

# “TODAY’S ACTIONS WILL BE NEWS IN 2020.”

IN SUSTAINABILITY REPORT 2015

Because your contribution is essential,  
LIPOR challenges you to make environment  
the headlines of 2020. Let's start now!





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PEL 2015-2020 | 15<sup>th</sup> January, 2020

MESSAGE FROM  
THE CHAIRMAN

# LIPOR REDUCED ITS CARBON FOOTPRINT BY 20% BETWEEN 2006 AND 2020

The outcome of the Strategy LIPOR 3M - Less Waste, Less Carbon, More Climate is increasingly evident. In 2016 a reduction of 16% was achieved but in the last four years they were able to reach 20% of reduction when compared to 2006.

In recent years, LIPOR has focused on reducing their emissions and to offset those that are inevitable from its vehicle fleet.

LIPOR DOES



## The **BOARD OF DIRECTORS CHAIRMAN'S MESSAGE** illustrates the involvement of LIPOR with the **Circular Economy** and the commitment to its **Strategic Plan 2015-2020 [G4-1]**.



Aires Pereira,  
Chairman  
of LIPOR'S Board  
of Directors

The year 2015 was marked by an administrative act of great importance for the waste sector.

**The Government of the Portuguese Republic approved PERSU 2020, the Strategic Plan for Municipal Waste, which defines the national strategy for the sector, for the period of 2015-2020.**

PERSU 2020 was transposed into LIPOR's Universe, resulting in the PEL (LIPOR Strategic Plan), which comprises our multi-annual action regarding our Units, the support sectors, as well as LIPOR's associated City Councils, as later described in more detail.

Meanwhile, a new matrix shapes our strategic and operational thought, based on the concept of Circular Economy.



Circular Economy is, by definition, very different from the current perspective based on a Linear Economy.

The global economy has been built around a linear business model, which is now under threat because of the limited availability of natural resources in view of the demographic increase, of the climate change issue and the toxicity that results from waste. The truth is that the way and the speed at which we use natural resources are unsustainable. We consume more resources than the planet can produce, in a tendentially linear economy characterised by a make-use-dispose system, based on a traditional chain which consists of extracting resources – producing goods – disposing waste, with a potential loss of economic and environmental value. That is, manufacturing (system of production of large amounts of products) consists of raw materials which are extracted from natural resources, processed into products, which are sold and, after being used, disposed of as waste.

Up to a certain moment, one can say this was a successful model, as it provided products in a large scale, at increasingly low costs, with global supply chains supported by new production technologies, thus favouring developed economies.

However, the numerous frailties associated with this concept are well known. More recently, Companies have started to feel the pressure that derives from a linear business model, as it increases their exposure to risks, as resources

get scarcer, prices increase and markets become more volatile.

As a consequence of the combination of the several factors inherent to this reality, we will need more and more resources, while their availability will get lower and lower; the ecosystem services are essential, but biocapacity has been decreasing; the increasing greenhouse gas emissions make it necessary to implement climate adaptation and mitigation projects. The global context is, thus, characterised by a profound economic, environmental and social crisis. Therefore, a “business as usual” management model is unsustainable, as we live in a reality where resources are finite and it is necessary to ensure certain subsistence conditions for the human race to persist.

It is essential to change the paradigm, it is necessary to create a new management trend.

In order to do this, it is necessary to implement change within the several sectors of societies, from Governments, through the Civil Society, to Companies, i.e., to change people’s mentalities, with people and for people. The European Union’s policies regarding the environment have evolved, particularly in the past years, in a way that reflects this need, with emphasis on waste policies, the hierarchisation of waste management, the prevention of waste production, the life cycle perspective and ecodesign. In December 2012, the European Commission issued a document entitled “Manifesto for a Resource Efficient Europe”, in which it clearly states that “in a world with growing

pressures on resources and the environment, the EU has no choice but to go for the transition to a resource-efficient and ultimately regenerative circular economy”.

The development and implementation of a strategy that will foster the transition from a linear economy to a circular economy, based on a sustainable development model and the principles of a green economy, which will ensure an effective use of resources, on the basis of a low-carbon economy and the fight against the depletion of natural resources, also implies associated global economic advantages: i.e., it aims at a greater efficiency of productive processes in order to fully use natural resources, minimising waste production.

The projection of a circular model is, thus, a great opportunity with several associated benefits, namely at an environmental level, through the reduced use of raw materials, at a social level, through the possibility to improve and extend relationships with different partners, and at an economic level, as it stimulates creativity for cost reduction and promotes job creation.

LIPOR is the entity responsible for the management, recovery and treatment of the municipal waste produced by its eight associated Municipalities: Espinho, Gondomar, Maia, Matosinhos, Porto, Póvoa de Varzim, Valongo and Vila do Conde. Having been founded as a Municipalities Association in 1982, LIPOR has been basing its action on an integrated waste strategy, on the basis of the

national strategic guidelines and EU guidelines for its sector.



**The Company’s core business is based on the European waste management hierarchy and consequent waste recovery, also including social responsibility and sustainability projects that comprise eco-efficiency and environmental education practices.**

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. LIPOR clearly recognises that waste management must be approached from a perspective where waste is regarded as a resource, and makes every effort to recover it in the most appropriate way.

In this context, Circular Economy is a natural trend.

LIPOR's involvement with the Circular Economy theme represents the Organisation's commitment towards what we believe to be a responsible corporate action, substantiated by the consolidation of our Mission: "To devise, adopt and implement sustainable waste management solutions, bearing in mind the needs of our Partners and of the Communities we serve".

That being said, it is important to highlight our strategic priorities for 2015, that will, in general, guide us until 2020:

- To fulfil the Strategic Plan;
- To reinforce the Innovation pillar within LIPOR, as a means to create added value;
- To reinforce the Internationalisation pillar, as a growth factor for Turnover, as well as a platform to share the Organisation's know-how and good practices;
- To promote biodiversity, both within LIPOR's facilities and, more generally, within the region, as a positive contribution in order to compensate eventual negative impacts caused by our activity;

- To further pursue a Created Value Sharing Programme, with different Stakeholders, supporting various areas, such as Culture, Assistance to Disabled Citizens, the promotion of Sport for Young People, the promotion of active life among the Elderly, among others.

Instead of being considered a year of change towards a sustainable growth in the Waste Sector, 2015 was a year of stagnation for the sector, resulting from political changes in Portugal and the privatisation of EGF, the State-owned holding for the Waste Sector.

These important changes always imply a period of calm and rebalancing, and never of expansion.

Having performed a global analysis to our activity, we can say that, in 2015, only two strategic goals weren't achieved:

- The amount of recyclable waste received for multimaterial recovery, which almost completely depends on our associated City Councils and the Citizens' actions;
- Revenues from the International Area.

Having understood the obstacles faced, we've already taken the proper measures in order to reverse the negative cycle of the areas mentioned. In the meanwhile, it is important to focus on our Strategic Plan (PEL), which succeeds previous strategic planning instruments that LIPOR has been developing since its foundation.

“

**The PEL transposes to our system the provisions of PERSU 2020 - Strategic Plan for Municipal Waste, a national plan which will guide us until 2020.**

The PEL was structured according to the municipal waste management hierarchy and the national and community legal strategic reference framework, promoting an important development towards the maximisation of multimaterial recycling and organic recovery of waste, the fight against food waste and climate change, the promotion of biodiversity, among several very important initiatives.

It also deem it important to mention that LIPOR is motivated to discuss an evolution of its current organisational model, in order to more easily adapt itself to the current corporate reality, while maintaining its 100% intermunicipal nature.

**Aires Pereira**  
Chairman of LIPOR's  
Board of Directors



LIPOR's  
Administration  
Building

PEL 2015-2020 | 24<sup>th</sup> February, 2020

# DRINKING TAP WATER HAS MORE FANS AND LESS PREJUDICE

A study conducted in 2020 shows that, nowadays, more than 60% of the inhabitants of Oporto area drink tap water regularly.

Several initiatives promoted by LIPOR and its Municipalities since 2015 have contributed to the raise of the public water consumption and considerably reducing the production of packaging waste. In 2020 was recorded one of the most pronounced reductions.

LIPOR DOES

BACKGROUND



LIPOR is aware that its activities have different impacts on its Stakeholders, so it regards the annual elaboration [G4-29; G4-30] of the Sustainability Report as a communication, assessment and comprehension tool. On the other hand, the use of the Global Reporting Initiative Guidelines throughout the last decade allowed LIPOR to communicate its sustainable management practice through a common language.

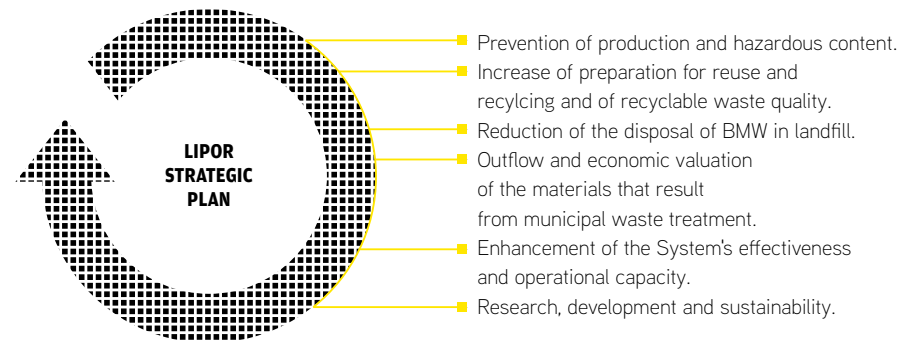
Therefore, giving continuity to the need to report its performance, bearing in mind its commitment towards a sustainable development, LIPOR presents the results of its activity in 2015 [G4-28], at an economic, environmental and social level, as well as the motivations that guided the Organisation throughout the year, with the publication of its 12th Sustainability Report, under the theme of LIPOR's Strategic Plan (PEL).

As a response to the Strategic Plan for Municipal Waste Management (PERSU 2020), which defines a set of targets for the country and Municipal Waste Management Systems (SGRU), LIPOR has developed its own Strategic Plan.

**Accepting the challenge of a sustainable and sustained management of the municipal waste of Greater Porto, in 2015, LIPOR established a set of targets, in order to globally fulfil the national objectives. So, the year 2015 was marked by the consolidation of the demands and challenges set by PERSU 2020 in LIPOR's Strategic Plan 2015-2020 (PEL).**

With special emphasis on the increase of material recovery through selective collection, the reduction of the disposal of BMW (Biodegradable Municipal Waste) and the preparation of materials for reuse and recycling, the structure of LIPOR's circular management model, in combination with the synergies established with other Systems, will contribute to the fulfilment of the national targets.

Having committed itself to the implementation of the Action Plan that supports the PEL, LIPOR established as a principle the articulation, mobilisation and development of projects with all Stakeholders. Therefore, this Report explores the six fundamental pillars of LIPOR's waste management strategy:



**Editorial Note**

The edition of this document responded for the first time to the G4 Guidelines of the Global Reporting Initiative, according to the Comprehensive [G4-32] option, which, in comparison with the Core option, requires the disclosure of additional information about the Organisation's strategy, analysis, governance, ethics and integrity. As in previous years, the economic and financial information reported in LIPOR's Sustainability Report shall be complemented by the consultation of the Report and Accounts published in parallel.

In response to the basic reporting principles (content and quality), they will each be clearly approached throughout the document:

### CONTENT PRINCIPLES

#### STAKEHOLDER INCLUSIVENESS

This principle implies the consultation and involvement of Stakeholders. LIPOR has implemented a process to fulfil this premise, which is reported in the "Shared Value" chapter, as well as throughout the Report, through the description of projects which respond to their expectations.

#### MATERIALITY

The materiality analysis is a process that combines the expectations and interests of Stakeholders and the analysis by the Top Management of the importance of those themes for the business, being addressed in the "Shared Value" chapter.

#### SUSTAINABILITY CONTEXT

LIPOR's Sustainability Strategic is sustained by the commitments the Organisation assumes in its management. Its performance regarding sustainability can be analysed in the chapters that refer to the objectives and indicators analysis.

#### COMPLETENESS

The Report's scope and time reference are explicit throughout the text, particularly in the "Background" chapter.

### QUALITY PRINCIPLES

#### BALANCE

Throughout the Report, the positive and negative aspects of LIPOR's performance are reported in order to allow a balanced assessment. This reflection is expressed not only in the chapters that refer to the economic, environmental and social performance, but also in the "Message from the Chairman".

#### ACCURACY

The information conveyed throughout the entire document is precise and detailed, in order to allow the reader to assess LIPOR's performance in an objective way.

#### CLARITY

The transparency and clarity of the public reporting are reinforced through the use of edition tools in digital form (full version) and printed form (summarised version). This communication strategy has the purpose of making the information available and understandable to all Stakeholders.

#### COMPARABILITY

The data reported throughout the entire Report refer to the calendar year of 2015, always compared to the results achieved in 2014 and 2013, already reported.

#### TIMELINESS

The annual publication of the Report allows the timely reporting and dissemination of information concerning LIPOR's performance.

#### RELIABILITY [G4-33]

LIPOR's Sustainability Report was independently and externally verified by PwC Portugal, which ensures data reliability and veracity.

Any opinions, suggestions and queries should be sent to [G4-31]:



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LIPOR's Administration Building



PEL 2015-2020 | 27<sup>th</sup> March, 2020

# LIPOR'S NUTRIMAIS CAN NOW BE PURCHASED IN A SUPERMARKET NEAR YOU

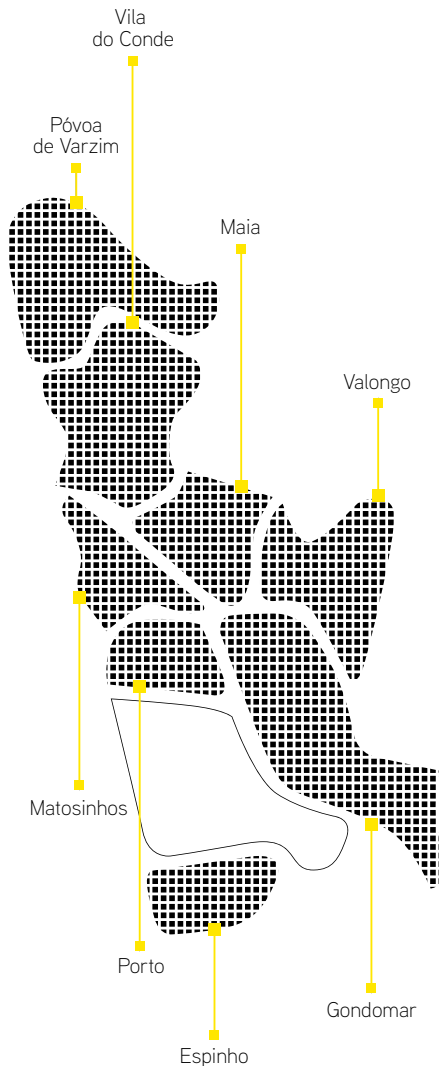
NUTRIMAIS is an organic compost, that results from the composting of biodegradable waste separated at source.

Used in agriculture to improve the soil physical properties (reduces compaction, promotes aeration, aggregation, water retention capacity and plant nutrients), this product can be found in the gardening department of supermarkets, since the beginning of 2020.

LIPOR DOES



WE ARE  
WHAT WE DO



**NAME [G4-3]**

LIPOR – Intermunicipal Waste Management of Greater Porto

**HEADQUARTERS [G4-5]**

Baguim do Monte, Gondomar

**BUSINESS SCOPE**

Management, recovery and treatment of Municipal Waste produced by the eight associated Municipalities

**ASSOCIATED MUNICIPALITIES/ GEOGRAPHIC AREA**

**OF ACTIVITY [G4-6; G4-8]:**

Espinho, Gondomar, Maia, Matosinhos, Porto, Póvoa de Varzim, Valongo and Vila do Conde

**POPULATION SERVED**

about 1,000,000 inhabitants

**WASTE TREATMENT**

about 500,000 tons/year

**Operational Units:**

- (CT) Sorting Plant (Multimaterial Recycling)/ Sorting Platforms
- (CVO) Composting Plant
- (CVE) Energy Recovery Plant
- Technical Confinement/(AS) Landfill

**External Entities Operation Contracts:**

- CVO [Hidurbe – Valoriza]
- CVE [Port’Ambiente]
- Landfill [Citrup]
- Biogas Unit [PA Residel – Otimização Energética de Resíduos S.A. (Ermesinde) | Painhas, S.A. (Matosinhos)]

**Products and Services [G4-4]**

**Recyclable Waste**

Waste from selective collection is sorted according to types of material, so that it can be forwarded to the recycling industry. Materials have to meet the quality standards defined in the Technical Specifications for waste recovery.

**Energy**

As a result of the energy recovery of biogas or municipal waste from unsorted waste collection, about 170,000 MWh of electrical energy are produced every year, of which about 90% are forwarded to the public grid, supplying a population of about 150 thousand inhabitants.

**Nutrormais**

It is an organic soil improver, supplied as powder and in granular form, that results from the composting of raw materials sorted at their source. The quality of raw materials sorting also allows us to get a compost which is certified for use in Organic Farming by SATIVA.

**Ecofone**

It is a door-to-door selective collection service for recyclable waste, available to all inhabitants of the city of Porto, particularly focused on the trade, services and restaurant sectors. The entire service is free of charge for customers, who can request waste collection and garbage bag exchange with a phone call, thus contributing to multimaterial recycling.

### **ACADEMIA LIPOR (LIPOR ACADEMY)**

It is a service that aims to develop and enhance competencies through training and qualification, using advanced educational methods and equipments. The training offer encompasses different knowledge areas, including courses or training actions specially devised to meet the market's needs.

### **Holiday camps**

The main goal of this service is to occupy, in an educational and entertaining way, the free time of young people, thus instilling environmental and social values.

### **Parque Aventura (Adventure Park)**

It is a space which promotes open air physical activity, a healthy diet, the respect for the environment and social activities, i.e., personal development. After the sealing, rehabilitation and environmental landscape recovery of the former Landfill of Ermesinde, LIPOR created a recreational space for leisure and training, which can be used by the population of Greater Porto.

GONDOMAR | 2015

## **Inauguration of walking route that connects The Palmilheira Halt To Lipor's Adventure Park**

Today, LIPOR and its Associated Municipalities officially inaugurate the Walking Route that gives access to LIPOR's Adventure Park. As part of its Sustainability Strategy and the Biodiversity project it promotes together with several partners, LIPOR has decided to create a walking route that provides access to the Adventure Park. The purpose is to promote Sustainable Mobility, by giving people the possibility to access the Park without using their private cars, thus minimising the associated emissions. For this purpose, LIPOR established a partnership with CP, in order to offer people more attractive travel packages, namely in economic

terms. Since 2010, the Adventure Park opens its doors to the Community every year, from May to September, allowing them to enjoy its infrastructures and the activities that take place there. The approach to the Tinto River has also been playing an important role in LIPOR's Biodiversity Strategy and the efforts to recover environmental liabilities within the surrounding areas. Therefore, this Route also aims at the promotion of the riverbed and the population's contact with the river, thus helping to protect, disseminate, preserve and recover the environmental heritage.



## In 2015, the **GOVERNMENT** model at LIPOR remained unchanged.

### VISION

Wherever we are, we want to be a reference brand within the environmental sector.

### MISSION

To devise, adopt and implement sustainable waste management solutions, bearing in mind the needs of our Partners and of the Communities we serve.

Since its foundation, LIPOR - Intermunicipal Waste Management of Greater Porto - has always maintained the legal status of a Municipalities Association [G4-7]. It was founded in 1982 and its Statutes were granted on 12th November of the same year and published in the "Diário da República" (Portuguese Republic Official Gazette) on 10th December.

Although initially only five Municipalities participated in the Association, in May 1985, the Municipalities of Matosinhos and Vila do Conde also joined in. Later, in February 1999, the Municipality of Póvoa de Varzim was also accepted as an Associate Member. So, presently, LIPOR has eight associated municipalities: Espinho, Gondomar, Maia, Matosinhos, Porto, Póvoa de Varzim, Valongo and Vila do Conde.

LIPOR is a public law legal person and, according to its Statutes (Article 2, no. 1), its purpose is the recycling, recovery, treatment and final use of solid waste delivered by the associated Municipalities, as well as to manage, maintain and develop the infrastructures needed for this purpose.

According to the Statutes, LIPOR's bodies are the Intermunicipal Assembly and the Board of Directors [G4-34].

The Intermunicipal Assembly is LIPOR's deliberative body and it is formed by the Mayor and two City Councilmen from each associated Municipality, with a total of twenty four members. It approves the Association's Budget, Activities Plans, Reports, Balance Sheet and Accounts, among other competencies, and meets regularly twice a year.

The Board of Directors is the executive body and comprises five permanent directors and three substitutes [G4-38]. Although only five of its members are permanent, all eight members regularly take part in the meetings and decisions, which are usually unanimous. The Board of Directors meets regularly every week in LIPOR's headquarters.

Following local elections that took place on 29th September 2013, the new members of LIPOR's bodies (Intermunicipal Assembly and Board of Directors) took office on 6th December 2013. The current Chairman of the Board of Directors, Aires Henrique Couto Pereira, is also the Mayor of the City Council of Póvoa de Varzim [G4-40].

As LIPOR is an entirely public Entity, its Employees are bound to strong legal obligations, namely: the Principle of Public Service, the Principle of Legality, the Principle of Justice and Impartiality, the Principle of Equality, the Principle of Proportionality, the Principle of Cooperation and Good Faith, the Principle of Information and Quality, the Principle of Loyalty, the Principle of Integrity and the Principle of Competence and Responsibility. LIPOR's Employees are also bound to the Deontological Charter of the Public Service, which was approved by the Council of Ministers on 18th February 1993 and published through the Resolution of the Council of Ministers no. 18/93, of 17 March. In addition, LIPOR also elaborated an Ethics Code, which was approved by its decision-making bodies and widely divulged among the Employees, namely through internal trainings and discussion forums [G4-41].

LIPOR's strategy has a very strong inherent message, which demonstrates, in a basic and inextricable way, the concept of an integrated management, with the main purpose of maintaining financial balance and protecting Natural Resources and the Environment, always keeping in mind its responsibility towards the Community and its Employees.



**OUR ETHICS [G4-56]  
LIPOR's Ethics Code  
defines the behavioural  
guidelines regarding  
professional ethics  
and is applicable to all  
Employees. Its rules,  
principles and values must  
be observed by all people  
and entities that work  
with or provide services  
to LIPOR, regardless  
of the legal status of their  
relationship, i.e.,  
all Stakeholders.**

You can find LIPOR's Ethics Code at:  
<http://www.lipor.pt/pt/a-lipor/quem-somos/o-governo-da-organizacao/>

As an active agent and a driver for change, always aiming at a continuous improvement and the proximity to its Stakeholders, LIPOR believes in its role and stands up for sustainable development principles, applying them into its daily management, in order to increasingly become a reference.

