remunerations according to the salary scales in effect for Public Administration. Portal LIPOR: http://www.LIPOR.pt/pt/a-LIPOR/quem-somos/o-governo-da-organizacao/remuneracao-para-membros-do-governo/	None	✓	Process for determining remuneration.	For more information
G4-53	57 In accordance with its legal status of Municipalities Association, LIPOR determines remunerations according to the salary scales in effect for Public Administration. Portal LIPOR: http://www.LIPOR.pt/pt/a-LIPOR/quem-somos/o-governo-da-organizacao/remuneracao-para-membros-do-governo/	None	✓	Indication of how stakeholders' views are sought and taken into account regarding remuneration, including the results of votes on remuneration policies and proposals, if applicable.	For more information
G4-54	42	None	✓	Reference to the ratio of the annual total compensation for the organisation's highest-paid individual in each country of significant operations to the median annual total compensation for all employees (excluding the highest-paid individual) in the same country.	Our People – Diversity and Equal Opportunity Summary of the Content of GRI G4



GENERAL STANDARD CONTENTS	PAGE	OMISSIONS	EXTERNAL VERIFICATION	INDICATOR	LOCATION REPORT
G4-55	42	None	✓	Indication of the ratio of percentage increase in annual total compensation for the organisation's highest-paid individual in each country of significant operations to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual) in the same country.	Our People – Diversity and Equal Opportunity
Ethics and integrity					
G4-56	14	None	✓	Description of the organisation's values, principles, standards and norms of behaviour such as codes of conduct and codes of ethics.	Corporate Governance
G4-57	40	None	✓	Internal and external mechanisms for seeking advice on ethical and lawful behaviour, such as relationship channels.	Our People – Occupational Health and Safety and Social Accountability
G4-58	58 As LIPOR is certified according to the SA8000 Social Accountability standard, it has been implementing several control mechanisms that ensure a high level of trust in the System. Besides the mechanisms presented above, we can highlight the quarterly Social Accountability Visits, where random employees from all areas are interviewed, with the purpose of detecting situations that may compromise Social Accountability principles. In addition, within the scope of the Management System control process, internal and external third-party audits are performed twice a year to the organisation itself. Besides checking working conditions on site, these audits also include anonymous interviews to detect any possible fault that may escape from the organisation's ordinary control.	None	✓	Internal and external mechanisms for reporting concerns about unethical or unlawful behaviour, and matters related to organisational integrity, such as escalation through line management, whistleblowing mechanisms or reporting channels	For more information



SPECIFIC STANDARD DISCLOSURES

ECONOMIC CATEGORY ASPECT: ECONOMIC PERFORMANCE

INFORMATION ABOUT MANAGEMENT APPROACH AND INDICATORS	PAGE	OMISSIONS	EXTERNAL VERIFICATION	INDICATOR	DESCRIPTION
G4-DMA	50	None	✓	G4-EC1 G4-EC2 G4-EC3 G4-EC4	
G4-EC1	23, 50	None	✓		Direct economic value generated and distributed, including revenues, operating costs, Employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.
G4-EC2	33, 50	None	✓		Financial implications and other risks and opportunities for the organisation's activities due to climate change.
G4-EC3	50, 59 LIPOR's Welfare System is covered by Social Security, so it doesn't have a specific Pension Plan for its Employees and, consequently, the obligations that such a plan would require. Despite this, LIPOR provides several social benefits through numerous protocols signed with local entities.	None	✓		Coverage of the obligations regarding pension and benefit plans defined by the organisation.
G4-EC4	22, 23, 50	None	✓		Significant financial assistance received from government.



ENVIRONMENTAL CATEGORY ASPECT: MATERIALS

INFORMATION ABOUT MANAGEMENT APPROACH AND INDICATORS	PAGE	OMISSIONS	EXTERNAL VERIFICATION	INDICATOR	DESCRIPTION
G4-DMA	47	None	✓	G4-EN1 G4-EN2	
G4-EN1	47, 60	None	✓		Materials used by weight or volume.
G4-EN2	47, 60 In the past year, there were no significant changes in the processes developed in each area, so the type of materials used remained the same. Due to the difficulty in registering and verifying the percentages of recycled material within the several materials used, we only took into consideration stationery material to calculate this indicator. So, we can conclude that 56% of stationery used at LIPOR consists of recycled material.	None	✓		Percentage of recycled materials used.

G4-EN1

SORTING PLANT				COMPOSTING PLANT			ENERGY RECOVERY PLANT				
	2014	2015	2016		2014	2015	2016		2014	2015	2016
Materials	2014	2015	2016	Materials	2014	2015	2016	Use of Reagents			
Wire (tons)	15.057	35	20	Wood (tons)	54.245	62.331	63.3	Hydrated Lime (tons)	3 710.2	4 703.6	4 258.1
Raw materials for production (tons)				Plastic (tons)	26.17	22.71	23.1	Urea (tons)	948.5	1 412.3	1 338.6
Sorted recyclable materials	44.754	45.296	46.791	Paper and Cardboard (tons)	0.113	0.04	0	Activated Charcoal (tons)	199.1	202.2	165.9
				Raw materials for production (tons)				Caustic Soda (tons)	17.7	16.8	20.0
				Sorted organic waste	47 169.00	48 649.00	47 944.00	HCl (tons)	23.6	28.8	26.4
								Raw materials for production (tons)			
								Unsorted waste	382 032,0	387 381,0	391 835,0
CIVE'S AUXILIARY LANDFILL				LIPOR - IN GENERAL							
	2014	2015	2016		2014	2015	2016				
Reagents for the WWTP				Stationery							
Sulphuric Acid (tons)	7.44	6.34	6.37	White Paper (kg)	838,44	833,7	742,4				
Acetic Acid (tons)	6.43	7.23	3.242	White Stationery (kg)	158,98	38,46	771,9				
Soda (tons)	19.18	20.16	24.02	Total white	997,42	872,16	1 514,30				
Anti-foam (litres)	347	176	154	Recycled Paper (kg)	2 241.00	2241.79	1933				
				Recycled Stationery (kg)	52.02	178.42	12.9				
				Total recycled	2 293	2 420	1 946				
				TOTAL	3 290.45	3 292.37	3 460.20				



ENVIRONMENTAL CATEGORY ASPECT: ENERGY

INFORMATION ABOUT MANAGEMENT APPROACH AND INDICATORS	PAGE	OMISSIONS	EXTERNAL VERIFICATION	INDICATOR	DESCRIPTION
G4-DMA	50	None	✓	G4-EN3 G4-EN4 G4-EN5 G4-EN6 G4-EN7	
G4-EN3	32, 50	None	✓		Direct energy consumption by primary energy source.
G4-EN4	50, 61	None	✓		Energy consumption outside of the Organisation.
G4-EN5	32, 50	None	✓		Energy Intensity.
G4-EN6	32, 50	None	✓		Reduction of Energy consumption.
G4-EN7	50, 61 In 2016, the amount of biogas produced in the landfills continued to decrease, resulting in a decrease in the amount of electrical energy.	None	✓		Reductions in Energy requirements of products and services.

G4-EN4

GJ	2016
Scope 3 – Energy	186 062
C.03 – Energy and fuels	76 688
C.04 – Transportation (upstream)	97 025 GJ
C.06 – Transportation (upstream)	736
C.07 – Employee commuting	4 136
C.09 – Transportation (downstream)	7 477
C.10 – Processing of intermediate products	n.d.
C.11 – Use of goods and services	n.d.

G4-EN7

	2014		2015		2016	
	Energy produced (kWh)	Biogas flow (M ³)	Energy produced (kWh)	Biogas flow (M ³)	Energy produced (kWh)	Biogas flow (M ³)
Biogas Recovery Plant						
Landfill of Matosinhos	255,578	161,809	210,470	133,251	190,791	124,456
Landfill of Ermesinde	1,329,024	841,421	1,098,962	695,766	958,966	608,985
C.06 – Business travels						736
C.07 – Employee commuting						4 136
C.09 – Transportation (downstream)						7 477
C.10 – Processing of intermediate products						n.d.
C.11 – Use of goods and services						n.d.



ENVIRONMENTAL CATEGORY ASPECT: BIODIVERSITY

INFORMATION ABOUT MANAGEMENT APPROACH AND INDICATORS	PAGE	OMISSIONS	EXTERNAL VERIFICATION	INDICATOR	DESCRIPTION
G4-DMA	50	None	✓	G4-EN11 G4-EN12 G4-EN13 G4-EN14	
G4-EN11	50,62 None of LIPOR's operational units, namely the Energy Recovery Plant and Landfill, Composting Plant and Sorting Plant, are located in Protected Areas or in areas of high Biodiversity value. Furthermore, none of them are located within a National Agricultural Reserve (RAN) or National Ecological Reserve (REN). Both complexes (Maia and Ermesinde/Baguim do Monte) are located in areas intended for Structuring Equipment.	None	✓		Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.
G4-EN12	50, 62	None	✓		Description of significant impacts of activities, products and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.
G4-EN13	35, 50	None	✓		Habitats protected or restored.
G4-EN14	50, 62 No species within the areas of influence of the operational units are in such situation.	None	✓		Total number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.



ENVIRONMENTAL CATEGORY ASPECT: EMISSIONS

INFORMATION ABOUT MANAGEMENT APPROACH AND INDICATORS	PAGE	OMISSIONS	EXTERNAL VERIFICATION	INDICATOR	DESCRIPTION
G4-DMA	50	None	✓	G4-EN15 G4-EN16 G4-EN17 G4-EN18 G4-EN19 G4-EN20 G4-EN21	
G4-EN15	34, 50	None	✓		Direct Greenhouse Gas (GHG) Emissions (Scope 1).
G4-EN16	34, 50	None	✓		Energy Indirect Greenhouse Gas (GHG) Emissions (Scope 2).
G4-EN17	34, 50	None	✓		Other Indirect Greenhouse Gas (GHG) Emissions (Scope 3).
G4-EN18	35, 50	None	✓		Greenhouse Gas (GHG) Emissions Intensity.
G4-EN19	33, 50	None	✓		Reduction of Greenhouse Gas (GHG) Emissions.
G4-EN20	50, 63	None The omission of this indicator results from the fact that it only applies to producers of products that contain this type of substances.	✓		Emissions of ozone-depleting substances.
G4-EN21	50, 63	None	✓		NO _x , SO _x and other significant air emissions by type and weight.