This Vision held by LIPOR's Board of Directors is based on fundamental and future principles, namely innovation, sense of initiative and example.

In this context, the organisation has been promoting a large number of projects in several areas, which have been transforming it and significantly improving its performance. These projects comprise several strategic sectors, from the technical area of waste management, through innovation, management control, to environmental education and awareness and social responsibility [G4-42].

LIPOR prioritises a timely analysis of results, the identification of new opportunities, the integration of the "defined" strategy into the "emerging" strategy, and sees itself as a versatile organisation, which is open to change and continuous improvement, aiming at the establishment of win-win partnerships. That is, the decisive factor for

LIPOR's daily success is the maintenance of its performance in the three components of Sustainable Development, thus achieving Excellence [G4-43].

Being aware of the path it wants to pursue to achieve excellence in the waste recovery area, LIPOR guides its actions on the basis of the following Values:

- To be ambitious and results-oriented;
- To be creative in the search for innovative and sustainable solutions;
- To be responsible within the scope of our activities;
- To be ethical in our internal and external relationships;
- To be a Team!

The conception of a Strategic Plan played an essential role in the accomplishment of a sustainable management, aiming to establish structured guidelines for waste recovery and treatment.

More information is available on the LIPOR Portal:  
<http://www.lipor.pt/pt/a-lipor/quem-somos/o-governo-da-organizacao/>





**LIPOR IN 2015**

PEL 2015-2020 | 18<sup>th</sup> April, 2020

# COLLECTED RECYCLABLE WASTE WOULD FILL 10 OLYMPIC SWIMMING POOLS

Since 2015 the collection of recyclable waste has increased significantly, showing the growing concern of citizens towards waste separation.

We are still in the middle of 2020 and LIPOR has already collected 11,225 tons of recyclable waste such as paper and cardboard, plastic, metal, glass and wood, among other materials, equivalent to the capacity of 10 Olympic swimming pools.

LIPOR DOES



LIPOR's development and growth were always based on a structured planning, with well-defined objectives, targets and actions, on the basis of communication with the different Stakeholders.

Having clearly recognised, in 2015, that waste management must be approached in a resource perspective, LIPOR has focused all its efforts and stated the importance of proper waste recovery, based on the adoption of a circular business model and the development of projects that demonstrate auxiliary circular practices, in harmony with its associated Municipalities.

Having based its strategy on a commitment to a Green Growth, LIPOR seeks to act based on policies, objectives and targets that will foster a development model capable of reconciling the indispensable economic growth with a lower consumption of natural resources, social justice and the quality of life of Municipalities and Citizens.

**In order to contribute to the achievement of the national objectives regarding waste, in 2015, a set of targets was defined for LIPOR, which will allow the gradual fulfilment of the targets defined in PERSU 2020, with two intermediate targets (the years 2016 and 2018) for process control.**

In 2015, as a result of the elaboration of LIPOR's Strategic Plan, which defined the guidelines for its activity until 2020, the strengths and the areas for improvement associated with the established waste management system model were identified [G4-2]:

**STRENGTHS**

Strategic approach of waste as a resource, through the adoption of a circular business model.

Adoption of the 3M Strategy - less Waste, less Carbon, more Climate.

Technical qualification of Employees.

Focus on international markets.

Contribution to the sustainability of agricultural practices.

Wide infrastructure and equipment network for selective disposal and recovery of waste.

Reduced disposal in landfill.

Project development within the research, development and innovation (RD) areas.

Strong investment in a coherent communication and awareness strategy.

Strong promotion of sustainability practices.

Promotion of sorting and selective collection at the source.

Inclusion of green growth policies and green taxation reform.

**WEAKNESSES**

Need for harmonisation and updating of municipal regulations.

Lack of Employee motivation and staff reduction.

Change of consumption patterns

Legal framework regarding the quality of organic improvers.

Competition from parallel markets.

Influence of parallel markets on the System's quantitative data (distortion of the value of production).

Tax issues (exemptions at risk).

Devaluing of environmental concerns by the population and other stakeholders.

Financial situation of City Councils and the sustainability of the tariff model.

Need for optimisation of disposal and collection systems.

Bearing in mind the Organisation's strategic agenda, the guidelines for LIPOR's different areas are annually established, as well as the strategic objectives for the different action perspectives. The identification of the contribution of each Organisational Unit to the strategy 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].

In 2015, giving special emphases to the aspects identified for the waste management system model, LIPOR's strategy also materialised the commitment towards the implementation of the support actions to the Strategic Plan, on the basis of the articulation, mobilisation and development of projects with all Stakeholders.

More information is available on the LIPOR Portal: <http://www.lipor.pt/pt/a-lipor/plano-estrategico-2015-2020/o-plano/>

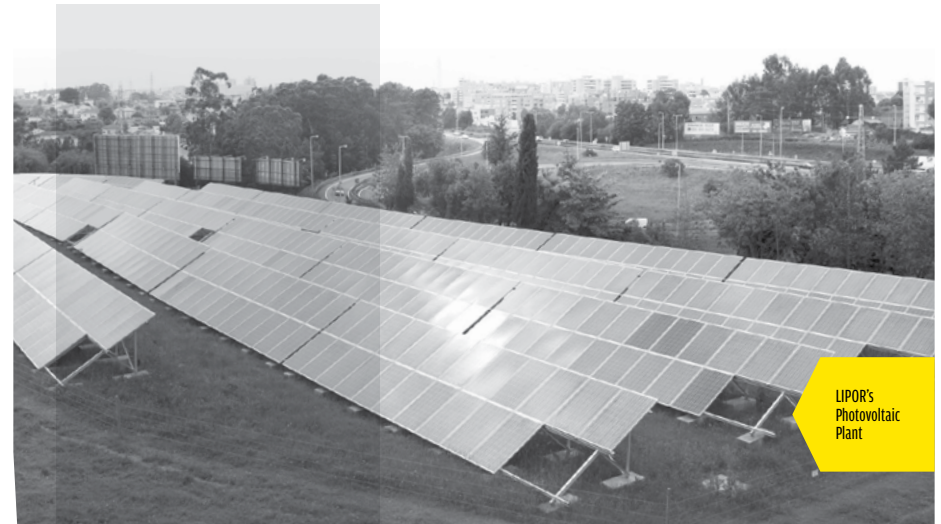
## 4.6 Level of Connection to the LIPOR Brand - Opinion Barometer [L6]

## 4.65 Social Responsibility Perceived [L7]

At an international level, it is important to mention that the campaign of the eight United Nations Millennium Development Goals ended in 2015, having the United Nations presented the new Sustainable Development Goals (SDGs) in September. This new Agenda shall guide national policies and international cooperation activities, urging countries to combine their efforts in order to achieve seventeen Sustainable Development Goals throughout the next fifteen years.

These new Goals include 169 targets, approaching diverse themes, such as the eradication of poverty, food safety and agriculture, health, education, gender equality, reduction of inequalities, energy, water and sanitation, sustainable production and consumption patterns, climate change, sustainable cities, protection and sustainable use of oceans and terrestrial ecosystems, inclusive economic growth, infrastructures and industrialisation, governance and means of implementation.

The strategy that LIPOR has been following throughout the past years, and continues to follow, includes several initiatives and projects that approach and are interrelated with the SDGs. These



LIPOR's  
Photovoltaic  
Plant

primary intervention areas are still quite evident in the new LIPOR Strategic Plan 2015-2020.

Although several goals are important and relate to LIPOR's strategy, such as renewable energies (goal 7) or Quality Education (goal 4), LIPOR will continue to focus its efforts on the goals which are more in line with our ongoing projects, such as: Responsible Consumption (goal 12), which is directly linked to Prevention, Reuse and Circular Economy projects, and the Fight against Climate Change (goal 13), directly linked to our new 3M Strategy - less Waste, less Carbon and more Climate, which now also comprises Adaptation to climate change, through the fostering of adaptive competences within the Organisation and the identification of potential impacts of climate change on LIPOR's activity and of the collection processes of the Municipalities, thus assessing the Organisation's vulnerability. This study will result in the planning of LIPOR's climate change adaptation process.



LIPOR's  
Vehicle

## **RECOGNITION** has allowed LIPOR to be at the centre of debate on the key issues in the waste management area.

In 2015, as recognition of its Sustainability Strategy and the involvement of all Stakeholders, LIPOR received several awards:

### **Recognition Of The “Terra-à-Terra” (Earth To Earth) Project as an Initiative of High Potential For Innovation and Entrepreneurship – ES+**

“Terra à Terra” Project was publicly acknowledged as an initiative of High Potential for Innovation and Entrepreneurship – ES+, by the project “Mapa de Inovação e Empreendedorismo Social” (Map of Innovation and Social Entrepreneurship). LIPOR received this recognition for the effort made by the Organisation and its associated Municipalities to develop a policy based on economic, social and environmental sustainability, innovation and quality criteria.

### **1st place in the Medium Business Public Sector category of the Excellence at Work Award 2014**

LIPOR was honoured with 1st place in the Medium Business Public Sector category of the Excellence at Work Award. The Excellence at Work Award, promoted by Heidrick & Struggles in partnership with Diário Económico, INDEG-IUL and ISCTE Executive Education, seeks to reward entities that highly invest on the organisational climate area and the development of human capital.

### **“Minimisation of Waste Disposal in Landfill” Award | “Quality of the Municipal Waste Management Service” Seal**

LIPOR was the winner of the “Minimisation of Waste Disposal in Landfill” category at the “Prémios de Qualidade dos Serviços de Águas e Resíduos 2014” (Quality Awards for Water and Waste Services). This award intends to “reward an entity among all entities that provide municipal waste management services, which has highly minimised waste disposal in landfill”.

In this ceremony, LIPOR was also one of the 14 Entities that received the Seal of “Quality of the Municipal Waste Management Service”, in accordance with the regulatory assessment of a set of criteria defined in the regulation published on ERSAR’s website.

### **Highly Commended Seal for Circular Economy Strategy**

Having been submitted to The 2015 Circular Economy Awards, an initiative of the Forum of Young Global Leaders, in cooperation with Accenture, “LIPOR’s Vision towards Circular Economy” was recognised by the jury, which awarded a Circulars 2015: Highly Commended Seal to the strategy LIPOR has been developing within the scope of Circular Economy.

# Closely linked to its vision of excellence, LIPOR wants to be an **INNOVATIVE** organization and play a central role in **INTERNATIONALIZATION** projects.



## The sixth area of LIPOR's Strategic Plan is Research, Development and Innovation.

The challenge of creating and maintaining competitive Organisations is intrinsically linked to the ability to generate innovation within its products and processes. As innovation is a systematic, reliable and measurable process that must provide results to the Organisations, one way to achieve and maintain competitive advantage is through differentiation. Innovation is, therefore, essential for Organisations to reduce costs, grow and stand out.

At LIPOR, innovation was defined by the Board as

a strategic area for the pursuit of its vision. One of LIPOR's strategic objectives is to increase revenue through the development of adequate and innovative products and services, i.e., the promotion of Innovation within the organisation.

In order to fulfil the described objective, there is a work group entitled RDI Core, since 2012. Throughout these 4 years, an innovation management system was devised, promoting internal knowledge and an innovation and creativity culture with the purpose of increasing the created value. The implementation of the NP 4457:2007 standard regarding the Research, Development and Innovation Management System was an essential guiding instrument throughout this process.

LIPOR's Innovation Management System aims to:

- Promote access to funding as a means to obtain additional revenue;
- Follow up the theme of industrial and intellectual property in RDI projects, from the submission of the idea with protection potential;
- Reinforce the follow-up of projects assigned to Universities and optimise the internal follow-up of LIPOR's RDI projects;

- Strengthen partnerships as an indirect way to develop RDI projects;
- Reinforce the internal and external communication and training plan, as well as promote an RDI culture and innovation competences;
- Periodically monitor the Strategy and Process Indicators of the RDI Management System;
- Enhance the results of Interface and Knowledge Management.

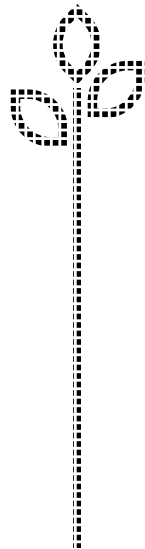
In November 2012, LIPOR obtained external certification according to the NP 4457:2007 standard, by the Portuguese Association for Certification APCER, within the scope of: "Research, Development and Innovation of sustainable waste management solutions". LIPOR thus became the first certified entity within Portugal's waste sector. In October 2015, APCER considered that the conditions for the Renewal of LIPOR's RDI Management System were met.

## Main Results

- 17** Work meetings
- 33** new ideas presented .

- 4** new innovation projects developed [L5]
- 10** RDI presentations/communications performed
- 7** technical articles published [L4]
- 0,5%** of turnover invested in innovation activities
- 0,26%** RDI contribution to LIPOR's turnover [L3]
- 22%** growth in revenue from the Ecoshop and Event Waste Management projects
- 3** technical visits performed: EDP Distribuição, CeNTI – Centre for Nanotechnology and Smart Materials, "Alfonso Maíllo" Waste Treatment Technology Innovation Centre (CIAM)
- 3** "Criatividade em Ação" (Creativity in Action) trainings were held, with the presentation of 414 ideas
- 1** "Inovação ao Serviço das Empresas" (Innovation in the Service of Companies) seminar, organised and held internally
- 1** mentorship of the final work of the Post graduate Course in Project Management of Porto Business School - "Elaboration of a framework for the analysis of potential costs and profits of an RDI Project"





**LIPOR  
PROJECT**

### **PAYT SYSTEM – PAY AS YOU THROW**



In July 2014, LIPOR started, together with the Municipality of Maia, the field implementation of a PAYT pilot project.

It is an innovative project, with strategic importance for the country, which fosters and drives more and better environmental practices, allowing the optimisation of waste collection and treatment processes and a consequent reduction of costs.

The equipment made available to Citizens (waste containers with controlled access and disposal drum) allows the controlled disposal of waste (recyclable and unsorted waste) and associates waste with its producer. Users/waste producers can later access to a Portal that allows them to follow up waste production, get information about the different services provided by the municipality and inform the system management team about any incident or need for intervention.

Within this Research, Development and Innovation project, LIPOR was granted the Portuguese Invention Patent no. 106819 by the Portuguese Institute of Industrial Property. This patent includes complete grant for a waste disposal (with dosing system/drum) and collection system with access control and user identification.

**Within the scope of the action plan associated with LIPOR’s Strategic Plan, the PAYT project and the Selective Door-to-door Collection are two of the solutions found by the Systems to fulfil the recycling targets established in PERSU 2020.**

### **SMART WASTE PORTUGAL**



The Smart Waste Portugal project, created in 2015, is an initiative promoted by LIPOR that aims to gather waste recovery companies.

Its mission is to “Engage all agents of the sector, promoting and valuing waste as an economic and social resource, and creating the necessary conditions to better react to new national and international factors, in a competitive way, acting throughout the entire value chain through a collaborative strategy that promotes innovation, research and development and the implementation of solutions”.

This project was based on the perspective of waste as a resource and the power associated with Companies and Institutions networks, which manage to create competitive advantages in a global economy, through the establishment of synergies.

The waste sector companies that are part of Smart Waste Portugal promote a sustainable management model which complements the green economy concept, by fostering a low-carbon circular economy, with minimised waste production and positive effects on the environment and human health.

## Internationalisation



The promotion, development and implementation of LIPOR's Internationalisation Strategy are under the responsibility of the International Area.

LIPOR's Internationalisation Strategy is based on sales and the provision of services (through international consulting), thus using the know-how, knowledge and experience that LIPOR and its Team have gathered as a result of their activity in the service of the Community, the Municipalities and remaining Stakeholders, in the design, adoption and implementation of sustainable waste management solutions.

Besides international consulting, which implies sales or provision of services in foreign and/or developing markets, LIPOR's participation in reference International Projects is perceived by the Organisation as a way to promote the LIPOR and LIPOR Waste Management Brands beyond borders and as leverage for future business opportunities that may result from these collaborations.

LIPOR's participation in Business Missions, large international seminars and conferences is also

considered to be of high strategic importance and one of the key factors in the promotion of the LIPOR brand and its know-how.

At a strategic level, LIPOR is still very active regarding the promotion of relationships with several foreign markets and the search for new business opportunities, whether through the provision of services, or the participation in International Projects, resorting to funding.

The year 2015 is characterised by relevant milestones, which clearly reflect the work and commitment of the entire Team.

## Main Results

- 3** Provisions of Services in the Specialised Training area, within the scope of the TAIEF (Environmental Technical Assistance and Information Exchange Facility) and TAIEX (Technical Assistance and Information Exchange Instrument) Programmes of the European Commission.
- 1** Cooperation Protocol signed between LIPOR and SOGAMA (Galician Environmental Society). This Protocol establishes a cooperation model regarding the implementation of selective waste collection systems, environmental awareness and communication campaigns, specialist technicians exchange programmes

and knowledge sharing regarding organic and energy recovery.

- 3** Business Missions (Hungary, Kenya and Angola).
- 5** Participations in International Conferences as speaker, in countries such as Greece, Macedonia and Poland.
- 8** International delegations received in LIPOR's facilities (Brazil, Ghana, China, São Tomé and Príncipe, Kazakhstan and Hungary).
- 12** News published in the media regarding LIPOR's international activity, having 50% of the news divulged in 2015 been published abroad (Brazil, Hungary, Italy).

It is also worth mentioning the start-up of the EWIT – E-Waste Implementation Toolkit project, which resulted from the application to H2020, in February 2015. This 2-year project is being developed in partnership with 23 International reference Partners, with the purpose of supporting African Municipalities in the implementation of waste electrical and electronic equipment (WEEE) management systems for their Communities. As a Twin Municipality, LIPOR took part in a Workshop in Kenya (Kisii), in July 2015, which approached the theme of WEEE management, where LIPOR was presented as an example of good practices, bearing in mind the similarities between both regions in terms of dimension and number of inhabitants.



PEL 2015-2020 | 30<sup>th</sup> May, 2020

# LIPOR: AN EXAMPLE TO FOLLOW IN REDUCING BIODEGRADABLE WASTE (BW) TO LANDFILL

In recent years, LIPOR has been exemplary in reducing BW deposition, keeping its deposition levels, between 2015 and 2020, below 10%.

The deposition of biodegradable waste significantly contributes to environmental impacts, with a strong implication in the emissions of greenhouse gases by the waste sector. The national target is 10% and LIPOR has had a remarkable performance, achieving lower values than the goals agreed.

LIPOR DOES

SHARED VALUE



## For LIPOR, the acknowledgement of our partners, a culture of bidirectional communication and the relationship with the **STAKEHOLDERS** are of utmost importance.

According to AccountAbility, Stakeholders are the people or groups of people that affect or get affected by the activities of an Organisation, its products or services, as well as its performance.

This definition doesn't include all people who may know or have a view on the Organisation, as each organisation has several Stakeholders, with a certain level of involvement and particular concerns and interests.

Bearing this in mind, throughout the last decade, LIPOR has been analysing the importance of its different Stakeholders for the sustainable management of the Organisation, in terms of shared value.

In 2010, we started the process of Stakeholder involvement according to the principles of the AA1000APS (2008) standard, which was used as an instrument of transparency and corporate governance. This standard is based on learning and social, ethical, environmental and economic performance of Organisations, guiding them towards a Sustainability Strategy through their

relationship with their Stakeholders.

Being aware that the establishment of synergies with its Stakeholders allows it to align with activity with their values and expectations, LIPOR developed a consultation and involvement process with two-year cycles, thus ensuring an adequate response to organisational and business changes. Based on the basic criteria of importance, relevance and influence regarding the main themes of the sector, the identification of the main Stakeholders allows LIPOR to focus on the essential [G4-25].

The consultation and involvement instruments used are diverse and adapted to the characteristics of each Stakeholder, promoting a clear and objective communication with them and thus enabling a more complete analysis of their perception of all of LIPOR's areas. In this context, in 2015, we analysed the content of the consultation mechanisms table, having identified the need to make small changes in order for it to reflect the Organisation's practices.





## Consultation mechanisms, their main cause and the consequent effect [G4-14; G4-26]

CAUSE	STAKEHOLDERS	COMMUNICATION AND INVOLVEMENT MECHANISMS	PERIODICITY	EFFECT
To promote a transparent organisational communication through knowledge sharing	Customers	Customer Satisfaction Survey	Biannually	To assertively respond to Customers' expectations, aspirations and needs
		Strategic Partnerships	Throughout the year	
		Customer Portal [access through LIPOR portal in an area reserved for Customers and Suppliers]	Throughout the year	
		LIPOR Portal	Daily	
		Seminars/Workshops	Throughout the year	
To disseminate projects and initiatives promoted by LIPOR, internally and externally	International Customers	Technical Visits	Throughout the year	To promote the recognition of the LIPOR Brand and loyalty to it
		e-News Waste Management	Monthly	
		LIPOR Portal	Daily	
To provide essential and/or additional knowledge regarding professional activity		Technical Visits	Throughout the year	Enhancement of individual competencies and development of motivation mechanisms
		Training and qualification in different areas	Throughout the year	
To inform about rules/procedures regarding working relationships	Employees	Legal Office	Throughout the year	To underpin the organisational culture
		Ethics Code	Throughout the year (available in the communication tools)	
		Internal Notices	Throughout the year	
		Welcome Guide	At the moment of admission of the employee	
		Directives	Throughout the year	
		Promotion of Internal Initiatives and Events	Throughout the year	
		Working Time Regulations	Throughout the year (available in the communication tools)	
Strategic Sessions	Throughout the year			



CAUSE	STAKEHOLDERS	COMMUNICATION AND INVOLVEMENT MECHANISMS	PERIODICITY	EFFECT
To disseminate internally events, initiatives and change processes promoted by LIPOR, namely regarding the reporting of concerns, including situations associated with Human Rights	Employee	KAIZEN TEAM	Weekly	To enhance Employee knowledge of the Organisation's activity
		Change Agents	Throughout the year (monthly meetings)	
		Internal Journal	Monthly	
		LIPOR Intranet	Daily	
To promote social well-being and a better quality of life of local Communities	EMPLOYEES / COMMUNITY	Supports and Sponsorship	Throughout the year	To disseminate good corporate and social responsibility practices
		"Operação Tampinhas" (Bottle Caps Operation)	Throughout the year (campaign) Equipment delivery event (1/year)	
		Social Responsibility Partnerships	Throughout the year	
		Semente - Associação de Voluntários LIPOR (LIPOR Volunteers Association)	Throughout the year (Specific Initiatives Plan)	
To encourage cooperation between LIPOR and its Suppliers	SUPPLIERS	Supplier Evaluation	Biannually	To establish medium/long-term commitment: joint responsibility
		Suppliers Conduct Code	Available in the communication tools throughout the year Always sent according to the defined procedure	
		Supplier Portal [access through LIPOR portal in an area reserved for Customers and Suppliers] LIPOR Portal	Daily	



CAUSE	STAKEHOLDERS	COMMUNICATION AND INVOLVEMENT MECHANISMS	PERIODICITY	EFFECT
To raise awareness among ordinary citizens of the municipal waste issue, as well as inform them about LIPOR's main activity as an organisation responsible for the management, recovery and treatment of municipal waste produced in Greater Porto	Multistakeholder	Holidays Camps	3x/year	To drive change in Citizens' attitudes and behaviour, making them more environmentally and socially responsible
		Sustainable Talks	Throughout the year	
		Academia LIPOR (LIPOR Academy)	Throughout the year (Training Plan)	
		Horta da Formiga - Home Composting Centre	Throughout the year	
		"LIPOR Geração +" (LIPOR Generation +)	Daily	
		Parque Aventura (Adventure Park)	May to September - Tuesdays and Thursdays for Organised Groups Open to all on weekends	
		Green Saturdays	2x/year	
		European Week for Waste Reduction	Annual	
		Seminars/Workshops	Throughout the year	
		Group/technical visits	Throughout the year	
To disseminate projects and initiatives promoted by LIPOR, internally and externally		E-mail signatures	Throughout the year	To promote the recognition of the LIPOR Brand and loyalty to it
		e.Marketings	Throughout the year	
		e.News in Portuguese	Weekly	
		LIPOR Portal	Daily	
		Social Networks: LIPOR Facebook; "Parque Aventura" Facebook; "Horta da Formiga" Facebook; LinkedIn	Daily	
To disseminate projects and initiatives promoted by LIPOR, internally and externally	INTERNATIONAL PARTNERS AND ASSOCIATIONS	Corporate TV	Daily	To promote the recognition of the LIPOR Brand and loyalty to it
		E-News in English	Monthly	
		LIPOR Portal in English	Daily	
		Work Groups	Throughout the year	
		Technical Visits	Throughout the year	

# The themes of this report have been selected for their **MATERIALITY** meeting the expectations of Stakeholders and the internal context of the Organization.