G4-EN21

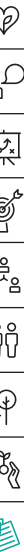
	2014	2015	2016
	Emission amount (kg)	Emission amount (kg)	Emission amount (kg)
HCl	6507	8359.631	7786.755
NO _x	234932	289842.553	274732.042
HF	183	134.308	234.037
SO ₂	9838	14658.643	15831.599
Particles	1275	1487.361	1297
CO	8177	6982.143	8177
Dioxins and Furans (PCDD+PCDF)	0.00000235	0.000001806	0.000001579



ENVIRONMENTAL CATEGORY ASPECT: EFFLUENTS AND WASTE

INFORMATION ABOUT MANAGEMENT APPROACH AND INDICATORS	PAGE	OMISSIONS	EXTERNAL VERIFICATION	INDICATOR	DESCRIPTION
G4-DMA	47		✓	G4-EN22 G4-EN23 G4-EN24 G4-EN25 G4-EN26	
G4-EN22	47, 65	None	✓		Total effluents discharge by quality and destination.
G4-EN23	47, 65	None	✓		Total weight of waste by type and treatment method.
G4-EN24	47, 64 LIPOR's operational units do not imply risks concerning storage of products that may cause severe spills. So, the only possible spills are related to small oil leaks from vehicles or lubrication of equipment, or spills resulting from the discharge of contaminated material from eco-containers or drop-off sites. In all units, the type of spill and the measures taken to contain or eliminate it are registered according to the processes of the implemented (and certified) Environmental Management System. As established, LIPOR considers a spill to be significant, if the spill volume exceeds 30 l. In 2016, no spills over 30 l were registered. The small spills that took place were handled in accordance with the approved spill containment procedures, defined within the scope of LIPOR's Environmental Management System, and implied no impact on the environment.	None	✓		Total number and volume of significant spills.
G4-EN25	47, 64	None Our operational processes don't include imported or exported waste, so this indicator is not applicable.	✓		Weight of transported, imported, exported or treated waste deemed hazardous under the terms of the Basel Convention, Annex I, II, III, and VIII, and percentage of waste transported internationally.
G4-EN26	47, 64 There's neither intensive water use, nor significant runoff or water discharges, so no habitats affected by such situations were identified. As water discharged into natural watercourse is subjected to a tertiary treatment process by reverse osmosis, it is safe to say that it has no negative impact on the water body into which it is discharged. The effluent that is processed externally is duly treated by a municipal WWTP, which ensures the fulfilment of all parameters for discharge in water sources. In order to further ensure this, LIPOR has put into execution an External Monitoring Plan for the Energy Recovery Plant, which controls and analyses all the corresponding parameters. Furthermore, the Leça River is not classified as a sensitive or special protection area.	None	✓		Identity, size, protected status and biodiversity value of water bodies and related habitats significantly affected by the reporting organisation's discharges of water and runoff.

FOR MORE INFORMATION



G4-EN22

	2014	2015	2016
Treated water (m ³)	10 301	10615	10347
Water output WWTP (m ³)	6 900	7236	7368
Effluent treated externally* (m ³)	18 820	17 566.0	17 037.0
Wash water (m ³)	121	112	102
Effluent discharged into natural watercourse (m ³)	6 779	7124	7265
CO	8177	6982.143	8177
(m ³) (PCDD+PCDF)	0.00000235	0.000001806	0.000001579

G4-EN22

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OUT	NOV	DEC
pH	6.4	8.7	6.8	6	6.9	6.6	6	6.3	6	6	6.3	6
BOD5 mg/l	<5	<5	<5	<5	<5	<5	<5	<5	<5	<5	<5	<5
COD mg/l	<5.0	<5.0	6	9	10	7	<5.0	<5.0	<5.0	<5.0	<5	<5
Nitrates mg/l	<10	<10	<10	<10	10	<10	<10	<10	<10	<10	<10	<10
Ammoniacal Nitrogen mg/l	<6.0	<6.0	<6.0	<6.0	<6.0	<6.0	<6.0	<6.0	<6.0	<6.0	<6.0	<6.0
Oil and grease mg/l	<0.3	<0.3	<0.3	<0.3	<0.3	<0.3	<0.3	<0.3	<0.3	<0.3	<0.3	<0.3
Total hydrocarbons mg/l	<0.3	<0.3	<0.3	<0.3	<0.3	<0.3	<0.3	<0.3	<0.3	<0.3	<0.3	<0.3
Phenols mg/l	0.251						<0.005					
Total Suspended Solids mg/l	<5	<5	10	<5	<5	<5	<5	59	<5	<5	<5	<5
Iron mg/l	<0.50						0.61					
Aluminium mg/l	<0.5						<0.5					
Chlorides mg/l	<0.16						<0.16					
Copper mg/l	<0.25						<0.25					
Chromium mg/l	<0.50						<0.50					
Hexavalent chromium mg/l	<0.02						<0.02					
Nickel mg/l	<0.50						<0.50					
Cadmium mg/l	<0.10						<0.10					
Lead mg/l	<0.50						<0.50					
Phosphorous mg/l	<0.10	0.18	<0.10	0.25	<0.10	<0.10	<0.10	<0.10	<0.10	<0.10	<0.10	<0.10
Total Nitrogen mg/l	<6	11	<6	<6	<6	13	<6	<6	<6	<6	<6	<6
Sulphates mg/l	26						37					

G4-EN23

Rejected waste from the Sorting Plant	2014	2015	2016
Flat Products Line - Paper and Cardboard (tons)	22.39	0	0
Bulky Items Line - Packaging (tons)	615.77	929.84	928.20
Fines (tons)	691.02	1,251.30	1,360.38
Pre-sorting (tons)	1,173.69	443.90	453.36
Total (tons)	2,502.84	2,625.04	2,741.94
Destination - Energy Recovery Plant			
Dioxins and Furans (PCDD+PCDF)	0.00000235	0.000001806	0.000001579

Destination › Energy Recovery Plant

Rejected waste from the Energy Recovery Plant	2014	2015	2016
Ashes (tons)	30 403.2	32 427.34	28 202.4
Slag (tons)	70 443.6	79 626.64	78 131