In 2014, according to the defined biennial periodicity, the Stakeholder consultation process was carried out through a debate and experience sharing session entitled Multi-stakeholder Forum, which promotes the aimed bidirectional communication.

With particular focus on Stakeholders which are positioned in the quadrant of the Influence/Dependence Matrix where “High Dependence” and “Some Influence” intersect, this initiative allowed us to obtain feedback on strategic themes regarding the Organisation’s sustainable management, through an interactive dynamic [G4-24].

DEPENDENCE OF THE STAKEHOLDER IN THE ORGANIZATION (OR PROJECT, OR BUSINESS LINE...)	STAKEHOLDER'S INFLUENCE IN THE ORGANIZATION (OR PROJECT, OR BUSINESS LINE...)			
	NO INFLUENCE	REDUCED INFLUENCE	SOME INFLUENCE	HIGH INFLUENCE / FORMAT POWER
High dependence The Stakeholders have no choice			Associated municipalities Product customers Service customers Suppliers Universities, Technology Centres, Research Centres	Regulatory Authorities Employees Managing Entities Plant Operators General Population International customers
Low dependence The Stakeholders have a wide range of choices	Trade Unions	International associations National associations Insurance companies Service Providers from the associated Municipalities within the Waste sector	Educational Institutions Opinion Leaders, Authorities Monitoring Committees Other Waste Management Systems Parish Councils NGOs The Media	Partners (within the scope of Internationalisation) Board of Directors Financial Institutions

- **FAIR TREATMENT:** to honour the commitments made to these Stakeholders. Keep them satisfied within the limits of a balanced cost-benefit ratio.
- **THREAT OR STRATEGIC OPPORTUNITY:** to promote the involvement of Stakeholders, in order to understand their needs/expectations and develop solutions.
- **LOW PRIORITY:** to provide access to the Organisation's main communication channels.
- **TO MAINTAIN PARTICIPATION AND INFORMATION:** to ensure balance between the concerns of highly influential Stakeholders and people affected by the decisions.

From the materiality analysis process will derive, in 2016, a new identification of Stakeholders, as well as an update of the Dependence/Influence Matrix and a new Stakeholder consultation. However, in 2015, the Matrix remained the same as in 2014, as described in the LIPOR Portal [G4-23].

More information is available on the LIPOR Portal: <http://www.lipor.pt/pt/sustentabilidade-e-responsabilidade-social/projetos-de-responsabilidade-social/norma-aa1000aps-partes-interessadas/identificacao-das-partes-interessadas/>

With the purpose of assessing relevant issues regarding sustainability, social responsibility, as well as Stakeholder involvement in the definition of LIPOR's strategy and their perception of RDI projects, this event was attended by elements of the following groups: Customers; Employees; Community; Suppliers; Municipalities and Media [G4-37].

Considering the diversity of LIPOR's partners, it is only natural that the materially relevant themes vary according to the specific characteristics of each Stakeholder, as we can conclude from the results obtained in the Multi-stakeholder Forum.

## Main Results [G4-27]

**57%** of Stakeholders participated in some project/action/initiative promoted by LIPOR in the past year

**62%** of Stakeholders think it is extremely impor-

tant that LIPOR promotes the Stakeholders' involvement in the Organisation's business/activity guidance

**64%** think it is extremely important that LIPOR incorporates the Stakeholders' opinion in the initiatives it promotes

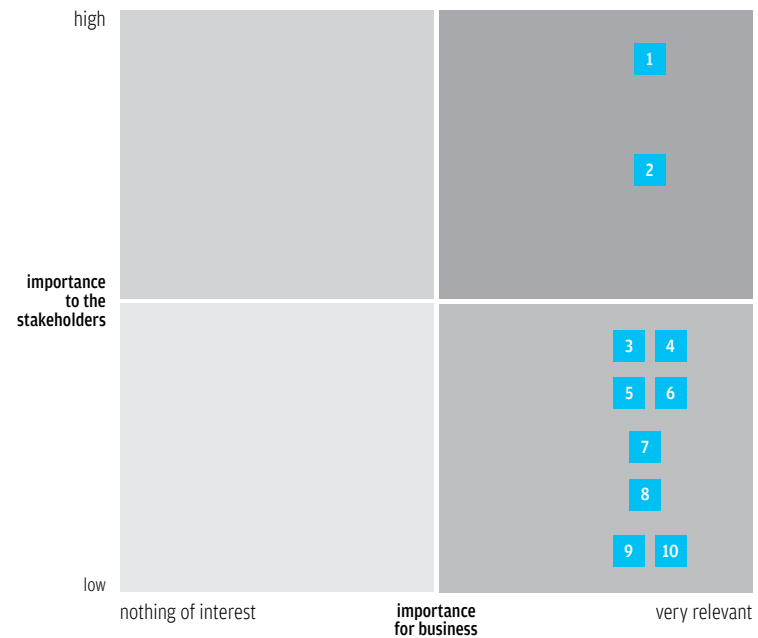
**70%** are very satisfied with the way LIPOR incorporates their opinion in those initiatives of Stakeholders intend to contribute more actively to the definition and planning of the initiatives promoted by LIPOR

**78%** consider LIPOR to be a Socially Responsible Organisation

**83%** of Stakeholders would like to be more actively involved in LIPOR's business/activity guidance

Therefore, in order to integrate the Stakeholders' concerns and expectations into LIPOR's sustainable management, the Management Team has analysed the results obtained, both at a strategic and at a communication and dissemination level, and several specific projects were developed still during 2015, which will be approached throughout the Report [G4-37; G4-45].

To define sustainability materiality means to deeply analyse the Organisation and establish the indicators which are important for the business, on the basis of specific criteria. In this context, a materiality matrix was built based on the materially relevant aspects identified, both because of the importance Stakeholders give to the themes and the perception of LIPOR's performance regarding those themes [G4-20; G4-21].



- 1 Environmental education and awareness
- 2 Increase of the amount of materials received with potential for multimaterial and organic recovery
- 3 Product and service quality
- 4 Working conditions within LIPOR
- 5 RDI initiatives
- 6 Incentive for new businesses and opportunities
- 7 Competencies and know-how
- 8 Sustainability commitment and strategy
- 9 Compliance with and maintenance of Management Systems
- 10 Financial balance of the organisation

In accordance with GRI-G4 guidelines, LIPOR perceives materiality through themes and indicators which mirror its economic, environmental and social performance or may greatly influence Stakeholders' perceptions and decisions. On the other hand, LIPOR also takes into consideration issues that the Board deems to be strategic for the Organisation's approach to sustainability: Energy; Emissions and Biodiversity, as one can observe in the following table [G4-18; G4-19]:

MATERIAL ASPECTS - LIPOR	IMPORTANCE	CORRESPONDENCE TO GRI ASPECTS	CORRESPONDENCE TO GRI INDICATORS
Environmental education and awareness	19.00%	-	No direct relation with GRI G4 aspects *L1; * L2
Increase of the amount of materials received with potential for multimaterial and organic recovery	14.30%	Materials	G4-EN1; G4-EN2
		Waste	G4-EN23; G4-EN25
Product and service quality	9.50%	Customer Health and Safety	G4-PR1; G4-PR2
		Product and service labelling	G4-PR3; G4-PR4; G4-PR5
		Marketing Communications	G4-PR6; G4-PR7
		Customer Privacy	G4-PR8
		Compliance	G4-PR9
Working conditions within LIPOR	9.50%	Employment	G4-LA1; G4-LA2; G4-LA3
		Labour Relations	G4-LA4
		Occupational Health and Safety	G4-LA5; G4-LA6; G4-LA7; G4-LA8
		Training and Education	G4-LA9; G4-LA10; G4-LA11;
		Diversity and Equal Opportunity	G4-LA12
		Equal Remuneration for Women and Men	G4-LA13
		Supplier Assessment for Labour Practices	G4-LA14; G4-LA15
Labour Practices Grievance Mechanisms	G4-LA16		
RDI initiatives	7.90%	-	No direct relation with GRI G4 aspects *L3; *L4; *L5;
Incentive for new businesses and opportunities	7.90%	-	No direct relation with GRI G4 aspects *L3; *L4; *L5;
Competencies and know-how	4.80%	-	No direct relation with GRI G4 aspects *L3; *L4; *L5;
Sustainability commitment and strategy	3.20%	-	No direct relation with GRI G4 aspects *L6; *L7;
Compliance with and maintenance of Management Systems	1.60%	It may indirectly relate to the "Compliance" aspects, in the indicator groups EN, SO and PR	G4-EN29; G4-SO8; G4-PR9
Financial balance of the organisation	1.60%	Economic Performance	G4-EC1; G4-EC2; G4-EC3; G4-EC4
Energy Efficiency	-	Energy	G4-EN3; G4-EN4; G4-EN5; G4-EN6; G4-EN7
Biodiversity	-	Biodiversity	G4-EN11; G4-EN12; G4-EN13; G4-EN14
GHG emissions	-	Emissions	G4-EN15; G4-EN16; G4-EN17; G4-EN18; G4-EN19; G4-EN20; G4-EN21

**Note: Importance according to Stakeholder consultation in the Multi-stakeholder Forum. Indicators marked with \* were created by LIPOR for the themes concerned.**



PEL 2015-2020 | 28<sup>th</sup> June, 2020

# PROJECT “DOSE CERTA RIGHT SIZE” REDUCES BY 40% FOOD WASTE IN RESTAURANTS

By 2020, about 50 restaurants already contribute to the reduction of 40% of food waste produced through the project Dose Certa – Right Size LIPOR. Since 2015, with this project Lipor has been increasing awareness in restaurants for the reduction of food waste from the preparation to the final consumer, combining with the principles of a balanced diet.

LIPOR DOES



OUR  
PERFORMANCE

# Together with the associated municipalities, LIPOR has worked as a catalyst for change, using policies and programs in the area of **PREVENTION** and **AWARENESS**.

In order to contribute to the achievement of the national objectives of PERSU 2020, in 2015 began the implementation of the action plan that supports LIPOR's Strategic Plan.

Bearing in mind the nature of the targets established, LIPOR's structure and circular management model, we concluded that it is essential to promote selective collection in detriment of unsorted waste collection, in order to fulfil the objectives. As it is crucial to recover the recyclable waste which still integrates unsorted waste, we've focused on the upstream side of the value chain, through a close cooperation with the associated Municipalities, as they are responsible for ensuring municipal waste collection.

In order to respond to this challenge, in 2015, the Waste Hazardous Content and Production Prevention Strategy continued to represent a fundamental pillar for LIPOR, as in previous years.



Composters in Horta da Formiga

Over the years, LIPOR has been investing in Environmental Education and Awareness for Citizens, Associations, Organisations and Schools. These sessions/actions approach themes which are obviously connected with waste management, namely prevention, sorting, recycling and composting, and increasingly comprise themes such as climate change and resource efficiency and optimisation. This fosters Citizen involvement and participation in the LIPOR project, having these activities involved 87,085 people in 2015 [L1].

In order to actively participate in the development of the society and to fulfil the Strategic Plan's guidelines regarding the Biodiversity Promotion and Prevention Strategy, in 2015, LIPOR developed several application and awareness actions. Thus, LIPOR's activity continues to be characterised by the protection of biodiversity within its area of influence.

Besides promoting Organic Farming, the "Horta da Formiga" Home Composting Centre also aims to promote the preservation of biodiversity. In spite of its reduced area, additional effort is made in order to maintain its biodiversity. The exclusive use of native species and avoidance of modified species are two examples of this effort. This approach allows the preservation of species that would otherwise tend to disappear. In fact, one of

the advantages of Organic Farming is the promotion of ecosystem balance and, simultaneously, the preservation of biodiversity [G4-EN13].

Regarding Organic Farming projects, the "Horta à Porta" (Kitchen Garden at your Door), "Jardim ao Natural" (Garden in Natural Style) and "Terra à Terra" (Earth to Earth) projects were further promoted in 2015, regarding which the following should be noted:

## Horta À Porta (Kitchen Garden At Your Door)

AGRICULTURA  
BIOLÓGICA

HORTA  
À PORTA

(KITCHEN GARDEN AT YOUR DOOR) | is a project which consists of the creation of urban kitchen gardens that use organic farming methods, promoting crop diversity, the use of plants suited to local conditions and the avoidance of synthetic chemicals. In 2015, seven new kitchen gardens were created, with a total of 40,234 square metres. The project currently comprises 46 kitchen gardens, 1,466 plots and 10.26 hectares.

PORTO | 24<sup>th</sup> march 2015

## The largest social kitchen garden in europe

On 24th March, the Conde de Ferreira Hospital Centre, in Porto, inaugurated the largest social kitchen garden in Europe, as part of the José Avides Moreira Park. It comprises three hectares of land, which include gardens, an orchard, greenhouses, nurseries, a playground and a picnic area. This project was launched by Santa Casa da Misericórdia do Porto, in partnership with LIPOR, to serve therapeutic, educational and social purposes. 50 of a total of 230 plots available for organic farming were already assigned. The

interest has surpassed all expectations: more than 3,000 Citizens applied for the kitchen gardens. All those who received a plot had to attend a 12-hour training on organic farming and must comply with a set of rules - those who don't take care of their plot, lose the right to it. Besides the kitchen garden, the space will include nurseries and spaces for citrus fruits, small fruits and aromatic and medicinal plants. Finally, it will also comprise a Camellia Walkway, which aims to include Porto's 38 camellia species.



## Jardim Ao Natural (Garden In Natural Style)

JARDINAGEM SUSTENTÁVEL E BIODIVERSIDADE  
JARDIM AO NATURAL

Is a project which resorts to Organic Farming techniques and good maintenance practices to promote biodiversity in public and private green spaces, thus improving the environmental safety and quality of gardens and kitchen gardens. By the end of 2015, 1,534 "Natural Garden" commitment charters had been signed.

## Terra À Terra (Earth To Earth)

COMPOSTAGEM CASEIRA  
TERRA À TERRA

Is a project which, by enhancing the practice of home composting, promotes the use of organic compost as an alternative to chemical fertilisers, which improves soil structure and life. It should be noted that, in 2015, the "Terra à Terra" project allowed the diversion of 3,469 t/year of organic waste with its 9,330 implemented composters. More than 1,400 people participated in home composting courses.

Still regarding prevention, it is important to mention other projects which are worth highlighting:

## Dose Certa (Right Serving)

DESPERDÍCIO ALIMENTAR  
DOSE CERTA

Is a project which aims to raise awareness about food waste reduction and to promote a balanced diet, seeking to guide the population towards a change of behaviour. Being developed in partnership with the Portuguese Association of Nutritionists, "Dose Certa" is a free and voluntary project, destined for citizens and catering establishments. Twenty-nine establishments have already joined the project and 9,112 people were made aware of a good food use.

## Training At Horta Da Formiga (Home Composting Centre)



The annual Horta da Formiga Training Plan seeks to offer several actions that aim to provide information and training to the population regarding home composting, Organic Farming, sustainable gardening, biodiversity and food quality. In 2015, 183 training courses were held and 2,250 people participated in training on organic waste prevention.



## Life cycle assessment In Waste Management

with the purpose of diagnosing the feasibility of the implementation of the Environmental Management tool "Life Cycle Assessment" (LCA) in LIPOR's Value Chain Processes, a pilot project was started regarding the Green Cemetery Waste Recovery Process, also trying to integrate it into the Organisation's Research, Development and Innovation Strategy. The project achieved a level of execution of 100% in 2015, culminating in the elaboration of a pilot study report.

## Educa - Projeto Lipor Geração + (Plg+ - Lipor Generation + Project)



Is a project destined for educational and social Institutions, which receives institutional support from the APA (Portuguese Environment Agency)

and the Ministry of Education. In 2015, 886 activities took place, involving 22,482 participants. The level of execution of the LIPOR GERAÇÃO + WBS was of 100% [L2].

In 2015, the LIPOR GERAÇÃO + project registered a major progress in the achievement of its goal, which was to achieve a maximum of nine Institutions certified with the "Coração Verde" (Green Heart) reward, which recognises their commitment and progress regarding the optimisation of their processes, in favour of a more sustainable environmental development with effective results.

The project's progress within the nine certified Institutions allowed an average growth of 69.3% in the amount of waste sent for Multimaterial Recovery by these Organisations (which corresponds to an increase of 13 tons in the reference period) and an average reduction of 25.2% in unsorted waste production (which corresponds to a decrease of 18 tons in production). 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 47.2% in this indicator.

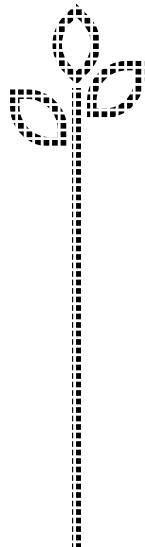
## The M.A.D.I. (Support Movement For The Intellectually Disabled) Of Vila Do Conde Was Awarded A "Green Heart" In 2015

The M.A.D.I. movement (Azurara campus and Ferreiró campus) was certified by the LIPOR GERAÇÃO + project, having received the "Green Heart" reward. The implementation of several initiatives and everyone's motivation enabled a change in environmental behaviour.

The most significant progress refers to the recyclable waste sorting rate, which doubled in both

campuses, and the reduction of contaminants in the recyclable and unsorted fractions. Attention was also paid to energy and water, with the promotion of sustainable attitudes, hoping to obtain significant results in the future regarding consumption reduction!





**LIPOR  
PROJECT**



**Research And Development In The Service Of Biodiversity [G4-EN13]**

Through the Research and Development Component, LIPOR aims at assessing the impact of its activities on biodiversity and developing an action plan that will comprise minimisation strategies and/or actions to compensate those impacts. The following projects put this component into practice:

**CHARACTERISATION AND DIAGNOSIS STUDY,** general characterisation of the environmental and ecological conditions of closed areas managed by LIPOR, through a detailed biotope mapping. This study is being developed by the CIBIO-UP, the Research Centre in Biodiversity and Genetic Resources of University of Porto;

**ASSESSMENT OF THE ENVIRONMENTAL QUALITY IN CLOSED MUNICIPAL WASTE DISPOSAL AREAS,**

its purpose is to assess the environmental impact of the selected study areas (landfill of Ermesinde and landfill of Póvoa de Varzim), thus providing information that will lead to the implementation of new assessment and monitoring practices for former waste dumps. This assessment is being developed by the IMAR-UC, the Centre for Sea and Environment of University of Coimbra;

**TINTO RIVER PROJECT,**

it aims at the definition of a joint action in order to register and confirm contamination areas, monitor the evolution of water quality, support any technically and scientifically necessary interventions to recover the river, restore the river’s ecosystem

and define its future sustainable use.

This Project is being developed in cooperation with the Municipalities of Valongo, Maia, Gondomar and Porto, Águas de Gondomar, SA, Águas do Porto, University Fernando Pessoa and the APA (Portuguese Environment Agency).

During 2015, LIPOR has joined the “FUTURO – PROJETO DAS 100 MIL ÁRVORES” (FUTURE – 100 THOUSAND TREES) project and is developing the “Km2 da LIPOR” (LIPOR’s square meter) project, having created a FUTURO Tree Reception and Forwarding Platform within its facilities.

In 2015, the Research and Development projects under study were further developed.



## The essence for LIPOR conception was the need to answer to a permanent environmental challenge, **WASTE** Management.

**LIPOR's activity is focused on the management, treatment and recovery of municipal waste from the eight Municipalities that are part of it, investing in projects that express its commitment to a sustainable development.**

In fulfilment of LIPOR's Strategic Plan, namely its sections regarding the Increase of Preparation for Reuse and Recycling and of Recyclable Waste Quality and the Enhancement of the System's Effectiveness and Operational Capacity, in 2015, several initiatives were developed with the purpose of promoting recovery from selective collection and preparation for reuse and recycling.

The fulfilment of national legislation and European targets regarding this subject requires a significant increase of preparation for material recovery of the recyclable fractions and an enhancement of packaging waste recycling, as well as an increasing focus on organic recovery, which implies a significant reduction of the amount of waste sent to landfill. However, as far as the LIPOR System is concerned, BMW disposal in landfill is not an issue considering the Organisation's strategy for the promotion of other recovery forms.

While it is urgent to act, the communication, control and monitoring of the System's evolution are excellent improvement tools. Being aware of this,

LIPOR and its associated Municipalities launched their Waste Observatory.



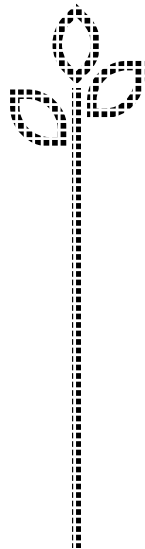
The Waste Observatory is a Portal with updated statistical information about the management and treatment of municipal waste within LIPOR's area of intervention. The major advantages of this project are:

- The access to updated and reliable information;
- The detail of the available statistical information, which can be sorted by Municipality, material flow, collection system, type of treatment/final destination, among others;
- The monitoring of the fulfilment of the targets defined for LIPOR and its associated Municipalities, according to PERSU 2020 (Strategic Plan for Municipal Solid Waste Management 2020);
- The possibility of information management according to the user's needs.

The contents are mainly quantitative and the information is organised in tables and/or charts, in absolute terms, per capita, and in percentage terms.

Also available for consultation, by Municipality, is information regarding population, waste disposal systems available and the composition or physical characterisation of waste produced. In addition, it provides information about the CO<sub>2</sub> emissions avoided when materials are sent to their proper final destination and respective recovery. This calculation is based on an estimate of the GHG balance associated with the recycling process, comprising the different stages of the process (collection, sorting, transportation and recycling), in comparison with the emissions associated with the production of equivalent amounts of materials from virgin raw materials.

More information is available on the LIPOR Portal: <http://portal.lipor.pt:7777/pls/apex/f?p=2020:1>



**LIPOR  
PROJECT**



### Supra-Municipal Selective Collection Of Used Cooking Oils (UCO)

In 2011, LIPOR started a Supra-municipal Selective Collection of Used Cooking Oils (UCO) project in its area of intervention, in partnership with the eight Municipalities and EGI – Waste Management. The overall goal of this strategy is to get Citizens involved in the proper disposal of this waste and to raise awareness amongst the Community of the adoption of better practices regarding UCO management. Additionally, it also aims to demonstrate



the advantages of UCO recycling, to ensure a proper final destination and to contribute to the fulfilment of the energy policy objectives, to the reduction of GHG emissions and to the fulfilment of the Kyoto Protocol.

Sorting UCO has many important environmental, social and economic advantages, besides ensuring the proper final handling of this type of waste. Some of the most important advantages are the avoidance of water contamination (one litre of cooking oil contaminates about 1 million litres of water, which is the average amount of water a person consumes in 14 years!), the conservation of pipes, the proper operation of Waste Water Treatment Plants and the adoption of an exemplary attitude of a citizen who is aware of the current problems that influence the future of the planet and the next generations. The sorted UCO are disposed of in specific containers (“oleões”), collected and sent to recycling, to be used namely for the production of natural soap or biodiesel (biofuel).

In 2015, the UCO collection network restructuring process was finalised, with the purpose of increasing the number of containers available to Citizens, as well as relocating containers that registered low participation and low amounts to areas with higher visibility.

**At the moment,  
the network has 338  
“oleões” in the domestic  
sector and 155  
placed in compartments  
in the Municipality  
of Maia.**

### Selective Collection In Events Project

Another strong LIPOR initiative within the scope of its Multimaterial Recovery strategy is Event Waste Management. This initiative aims to support the sorting of waste produced in events held in its associated Municipalities. The assistance provided may comprise technical, logistics, communication and awareness areas, being defined by LIPOR and the entities involved in the organisation of the events, according to the specific characteristics of each case.

In 2015, LIPOR supported about 60 events, among which: Queima das Fitas do Porto, NOS Primavera Sound, Beach Soccer World Cup in Espinho, Melhores do Ano Rádio NOVA ERA, Aniversário Rádio FESTIVAL, Eurobol’15, EDP Beach Party Rádio NOVA ERA, F1 H2O, NOS Debandada, RUN PORTO Races, among others.

PORTO | may 2015

## 65 tons of recyclable waste were collected in “Queima das fitas do Porto”

This resulted from the selective collection of waste produced during the “Queima das Fitas do Porto” week, which took place from 3rd to 9th May.

The collection of 65 tons of waste from the Parade and the “Queimódromo” premises represented a 45% increase in comparison with the recyclable waste collection registered in 2014.

It is worth highlighting the collection of 26 tons of plastic and metal packaging and 15 tons of glass..



PORTO | june 2015

## 13 tons of waste at “NOS Primavera Sound 2015”

In the 2015 edition of the “NOS Primavera Sound” festival, which took place between 4th and 6th June at Porto City Park, 13 tons of recyclable waste were selectively collected and sent to LIPOR. These comprised 5 tons of plastic and metal packaging, 1.6 tons of paper and cardboard, 2.4 tons of glass and 4 tons of wood.

The forwarded waste represented about 54% of all waste produced in the event.



ESPINHO | july 2015

## 77% of waste produced in the Beach Soccer World Cup sent for multimaterial and organic recovery

During the Beach Soccer World Cup 2015, which took place in Espinho from 9th to 19th July, 3.2 tons of waste were produced, of which 45% were sent for recycling, 32% for organic recovery and 23% for energy recovery.



BEACH SOCCER WORLD CUP  
PORTUGAL 2015

# LIPOR's policy includes resources protection, namely the efficient use of **ENERGY** in daily activities, optimizing processes and implementing control measures.

**Efficient energy use is ever more a matter of sustainability, with rational use of energy being an essential aspect of LIPOR's management strategy.**

To this purpose, measures have been implemented in order to promote consumption reduction, efforts have been made to create alternatives to the equipments used and there has been strong focus on awareness raising of the need to change habits regarding energy consumption.

Overall, in 2015, LIPOR registered an energy intensity of 0.0725 GJ/t [G4-EN5], with a decrease of 9.1% in total energy consumption in LIPOR's di

fferent units. The significant reduction was due to the decrease in consumption of acquired electrical energy at the Energy Recovery Plant and in diesel consumption at the Landfill of Maia, in comparison with the previous year.

Recalling the long technical shutdown for preventive maintenance purposes of the Energy Recovery Plant, which took place in 2014, for servicing needed due to the turbo-generator set having reached 100,000 operating hours, it should be noted that this required the importation of electrical energy and the diversion of waste into the landfill, with increased use of mobile machinery. As this was a one-time event, in 2015, there was a 76.5% reduction in the consumption of electrical energy at the Plant and of 48.5% in diesel consumption at the Landfill of Maia, in comparison with the previous year.

However, if we don't consider the electrical energy consumption at the Energy Recovery Plant and the diesel consumption at the Landfill of Maia, LIPOR registered a 1.6% reduction in energy consumption.

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

		2013	2014	2015
FACILITY	SOURCE			
Composting Plant	Natural gas	2,064	1,883	1,686
	Fuel (diesel)	3,338	2,808	2,837
	Electricity	14,793	15,939	16,105
Energy Recovery Plant	Natural gas	4,853	3,656	3,602
	Fuel (diesel)	44	386	146
	Electricity	659	2,990	704
Landfill	Fuel (diesel)	708	1,580	814
	Electricity	1,072	1,135	1,065
Closed Landfills (Ermesinde and Matosinhos)	Matosinhos - Electricity	183	132	124
	Ermesinde - Electricity	629	591	484
LIPOR (Baguim do Monte)	Electricity	4,612	4,170	4,245
	Natural gas	199	240	216
	Fuel (diesel)	4,500	4,127	3,908
	Fuel (gasoline)	157	69	148

LIPOR's major focus is on the improvement of process eco-efficiency, which means to produce

more with fewer resources, namely energy, and less impact on the environment.



## LIPOR (Baguim do Monte)

Since the energy audit conducted in 2010 in its facilities in Baguim do Monte, LIPOR has redefined its guidelines for energy efficiency, the improvement of its production process and consumption monitoring, basically focusing on the implementation of measures established in the Rationalisation Agreement for Energy Consumption (ARCE) for the period of 2011-2018.

The implementation of the NP EN 50001:2012 – Energy Management Systems standard, with the purpose of structuring the necessary processes in order to improve energy performance, provided LIPOR an overview of the energetic situation of each activity.

As a result of the 2010 energy audit and the implementation of the NP EN 5001:2012 standard in 2014, LIPOR has continued to implement several actions which demonstrate its commitment to the improvement of its energy performance, of which we highlight the following [G4-EN6].



LIPOR's Composting Plant

### REPLACEMENT OF HVAC EQUIPMENT

Some devices were replaced in some of LIPOR's offices, resulting not only in the reduction of energy consumption, but also in the disposal of four old HVAC devices containing R-22.

### CONTROL OF SERVICE HOURS

Some setpoints were redefined, namely regarding the air conditioning system of the Administration Building, the changing rooms of the Sorting Plant and the Social Building, among others.

### AWARENESS

Several awareness and training actions were carried out, allowing to raise awareness among Employees of good energy efficiency practices. A few more regular actions, namely involving machinery operators, enhanced the exchange of experiences and results.

### INSTALLATION OF SENSORS (SORTING PLANT AND MULTI-PURPOSE LINE)

This initiative aimed at the installation of filling sensors in the compactors used in sorting activities, so that they would only start operating when the hopper was full. However, due to the high cost associated, it was decided to change the equipment operation, enabling the selection of the time span between compaction operations.

Unfortunately, it wasn't possible so far to quantify the reductions achieved; however, proper equipment has been acquired and monitoring will start in 2016.

In order to fulfil the legislation in effect, in April 2015, LIPOR submitted the second ARCE execution and progress report, which was approved in July of that year. This report was drawn up by LIPOR in partnership with ISQ.

## Energy Recovery Plant

As far as the Energy Recovery Plant is concerned, the year was marked by a voluntary energy audit, which will allow the definition of measures to reduce consumption, to be implemented in the coming years. Nevertheless, the Plant still registers high energy efficiency rates, which have been confirmed by the several tests performed

## Composting Plant

The Composting Plant registered an increase of 3.14% in the amounts of waste received. However, our efforts made it possible for this increase not to result in an increase in the Unit's consumption levels, thanks to the monitoring of consumption by the main equipments.



# Recognizing climate change as one of the major challenges, LIPOR continues to reduce Green House Gases (GHG) EMISSIONS.

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. So, in April 2010, LIPOR voluntarily committed itself to reduce its carbon footprint by implementing the 2M – less Waste, less Carbon Strategy.

In accordance with the commitment made, the first target aimed at a reduction of GHG emissions by 12% until the end of 2012, as compared to 2006, having LIPOR managed to reduce its GHG emissions by 12.1%. The challenge for 2016 is bigger, aiming at a reduction of 16% in comparison with the reference year.

Nevertheless, in 2015, besides its systematic approach to mitigation issues, LIPOR further pursued its strategy for climate change, having added to the three areas of intervention - (1) Information, (2) Action and (3) Mobilisation - a fourth area, Cooperation, thus linking its action to the very important catalyser that is Adaptation. The 2M – less Waste, less Carbon Strategy was thus

converted into the 3M - less Waste, less Carbon, more Climate Strategy.

## Carbon Footprint



LIPOR considers the elaboration of an emission inventory to be a fundamental tool for the determination of its Greenhouse Gas (GHG) emissions profile, as well as of the quantities of emissions that derive from its activities. The 2015 inventory has, thus, registered 331,945 tCO<sub>2</sub>e, which represents an emission reduction of about 1.6%, in comparison with 2014.

The following tables show the values registered within the scope of LIPOR's greenhouse gas emission inventory:

	REFERENCE YEAR (2006)	2013	2014	2015	Δ 14-15
<b>VALUES IN TCO<sub>2</sub>E</b>					
<b>SCOPE 1 - DIRECT EMISSIONS</b>	<b>401,011</b>	<b>337,204</b>	<b>334,799</b>	<b>329,597</b>	<b>-1.60%</b>
MSW Treatment/Recovery	399,635	336,173	333,890	328,771	-1.50%
Fuel consumption in the facilities	805	404	290	274	5.70%
Transportation and Mobility	570	628	619	553	-10.70%
<b>SCOPE 2 - INDIRECT EMISSIONS (ELECTRICITY)</b>	<b>1,749</b>	<b>2,254</b>	<b>2,355</b>	<b>2,166</b>	<b>-8.00%</b>
Composting Plant (CVO)	1,117	1,637	1,721	1,614	-6.00%
Energy Recovery Plant (CVE)	0	26	102	24	-76.00%
Technical Confinement (CT)	0	138	138	127	-8.00%
LIPOR (Baguim do Monte)	401	454	394	401	2.00%
<b>SCOPE 3 - OTHER INDIRECT EMISSIONS</b>	<b>47</b>	<b>388</b>	<b>160</b>	<b>181</b>	<b>12.90%</b>
Work Travels	47	68	28	39	37.50%
Third parties' fleet (slag and scrap transportation)	N.D	320	132	142	7.60%
<b>TOTAL LIPOR GHG EMISSIONS</b>	<b>402,807</b>	<b>339,846</b>	<b>337,179</b>	<b>331,945</b>	<b>-1.60%</b>

In 2015, LIPOR reduced its emissions by 5.370 tCO<sub>2</sub>e in comparison with the previous year. As compared to 2006 (reference year for the 3M Strategy targets), there was a decrease in emissions of 17.6% (-70,862 tCO<sub>2</sub>e).

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 24 tons of waste been confined in the past year [G4-EN19].

After analysing the different scopes, it is clear that 99.29% of LIPOR's GHG emissions correspond to Scope 1 – Direct Emissions, particularly from the Energy Recovery Plant and Technical Confinement. As compared to 2006, one can conclude that the main contribution to the reduction of emissions is related to emissions from Technical Confinement -39.4% (75,507 tCO<sub>2</sub>e), which significantly contribute to the fulfilment of the targets established in the 3M - less Waste, less Carbon, more Climate Strategy [G4-EN15].

	REFERENCE YEAR (2006)	2013	2014	2015	Δ 14-15
<b>Values in tCO<sub>2</sub>e</b>					
<b>SCOPE 1 - DIRECT EMISSIONS[G4- EN15]</b>	<b>401,011</b>	<b>337,204</b>	<b>334,799</b>	<b>329,597</b>	<b>-1.60%</b>
<b>MSW TREATMENT/RECOVERY</b>	<b>399,635</b>	<b>336,173</b>	<b>333,890</b>	<b>328,771</b>	<b>-1.50%</b>
Technical Confinement	191,464	126,448	122,253	115,958	-5.10%
Organic Recovery (CVO)	4,393	7,842	8,349	8,611	3.10%
Energy Recovery (CVE)	203,778	201,882	203,288	204,202	0.40%

The decrease of energy consumption within the Organisation, namely at the Energy Recovery Plant, resulted in an 8.0% reduction in emissions from Scope 2 – Indirect Emissions [G4-EN16].

	REFERENCE YEAR (2006)	2013	2014	2015	Δ 14-15
<b>Values in tCO<sub>2</sub>e</b>					
<b>SCOPE 2 - INDIRECT EMISSIONS (ELECTRICITY) [G4-EN16]</b>	<b>1,749</b>	<b>2,254</b>	<b>2,355</b>	<b>2,166</b>	<b>-8.00%</b>
Composting Plant (CVO)	1,117	1,637	1,721	1,614	-6.00%
Energy Recovery Plant (CVE)	0	26	102	24	-76.00%
Technical Confinement (CT)	0	138	138	127	-8.00%
LIPOR (Baguim do Monte)	401	454	394	401	2.00%

Regarding Scope 3 – Other Indirect Emissions, in spite of their reduced contribution to LIPOR's total emissions, there was an increase of 12.9% due to the increase of work travels and slag and scrap transportation to their final destination.



	REFERENCE YEAR (2006)	2013	2014	2015	△ 14-15
Values in tCO <sub>2</sub> e					
<b>SCOPE 3 - OTHER INDIRECT EMISSIONS</b>	<b>47</b>	<b>388</b>	<b>160</b>	<b>181</b>	<b>12.90%</b>
<b>WORK TRAVELS</b>	<b>47</b>	<b>68</b>	<b>28</b>	<b>39</b>	<b>37.50%</b>
Train	0.5	0.5	0.9	0.6	-35.00%
Aeroplane	47	66	26	36	37.00%
Passenger car (rental)	N.D.	0.9	0.9	1.9	101.00%
Bus/Coach (rental)	N.D.	0.2	0.2	0.3	63.00%
<b>THIRD PARTIES' FLEET (SLAG AND SCRAP TRANSPORTATION)</b>	<b>N.D.</b>	<b>320</b>	<b>132</b>	<b>142</b>	<b>7.60%</b>

In fulfilment of the principles established in the 3M Strategy, these are the emission categories considered in the assessment of target fulfilment.

It is important to mention that the Energy Recovery Plant has started to receive waste from other Waste Management Systems (15,079 tons) for energy recovery, which isn't taken into consideration in the assessment of target fulfilment.

### Implementation Plan for the Expansion of Scope 3 of LIPOR's Emission Inventory

The complete accounting of Value Chain emissions is a complex process, which requires a significant

effort of collection of information. The GHG Protocol Value Chain Standard itself recommends that companies take a phased approach for the expansion of Scope 3 in its inventory, beginning by identifying the objectives they intend to achieve with the process.

In this context, in 2013, LIPOR started the expansion of its Scope 3 inventory in a phased manner (throughout a period of 4 years), in accordance with the GHG Protocol - Corporate Value Chain (Scope 3) Accounting and Reporting Standard.

The activities to be developed each year are based on the priorities defined for the accounting and reporting of emission categories which are relevant to LIPOR's activity.

<b>C.03</b> Energy and fuels	Extraction, processing and transportation of fuels consumed. Extraction, processing and transport of fossil fuels used for the production of electricity consumed. Transport and distribution of electricity consumed.
<b>C.04</b> Transportation (upstream)	Collection and transport, by the fleet of Municipalities of MSW treated in LIPOR.
<b>C.06</b> Business travels	Already included in the inventory LIPOR before 2013: Work Travels.
<b>C.07</b> Employee commuting	Employees mobility (Home- LIPOR- Home)
<b>C.09</b> Transportation (downstream)	Recyclable material transport NUTRIMAIS compost transport Already included in the inventory LIPOR before 2013: Slag and scrap transportation(Third parties' fleet)
<b>C.10</b> Processing of intermediate products	Recycling in recycling facilities of different materials, from LIPOR Sorting Plant.
<b>C.11</b> Use of goods and services	Use of NUTRIMAIS compost in agriculture.

In 2015, LIPOR's inventory began to also include Energy and Fuels (C.03), the Processing of Intermediate Products (C.10) and Use of Goods and Services (C.11). The following table shows GHG emissions regarding Scope 3 [G4-EN17]:



	2013	2014	2015	Δ 14-15
<b>Values in tCO<sub>2</sub>e</b>				
<b>Scope 3 - Other Indirect Emissions [G4-EN17]</b>	<b>5,988</b>	<b>7,556</b>	<b>61,196</b>	<b>709.90%</b>
<b>C.03</b> Energy and fuels	-	-	804	-
<b>C.04</b> Transportation (upstream)	5,600	6,883	6,628	-3.70%
<b>C.06</b> Business travels	68	28	39	37.50%
<b>C.07</b> Employee commuting	-	150	273	82.00%
<b>C.04</b> Transportation (downstream)	320	495	617	24.60%
<b>C.10</b> Processing of intermediate products	-	-	50,853	-
<b>C.11</b> Use of goods and services	-	-	1,982	-

Scope 3 represents 15.3% (61,196 tCO<sub>2</sub>e) of all emissions and registered an increase of more than 700% in comparison with 2014. This increase is due to the significant extension of Scope 3 (with the application of the GHG Protocol Value Chain Standard), with the C.10 category (Processing of Intermediate Products) being the most relevant one, amounting to about 50,000 tCO<sub>2</sub>e (83.1% of Scope 3 and 12.7% of the Global Inventory) associated with the Multimaterial Recycling process (in 2015, Multimaterial Recycling surpassed 45,000 tons).

In 2015, LIPOR's GHG Emission Inventory already reflects and includes an important part of the emissions associated with its Value Chain (such as emissions from primary energy extraction to the reintroduction of recycled materials in its several lines, in the productive sectors).

Considering all GHG emissions categories and the amount of waste treated (496,755 tons, including waste from other Systems), LIPOR registers a GHG emissions intensity of 0.807 tCO<sub>2</sub>/t [G4- EN18].



## Greenhouse Gas (GHG) Emissions Offsetting



The 179 tCO<sub>2</sub>e emitted by LIPOR's fleet, in 2014, were offset through a Non-renewable Biomass Replacement project, in Brazil.

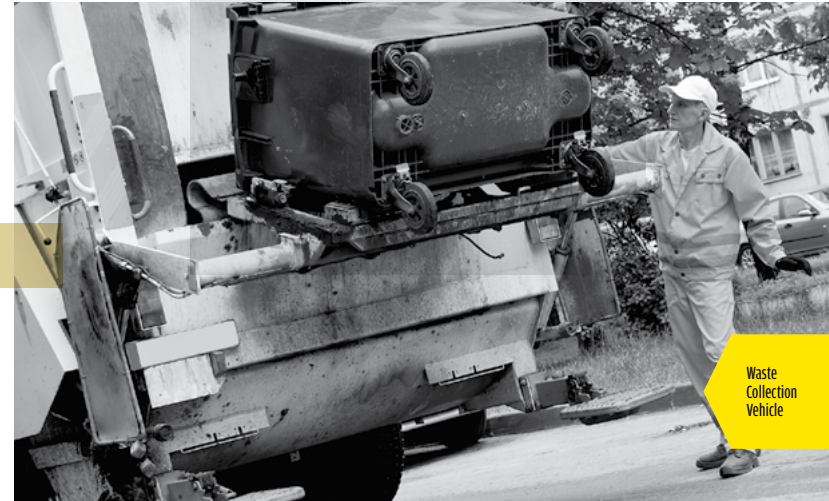
The project involves a ceramics factory located in the Municipality of Paudalho, in the state of Pernambuco, Brazil, where bricks and slabs are produced and mainly sold in the regional market of Pernambuco.

The ceramics factory used wood from the Caatinga biome as fuel for its kilns. This type of wood is considered to be non-renewable biomass, as it comes from areas that don't have reforestation or sustainable management activities, thus jeopardising the region's fragile ecosystem. The use of renewable biomass has been contributing to the reduction of the negative impact on the Caatinga ecosystem, also allowing investment in (environmental, social and economic) sustainable initiatives.

## GHG emissions avoided by LIPOR



LIPOR has activities that aim to substitute more carbon intensive processes and have an indirect impact through the use of waste valued in economic activities. Therefore, LIPOR calculated the GHG avoided emissions potential during 2015 for its different activities.

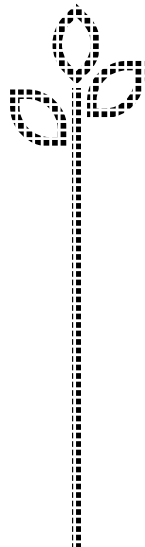


Waste Collection Vehicle

	<b>2015</b>
<b>tCO<sub>2</sub>e</b>	
<b>GHG AVOIDED EMISSIONS POTENTIAL</b>	<b>140,691</b>
<b>ELECTRICITY PRODUCED AND EXPORTED TO THE NATIONAL ELECTRIC SYSTEM (SEN)</b>	<b>54,471</b>
Waste-to-Energy Plant	54,045
Biogas Valorisation Units (Matosinhos and Ermesinde)	427
<b>MATERIALS RECOVERY/ RECYCLING TO INDUSTRY</b>	<b>82,812</b>
Plastics	8,800
Steel	1,818
Aluminium	629
Paper and Cardboard	13,580
Glass	53,611
WEEE	4,374
<b>NUTRIMAIS COMPOST APPLICATION IN AGRICULTURE</b>	<b>3,408</b>

Considering that the production and export of electricity in Waste-to-Energy Plant and Biogas Recovery Units, the directing of materials for recycling and the application of NUTRIMAIS Compost in agriculture have a positive effect in terms of energy and carbon balance, it was possible to potentially avoid the emission of 140,691 tCO<sub>2</sub>e.