Destination › Landfill of Maia



G4-EN23

Waste produced by the system	2014	2015	2016	Perigosidade
Mineral Oils (litres)	10700	7 041	9 208	sim
Oily Water (litres)	11 300	10 760	10 900	sim
Total (litres)	22 000	17 801	20 108	
Cooking Oil (kg)	966	2 220	1 212	não
Sawdust and oily rags (kg)	129	160	231	sim
Contaminated packaging* (kg)	1 698	785	637	sim
Small batteries (kg)	5 800	5 920	4 060	sim
Batteries (kg)	2 570	1 460	1 020	sim
Syringes (kg)	56.2	47	38	sim
Fluorescent Lamps (kg)	166	15 040	27 106	sim
Other municipal waste and similar waste (kg)	5 100	165	167	não
Ink Cartridges and Toners (kg)	0	16 460	15 940	sim
Tyres (kg)	17 560	1 920	1 360	não
Chemical powder	0.00	0.00	0.00	sim
Inert materials	0.00	0.00	389 600	sim
Total (kg)	34 044.43	44 177	441 371.40	

Destination › Companies licensed for Recovery/Treatment

Iron Scrap (tons)	5534.82	5 646	5 261	não
Total (tons)	5 535	5 646	5 261	

Destination › Recycling

ENVIRONMENTAL CATEGORY ASPECT: COMPLIANCE

INFORMATION ABOUT MANAGEMENT APPROACH AND INDICATORS	PAGE	OMISSIONS	EXTERNAL VERIFICATION	INDICATOR	DESCRIPTION
G4-DMA	50	None	✓	G4-EN29	
G4-EN29	50, 67 In 2016, no fine was imposed on LIPOR due to violation of environmental laws and norms.	None	✓		Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.

ASPECT: ENVIRONMENTAL GRIEVANCE MECHANISMS

INFORMATION ABOUT MANAGEMENT APPROACH AND INDICATORS	PAGE	OMISSIONS	EXTERNAL VERIFICATION	INDICATOR	DESCRIPTION
G4-DMA	50	None	✓	G4-EN34	
G4-EN34	20, 50, 67 During 2016, LIPOR received 3 environmental grievances regarding odours and droplet and solid particle emissions. Grievance no. 141 claimed that odours were coming from LIPOR's facilities. It was determined that these odours were a result of works carried out on the sides of the south alveolus, next to the Energy Recovery Plant. Regarding grievances no. 137 and 142, regarding droplet and solid particle emission from the Energy Recovery Plant, the inconclusive results of the analyses performed did not allow to ascertain if LIPOR was responsible for it. LIPOR has a procedure to treat all grievances received, which sets deadlines for reply. In this way, these grievances were analysed and answered by LIPOR.	None	✓		Number of grievances about environmental impacts filed, addressed, and resolved through formal grievance mechanisms.



SOCIAL CATEGORY
SUBCATEGORY: LABOUR PRACTICES AND DECENT WORK ASPECT: EMPLOYMENT

INFORMATION ABOUT MANAGEMENT APPROACH AND INDICATORS	PAGE	OMISSIONS	EXTERNAL VERIFICATION	INDICATOR	DESCRIPTION
G4-DMA	48		✓	G4-LA1 G4-LA2 G4-LA3	
G4-LA1	40, 48	None	✓		Total number and rates of new employee hires and employee turnover by age group, gender and region.
G4-LA2	39, 48	None	✓		Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation.
G4-LA3	48, 68	None	✓		Return to work and retention rates after parental leave, by gender.

G4-LA3

	2016		TOTAL
	Male	Female	
Returned to work after taking a maternity or paternity leave	3	5	8
Entitled to take maternity or paternity leave	5	5	10
Still working at LIPOR 12 months after the end of the maternity or paternity leave	5	8	13
On maternity or paternity leave	2	0	2



SOCIAL CATEGORY

SUBCATEGORY: LABOUR PRACTICES AND DECENT WORK ASPECT: LABOUR RELATIONS

INFORMATION ABOUT MANAGEMENT APPROACH AND INDICATORS	PAGE	OMISSIONS	EXTERNAL VERIFICATION	INDICATOR	DESCRIPTION
G4-DMA	48	None	✓	G4-LA4	
G4-LA4	48, 69 As the organisation's facilities are geographically close (regional scope), there are no significant changes regarding work sites. Regarding change of job position/tasks, these situations are always discussed with employees, so there are no forced changes. Usually, these changes are put in place at the suggestion or explicit request of the employee, as well as the occupational physician. Law no. 35/2014 of 20 June, part II, title IV. This chapter states provisions regarding working hours and time.	None	✓		Minimum notice periods regarding operational changes, including whether these are specified in collective agreements.



SOCIAL CATEGORY

SUBCATEGORY: LABOUR PRACTICES AND DECENT WORK ASPECT: OCCUPATIONAL HEALTH AND SAFETY

INFORMATION ABOUT MANAGEMENT APPROACH AND INDICATORS	PAGE	OMISSIONS	EXTERNAL VERIFICATION	INDICATOR	DESCRIPTION
G4-DMA	48		✓	G4-LA5 G4-LA6 G4-LA7 G4-LA8	
G4-LA5	40, 48	None	✓		Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programmes.
G4-LA6	40, 48	None	✓		Type and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and gender.
G4-LA7	48, 70 LIPOR has no facilities in countries with high risk or incidence of communicable diseases and, according to the legislation in effect (Law no. 59/2008, Annex II, point 2 of article 133), LIPOR's activities are not considered high risk activities. Within the scope of the OHSAS 18001 and SA8000 certifications, LIPOR has identified all risks associated with the organisation's operations, continuously striving to control them.	None	✓		Workers with high incidence or high risk of diseases related to their occupation.
G4-LA8	48, 70 Occupational Health and Safety issues are covered by the Collective Labour Agreement no. 128/2016 - "Diário da República", 2nd series - no. 19 - 28 January 2016 - a Public Employer Collective Agreement between LIPOR and SINTAP - Public Administration Workers' Trade Union. A lot of work has been done in this area, within the scope of the NP 4397/OHSAS 18001:2007 and the SA8000:2008 Standard Certifications, which approach all issues pertaining to Occupational Health and Safety with great care.	None	✓		Health and safety topics covered in formal agreements with trade unions.