**LIPOR  
PROJECT**

**3M Strategy - less Waste,  
less Carbon, more Climate**



The 2M – less waste, less carbon Strategy represents LIPOR’s approach to greenhouse gas (GHG)

mitigation, its voluntary response to the challenges this issue poses to the development of its activity.

This strategy has allowed LIPOR to reduce the GHG emissions that result from its activities. However, given the scientific evidences that climate is changing and that show the inevitability of the impacts of climate change on all social sectors, even considering the efforts to reduce emissions, the waste sector has to act in a clear and objective way.

In this context, bearing in mind the potential repercussions that climate change may have on the entire waste management chain and the vulnerabilities associated with the sector, LIPOR has decided to include in its strategy the theme of Adaptation, thus

renaming it as 3M Strategy - less waste, less carbon, more climate.

For LIPOR, Adaptation does not replace, but instead complements GHG emissions Mitigation, thus boosting the 3M Strategy, which currently constitutes a management instrument at the service of the Organisation, allowing to minimise risks associated with climate change.

The strategy was therefore restructured, including a new area of action, the Cooperation area, as this is a global theme, aiming at a regional intervention, at the least, with the following levels of action:

CLIMATE CHANGE AT LIPOR	AREA 1 INFORMATION	AREA 2 ACTION	AREA 3 MOBILISATION	AREA 4 COOPERATION
<b>MITIGATION STRATEGY</b>	To be aware of the GHG emissions profile	To reduce its emissions and compensate the inevitable ones	To mobilise for the reduction of waste and emissions	–
<b>ADAPTATION STRATEGY</b>	To be aware of the climate change vulnerability profile	To implement measures to reduce vulnerability and increase responsiveness	To mobilise for preventive and planned action	To cooperate in order to disseminate good practices, promote innovation and knowledge

The announcement of this change in strategy took place at a Technical Seminar, on 28th September, with Professor Humberto Rosa (former Secretary of State for the Environment and Director

for Adaptation and Low-Carbon Technology in the European Commission) and Professor Carlos Borrego (university professor in the Department of Environment and Planning of the University of

Aveiro) as main speakers. The change of strategy gave rise to the signature of a new statement of commitment.

BAGUIM DO MONTE | 28<sup>th</sup> september 2015

## STATEMENT OF COMMITMENT | LIPOR 3M - Less Waste, Less Carbon, More Climate

LIPOR acknowledges climate change as one of the biggest current challenges, that requires combined action by Governments, Organisations and Citizens.

Today, there are unarguable scientific evidences that climate is changing. The Reports drawn up by the Intergovernmental Panel on Climate Change (IPCC) reassert these evidences and identify anthropogenic greenhouse gas (GHG) emissions as the decisive factor for global warming, since 1750. Even if we reduce GHG emissions, climate change and its negative effects will last for decades. Therefore, ADAPTATION arises as a necessary and urgent response in a context of environmental, economic and social valuation.

### OUR COMMITMENT

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 GHG producer and managing entity and as promoter of knowledge, action and mobilisation amongst Citizens and the society. The adoption of the LIPOR 3M – less Waste, less Carbon, more Climate Strategy represents our commitment to 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.

In accordance with our strategic objectives and also aiming to contribute to the fulfilment of the objectives of climate policies defined for the European Union, Portugal and Porto, LIPOR commits

itself to continue to mitigate its GHG emissions, as compared to 2006, by:

YEAR	REDUCTION TARGET (%)	EMISSION TARGET (PER CAPITA)
2016	16%	340 kg CO <sub>2</sub> e/inhab.year
2020	20%	324 kg CO <sub>2</sub> e/inhab.year

Its experience, credibility and leadership position within the waste management, environmental and sustainability areas in Portugal now compel LIPOR to integrate in its strategy the Adaptation to climate change theme, conveying its aim to contribute to the definition of adaptation strategies at a sectoral (WasteAdapt) and regional (NorteAdapt) level.

The Chairman of LIPOR's Board of Directors

The first stage of the Adaptation strategy consisted in the development of adaptive competences within the Organisation and amongst its main Stakeholders, mainly focusing on the enhancement of climate change literacy, knowledge sharing and case study analysis.

In 2016, as defined for the Information area, LIPOR will proceed to the identification of the vulnerabilities of its waste management chain. This procedure brings benefits to all stakeholders involved (Municipalities, Waste collection companies and Citizens) and requires dialogue and networked cooperation between all those involved in the waste management chain, with the purpose of defining a solid action plan for Adaptation to climate change.

With this initiative, LIPOR seeks to anticipate risks through a strategy and an action plan that will promote the waste management chain's resilience to the expected impacts of climate change, resorting to a green and low-carbon circular economy, and to a cost-effective and cost-efficient process and product resources management, in view of continuous improvement

**The composting of the organic fraction of waste is a recovery process which assumes great importance in solid waste management policies, being one of the main guiding principles of PERSU and the national strategy for the reduction of BMW disposal in landfills.**

## **At LIPOR, recovery of biodegradable organic waste translates into an excellent natural **PRODUCT**, NUTRIMAIS.**

Within the scope of its Organic Recovery strategy, LIPOR has been implementing several projects in order to promote the selective separation of the organic fraction from domestic waste and waste that comes from large producers, such as restaurants, markets, supermarkets, agricultural cooperatives, food processing industrial units, etc.

After being subjected to the composting process, food waste and green waste from biodegradable waste collection circuits are transformed into a high quality organic soil improver entitled NUTRIMAIS.

NUTRIMAIS is an organic soil improver, not a chemical fertiliser, so its frequent use in agricultural soils keeps or increases their natural fertility. This product provides a wide range of nutrients, because it is produced from vegetable raw materials.

These nutrients are naturally and gradually released into the soil as the compost is decomposed by the microbial flora, and retained in the soil, instead of flowing to the phreatic waters or streams.

In 2009, LIPOR launched NUTRIMAIS for Organic Farming, which is certified by SATIVA for use as a production factor in organic farming.

Having continued in 2015 to sell organic and natural products, the impact of this activity in terms of health and safety is still very low, either for direct users (farmers), or for other people in touch with the products (children and/or adults). Therefore, considering its impact, no improvements to the NUTRIMAIS life cycle have been assessed, as it is a natural cycle, difficult to change [G4-PR1]. All parameters which are fundamental to the process

are continuously controlled (humidity, oxygen, temperature), thus ensuring the best results.

NUTRIMAIS is sold as powder and in granular form, and its entire range has a marketing authorisation as “fertilising matter” according to Order no. 1322/2006 of 24 November, issued by the Direção-Geral das Atividades Económicas (Directorate-General for Economic Activities), valid until 2016. As far as labelling is concerned, LIPOR includes in its product’s package the respective applicable instructions, stated in Annex III of the mentioned Order. In addition to the information conveyed in labels, a product advisory and prescription service is also provided to NUTRIMAIS Customers. Therefore, it can be stated that the compost produced by LIPOR fulfils all current legal demands [G4-PR3].

## The evaluation of **CUSTOMER** satisfaction is to LIPOR an effective tool, having obtained in 2015 a value of 4.6 (range 0-5).

The quality assessment of the products and services LIPOR provides through its several areas allows the definition of strategies that can fulfil the Customers' needs and expectations, thus improving the critical aspects identified by them.

In 2015, 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 was took place in two periods (March and October 2015), revealed a global LIPOR Customer satisfaction index of 4.60 (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.

In the context of Customer satisfaction monitoring, LIPOR regards the handling of complaints as a mechanism that fosters a more effective relationship with this Stakeholder.

In 2015, LIPOR's Complaints Centre remained under the responsibility of the Audit, Total Quality and Sustainability Office, having received 17 dissatisfactions, 8 less than in 2014, of which we highlight three of environmental nature, regarding potential odour problems emanating from its facilities [G4-EN34]. However, based on the content of the dissatisfactions, LIPOR saw no need to implement corrective actions, having responded to them all. All situations were analysed by the Complaints Centre and respective areas, in order to correct such situations or justify the action that caused the dissatisfaction [G4-PR5].





## LIPOR considers that we cannot have real sustainable development without good **ECONOMIC RESULTS** at the organization.

Serving an area of almost 650 km<sup>2</sup> and almost a million inhabitants, and based on the current municipal waste management concepts, LIPOR has defined an integrated waste recovery, treatment and technical confinement strategy on the

basis of three main components: Multimaterial Recovery, Organic Recovery and Energy Recovery, complemented by a Landfill which receives waste that has no recovery potential [G4-9].

The foundation of LIPOR's Management System is precisely the integration of the different structures, providing the best solution for each type of waste. Each infrastructure is integrated in a more extensive project for each area, being developed complementary support projects, namely the Prevention and Environmental Awareness programme.

In spite of the current national context, the

adoption of sustainable practices and the balance between the economic, environmental and social pillars allowed us to maintain the trend of the past years and get positive results in 2015, as the main economic indicators show [G4-EC1, G4-EC4]. Here it is important to highlight that LIPOR's economic performance was greatly influenced by the beginning of the amortisation of the Energy Recovery Plant, with the renewal of the operation contract in January 2015.

### WASTE FORWARDING ACCORDING TO FINAL DESTINATION (T)

	2013	2014	2015	VARIATION%
<b>FINAL DESTINATION</b>				
Multimaterial Recycling	44,163	44,754	45,296	1.21%
Organic Recovery	44,306	47,169	48,649	3.14%
Energy Recovery	384,873	385,972	402,786	4.36%
Technical Confinement	33	21,497	24	-99.89%
<b>TOTAL</b>	<b>473,375</b>	<b>499,392</b>	<b>496,755</b>	<b>-1.53%</b>

### DIRECT ECONOMIC VALUE GENERATED [G4-EC1]

	2013	2014	2015
<b>REVENUES (€)</b>			
Sales and Provision of services	35,141,117	33,415,651	36,551,752
Supplementary Income	287,093	226,754	275,354
Transfers and subsidies obtained	5,990,394	6,250,319	6,197,769
Interests from Deposits	1,746,719	1,208,319	123,873
Cash Discounts Obtained	1,540	0	0
<b>TOTAL</b>	<b>43,166,864</b>	<b>41,101,043</b>	<b>43,148,748</b>



<b>ECONOMIC VALUE DISTRIBUTED [G4-EC1]</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
<b>OPERATING COSTS (€)</b>			
External Services and Supplies	31,017,276	28,435,593	42,128,478
Salaries and employee benefits	4,133,968	3,810,279	3,787,908
Payments to capital providers	3,952,602	3,647,754	3,214,457
Payments to the Government	39,129	48,555	39,907
<b>COMMUNITY INVESTMENTS</b>			
Environmental awareness	118,402	38,798	81,858
Prevention projects	7,115	1,025	0
Home Composting and	70,750	8,321	22,358
Organic farming projects	28,606	1,365	22,013
<b>LANDFILL OF ERMESINDE/ADVENTURE PARK</b>	<b>39,367,847</b>	<b>35,991,690</b>	<b>49,296,978</b>

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

<b>SIGNIFICANT FINANCIAL ASSISTANCE RECEIVED FROM GOVERNMENT [G4-EC4]</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
<b>ASSISTANCE BY ENTITY (€)</b>			
Cohesion Fund	1,742,391	1,423,700	7,991,176
RLAB Project	5,103	-	-
Building SPP Project	8,761	2,932	2,823
PAYT Project	3,594	-	-
AN PROALV (Portuguese National Agency for the Management of Lifelong Learning Programme)	13,600	-	-
Life Project	-	47,567	-
Sociedade Ponto Verde	10,414	19,336	753
Executive Board of PNAEE (Portuguese National Action Plan for Energy Efficiency)	-	4,167	-
<b>TRANSFERS AND SUBSIDIES</b>			
IEFP - Institute for Employment and Vocational Training	-	-	1,867
Contributions to Investments	5,949,033	6,176,319	6,192,326
<b>TOTAL</b>	<b>7,732,896</b>	<b>7,674,020</b>	<b>14,188,945</b>



The Organisation's economic development is based on three fundamental dimensions, which have a decisive expression in LIPOR's results:

- Growth of income;
- Sustainment of costs;
- Development of Employee competences.

In this context, in furtherance of the project resumed in 2014, the internal work group KAIZEN

TEAM further pursued this project, which mainly aims to promote work efficiency and reduce wastage.

It is worth highlighting the involvement of and the work performed by all of LIPOR's areas, which allowed a greater levelling of the KAIZEN methodology and of continuous improvement practices throughout the entire Organisation.

# LIPOR’s investment in **TRAINING** and **EDUCATION** of employees is critical because only with qualified staff we can continue to focus on the excellence of the Organization.

Regarding the development of Employee competences, LIPOR annually implements a complete and comprehensive training plan for the Organisation’s different areas. Training is thus regarded as a development and differentiation mechanism, which promotes personal and professional fulfilment. In the past years, training has received special attention, having the number of training hours increased in 2015, in comparison with the previous year [G4-LA9].

Within the scope of training and the Social Responsibility Management System it has been implementing, LIPOR holds an annual training for all Employees about an issue related to this theme, given its comprehensiveness.

In 2015, with the purpose of making this training more appealing and, therefore, more effective, a question and answer competition was held, entitled “SA8000 - Agora é Que São Elas”.

In each training session, Employees were divided into two groups that competed against each other, answering questions that addressed themes such

**AVERAGE TRAINING HOURS PER YEAR, BY EMPLOYEE CATEGORY AND GENDER [G4-LA9]**

		2015		
		M	F	TOTAL
Training Hours	Managers	108	454	<b>562</b>
	Senior Technicians	819	1,154	<b>1,973</b>
	Technical Assistants	563	383	<b>946</b>
	Operational Assistants	1,666	27	<b>1,693</b>
	<b>TOTAL</b>	<b>3,156</b>	<b>2,018</b>	<b>5,174</b>
Employees	Managers	3	8	<b>11</b>
	Senior Technicians	11	24	<b>35</b>
	Technical Assistants	21	17	<b>38</b>
	Operational Assistants	106	4	<b>110</b>
	<b>TOTAL</b>	<b>141</b>	<b>53</b>	<b>194</b>
Training Hours per Employee	Managers	36	57	<b>51</b>
	Senior Technicians	74	48	<b>56</b>
	Technical Assistants	27	23	<b>25</b>
	Operational Assistants	16	7	<b>15</b>
	<b>TOTAL</b>	<b>22</b>	<b>38</b>	<b>27</b>

as the principles of the Ethics Code, Stakeholder involvement, the AA1000APS standard, discrimination and forced labour.

This approach allowed the reinforcement of important information, in an entertaining and relaxed way, allowing employees to assume a more

proactive attitude towards issues related to Social Responsibility within the Organisation.

Being aware that Employees need to acquire and develop knowledge that will allow them to adapt to the new characteristics of the market and the Organisation, LIPOR continues to pay special attention to the Competency-based Management System, that it has been implementing since 2014 [G4-LA10].

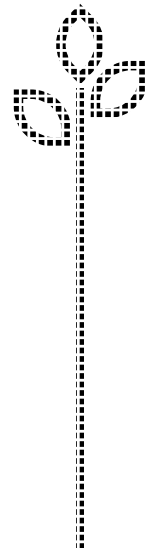
This challenge was further pursued in 2015, registering an application rate of 94%, always bearing in mind its objectives:

- To align behaviours and competences with the organisational structure;
- To harmonise behaviours and attitudes;
- To develop people’s aligned performance;
- To reinforce the leadership role, facilitating guidance through the identification of verifiable actions aligned with behaviours and competences;
- To increase the objectivity of the “competences” component in an assessment system.

Although there is a strong investment in training and the improvement of Employee competences,

LIPOR faces the obstacle of the lack of a procedure for Career Management, besides the legal procedure. This derives from the fact that LIPOR, as a public law legal person, is subject to the Contractual Ties, Career and Remuneration Scheme for Employees in Public Service, resulting in the application of the existing legal procedures in this regard (Law no. 12-A/2008 of 27 February). Nevertheless, the concern about the professional development of Employees is expressed through the creation of new internal challenges and the opportunity to change job positions and specific duties.

Employee performance is assessed by use of the Integrated System for Management and Performance Assessment of the Public Administration (SIADAP), in accordance with Law no. 66-B/2007 of 28 December, adapted for application to Local Administration by the Implementing Decree no. 18/2009 of 4 September, which bases it on two components: individual or shared objectives and competences. With the last legislative change, SIADAP 3, the performance assessment was changed into a two-year cycle; in accordance to this, LIPOR is currently implementing the assessment cycle 2015/2016 [G4-LA11]



**LIPOR  
PROJECT**



### Academia LIPOR (LIPOR Academy)



On 11th May 2015, LIPOR inaugurated the “Academia LIPOR” space.

Given its know-how and the vast experience gathered over more than 30 years, LIPOR obtained Certification as a Training Entity by CEFA – Foundation for Studies and Municipal Training. In order to make use of this advantage, LIPOR created the “LIPOR Academy” with the purpose of developing and enhancing competences through training and qualification, using advanced educational methods and equipments, thus promoting a deeper insight on the Sector.

The training offer of “LIPOR Academy” encompasses different knowledge areas, including courses or training actions specially devised to meet the market’s needs. In 2015, the training offer was divided in 5 areas of action:

- **General Training** - Training according to the Certified Education and Training Areas;
- **Advanced Training** - Training destined for graduates, in view of their technical development;
- **Technical Training** - Specialised Technical Training destined for graduate and non-graduate

technicians;

- **Accredited Training for Teachers** - Training for Teachers Accredited by the Scientific and Pedagogical Council for Continuous Training of the University of Minho;
- **Horta da Formiga (Home Composting Centre)** - Activities included in the Horta da Formiga Action Plan for 2015.



# The relationship between LIPOR and its **EMPLOYEES** assumes major importance in its sustainability project.

The development of such a broad and multidisciplinary project as LIPOR is based on the relationship and connection established with its Employees. The commitment to Social Responsibility, to the improvement of working conditions and equality

of opportunity translates into the cooperation and involvement of Employees in LIPOR's Sustainability Strategy. One of LIPOR's biggest concerns has been to keep a proximity relationship with its Employees,

promoting their commitment and participation in its project, and the maintenance of the Team itself. Therefore, according to contractual ties to the Organisation, by the end of 2015, a LIPOR had the following labour structure [G4-9; G4-10]:

TYPE OF RELATION WITH LIPOR		2013			2014			2015		
		M	F	TOTAL	M	F	TOTAL	M	F	TOTAL
Direct Employees	Permanent Staff	156	57	<b>213</b>	150	56	<b>206</b>	141	53	<b>194</b>
	Trainees	0	0	<b>0</b>	0	0	<b>0</b>	0	1	<b>1</b>
Supervised Employees	CEI - Employment-Inclusion Contract	18	0	<b>18</b>	10	1	<b>11</b>	26	2	<b>28</b>
	<b>TOTAL</b>	<b>18</b>	<b>0</b>	<b>18</b>	<b>10</b>	<b>1</b>	<b>11</b>	<b>26</b>	<b>3</b>	<b>29</b>



Plastic and Metal Packaging Reception Area



LIPOR regards as its Employees direct and supervised employees, amounting to 223. In 2015, all these Employees worked full time, with a daily workload of 8 hours. It should also be mentioned that direct Employees work under an Employment Contract in Public Service for an Indefinite Period [G4-10].

Regarding Employee entries and exits, LIPOR's employee turnover is quite low, having exits in 2015 been due to retirement or inclusion in the Programme for Mutually Agreed Termination in Local Administration, approved by Order no. 209/2014 of 13 October [G4-LA1].



**TOTAL NUMBER AND RATE OF TURNOVER OF EMPLOYEES BY AGE, GENDER AND REGION [GA-LA1]**

	PERMANENT EMPLOYEES										TOTAL	BY GENDER	
	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		F	M
Entries	0	0	0	0	0	0	0	0	0	0	0	0	0
Exits	0	2	0	3	2	2	1	2	0	0	12	3	9
No. Employees	0	11	32	38	36	23	25	21	7	1	194	53	141
<b>EMPLOYEE TURNOVER</b>	-	<b>18.20%</b>	<b>0.00%</b>	<b>7.90%</b>	<b>5.60%</b>	<b>8.70%</b>	<b>4.00%</b>	<b>9.50%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>6.20%</b>	<b>5.70%</b>	<b>6.40%</b>

Supervised Employees are placed under a contract with a service company, which is contracted by LIPOR and, consequently, responsible for ensuring their benefits. However, as LIPOR defends the equality princi-

ple, it includes Supervised Workers in the Social Responsibility visits, within the scope of certification according to the SA8000 Standard, giving them the opportunity to express their views on several issues related to their employment rela-

tionships, 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 service providers [G4-LA2].

## LIPOR's concerns with **HEALTH, OCCUPATIONAL SAFETY AND SOCIAL RESPONSIBILITY** are a priority in the management strategy.

At LIPOR, concerns regarding Safety and Health issues are developed within the scope of the Occupational Health, Safety and Hygiene Management System (NP EN 4397/OHSAS 18001) and the Social Responsibility System (SA8000), as a priority area of action.

In this context, there is an Occupational Health and Safety Committee, which approaches issues related to this area, promoting the involvement and participation of all parties in the improvement of working conditions and of Employee safety, health and hygiene. This Committee comprises Board Representatives and Employee Representatives. The Employee Representatives Committee was elected by ballot in July 2012, having formally begun to work in September 2013, for a period of three years (June 2015). As Occupational Health, Hygiene and Safety practices apply to the entire LIPOR, this Committee represents all Employees regarding this theme [G4-LA5].

In addition, being aware of the importance of dialogue in the Organisation's daily management,

in June 2013, LIPOR has reappointed an Employee as Employee Representative for the SA8000 standard, for the period of 2013-2016, within the scope of its Social Responsibility initiatives, with the purpose of facilitating communication of concerns and/or suggestions to the Top Management. Assuming the commitment to "listen, inform and clarify", there is also an internal multidisciplinary group named Change Agents, which every year defines a group of activities, namely the organisation of LIPOR's Celebration (1st May), the participation in clarification sessions entitled "À Conversa com o Administrador Delegado" (Talking with the CEO) and Support to logistics associated with the election of Employee Representatives for the Health and Safety Committee [G4-57; G4-LA5].