SOCIAL CATEGORY
SUBCATEGORY: LABOUR PRACTICES AND DECENT WORK ASPECT: TRAINING AND EDUCATION

INFORMATION ABOUT MANAGEMENT APPROACH AND INDICATORS	PAGE	OMISSIONS	EXTERNAL VERIFICATION	INDICATOR	DESCRIPTION
G4-DMA	48	None	✓	G4-LA9 G4-LA10 G4-LA11	
G4-LA9	43, 48	None	✓		Average training hours per year per Employee, by gender and employee category.
G4-LA10	43, 48	None	✓		Programmes for skills management and lifelong learning that support the continued employability of Employees and assist them in managing career endings.
G4-LA11	43, 48	None	✓		Percentage of Employees receiving regular performance and career development reviews, by gender.

SUBCATEGORY: LABOUR PRACTICES AND DECENT WORK ASPECT: DIVERSITY AND EQUAL OPPORTUNITY

INFORMATION ABOUT MANAGEMENT APPROACH AND INDICATORS	PAGE	OMISSIONS	EXTERNAL VERIFICATION	INDICATOR	DESCRIPTION
G4-DMA	48	None	✓	G4-LA12	
G4-LA12	42, 48, 71	None	✓		Composition of governance bodies and breakdown of Employees per employee category according to gender, age group, minority group membership and other indicators of diversity.

G4-LA12

% OF EMPLOYEES BY NATIONALITY AND CATEGORY	2016		TOTAL	% OF EMPLOYEES BY NATIONALITY AND CATEGORY	2016	
	Portuguese	Foreign			Portuguese	Foreign
Managers	15	0	15	Managers	100,00%	0,00%
Senior Technician	30	2	32	Senior Technician	93,75%	6,25%
Technical Assistant	36	1	37	Technical Assistant	97,30%	2,70%
Operational Assistant	104	3	107	Operational Assistant	97,20%	2,80%
Total	185	6	191	Total	96,86%	3,14%



SOCIAL CATEGORY**SUBCATEGORY: LABOUR PRACTICES AND DECENT WORK ASPECT: EQUAL REMUNERATION FOR WOMEN AND MEN**

INFORMATION ABOUT MANAGEMENT APPROACH AND INDICATORS	PAGE	OMISSIONS	EXTERNAL VERIFICATION	INDICATOR	DESCRIPTION
G4-DMA	48	None	✓	G4-LA13	
G4-LA13	42, 48, 72 The national minimum wage (now amounting to €530.00) was changed by Decree-Law no. 254-A/2015, of 31 December. In accordance with current legislation, there is equal pay for men and women. In addition, all employees receive an insalubrity allowance.	None	✓		Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.

G4-LA13

Employee Category	Total Employees	Remuneration	Ratio (M/W)
Managers	15	2 025,35	1
Senior Technician	32	1 012,68	1
Technical Assistant	37	683,13	1
Operational Assistant	107	530	1
Total	191		

SUBCATEGORY: LABOUR PRACTICES AND DECENT WORK ASPECT: SUPPLIER ASSESSMENT FOR LABOUR PRACTICES

INFORMATION ABOUT MANAGEMENT APPROACH AND INDICATORS	PAGE	OMISSIONS	EXTERNAL VERIFICATION	INDICATOR	DESCRIPTION
G4-DMA	48	None	✓	G4-LA14 G4-LA15	
G4-LA14	25, 48	None	✓		Percentage of new suppliers that were screened using labour practices criteria.
G4-LA15	25, 48	None	✓		Significant actual and potential negative impacts for labour practices in the supply chain and actions taken.



CATEGORIA SOCIAL

SUBCATEGORY: LABOUR PRACTICES AND DECENT WORK ASPECT: LABOUR PRACTICES GRIEVANCE MECHANISMS

INFORMATION ABOUT MANAGEMENT APPROACH AND INDICATORS	PAGE	OMISSIONS	EXTERNAL VERIFICATION	INDICATOR	DESCRIPTION
G4-DMA	48	None	✓	G4-LA16	
G4-LA16	48, 73 In 2016, LIPOR registered 1 (one) incident/grievance that led to a Disciplinary Procedure. The sanction applied in this case was a Written Reprimand.	None	✓		Number of grievances about labour practices filed, addressed, and resolved through formal grievance mechanisms.

SUBCATEGORY: SOCIETY ASPECT: COMPLIANCE

INFORMATION ABOUT MANAGEMENT APPROACH AND INDICATORS	PAGE	OMISSIONS	EXTERNAL VERIFICATION	INDICATOR	DESCRIPTION
G4-DMA	50	None	✓	G4-S08	
G4-S08	50, 67 In 2016, no fine was imposed on LIPOR for non-compliance with laws and regulations.	None	✓		Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.