In addition to all this, in accordance with the provisions for the Occupational Health, Safety and Hygiene Management System, intensive work takes place for the identification and assessment of all risks associated with LIPOR's various activities, followed by the implementation of respective control measures.

Another aspect that stands out within the Health and Safety policy is Occupational Medicine, which aims to create and maintain working conditions that won't harm the Employees' health. In this context, the Occupational Physician performs periodic visits to workplaces in order to check working conditions and, if necessary, suggest improvements. However, due to the nature of the work performed in the Organisation, in spite of all efforts, Employees that work in the operational area are affected by some osteoarticular pathologies due to ergonomic risks. In this regard, LIPOR has implemented some initiatives that may contribute to their minimisation, such as a daily 15 minutes practice of workplace gymnastics, in administrative and operational areas, before each shift. Regarding severe occupational diseases and biological risks, the washing of uniforms used by Operational Assistants is performed by a laundry service, internally available in LIPOR's facilities, in order to ensure a higher level of sanitisation. LIPOR also provides Employees, in its facilities, the services of a General Practitioner and a Nurse, who provide health support and also access to curative medicine.

Bearing in mind the difficult national context, in 2012, LIPOR considered important to hire the services of a psychologist to provide support to Employees. Psychology consultations, which continued to be available in 2015, aim to promote the Employees' psychological and relational well-being, providing customised counselling and/or psychotherapy services.

In association with all this efforts, a significant group of training actions regarding accidents and occupational diseases prevention is also implemented. These actions approach ergonomics, manual handling of loads, chemical handling, proper use of PPE and fire extinguishers, among other themes.

In 2015, the intensive work performed within the scope of Occupational Health, Hygiene and Safety resulted in the improvement of the indicators related to the occurrence of accidents, occupational diseases, lost days and absenteeism rate, as shown in the following tables [G4-LA6].

**ABSENTEEISM RATE [G4-LA6]**

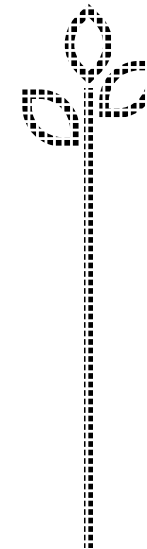
	DIRECT EMPLOYEES			SUPERVISED EMPLOYEES		
	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
Absenteeism rate	13.32%	14.04%	<b>13.52%</b>	6.52%	4.08%	<b>6.25%</b>
GRI Calculation *	7.71%	6.55%	<b>7.39%</b>	0.49%	0.00%	<b>0.43%</b>

\* see the enclosed Methodological Notes

**ACCIDENTS [G4-LA6]**

	DIRECT EMPLOYEES		SUPERVISED EMPLOYEES	
	MEN	WOMEN	MEN	WOMEN
No. of accidents	21	1	4	0
Frequency (Tf)	59.07	2.81	11.25	0
Severity (Tg)	2195	11	42	0
Occupational diseases	0	0	0	0
Fatal Accidents	0	0	0	0

In addition to the aspects previously reported, as a response to LIPOR's concern regarding safety and workplace accidents, a project entitled "COMPORTAMENTOS SEGUROS" (SAFE BEHAVIOUR) is being developed, aiming to change Employees' behaviours and habits regarding safety.



**LIPOR  
PROJECT**

### Comportamentos seguros (Safe Behaviour)

Since 2005, LIPOR has internal Occupational Hygiene and Safety services, having obtained certification by OHSAS 18001 in 2006 and SA8000 in 2008. In addition to the certification process, LIPOR has been investing in the improvement of workplace conditions for its Employees, namely through the creation of an internal laundry service for uniforms, a workplace gymnastics service, the replacement of steel safety shoes with anti-fatigue composite shoes, training, changing rooms remodelling, machinery and equipment replacement and remodelling of operational areas. In spite of all the investment made, the workplace accidents index has remained very high, with the exception of year 2013, when the "Tolerância Zero aos Acidentes de Trabalho" (Zero Tolerance to Workplace Accidents) project was implemented, having occurred a reduction of 24.32% in the number of workplace accidents with sick leave and of 51.80% in the number of lost days due to workplace accidents, in comparison with 2012.

In May 2015, LIPOR started the implementation of the "Safe Behaviour" project. The purpose of this project is to prevent people from getting hurt. It is a noble objective, surely shared by all. It seeks to gather people around an effective safety culture, bearing in mind what each one can do for their safety and the safety of their co-workers (with the means and processes available).

Each accident can be avoided through the combination of 3 factors – means, processes and people. The “Safe Behaviour” project approaches the “People” factor. The training included in the project can be interpreted as a self-defence course regarding industrial safety. This project aims to change people’s behaviours and habits (not to develop “technical” skills). Therefore, the results of this project are not expected to be immediate. The implementation of this project is divided in the following stages:

#### STAGE I - Preparation and Communication

Collection and Analysis of historical statistical data regarding safety; Meetings at LIPOR; Project presentation session for Managers and Heads; Organisational distribution of project brochure, structure and objectives.

#### STAGE II - Training

4-hour classroom training for groups of 10 to 15 Employees. Specific groups may be created (managers, employees who suffered more than one accident, etc.).

In 2015, there were 32 workplace accidents, 26 of which implied one or more sick leave days. These accidents resulted in the loss of 790.37 workdays, i.e., a loss equivalent to 37.6 months of work. These values translate into a frequency rate of 73.13 and a severity rate of 2,223. In comparison with

2014, there was a 29.73% decrease in the number of accidents with sick leave and a 17.4% decrease in the number of sick leave days due to workplace accidents. Overall, in 2015, 31% of accidents were caused by musculoskeletal injuries, 19% by pricks, 16% were due to fall at ground level and 10% to cuts.

Regarding lost days, 86% were due to accidents caused by musculoskeletal injuries. These values include accidents that have been carried over from 2014, with one Employee still on sick leave (253 sick leave days). If we only consider accidents that took place in 2015, these resulted in 270 lost workdays, representing a reduction of 72% in comparison with 2014.

The implementation of Stage III - Initiatives - is scheduled for 2016. The selection of proposed initiatives will bear in mind:

- Autonomous initiatives already developed or implemented by LIPOR;
- Suggestions elaborated based on the preparation stage;
- The previous analysis of adequacy by people responsible for Safety at LIPOR, also bearing in mind the time frame.
- The several initiatives will be implemented continuously over time, but in different ways, so that the impact caused by each initiative won't decrease.





# EQUAL opportunities are to LIPOR a basic premise of action, lived daily and mirrored in its Code of Ethics.

LIPOR believes that no Employee should be favoured or wronged due to their descent, age, gender, civil status and sexual orientation, family situation, genetic heritage, reduced working capacity, disabil

ity, disease, nationality, origin, religion, convictions or trade union membership. Several tools and procedures have been developed to ensure that this principle is observed by LIPOR.

Linked to this, the fact that LIPOR is subject to Public Service regulations regarding the hiring of employees, remuneration and career progression ensures by itself the inexistence of practices that

could cause inequality between co-workers. Below we present some indicators that show the composition of LIPOR's Human Resources, reflecting the practices previously described.

## GENDER AND AGE GROUP OF LIPOR'S EMPLOYEES [G4-LA12]

	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		
Managers	3	8	11	0	0	0	0	0	0	0	6	1	2	1	0	0	0	1	0	0	0
Senior Technicians	11	24	35	0	0	0	0	2	6	5	10	3	8	0	0	0	0	1	0	0	0
Technical Assistants	21	17	38	0	0	0	1	7	2	8	6	2	4	1	1	2	0	1	2	0	0
Operational Assistants	106	4	110	0	0	10	0	15	0	7	2	13	0	17	1	22	0	18	0	4	1
<b>TOTAL</b>	<b>141</b>	<b>53</b>	<b>194</b>	<b>0</b>	<b>0</b>	<b>10</b>	<b>1</b>	<b>24</b>	<b>8</b>	<b>20</b>	<b>18</b>	<b>18</b>	<b>18</b>	<b>19</b>	<b>4</b>	<b>25</b>	<b>0</b>	<b>19</b>	<b>2</b>	<b>6</b>	<b>1</b>

Regarding gender distribution, although the Operational Assistant and Technical Assistant categories are mainly composed of men, the same doesn't happen in the other employee categories.

## % OF LIPOR EMPLOYEES BY GENDER [G4-LA12]

	M	F
Managers	27.27%	72.73%
Senior Technicians	31.43%	68.57%
Technical Assistants	55.26%	44.74%
Operational Assistants	96.36%	3.64%
<b>TOTAL</b>	<b>72.68%</b>	<b>27.32%</b>

Still within the scope of promotion of equality, as far as equal remuneration for women and men in the same employee category is concerned, it should be highlighted that 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 current salary scale is equally applied in the definition of basic salary by gender, so there's no discrimination regarding remuneration [G4-54; G4-LA13].

# For LIPOR the relationship with **SUPPLIERS** should be based in win-win partnerships to not jeopardize the quality of products and services.

As a result of its legal status, clarity and transparency towards suppliers is guaranteed by the legal procedures required for the acquisition of goods and services. Legal enforceability also guarantees LIPOR's independence regarding supplier selection, thus ensuring impartiality and equality of opportunities to all suppliers.

In association with the fact that it is a public entity, the implementation of the international social accountability standard SA8000 provided LIPOR a set of tools which ensure that its suppliers fulfil labour and human rights legislation in effect.

Since 2008, LIPOR has in place a Conduct Code for Suppliers and Subcontractors, with the purpose of divulging Social Responsibility principles that have to be observed by current and potential Suppliers. The evidence of commitment to this Code consists of the signature of a Statement of Commitment, which has to be sent to LIPOR's Purchasing and Supply Division.

The Suppliers and Subcontractors Conduct Code

is available on the LIPOR Portal, and can also be divulged or sent through e-mail or integrated in the specifications in case of Public Tenders and/or Direct Procurement over 10,000.00 €.

In 2015, the signature of the Statement of Commitment continued to be requested to Suppliers that reached a turnover of 10,000.00 € or higher, or a billing volume of six invoices or more. The Statement of Commitment's duration corresponds to each Social Responsibility certification cycle (three years). Once that period has expired, all of LIPOR's Suppliers go back to ground zero and the premises to request its signature are once again activated.

Following the announcement of the renewal of the SA8000 certification in April, and according to the previously described principles, in 2015, 158 Conduct Codes were sent, together with the respective Statement of Commitment, having 12 additional Suppliers committed to it voluntarily. It should be noted that the level of return of the Statements of Commitment is of 100% [G4-LA14].

In addition to this approach, a Supplier and Subcontractor Control Programme is developed every year, bearing in mind a classification given to Suppliers (A or B) based on the following criteria:

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

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

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

However, it is important to mention that the elaboration of the Supplier Control Programme bears in mind the availability of LIPOR's human and financial resources, and that other Suppliers may be included when 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 problems identified.

## SCOPE OF THE SUPPLIER AND SUBCONTRACTOR CONTROL PROGRAMME [G4-LA15]

	NUMBER OF CONTROLS
Second-party audit   FOCSA, HIDURBE, IBERLIM	3
Visits (LIPOR facilities)	4
<b>TOTAL</b>	<b>7</b>

In addition, a biannual Supplier Performance Evaluation System has been implemented, which allows a systematic assessment of their work for our Organisation. This assessment comprises a group of defined parameters, with 183 Supplier evaluations having taken place in the two semesters, of which 54 suppliers were evaluated in both periods. Therefore, in 2015, 129 Suppliers were evaluated, which corresponds to 30% of LIPOR's Suppliers.

More information is available on the LIPOR Portal: <http://www.lipor.pt/pt/area-reservada-institucional/clientes-e-fornecedores/fornecedores/responsabilidade-social/>



To the board of Directors of  
LIPOR – Serviço Intermunicipalizado de Gestão de Resíduos do Grande Porto

Independent assurance report  
of the Sustainability Report 2015  
(Free translation from the original in Portuguese)

#### Introduction

In accordance with the request of the board of Directors of LIPOR – Serviço Intermunicipalizado de Gestão de Resíduos do Grande Porto (LIPOR), we performed an independent assurance of the 'Sustainability Report 2015' (Report). Independent assurance was performed according to instructions and criteria established by LIPOR, as referred in the Report, and according to the principles and extent described in the Scope below.

#### Responsibility

LIPOR's Board of Directors is responsible for all the information presented in the Report, as well as for the assessment criteria and for the systems and processes supporting information collection, consolidation, validation and reporting. Our responsibility is to conclude on the adequacy of the information, based upon our independent assurance standards and agreed reference terms. We do not assume any responsibility over any purpose, people or organization.

#### Scope

Our procedures were planned and executed using the International Standard on Assurance Engagements 3000 (ISAE 3000) and having the Global Reporting Initiative, version 4 (GRI4.0) in order to obtain a moderate level of assurance on both the performance information reported and the underlying processes and systems. The extent of our procedures, consisting of inquiries, analytical tests and some substantive work, was less significant than in a full audit. Therefore, the level of assurance provided is also lower. It was also considered the AA1000 Assurance Standard (2008), type 2 engagement, for a moderate level of assurance.

For the GRI G4 and AA1000 AccountAbility Principles Standard (2008), our work consisted on the verification of the management's self-declaration on the application level of the GRI G4 and level of adherence to the AA1000APS principles.

The following procedures were performed:

- (i) 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;
- (ii) Identify the existence of internal management procedures leading to the implementation of economic, environmental and social policies;
- (iii) Testing the efficiency of process and systems in place for collection, consolidation, validation and reporting of the performance information previously mentioned;



- (iv) Confirming, through visits to sites, that operational units follow the instructions on collection, consolidation, validation and reporting of performance indicators;
- (v) Executing substantive procedures, on a sampling basis, in order to collect sufficient evidence to validate reported information;
- (vi) Comparing financial and economic data with those in the "Annual Report and Accounts 2015" audited by the external financial auditor;
- (vii) Analyze the process of the materiality definition of the aspects included in the Report, according to the described methodology ;
- (viii) Assess the level of adherence to the principles of inclusivity, materiality and responsiveness set by AA1000APS, by analyzing the contents of the report and the internal stakeholder engagement plan in accordance with AA1000APS; and
- (ix) Verify the existence of data and information required to comply with the G4 version, option 'In Accordance - Comprehensive'.

#### Confidentiality and Independence

Internally, PwC SROC is governed by ethical and deontological rules of confidentiality and independence quite rigid. Thus, in all aspects of our collaboration, the Firm and its employees maintain strict confidentiality of information obtained in the performance of their duties and complete independence regarding the interests of LIPOR.

Additionally, we develop our work in line with standard ISAE 3000 independence requirements, including compliance with PwC's independence policies and code of ethics of the International Ethics Standards Board of Accountants (IESBA).

#### Conclusions

Based on our work described in this report, nothing has come to our attention that:

- ☒ Causes us to believe that internal control related to the collection, consolidation, validation and reporting of the performance information referred above is not effective, in all material respects. Based on our examination of the Report and Guidelines GRI3.1, with the assumptions included in the scope, we conclude that the Report includes the data and information required for the option 'In Accordance - Comprehensive', according to GRI3.1;
- ☒ Causes us to believe that LIPOR does not apply, in material aspects, the principles of inclusivity, materiality and responsiveness, defined in the AA1000APS (2008) standard.

#### Comments/Remarks

According to AA1000AS (2008) standard, we present the main observations regarding the adherence of LIPOR to the principles of AA1000APS (2008) standard:

- ☒ Principle of inclusivity: LIPOR revised, in the previous year, the stakeholder mapping and conducted a consultation process in terms of sustainability (called Multistakeholder Forum), which results were reported in the sustainability report. Additionally, LIPOR has several periodic and continuous communication/engagement mechanisms with its stakeholders, thus ensuring regular interaction with them. These mechanisms, as well as their periodicity, are publicly disclosed in the sustainability report. The main engagement processes that support the Sustainability Strategy of LIPOR, such as the mapping, prioritization and the review of the consultation and engagement mechanisms with stakeholders are carried out in a continuous manner and are subject to periodic



reviews (two-year cycle). Nevertheless, in 2015 LIPOR made a reflection on the contents of the consultation mechanisms table, having been identified the need to make minor changes in order to reflect the Organization's practices. Is planned for 2016, a new Stakeholders identification and ascultation, as well as the update of the Dependency / Influence Matrix.

- ☒ 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. LIPOR conducted in the previous year, a stakeholder consultation, in order to assess the relevant sustainability issues, which results were disclosed to all stakeholders in the sustainability report. The next stakeholders consultation, planned for 2016 (two-year cycle), will enable the update of the LIPOR 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.

Lisbon, June 2<sup>nd</sup> 2016

PricewaterhouseCoopers & Associados, S.R.O.C., Lda.

Represented by

António Joaquim Brochado Correia, ROC



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PEL 2015-2020 | 9<sup>th</sup> October, 2020

# LIPOR'S ORGANIC RECOVERY PLANT REACHES NEW RECORD

In 2020, LIPOR's Organic Recovery Plant treated 50,430 tonnes of bio-waste, the equivalent to 500 football fields.

LIPOR's Waste Management Strategy is based on the principles of Circular Economy, which considers waste a resource. Thus, Organic Recovery is a key component of this strategy, wherein the organic fraction of the waste is treated by composting.

LIPOR DOES



COMPLEMENTARY INFORMATION



## Management Approach - G4-DMA



MATERIAL ASPECTS LIPOR	IMP.	CORRESPONDENCE TO GRI ASPECTS	CORRESPONDENCE TO INDICATORS	MANAGEMENT APPROACH	LINE OF ACTION	POLICIES/ COMMITMENTS
ENVIRONMENTAL EDUCATION AND AWARENESS	19,0%	-	Total Population Reached with Environmental Education and Awareness actions L1	As an Organisation dedicated to environmental protection, LIPOR regards the environmental education and awareness of its citizens as one of its major responsibilities. In order to promote citizen involvement and the change of mentalities, LIPOR's Education, Communication and Institutional Relations Department has a group of eco-advisors who promote several activities amongst the community, aiming to encourage the adoption of attitudes that promote waste recovery and the preservation of the environment.	<p>Within the Environmental Education and Awareness area, LIPOR's action follows a Plan for Environmental Education - PEA - with the purpose of developing activities for the Community, based on three areas of intervention:</p> <p><b>LIPOR EDUCA</b> (LIPOR Educates): Actions and Initiatives intended to Schools;  <b>LIPOR (IN)FORMA</b> (LIPOR Informs/Trains): Actions associated with training;  <b>LIPOR INTERAGE</b> (LIPOR Interacts): Activities for the promotion of LIPOR's infrastructures within the Community.</p> <p>In 2015, 87,085 people were involved in the actions developed within the scope of Environmental Education and Awareness.</p>	<p>Mission, Vision, Values and Policy</p> <p>LIPOR's Strategic Plan 2015-2020</p> <p>Plan for Environmental Education</p>
			Level of execution of the "LIPOR Geração +" WBS + L2			
INCREASE OF THE AMOUNT OF MATERIALS RECEIVED WITH POTENTIAL FOR MULTIMATERIAL AND ORGANIC RECOVERY	14,3%	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.	<p>Accepting the challenge of a sustainable and sustained management of the municipal waste of Greater Porto, LIPOR regards waste as a resource. In accordance with the established Municipal Waste Management hierarchy and the national and community legal strategic reference framework, LIPOR elaborated a Strategic Plan to fulfil the targets defined in PERSU 2020.</p>	<p>Mission, Vision, Values and Policy</p> <p>Quality, Environmental, Energy, Health and Safety, Social Responsibility and Innovation Policy</p> <p>LIPOR's Strategic Plan 2015-2020</p> <p>Certification according to the ISO 9001 - Quality Management System standard</p>
		Effluent and Waste	G4-EN22; G4-EN23; G4-EN24; G4-EN25; G4-EN26			

MATERIAL ASPECTS LIPOR	IMP.	CORRESPONDENCE TO GRI ASPECTS	CORRESPONDENCE TO INDICATORS	MANAGEMENT APPROACH	LINES OF ACTION	POLICIES/ COMMITMENTS
<b>PRODUCT AND SERVICE QUALITY</b>	9,5%	Customer Health and Safety	G4-PR1; G4-PR2	The assurance of a quality products and services production is for LIPOR a critical success factor.	The operational areas are duly certified according to the ISO14001, ISO9001 and OHSAS18001 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.	Mission, Vision, Values and Policy  Quality, Environmental, Energy, Health and Safety, Social Responsibility and Innovation Policy  LIPOR's Strategic Plan 2015-2020  Certification according to the ISO 9001 - Quality Management System standard
		Product and service labelling	G4-PR3; G4-PR4; G4-PR5			
		Marketing Communications	G4-PR6; G4-PR7			
		Customer Privacy	G4-PR8			
		Compliance	G4-PR9			
<b>SUSTAINABILITY COMMITMENT AND STRATEGY</b>	3,2%	-	Level of Connection to the LIPOR Brand-Opinion Barometer L6	LIPOR's commitment to Sustainability has been guiding its development. Sustainability principles are integrated into the organisation's daily management, allowing the creation of value, while respecting the environment and the interests of our employees and citizens.	LIPOR develops a wide range of projects that approach the environmental, energy, social responsibility, 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
			Social Responsibility Perceived L7			
<b>COMPLIANCE WITH AND MAINTENANCE OF MANAGEMENT SYSTEMS</b>	1,6%	Indirectly related to the "Compliance" aspects of the indicator groups EN, SO and PR	G4-EN29; G4-EN34; G4-SO8; G4-PR9	LIPOR's Quality, Environmental, Energy, Health and Safety, Social Responsibility 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 responsibility 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.	Quality, Environmental, Energy, Health and Safety, Social Responsibility and Innovation Policy
<b>BIODIVERSIDADE</b>	-	Environmental Category	G4-EN11; G4-EN12; G4-EN13; G4-EN14	LIPOR has always directed its work based on the principles of sustainability, which is reflected in the development of several projects of sustainability, social responsibility and environmental education. As a result, the concerns related to the protection and conservation of biodiversity are always present through the development of numerous projects regarding this theme.	In the Research and Development areas 2015 was a year of implementation of the projects under study. Also this year and in the framework of biodiversity, LIPOR joined the "FUTURE - Project of 100,000 trees", and is developing an initiative "The Km2 LIPOR" namely establishing a reception and routing platform for "FUTURE" trees at LIPOR facilities.	LIPOR's Strategic Plan 2015-2020