SOCIAL CATEGORY
SUBCATEGORY: PRODUCT RESPONSIBILITY ASPECT: CUSTOMER HEALTH AND SAFETY

INFORMATION ABOUT MANAGEMENT APPROACH AND INDICATORS	PAGE	OMISSIONS	EXTERNAL VERIFICATION	INDICATOR	DESCRIPTION
G4-DMA	47			G4-PR1 G4-PR2	
G4-PR1	31, 47	None	✓		Life cycle stages of products and services in which health and safety impacts are assessed for improvement, and percentage of products and services subject to such procedures.
G4-PR2	47, 67 During 2016, there was no noncompliance of this kind.	None	✓		Total number of incidents of noncompliance with regulations and voluntary codes concerning consumer health and safety impacts of products and services during their life cycle, by type of product and incident.

SUBCATEGORY: PRODUCT RESPONSIBILITY ASPECT: PRODUCT AND SERVICE LABELLING

INFORMATION ABOUT MANAGEMENT APPROACH AND INDICATORS	PAGE	OMISSIONS	EXTERNAL VERIFICATION	INDICATOR	DESCRIPTION
G4-DMA	47		✓	G4-PR3 G4-PR4 G4-PR5	
G4-PR3	26, 47	None	✓		Type of product and service information required by labelling procedures, and percentage of products and services subject to such requirements.
G4-PR4	47, 67 During 2016, there was no noncompliance of this kind.	None	✓		Regarding product labelling, the Organic Compost NUTRIMAIS complies with all requirements defined by legislation in effect, so there were no noncompliances with product labelling regulations. During 2016, there was no noncompliance of this kind.
G4-PR5	20, 47	None	✓		Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.



SOCIAL CATEGORY**SUBCATEGORY: PRODUCT RESPONSIBILITY ASPECT: MARKETING COMMUNICATIONS**

INFORMATION ABOUT MANAGEMENT APPROACH AND INDICATORS	PAGE	OMISSIONS	EXTERNAL VERIFICATION	INDICATOR	DESCRIPTION
G4-DMA	47	None	✓	G4-PR6 G4-PR7	
G4-PR6	47, 75 LIPOR sells the following products on the Portuguese market: recyclable waste, compost (NUTRIMAIS) and electricity. None of these products are banned in Portugal and LIPOR was never questioned or has ever received a complaint that questioned their sale.	None	✓		Sale of banned or disputed products.
G4-PR7	47, 75 During 2016, there was no noncompliance of this kind.	None	✓		Total number of incidents of noncompliance with regulations and voluntary codes concerning communication and marketing, including advertising, promotion and sponsorship, by type.

SUBCATEGORY: PRODUCT RESPONSIBILITY ASPECT: CUSTOMER PRIVACY

INFORMATION ABOUT MANAGEMENT APPROACH AND INDICATORS	PAGE	OMISSIONS	EXTERNAL VERIFICATION	INDICATOR	DESCRIPTION
G4-DMA	47	None	✓	G4-PR8	
G4-PR8	47, 75 During 2016, there were no such complaints.	None	✓		Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.



CATEGORIA SOCIAL
SUBCATEGORY: PRODUCT RESPONSIBILITY ASPECT: COMPLIANCE

INFORMATION ABOUT MANAGEMENT APPROACH AND INDICATORS	PAGE	OMISSIONS	EXTERNAL VERIFICATION	INDICATOR	DESCRIPTION
G4-DMA	47	None	✓	G4-PR9	
G4-PR9	47, 76 In 2016, no fine was imposed on LIPOR due to violation of laws regarding the provision and use of products and services.	None	✓		Monetary value of (significant) fines for noncompliance with laws and regulations concerning the provision and use of products and services.

LIPOR CATEGORY

INFORMATION ABOUT MANAGEMENT APPROACH AND INDICATORS	PAGE	OMISSIONS	EXTERNAL VERIFICATION	INDICATOR	DESCRIPTION
L1	29, 47	None	✓		Total Population Reached with Environmental Education and Awareness actions
L2	30, 47	None	✓		NO. OF ANNUAL CERTIFICATIONS OF THE "LIPOR GERAÇÃO +" (LIPOR GENERATION +) PROJECT
L3	28, 49	None	✓		RDI contribution to Turnover (%)
L4	28, 49	None	✓		No. of technical articles published
L5	28, 49	None	✓		Number of new Product/Service Innovation projects
L6	9, 49	None	✓		Level of Connection to the LIPOR Brand - Opinion Barometer
L7	9, 49	None	✓		Social Accountability Perceived
L8	29, 49	None	✓		No. of Expressions of Interest
L9	29, 49	None	✓		No. of approved proposals/projects
L10	29, 49	None	✓		No. of Business Missions



METHODOLOGICAL NOTES (G4-23)

G4-10

Both CEI (Employment-Inclusion Contract) Employees and LIPOR’s Direct Employees were taken into consideration, as they enjoy the same rights and benefits. CEI Employees have a fixed-term employment contract, for the application’s duration. They have a time card and are integrated in the personnel file, just as Employees. CEI Employees maintain their unemployment allowance, only receiving a grant from LIPOR.

G4-EN1

In this indicator we’ve used, whenever possible, actual consumption data. When this wasn’t possible, we’ve used data regarding acquired materials.

When separating consumptions, we’ve considered as stationery materials all awareness and stationery materials, except for paper. So, stationery materials include A4 and A5 notebooks, dead files, envelopes, cardboard folders, legal paper and diverse awareness leaflets. White and recycled paper include A3 and A5 paper and A4 recycled paper.

Regarding material data pertaining to the Composting Plant, these data were restructured, as we started to use data declared to SPV.