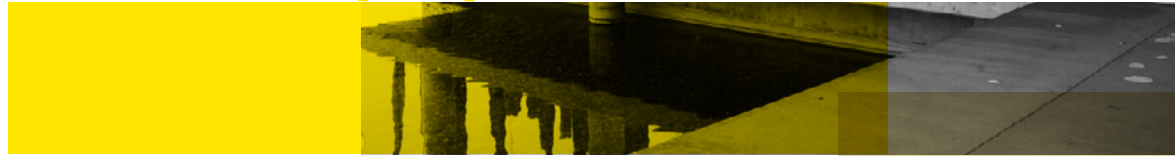
MATERIAL ASPECTS LIPOR	IMP.	CORRESPONDENCE TO GRI ASPECTS	CORRESPONDENCE TO INDICATORS	MANAGEMENT APPROACH	LINES OF ACTION	POLICIES/ COMMITMENTS
<b>WORKING CONDITIONS WITHIN LIPOR</b>	9,5%	Employment	G4-LA1; G4-LA2; G4-LA3	LIPOR strives every day to fulfil its Mission, Vision, Values and Quality, Environmental, Safety, Social Responsibility, Energy and Innovation Policy. 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. 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 and the development of employee competences.	<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 Responsibility Management System, applied to the entire organisation, aims to:</p> <ul style="list-style-type: none"> <li>comprehend more quickly the results of the work performed;</li> <li>provide incentives from which employees, suppliers and other stakeholders may benefit;</li> <li>improve the internal organisational environment by showing LIPOR's concern with its employees and further improving health and safety conditions;</li> <li>improve information and communication, thus increasing trust from stakeholders (customers, community, suppliers, others...);</li> <li>reinforce LIPOR's image and promote its reputation as a socially responsible organisation.</li> </ul> <p>The Integrated Quality, Environmental, Safety and Hygiene Management System includes the definition of annual objectives regarding safety and hygiene, which are periodically evaluated by the Board. The Organisation's main risks and accidents are also analysed in system review meetings.</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 about 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:</p> <ul style="list-style-type: none"> <li>To align behaviours and competences with the organisational structure;</li> <li>To harmonise behaviours and attitudes;</li> <li>To develop people's aligned performance;</li> <li>To reinforce the leadership role, facilitating guidance through the identification of verifiable actions aligned with behaviours and competences;</li> <li>To increase the objectivity of the "competences" component in an assessment system.</li> </ul> <p>The management system review meetings also comprise the analysis of the level of fulfilment of LIPOR's Annual Training Plan.</p>	<p>Quality, Environmental, Energy, Health and Safety, Social Responsibility and Innovation Policy</p> <p>Certification according to the SA8000 - Social Accountability standard</p> <p>LIPOR's Corruption Risk and Related Offences Management Plan</p> <p>Ethics CodeQuality, Environmental, Energy, Health and Safety, Social Responsibility and Innovation Policy</p> <p>Ethics Code</p>
		Labour Relations	G4-LA4			
		Occupational Health and Safety	G4-LA5; G4-LA6; G4-LA7; G4-LA8			
		Training and Education	G4-LA9; G4-LA10; G4-LA11;			
		Diversity and Equal Opportunity	G4-LA12			
		Equal Remuneration for Women and Men	G4-LA13			
		Supplier Assessment for Labour Practices	G4-LA14; G4-LA15			
		Labour Practices Grievance Mechanisms	G4-LA16			
<b>FINANCIAL BALANCE OF THE ORGANISATION</b>	1,6%	Economic Category	G4-EC1; G4-EC2; G4-EC3; G4-EC4	As a Municipalities Association, LIPOR's purpose is not to obtain profit; however, it has been developing a strategy to optimise its performance and decrease its dependence on the fees charged to Municipalities. In order to ensure the Organisation's economic sustainability, there's a Balance Tariff that reflects the real costs of waste management.	<p>In order to ensure the Organisation's economic sustainability, there's a Balance Tariff that reflects the real costs of waste management. The Organisation's performance is monitored using COGNOS, a Business Intelligence tool.</p>	<p>LIPOR Statutes</p> <p>LIPOR's Strategic Plan 2015-2020</p> <p>LIPOR's Corruption Risk and Related Offences Management Plan</p>

MATERIAL ASPECTS LIPOR	IMP.	CORRESPONDENCE TO GRI ASPECTS	CORRESPONDENCE TO INDICATORS	MANAGEMENT APPROACH	LINES OF ACTION	POLICIES/ COMMITMENTS
RDI INITIATIVES	7,9%	–			In 2015, LIPOR maintained the certification of its Research, Development and Innovation Management System, according to the NP 4457 standard, which allows the management of several interfaces and interactions between scientific and technological knowledge, the organisation and its surroundings, aiming to:	
INCENTIVE FOR NEW BUSINESSES AND OPPORTUNITIES	7,9%	–	RDI contribution to turnover (%) L3 No. of technical articles published L4 Number of new Product/ Service Innovation projects L5	In order to promote an innovation culture, in 2013, LIPOR established Innovation as one of its strategic priorities. 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. Regarding research, at the moment, LIPOR conducts applied research projects; however, it also aims to develop fundamental or basic research.	<ul style="list-style-type: none"> <li>• promote creativity, and foster and manage ideas and opportunities;</li> <li>• efficiently monitor the organisation's interaction with the technological world, the market, the most recent innovations, patents, licences...;</li> <li>• systematise RDI activities;</li> <li>• make RDI project management more efficient and effective;</li> <li>• adopt an RDI management model based on a policy and on objective management;</li> <li>• in the past year, LIPOR has further invested in innovation and intends to use it as a management instrument.</li> </ul>	LIPOR's Strategic Plan 2015-2020 Quality, Environmental, Energy, Health and Safety, Social Responsibility and Innovation Policy Certification according to the NP4457 - Research, Development and Innovation Management System standard
COMPETENCIES AND KNOW-HOW	4,8%	–			For internal implementation, a work group was formed, the RDI Core, which includes employees from several functional areas.	
GHG EMISSIONS MINIMISATION	–	Environmental Category	G4-EN15; G4-EN16; G4-EN17; G4-EN18; G4-EN19; G4-EN20; G4-EN21	In 2010, LIPOR considered 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 GHG producer and managing entity and as promoter of knowledge, action and mobilisation amongst citizens and the society. Although its indirect emissions are a small part of the total amount, LIPOR invested in the improvement of the Organisation's energy efficiency, in order to reduce its environmental impacts, reduce costs and mobilise employees for the 3M strategy.	The adoption of the LIPOR 3M - less Waste, less Carbon, more Climate strategy represents our commitment to action:	
EFICIÊNCIA ENERGÉTICA	–	Environmental Category	G4-EN3; G4-EN4; G4-EN5; G4-EN6; G4-EN7		<p><b>Area 1:</b> To be aware of and disseminate its emissions profile and assess the potential for avoided emissions;</p> <p><b>Area 2:</b> To reduce its emissions and compensate the inevitable emissions from its fleet;</p> <p><b>Area 3:</b> To mobilise citizens and partners for the reduction of carbon emissions;</p> <p><b>Area 4:</b> To cooperate in order to disseminate good practices, promote innovation and knowledge.</p>	LIPOR's Strategic Plan 2015-2020 3M Strategy - less Waste, less Carbon, more Climate Implementation of the ISO 50001 - Energy Management standard





## GRI G4 content index [G4-32]



LIPOR's Sustainability Report 2015 was elaborated according to the Global Reporting Initiative Guidelines (GRI G4).

### GENERAL STANDARD DISCLOSURES

GENERAL STANDARD DISCLOSURES	PAGE	OMISSIONS	EXTERNAL VERIFICATION	INDICATOR	LOCATION   REPORT
<b>STRATEGY AND ANALYSIS</b>					
G4-1	4	None	Verified	Message from the Chairman of LIPOR's Board of Directors.	Message from the Chairman
G4-2	16	None	Verified	Key impacts, risks and opportunities.	LIPOR in 2015
<b>ORGANISATIONAL PROFILE</b>					
G4-3	11	None	Verified	Name of the organisation.	We Are what we Do
G4-4	11	None	Verified	Primary brands, products and/or services.	We Are what we Do LIPOR Portal: <a href="http://www.LIPOR.pt/pt/residuos-urbanos/valorizacao-organica/nutrimais/">http://www.LIPOR.pt/pt/residuos-urbanos/valorizacao-organica/nutrimais/</a> <a href="http://www.LIPOR.pt/pt/ecofone/">http://www.LIPOR.pt/pt/ecofone/</a> <a href="http://www.LIPOR.pt/pt/servicos/">http://www.LIPOR.pt/pt/servicos/</a> <a href="http://www.LIPOR.pt/pt/educacao-ambiental/parque-aventura/o-que-e-o-parque/">http://www.LIPOR.pt/pt/educacao-ambiental/parque-aventura/o-que-e-o-parque/</a>
G4-5	11	None	Verified	Location of the organisation's headquarters.	We Are what we Do
G4-6	11	None	Verified	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.	We Are what we Do
G4-7	13	None	Verified	Nature of ownership and legal form.	We Are what we Do - Corporate Governance LIPOR Portal: <a href="http://www.LIPOR.pt/pt/a-LIPOR/quem-somos/o-governo-da-organizacao/">http://www.LIPOR.pt/pt/a-LIPOR/quem-somos/o-governo-da-organizacao/</a>
G4-8	11	None	Verified	Markets served.	We Are what we Do
G4-9	49, 53	None	Verified	Scale of the organisation.	We Are what we Do Our Performance - Economic Results Our Performance - Employees

GENERAL STANDARD DISCLOSURES	PAGE	OMISSIONS	EXTERNAL VERIFICATION	INDICATOR	LOCATION   REPORT
G4-10	53	None	Verified	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	Please see the Location - Report column	None	Verified	Percentage of employees covered by collective bargaining agreements.	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.
G4-12	Please see the Location - Report column	None	Verified	Organisation's supply chain.	428 LIPOR Suppliers on 31st December 2015 <b>SUPPLIER COSTS (EUROS)</b> International 8,812,990.08 National 31,832,517.11 <b>TOTAL 40,645,50.19</b>
G4-13	Please see the Location - Report column	None	Verified	Significant changes during the reporting period regarding the organisation's size, structure, ownership, or supply chain.	There were no changes.
G4-14	24-26	None	Verified	Explanation of whether and how the precautionary principle is addressed by the organisation.	Consultation mechanisms, their main cause and the consequent effect
G4-15	Please see the Location - Report column	None	Verified	Externally developed economic, environmental and social charters, principles, or other initiatives to which the organisation subscribes or endorses.	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.
G4-16	Please see the Location - Report column	None	Verified	Memberships in associations (such as industry associations) and/or national/international advocacy organisations.	LIPOR Portal: <a href="http://www.LIPOR.pt/pt/a-LIPOR/quem-somos/parcerias">http://www.LIPOR.pt/pt/a-LIPOR/quem-somos/parcerias</a>
<b>IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES</b>					
G4-17	Please see the Location - Report column	None	Verified	Entities included in the organisation's consolidated financial statements or equivalent documents.	Financial Statements - LIPOR Report and Accounts 2015

GENERAL STANDARD DISCLOSURES	PAGE	OMISSIONS	EXTERNAL VERIFICATION	INDICATOR	LOCATION   REPORT
G4-18	29	None	Verified	Process for defining the report content and the aspect boundaries.	Shared Value: Materiality
G4-19	29	None	Verified	Material aspects identified in the process for defining report content.	Shared Value: Materiality
G4-20	28	None	Verified	Boundary of each material aspect within the organisation.	Shared Value: Materiality
G4-21	28	None	Verified	Boundary of each material aspect outside the organisation.	Shared Value: Materiality
G4-22	Please see the Location - Report column	None	Verified	Effect of any restatements of information provided in previous reports, and the reasons for such restatements.	Some exceptions duly identified throughout the Report.
G4-23	28	None	Verified	Significant changes from previous reporting periods in the scope and aspect boundaries.	Shared Value: Materiality Methodological Notes
<b>STAKEHOLDER ENGAGEMENT</b>					
G4-24	27	None	Verified	List of stakeholder groups engaged by the organisation.	Shared Value: Materiality
G4-25	23	None	Verified	Basis for identification and selection of stakeholders.	Shared Value: Stakeholders
G4-26	24-26	None	Verified	Approaches to stakeholder engagement, including frequency, by type of stakeholder.	Consultation mechanisms, their main cause and the consequent effect
G4-27	28	None	Verified	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.	Shared Value: Materiality
<b>REPORT PROFILE</b>					
G4-28	8	None	Verified	Reporting period (fiscal or calendar year) for information provided.	Background
G4-29	8	None	Verified	Date of most recent previous report (if any).	Background
G4-30	8	None	Verified	Reporting cycle (annual, biennial, etc.).	Background
G4-31	9	None	Verified	Contact point for questions regarding the report or its contents.	Background
G4-32	8, 66	None	Verified	Reporting option (Core or Comprehensive) and reference to external verification. Summary of report contents according to GRI guidelines.	Background GRI G4 Content Index
G4-33	9	None	Verified	Policies and current practices regarding the external verification of the report.	Background

GENERAL STANDARD DISCLOSURES	PAGE	OMISSIONS	EXTERNAL VERIFICATION	INDICATOR	LOCATION   REPORT												
<b>GOVERNANÇA</b>																	
G4-34	13 Please see the Location - Report column	None	Verified	Governance structure of the organisation, including committees of the highest governance body.	<p>We Are what we Do - Corporate Governance LIPOR Portal: <a href="http://www.LIPOR.pt/pt/a-LIPOR/quem-somos/o-governo-da-organizacao">http://www.LIPOR.pt/pt/a-LIPOR/quem-somos/o-governo-da-organizacao</a></p> <p><b>CONSTITUTION OF LIPOR'S MANAGEMENT 2015</b></p> <table border="1"> <thead> <tr> <th>GENDER WITHIN MANAGEMENT</th> <th>M</th> <th>F</th> <th>TOTAL</th> </tr> </thead> <tbody> <tr> <td>Intermunicipal Assembly</td> <td>19</td> <td>5</td> <td>24</td> </tr> <tr> <td>Board of Directors</td> <td>6</td> <td>2</td> <td>8</td> </tr> </tbody> </table> <p>The Board of Directors' members are also members of the Intermunicipal Assembly</p>	GENDER WITHIN MANAGEMENT	M	F	TOTAL	Intermunicipal Assembly	19	5	24	Board of Directors	6	2	8
GENDER WITHIN MANAGEMENT	M	F	TOTAL														
Intermunicipal Assembly	19	5	24														
Board of Directors	6	2	8														
G4-35	Please see the Location - Report column	None	Verified	Process for delegating authority for economic, environmental and social topics from the highest governance body to senior executives and other employees.	LIPOR Portal: <a href="http://www.LIPOR.pt/pt/a-LIPOR/quem-somos/o-governo-da-organizacao/">http://www.LIPOR.pt/pt/a-LIPOR/quem-somos/o-governo-da-organizacao/</a>												
G4-36	Please see the Location - Report column	None	Verified	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.	LIPOR Portal: <a href="http://www.LIPOR.pt/pt/a-LIPOR/quem-somos/o-governo-da-organizacao/">http://www.LIPOR.pt/pt/a-LIPOR/quem-somos/o-governo-da-organizacao/</a>												
G4-37	28	None	Verified	Indication of processes for consultation between stakeholders and the highest governance body on economic, environmental and social topics.	Shared Value: Materiality												
G4-38	13	None	Verified	Composition of the highest governance body and its committees.	<p>We Are what we Do - Corporate Governance LIPOR Portal: <a href="http://www.LIPOR.pt/pt/a-LIPOR/quem-somos/o-governo-da-organizacao/">http://www.LIPOR.pt/pt/a-LIPOR/quem-somos/o-governo-da-organizacao/</a> Ver G4-34</p>												
G4-39	Please see the Location - Report column	None	Verified	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).	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.												
G4-40	13	None	Verified	Nomination and selection processes for the highest governance body and its committees, and the criteria used for nominating and selecting highest governance body members.	<p>We Are what we Do - Corporate Governance LIPOR Portal: <a href="http://www.LIPOR.pt/pt/a-LIPOR/quem-somos/o-governo-da-organizacao/">http://www.LIPOR.pt/pt/a-LIPOR/quem-somos/o-governo-da-organizacao/</a></p>												

GENERAL STANDARD DISCLOSURES	PAGE	OMISSIONS	EXTERNAL VERIFICATION	INDICATOR	LOCATION   REPORT
G4-41	13	None	Verified	Process used for the highest governance body to ensure conflicts of interest are avoided and managed.	We Are what we Do - Corporate Governance LIPOR Portal: <a href="http://www.LIPOR.pt/pt/a-LIPOR/quem-somos/o-governo-da-organizacao/">http://www.LIPOR.pt/pt/a-LIPOR/quem-somos/o-governo-da-organizacao/</a>
G4-42	14	None	Verified	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.	We Are what we Do - Corporate Governance LIPOR Portal: <a href="http://www.LIPOR.pt/pt/a-LIPOR/quem-somos/o-governo-da-organizacao/">http://www.LIPOR.pt/pt/a-LIPOR/quem-somos/o-governo-da-organizacao/</a>
G4-43	14	None	Verified	Indication of the measures taken to develop and enhance the highest governance body's collective knowledge of economic, environmental and social topics.	We Are what we Do - Corporate Governance LIPOR Portal: <a href="http://www.LIPOR.pt/pt/a-LIPOR/quem-somos/o-governo-da-organizacao/">http://www.LIPOR.pt/pt/a-LIPOR/quem-somos/o-governo-da-organizacao/</a> Sendo um processo eminente político, não há mais-valia em determinar as qualificações e conhecimentos dos membros do Conselho de Administração.
G4-44	Please see the Location - Report column	None	Verified	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.	LIPOR Portal: <a href="http://www.LIPOR.pt/pt/a-LIPOR/quem-somos/o-governo-da-organizacao/processo-para-autoavaliacao-do-desempenho-da-governanca/">http://www.LIPOR.pt/pt/a-LIPOR/quem-somos/o-governo-da-organizacao/processo-para-autoavaliacao-do-desempenho-da-governanca/</a>
G4-45	17, 28	None	Verified	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. Indication of the stakeholder consultation and involvement process used to support the identification and management of economic, environmental and social impacts, risks, and opportunities.	LIPOR in 2015 Shared Value: Materiality LIPOR Portal: <a href="http://www.LIPOR.pt/pt/a-LIPOR/quem-somos/o-governo-da-organizacao/processo-para-autoavaliacao-do-desempenho-da-governanca/">http://www.LIPOR.pt/pt/a-LIPOR/quem-somos/o-governo-da-organizacao/processo-para-autoavaliacao-do-desempenho-da-governanca/</a>
G4-46	17	None	Verified	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.	LIPOR in 2015
G4-47	17	None	Verified	Indication of the frequency of the highest governance body's review of economic, environmental and social impacts, risks, and opportunities.	LIPOR in 2015
G4-48	Please see the Location - Report column	None	Verified	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.	LIPOR's Board of Directors, in a meeting.



GENERAL STANDARD DISCLOSURES	PAGE	OMISSIONS	EXTERNAL VERIFICATION	INDICATOR	LOCATION   REPORT
G4-49	Please see the Location - Report column	None	Verified	Process for communicating concerns and suggestions to the highest governance body.	<p>Within the scope of LIPOR's certification process according to the SA8000 Social Accountability standard, Emanuel Maia was elected by and for the employees as their Representative.</p> <p>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.</p> <p>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.</p> <p>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.</p>
G4-50	Please see the Location - Report column	None	Verified	Indication of the nature and total number of concerns and suggestions that were communicated to the highest governance body and the mechanism(s) used to address and resolve them.	<p>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.</p> <p>Throughout 2015, only two Concerns/Suggestions were presented anonymously to the Employee Representative, one in March regarding the Clinic of LIPOR's Insurance Company, and another in August regarding the consumption of fruit available in LIPOR's green spaces. As a result of these suggestions, the Clinic was already changed. Regarding fruit distribution, this issue is being reassessed, so there is no final decision yet. However, LIPOR has implemented a Social Responsibility project that provides each employee one piece of fruit every day, for free, so this issue is not critical.</p>
G4-51	Please see the Location - Report column	None	Verified	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.	<p>In accordance with its legal status of Municipalities Association, LIPOR determines remunerations according to the salary scales in effect for Public Administration.</p> <p>LIPOR Portal:  <a href="http://www.LIPOR.pt/pt/a-LIPOR/quem-somos/o-governo-da-organizacao/remuneracao-para-membros-do-governo/">http://www.LIPOR.pt/pt/a-LIPOR/quem-somos/o-governo-da-organizacao/remuneracao-para-membros-do-governo/</a></p>
G4-52	Please see the Location - Report column	None	Verified	Process for determining remuneration.	<p>In accordance with its legal status of Municipalities Association, LIPOR determines remunerations according to the salary scales in effect for Public Administration.</p> <p>LIPOR Portal:  <a href="http://www.LIPOR.pt/pt/a-LIPOR/quem-somos/o-governo-da-organizacao/remuneracao-para-membros-do-governo/">http://www.LIPOR.pt/pt/a-LIPOR/quem-somos/o-governo-da-organizacao/remuneracao-para-membros-do-governo/</a></p>

GENERAL STANDARD DISCLOSURES	PAGE	OMISSIONS	EXTERNAL VERIFICATION	INDICATOR	LOCATION   REPORT
G4-53	Please see the Location - Report column	None	Verified	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.	In accordance with its legal status of Municipalities Association, LIPOR determines remunerations according to the salary scales in effect for Public Administration. LIPOR Portal: <a href="http://www.LIPOR.pt/pt/a-LIPOR/quem-somos/o-governo-da-organizacao/remuneracao-para-membros-do-governo/">http://www.LIPOR.pt/pt/a-LIPOR/quem-somos/o-governo-da-organizacao/remuneracao-para-membros-do-governo/</a>
G4-54	58, 85	None	Verified	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 Performance - Equality GRI G4 Content Index
G4-55	58	None	Verified	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 Performance - Equality
<b>ETHICS AND INTEGRITY</b>					
G4-56	14	None	Verified	Description of the organisation's values, principles, standards and norms of behaviour such as codes of conduct and codes of ethics.	We Are what we Do - Corporate Governance
G4-57	55	None	Verified	Internal and external mechanisms for seeking advice on ethical and lawful behaviour, such as relationship channels.	Our Performance - Health, Occupational Safety and Social Responsibility
G4-58	Please see the Location - Report column	None	Verified	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.	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 Responsibility Visits, where random employees from all areas are interviewed, with the purpose of detecting situations that may compromise Social Responsibility 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.

## Specific Standard Disclosures



## Economic Category

### Economic Performance

MANAGEMENT FORM AND INDICATORS INFORMATION	PAGE	OMISSIONS	EXTERNAL VERIFICATION	INDICATOR	DESCRIPTION
G4-DMA	64	None	Verified	G4-EC1; G4-EC2; G4-EC3; G4-EC4	-
G4-EC1	49	None	Verified	-	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	73	None	Verified	-	Financial implications and other risks and opportunities for the organisation's activities due to climate change.
G4-EC3	73	None	Verified	-	Coverage of the obligations regarding pension and benefit plans defined by the organisation.
G4-EC4	49, 50	None	Verified	-	Significant financial assistance received from government.