G4-EN2

The formula used to calculate EN2 was:

$$EN2 (\%) = \text{recycled materials used} / \text{total materials} \times 100$$

G4-EN3

To calculate this indicator, we’ve taken into consideration natural gas, gasoline and diesel consumption of the entire facility (including consumption of the vehicles of LIPOR’s fleet). For the calculation of the amount of gasoline used, we’ve used the information available at: http://www.concorrencia.pt/vPT/Estudos_e_Publicacoes/Relatorios_periodicos_e_Newsletters/Energia_e_Combustiveis/Documents/Boletim_Mensal_Combustiveis_201202.pdf

We’ve used the following conversion factors:

COAL	GJ	CRUDE OIL	GJ
Tonne (metric)	26	Barrel	6.22
Ton (short)	23.59	Tonne (metric)	44.8
Ton (long)	26.42	Ton (short)	40.64
		Ton (long)	45.52

GASOLINE	GJ	GJ
Gallon	0.125	0.0036
Tonne (metric)	44.8	3.6
Diesel		3600
Gallon	0.138	
Tonne (metric)	43.33	
Fuel Oil		
Gallon	0.144	
Tonne (metric)	40.19	

To convert litres to gallons, due to the lack of information from the GRI, we’ve chosen to use the US conversion factor, namely: **1 US gallon = 3.78541178 litres.**

G4-EN15, G4-EN16, G4-EN17

The methodological notes regarding these indicators can be found on the LIPOR Portal at: <http://www.lipor.pt/pt/sustentabilidade-e-responsabilidade-social/projetos-de-sustentabilidade/3m-menos-residuos-menos-carbono-mais-clima/o-nosso-desempenho/notas-metodologicas>

G4-EN23

The reported data were based on waste managed directly by LIPOR.

G4-EN24

LIPOR considers a spill to be significant, if the spill volume exceeds 30 l.

G4-LA1

No Employees were hired in 2016. The formula used to calculate employee turnover was:

$$LA1 (\%) = \frac{[(\text{number of exits} + \text{number of entries}) / (\text{total employees on 31-12-2014})] \times 100}{1}$$

G4-LA6

To calculate Severity and Frequency rates, lost days due to sick leave were considered from the day of the accident. Furthermore, lost days correspond to actual working days.

Regarding the calculation of the Absenteeism Rate, it doesn’t include Maternity and Paternity Leaves, bereavement leaves, working student status, blood donation, union trades and family leave. Vacation leaves and days off are also not included.



In terms of hours worked, we've only considered workable days (excluding the vacation days the Employee is entitled to); regarding the absenteeism rate and Severity and Frequency rates, we've added overtime hours actually worked.

These rates do not include minor injuries (workplace accidents without sick leave days).

Absenteeism rate (%) = (Total number of lost days/Number of workable days)*100

Frequency rate (Tf) = (Total number of workplace accidents/ Number of hours worked) x 1,000,000

Severity rate (Tg) = (Number of lost days/Number of hours worked) x 1,000,000

L1

Comprises all people who took part in LIPOR's activities, including visits, training actions/courses and Adventure Park visitors.

VERIFICATION BY EXTERNAL ENTITY

v) Execution of substantive procedures, on a sampling basis, in order to collect evidence of the reported information;

vi) Comparison of financial and economic data included in the sustainability information with the audited by the external auditor, in the scope of the legal review of Lipor's financial statements for the year ended in December 31, 2016;

vii) Analysis of the process for defining the materiality of the sustainability issues, based on the materiality principle of GRI G4, according to methodology described by the Company in the Report;

viii) Assessment of the level of adherence to the principles of inclusivity, materiality and responsiveness set by AA1000APS Standard (2008), in the sustainability information disclosure, through the analysis of the contents of the Report and the internal documents of the Company;

ix) Verification that the sustainability information included in the Report complies with the requirements of GRI G4 guidelines.

5 In the limited assurance work, the procedures performed were more limited than those used in an engagement to obtain reasonable assurance and, therefore, less assurance was obtained than in a reasonable assurance engagement.

6 We believe that the procedures performed provide an acceptable basis for our conclusion.

Quality control and independence

7 We apply the International Standard on Quality Control 1 (ISQC-1) and, accordingly, maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

8 We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants and of the ethics code of the Institute of Statutory Auditors.

Conclusion

9 Based on the work performed, nothing has come to our attention that causes us to believe that the sustainability information included in the Sustainability Report 2016 was not prepared, in all material respects, in accordance with GRI G4 guidelines requirements and with the instructions and criteria disclosed in the Report; Lipor has not applied, in the sustainability information included in the Report, the GRI G4 guidelines and the principles defined in the AA1000APS Standard (2008), in an appropriate manner.


Other matters

10 Without affecting the conclusion above, in paragraph 9, we also present the following aspects regarding Lipor's adherence to the principles of AA1000APS (2008):

- Principle of inclusivity: Lipor reviewed the mapping of the several stakeholder groups (revision of the influence/dependency matrix) and carried out a sustainability consultation process, which results were reported in the Report. In addition, Lipor has several periodic and continuous communication/engagement mechanisms with its stakeholders, thus ensuring regular interaction with them. These mechanisms, as well as the periodicity, are publicly disclosed in the Report. The engagement process supports the definition of Lipor's Sustainability Strategy and includes the mapping, prioritization and review of consultation and engagement mechanisms with stakeholders, conducted on a regular basis and subject to periodic reviews (biennial cycle).
- Principle of materiality: Lipor periodically reviews the materiality of sustainability issues in which focus its management and communication, using objective criteria and processes for the purpose. In 2016, Lipor carried out a stakeholder consultation in order to assess the

Independent Limited Assurance Report
December 31, 2016

LIPOR – Serviço Intermunicipalizado de Gestão de Resíduos do Grande Porto
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Independent Limited Assurance Report

To the Board of Directors

Introduction

1 We were engaged by the Board of Directors of LIPOR – Serviço Intermunicipalizado de Gestão de Resíduos do Grande Porto ("Lipor" or "Company") to perform a limited assurance engagement on the indicators identified in the paragraph 4 below and a limited assurance engagement on the sustainability information included in the Sustainability Report 2016 ("Report") of the Company for the year ended in December 31, 2016, prepared by the Company for the purpose of communicating its annual sustainability performance.

Responsibilities

2 It is the responsibility of the Board of Directors to prepare the sustainability information included in the Report, in accordance with the sustainability reporting guidelines "Global Reporting Initiative" version G4 ("GRI G4"), for the option "In accordance – Comprehensive", with the AA1000APS Standard (2008) issued by Accountability, regarding the principles of inclusivity, materiality and responsiveness; and with the instructions and criteria disclosed in the Report, as well as for the maintenance of an appropriate internal control system that enables the adequate preparation of the mentioned information.

3 Our responsibility is to issue a limited assurance report, which is professional and independent, based on the procedures performed and specified in the paragraph below.

Scope

4 The work performed was conducted in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised) "Assurance engagements other than audits or reviews of historical financial information", issued by the International Auditing and Assurance Standards Board of the International Federation of Accountants. This standard requires that we plan and perform the assurance engagement to obtain limited assurance about whether sustainability information, for the year 2016, is free from material misstatement. It was also considered the AA1000 Assurance Standard (2008), type 2 engagement, for a moderate level of assurance.

Our limited assurance engagement also consisted in carrying out procedures with the objective of obtaining a limited level of assurance as to whether the Company applied, in the sustainability information included in the Report, the GRI G4 guidelines and the principles defined in the AA1000APS Standard (2008), in an appropriate manner.

For this purpose the above mentioned work included:

- Inquiries to management and senior officials responsible for areas under analysis, with the purpose of understanding how the information system is structured and their awareness of issues included in the report;
- Identification of the existence of internal management procedures leading to the implementation of economic, environmental and social policies;
- Testing, on a sampling basis, the efficiency of processes and systems in place for collection, consolidation, validation and reporting of the performance information previously mentioned, through calculations and validation of reported data;
- Confirmation that operational units follow the instructions on collection, consolidation, validation and reporting of performance information;

PricewaterhouseCoopers & Associados - Sociedade de Revisores Oficiais de Contas, Lda.
Sede: Palácio Sottomaior, Rua Sousa Martins, 1 - 3º, 1069-316 Lisboa, Portugal
Tel +351 213 599 000, Fax +351 213 599 999, www.pwc.pt
Matriculada na CRC sob o NÚM. 506 628 722, Capital Social Euros 214.000
Inscrita na lista das Sociedades de Revisores Oficiais de Contas sob o nº 183 e na CMVM sob o nº 2016485

relevant sustainability issues for them and the results were disclosed to all stakeholders in the Report. The new stakeholder consultation allowed Lipor to update its materiality matrix.

- Principle of responsiveness: Lipor seeks to address the information needs and concerns of its stakeholders and define sufficient mechanisms for this purpose. The adoption of international standards and guidelines of reference in its management and reporting of information ensures the comprehensiveness and relevance of sustainability information managed and communicated. It is recommended to maintain the current regular monitoring of the alignment of the sustainability report with the issues identified as relevant in this matter, in order to ensure an adequate adaptation to organizational changes and business.

Restriction on use

11 This report is issued solely for information and use of the Board of Directors of the Company for the purpose of communicating its annual sustainability performance in the Sustainability Report 2016, and should not be used for any other purpose. We will not assume any responsibility to third parties other than Lipor by our work and the conclusions expressed in this report, which will be attached to the Company's Sustainability Report 2016.

May 31, 2017

PricewaterhouseCoopers & Associados
- Sociedade de Revisores Oficiais de Contas, Lda.
represented by:

António Brochado Correia, R.O.C.

*** (This is a translation, not to be signed)**



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EDITORIAL NOTE

LIPOR publishes every year its sustainability report, since 2004 (G4-29, G4-30). The year 2017 is no exception!

Reporting the previous year (1st January 2016 to 31st December 2016) (G4-28), LIPOR bases its report on the same reporting basic principles, content and quality.

GLOBAL REPORTING INITIATIVE (GRI) GUIDELINES

LIPOR has always published its Sustainability Reports according to the Global Reporting Initiative (GRI) guidelines. The present report complies with the "In accordance - Comprehensive" option of the G4 version. (G4-32)

EXTERNAL VERIFICATION

LIPOR's Sustainability Report 2016 was subjected to External Independent Verification by PricewaterCoopers & Associados - Sociedade de Revisores Oficiais de Contas, LDA (G4-33), having the Board of Directors received the External Verification Statement and the AA1000APS Standard licence.

Information pertaining to both documents can be found on page 78 of this report.

CONTACTS

For more information (G4-31), please contact:

diana.nicolau@lipor.pt

rosa.veloso@lipor.pt



**LIPOR - Serviço Intermunicipalizado
de Gestão de Resíduos do Grande Porto**
Apartado 1510
4435-996 Baguim do Monte, Gondomar
(T) +351.22.977 0100



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YEARS OF LIFE WITH THE FUTURE IN OUR HANDS