#### G4-EC2

LIPOR's Board of Directors hasn't identified significant risks or opportunities for the Organisation, so there was no need to assess the financial implications and other risks and opportunities inherent to climate change.

#### G4-EC3

LIPOR's Welfare System is covered by Social Security, so it doesn't have a specific Pension Plan for LIPOR's Employees and, consequently, the obligations that such a plan would require.

## Environmental Category

### Materials

MANAGEMENT FORM AND INDICATORS INFORMATION	PAGE	OMISSIONS	EXTERNAL VERIFICATION	INDICATOR	DESCRIPTION
G4-DMA	62	None	Verified	G4-EN1; G4-EN2	--
<b>G4-EN1</b>	74, 75	None	Verified	-	Materials used by weight or volume.
<b>G4-EN2</b>	75	None	Verified	-	Percentage of recycled materials used.

#### G4-EN1

There were no significant changes in the processes developed in each area, so the type of materials used remained the same.

#### SORTING PLANT

	2013	2014	2015
<b>MATERIALS</b>			
Wire (tons)	20	15,057	35
<b>RAW MATERIALS FOR PRODUCTION (TONS)</b>			
Sorted recyclable materials	44,163	44,754	45,296

#### COMPOSTING PLANT

	2013	2014	2015
<b>MATERIALS</b>			
Wood (tons)	36.01	54.25	62.33
Plastic (tons)	23.27	26.17	22.71
Paper and Cardboard (tons)	0.06	54.25	0.04
<b>RAW MATERIALS FOR PRODUCTION</b>			
Sorted organic waste	44,306.00	47,169.00	48,649.00

#### ENERGY RECOVERY PLANT

	2013	2014	2015
<b>USE OF REAGENTS</b>			
Hydrated Lime (tons)	4,032.0	3,710.2	4,703.6
Urea (tons)	1,131.3	948.5	1,412.3
Activated Charcoal (tons)	206.8	199.1	202.2
Caustic Soda (tons)	22.9	17.7	16.8
HCl (tons)	38.4	23.6	28.8
Triphosphosphate (tons)	0.7	0.0	0.0
<b>RAW MATERIALS FOR PRODUCTION</b>			
Unsorted waste (tons)	383,302.5	382,032.0	402,786.4

#### CVE'S AUXILIARY LANDFILL

	2013	2014	2015
<b>REAGENTS FOR THE WWTP</b>			
Sulphuric Acid (tons)	8.23	7.44	6.34
Acetic Acid (tons)	8.23	6.43	7.23
Soda (tons)	37.16	19.18	20.16
Antifoam (litres)	248	347	176

LIPOR - IN GENERAL	2013	2014	2015
<b>STATIONERY</b>			
White Paper (kg)	795.03	838.44	833.7
White Stationery (kg)	17.32	158.98	38.46
<b>TOTAL WHITE</b>	<b>812.35</b>	<b>997.42</b>	<b>872.16</b>
Recycled Paper (kg)	2,396.28	2,241.00	2,241.79
Recycled Stationery (kg)	110.04	52.02	178.42
<b>TOTAL RECYCLED</b>	<b>2,506</b>	<b>2,293</b>	<b>2,420</b>
<b>TOTAL</b>	<b>3,318.68</b>	<b>3,290.45</b>	<b>3,292.37</b>

#### G4-EN2

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 73.5% of stationery used at LIPOR consists of recycled material.

## Energy

MANAGEMENT FORM AND INDICATORS INFORMATION	PAGE	OMISSIONS	EXTERNAL VERIFICATION	INDICATOR	DESCRIPTION
G4-DMA	65	None	Verified	G4-EN3; G4-EN4; G4-EN5; G4-EN6; G4-EN7	-
G4-EN3	38	None	Verified	-	Direct energy consumption by primary energy source.
G4-EN4	76	None	Verified	-	Energy consumption outside of the Organisation.
G4-EN5	38	None	Verified	-	Energy Intensity.
G4-EN6	39	None	Verified	-	Reduction of Energy consumption.
G4-EN7	76	None	Verified	-	Reductions in Energy requirements of products and services.



**G4-EN4**

2015	
SCOPE 3 - ENERGY (GJ)	172311
C.03 - Energy and fuel	61,393.7
C.04 - Transportation ( upstream )	98,092.6
C.06 - Work Travels	552.0
C.07 - Employees Mobility	3,212.7
C.09 - Transportation (downstream )	9,059.9

**G4-EN7**

In 2015, the amount of biogas produced in the landfills continued to decrease, resulting in a decrease in the amount of electrical energy produced.

BIOGAS RECOVERY PLANT	2013		2014		2015	
	ENERGY PRODUCED (KWH)	BIOGAS FLOW (M3)	ENERGY PRODUCED (KWH)	BIOGAS FLOW (M3)	ENERGY PRODUCED (KWH)	BIOGAS FLOW (M3)
Landfill of Matosinhos	331,648	209,964	255,578	161,809	210,470	133,251
Landfill of Ermesinde	1,620,627	915,233	1,329,024	841,421	1,098,962	695,766

**Biodiversity**

MANAGEMENT FORM AND INDICATORS INFORMATION	PAGE	OMISSIONS	EXTERNAL VERIFICATION	INDICATOR	DESCRIPTION
G4-DMA	63	None	Verified	G4-EN11; G4-EN12; G4-EN13; G4-EN14	-
G4-EN11	76	None	Verified	-	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.
G4-EN12	76	None	Verified	-	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	31, 34	None	Verified	-	Habitats protected or restored.
G4-EN14	76	None	Verified	-	Total number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.

**G4-EN11**

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.

**G4-EN12**

As LIPOR has no facilities located in critical areas, this indicator doesn't apply.

**G4-EN14**

No species within the areas of influence of the operational units are in such situation.

## Emissions

MANAGEMENT FORM AND INDICATORS INFORMATION	PAGE	OMISSIONS	EXTERNAL VERIFICATION	INDICATOR	DESCRIPTION
G4-DMA	65	None		G4-EN15; G4-EN16; G4-EN17; G4-EN18; G4-EN19; G4-EN20; G4-EN21	-
G4-EN15	41	None	Verified	-	Direct Greenhouse Gas (GHG) Emissions (Scope 1).
G4-EN16	41	None	Verified	-	Energy Indirect Greenhouse Gas (GHG) Emissions (Scope 2).
G4-EN17	41, 42	None	Verified	-	Other Indirect Greenhouse Gas (GHG) Emissions (Scope 3).
G4-EN18	43	None	Verified	-	Greenhouse Gas (GHG) Emissions Intensity.
G4-EN19	41	None	Verified	-	Reduction of Greenhouse Gas (GHG) Emissions.
G4-EN20	77	None	Verified	-	Emissions of ozone-depleting substances.
G4-EN21	77	None	Verified	-	NOx, SOx and other significant air emissions by type and weight.

### G4-EN20

The omission of this indicator results from the fact that it only applies to producers of products that contain this type of substances.

### G4-EN21

	2013	2014	2015
	EMISSION AMOUNT (KG)	EMISSION AMOUNT (KG)	EMISSION AMOUNT (KG)
HCl	7,384	6,507	8,360
NOx	271,867	234,932	289,843
HF	180	183	134
SO2	12,630	9,838	14,659
Particles	1,153	1,275	1,487
CO	11,487	8,177	6,982
Dioxins and Furans (PCDD+PCDF)	0.0000027	0.0000024	0.0000018

## Effluents And Waste

MANAGEMENT FORM AND INDICATORS INFORMATION	PAGE	OMISSIONS	EXTERNAL VERIFICATION	INDICATOR	DESCRIPTION
G4-DMA	62	None	Verified	G4-EN22; G4-EN23; G4-EN24; G4-EN25; G4-EN26	-
G4-EN22	78, 79	None	Verified	-	Total effluents discharge by quality and destination.
G4-EN23	79, 80	None	Verified	-	Total weight of waste by type and treatment method.
G4-EN24	80	None		-	Total number and volume of significant spills.
G4-EN25	80	None	Verified	-	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	80	None	Verified	-	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.

### G4-EN22

	2013	2014	2015
Treated water (m3)	10.236	10.301	10.615
Water output WWTP (m3)	7.056	6.900	7.236
Effluent treated externally* (m3)	10.681	18.820	17.566
Wash water (m3)	114	121	112
Effluent discharged into natural watercourse (m3)	6.904	6.779	7.124

		JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
pH	-	6.5	6.7	6	6.8	6	6	6.6	6.3	6.5	6.5	6.1	6.1
BOD5	mg/l	<5.0	<5	<5	<5	<5	<5	<5	<5	<5	<5	<5	<5
COD	mg/l	80	8	<5.0	5	<5	<5.0	<5.0	<5.0	<5.0	<5.0	<5	<5.0
Nitrates	mg/l	50	<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	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	1.5	<0.3
Phenols	mg/l	0.0042	-	<0.3	-	-	-	0.0139	-	-	0.00497	-	-
Total Suspended Solids	mg/l	<5	5	<5	<5	<5	<5	<5	<5	<5	<5	<5	<5
Iron	mg/l	<0.5	-	-	-	-	-	<0.50	-	-	<0.50	-	-
Aluminium	mg/l	<0.5	-	-	-	-	-	<0.5	-	-	<0.5	-	-
Free Residual Chlorine	mg/l	<0.25	-	-	-	-	-	<0.25	-	-	<0.25	-	-
Copper	mg/l	<0.25	-	-	-	-	-	<0.25	-	-	<0.25	-	-
Chromium	mg/l	<0.50	-	-	-	-	-	<0.50	-	-	<0.50	-	-
Hexavalent chromium	mg/l	<0.02	-	-	-	-	-	<0.02	-	-	<0.02	-	-
Nickel	mg/l	<0.50	-	-	-	-	-	<0.50	-	-	<0.50	-	-
Cadmium	mg/l	<0.10	-	-	-	-	-	<0.10	-	-	<0.10	-	-
Lead	mg/l	<0.50	-	-	-	-	-	<0.50	-	-	<0.50	-	-
Phosphorous	mg/l	<0.10	<0.10	<0.10	<0.10	<0.10	<0.10	0.1	<0.10	<0.10	<0.10	0.88	<0.10
Total Nitrogen	mg/l	14	<6	<6	<6	<6	<6	<6	7	<6	<6	<6	12
Sulphates	mg/l	<10	-	-	-	-	-	110	-	-	11	-	-

**G4-EN23**

REJECTED WASTE FROM THE SORTING PLANT	2013	2014	2015
Flat Products Line - Paper and Cardboard (tons)	22.38	22.39	0
Bulky Items Line - Packaging (tons)	615.76	615.77	929.84
Fines (tons)	691.01	691.02	1,251.30
Pre-sorting (tons)	1,173.68	1,173.69	443.90
<b>TOTAL (TONS)</b>	<b>2,502.83</b>	<b>2,502.84</b>	<b>2,625.04</b>

Destination - Energy Recovery Plant

**REJECTED WASTE FROM THE ENERGY RECOVERY PLANT**

	2013	2014	2015
Ashes (tons)	30,403.2	30,403.2	32,427.34
Slag (tons)	70,443.6	70,443.6	79,626.64

Destination - Landfill of Maia

WASTE PRODUCED BY THE SYSTEM	2013	2014	2015	HAZARDOUS
Mineral Oils (litres)	11,700	10,700	7,041	yes
Oily Water (litres)	21,500	11,300	10,760	yes
<b>TOTAL (LITRES)</b>	<b>33,200</b>	<b>22,000</b>	<b>17,801</b>	
Cooking Oil (kg)	1,705	966	2,220	no
Sawdust and oily rags (kg)	100	129	160	yes
Contaminated packaging* (kg)	2,121	1,698	785	yes
Small batteries (kg)	7,000	5,800	5,920	yes
Batteries (kg)	4,580	2,570	1,460	yes
Syringes (kg)	80	56	47	yes
Fluorescent Lamps (kg)	14,400	166	15,040	yes
Other municipal waste and similar waste (kg)	167	5,100	165	no
Ink Cartridges and Toners (kg)	740	0	16,460	yes
Tyres (kg)	1,560	17,560	1,920	no
Chemical powder	0	0	0	yes
<b>TOTAL (KG)</b>	<b>32,453</b>	<b>34,044</b>	<b>44,177</b>	
Destination - Companies licensed for Recovery/Treatment				
Iron Scrap (tons)	5,667	5,535	5,646	no
<b>TOTAL (TONS)</b>	<b>5,667</b>	<b>5,535</b>	<b>5,646</b>	

#### G4-EN24

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 2015, there were no spills over 30 l. The small spills that took place were handled in accordance with the approved procedures for containment of spills, defined within the scope of LIPOR's Environmental Management System, and implied no impact on the environment.

#### G4-EN25

Our operational processes don't include imported or exported waste, so this indicator is not applicable.

#### G4-EN26

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.

## Compliance

MANAGEMENT FORM AND INDICATORS INFORMATION	PAGE	OMISSIONS	EXTERNAL VERIFICATION	INDICATOR	DESCRIPTION
G4-DMA	63	None	Verified	G4-EN29	-
G4-EN29	81	None	Verified	-	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.



**G4-EN29**

In 2015, no fine was imposed on LIPOR due to violation of environmental laws and norms.

**Environmental Grievance Mechanisms**

MANAGEMENT FORM AND INDICATORS INFORMATION	PAGE	OMISSIONS	EXTERNAL VERIFICATION	INDICATOR	DESCRIPTION
G4-DMA	63	None	Verified	G4-EN34	-
G4-EN34	81	None	Verified	-	Number of grievances about environmental impacts filed, addressed, and resolved through formal grievance mechanisms.

**G4-EN34**

Complaint 114, which referred to odours from the Energy Recovery Plant and Technical Confinement, was due to the disposal of a significant amount of waste that required confinement in the Landfill in an area that had to be covered with special screens, and as it was quite large, it took more time to complete the operation.

Regarding complaint 127, which alleged an odour problem caused by LIPOR, it was detected that the odour emanated from outside of LIPOR I, so LIPOR was not responsible for it.

As for complaint 131, regarding odours from the Energy Recovery Plant and Technical Confinement, it was proved that the odours didn't come from LIPOR, but were due to the application of nutrients (WWTP sludge) in fields adjacent to the Landfill's south alveolus

**Subcategory: Labour Practices And Decent Work****Employment**

MANAGEMENT FORM AND INDICATORS INFORMATION	PAGE	OMISSIONS	EXTERNAL VERIFICATION	INDICATOR	DESCRIPTION
G4-DMA	64	None	Verified	G4-LA1; G4-LA2; G4-LA3	-
G4-LA1	54	None	Verified	-	Total number and rates of new employee hires and employee turnover by age group, gender and region.
G4-LA2	54	None	Verified	-	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation.
G4-LA3	82	None	Verified	-	Return to work and retention rates after parental leave, by gender.

**G4-LA3**

	WOMEN	MEN	TOTAL
Returned to work after taking a maternity or paternity leave	5	8	13
Entitled to take maternity or paternity leave	6	8	14
Still working at LIPOR 12 months after the end of the maternity or paternity leave	2	6	8
On maternity or paternity leave	1	0	1



**Labour Relations**

MANAGEMENT FORM AND INDICATORS INFORMATION	PAGE	OMISSIONS	EXTERNAL VERIFICATION	INDICATOR	DESCRIPTION
G4-DMA	64	None	Verified	G4-LA4	-
G4-LA4	82	None	Verified	-	Minimum notice periods regarding operational changes, including whether these are specified in collective agreements.

**G4-LA4**

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..

## Occupational Health And Safety

MANAGEMENT FORM AND INDICATORS INFORMATION	PAGE	OMISSIONS	EXTERNAL VERIFICATION	INDICATOR	DESCRIPTION
G4-DMA	64	None	Verified	G4-LA5; G4-LA6; G4-LA7; G4-LA8	-
G4-LA5	55	None	Verified	-	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	55, 56	None	Verified	-	Type and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and gender.
G4-LA7	83	None	Verified	-	Workers with high incidence or high risk of diseases related to their occupation.
G4-LA8	83	None	Verified	-	Health and safety topics covered in formal agreements with trade unions.

### G4-LA7

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.

### G4-LA8

LIPOR has always paid attention to Occupational Health and Safety issues, so there has been no need up until now to make formal agreements with Trade Unions. A lot of work has been done in this area, within the scope of the NP 4397/OHSAS 18001:2007 Standards Certifications, through which issues regarding Occupational Health and Safety are approached with great care.

## Training And Education

MANAGEMENT FORM AND INDICATORS INFORMATION	PAGE	OMISSIONS	EXTERNAL VERIFICATION	INDICATOR	DESCRIPTION
G4-DMA	64	None	Verified	G4-LA9; G4-LA10; G4-LA11	-
G4-LA9	51	None	Verified	-	Average training hours per year per Employee, by gender and employee category.
G4-LA10	51	None	Verified	-	Programmes for skills management and lifelong learning that support the continued employability of Employees and assist them in managing career endings.
G4-LA11	52	None	Verified	-	Percentage of Employees receiving regular performance and career development reviews, by gender.

## Diversity And Equal Opportunity

MANAGEMENT FORM AND INDICADORES INFORMATION	PAGE	OMISSIONS	EXTERNAL VERIFICATION	INDICATOR	DESCRIPTION
G4-DMA	64	None	Verified	G4-LA12	-
G4-LA12	58, 84	None	Verified	-	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

Nationality continues not to be a sensitive issue for LIPOR, as a result of the Public Administration employment system it is subject to.

Within the scope of the Social Responsibility policy, LIPOR continues to employ Employees with disabilities, having their number decreased in 2015 due to the exit of an Employee who worked in the Ecocentro da Formiga.

	PORTUGUESE		FOREIGN		TOTAL
Managers	11	100.00%	0	0.00%	<b>11</b>
Senior Technicians	33	94.29%	2	5.71%	<b>35</b>
Technical Assistants	37	97.37%	1	2.63%	<b>38</b>
Operational Assistants	107	97.27%	3	2.73%	<b>110</b>
<b>TOTAL</b>	<b>188</b>	<b>96.91%</b>	<b>6</b>	<b>3.09%</b>	<b>194</b>

	WITH DISABILITIES				WITHOUT DISABILITIES			
	M	F	M	F	M	F	M	F
Managers	0	0.00%	0	0.00%	3	27.27%	8	72.73%
Senior Technicians	0	0.00%	1	2.86%	11	31.43%	23	65.71%
Technical Assistants	0	0.00%	0	0.00%	21	55.26%	17	44.74%
Operational Assistants	3	2.73%	3	2.73%	103	93.64%	1	0.91%
<b>TOTAL</b>	<b>3</b>	<b>1.55%</b>	<b>4</b>	<b>2.06%</b>	<b>138</b>	<b>71.13%</b>	<b>49</b>	<b>25.26%</b>

## Equal Remuneration For Women And Men

MANAGEMENT FORM AND INDICADORES INFORMATION	PAGE	OMISSIONS	EXTERNAL VERIFICATION	INDICATOR	DESCRIPTION
G4-DMA	64	None	Verified	G4-LA13	-
G4-LA13	58, 85	None	Verified	-	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.

**G4-LA13**

The national minimum wage (now amounting to €505.00) was changed in October 2014 by Decree-Law no. 144/2014, "Diário da República", 1st series, no. 188 of 30 September.

In accordance with current legislation, there is equal pay for men and women. In addition, all employees receive an insalubrity allowance.

EMPLOYEE CATEGORY	TOTAL EMPLOYEES	REMUNERATION	RATIO (M/W)
Managers	11	2,613.84	1
Senior Technician	35	1,012.68	1
Technical Assistant	38	683	1
Operational Assistant	110	505	1
<b>TOTAL</b>	<b>194</b>		

**Supplier Assessment For Labour Practices**

MANAGEMENT FORM AND INDICATORS INFORMATION	PAGE	OMISSIONS	EXTERNAL VERIFICATION	INDICATOR	DESCRIPTION
G4-DMA	64	None	Verified	G4-LA14; G4-LA15	-
G4-LA14	59	None	Verified	-	Percentage of new suppliers that were screened using labour practices criteria.
G4-LA15	59	None	Verified	-	Significant actual and potential negative impacts for labour practices in the supply chain and actions taken.

**Labour Practices Grievance Mechanisms**

MANAGEMENT FORM AND INDICATORS INFORMATION	PAGE	OMISSIONS	EXTERNAL VERIFICATION	INDICATOR	DESCRIPTION
G4-DMA	64	None	Verified	G4-LA16	-
G4-LA16	85	None	Verified	-	Number of grievances about labour practices filed, addressed, and resolved through formal grievance mechanisms.

**G4-LA16**

In 2015, LIPOR registered no grievances regarding labour practices, addressed and resolved through formal grievance mechanisms, namely through disciplinary procedure.



## Social Category - Society

### Compliance

MANAGEMENT FORM AND INDICATORS INFORMATION	PAGE	OMISSIONS	EXTERNAL VERIFICATION	INDICATOR	DESCRIPTION
G4-DMA	63	None	Verified	G4-S08	-
G4-S08	86	None	Verified	-	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.

#### G4-S08

In 2015, no fine was imposed on LIPOR for non-compliance with laws and regulations.

## Subcategory: Product Responsibility

### Product And Service Labelling

MANAGEMENT FORM AND INDICATORS INFORMATION	PAGE	OMISSIONS	EXTERNAL VERIFICATION	INDICATOR	DESCRIPTION
G4-DMA	63	None	Verified	G4-PR1; G4-PR2	-
G4-PR1	47	None	Verified	-	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	86	None	Verified	-	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.

#### G4-PR2

Based on the periodical audits performed to LIPOR's main units, certified according to the ISO14001, ISO9001 and OHSAS18001 standards, during 2015, there was no noncompliance regarding laws and the requirements of the stated standards, concerning Consumer health and safety impacts of products and services during their life cycle, by type of product and incident.

## Product And Service Labelling

MANAGEMENT FORM AND INDICADORES INFORMATION	PAGE	OMISSIONS	EXTERNAL VERIFICATION	INDICATOR	DESCRIPTION
G4-DMA	63	None	Verified	G4-PR3; G4-PR4; G4-PR5	-
G4-PR3	47	None	Verified	-	Type of product and service information required by labelling procedures, and percentage of products and services subject to such requirements.
G4-PR4	87	None	Verified	-	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.
G4-PR5	48	None	Verified	-	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.

### G4-PR4

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 2015, there was no noncompliance of this kind.

## Marketing Communications

MANAGEMENT FORM AND INDICADORES INFORMATION	PAGE	OMISSIONS	EXTERNAL VERIFICATION	INDICATOR	DESCRIPTION
G4-DMA	63	None	Verified	G4-PR6; G4-PR7	-
G4-PR6	87	None	Verified	-	Sale of Banned or Disputed Products.
G4-PR7	87	None	Verified	-	Total number of incidents of noncompliance with regulations and voluntary codes concerning communication and marketing, including advertising, promotion and sponsorship, by type.

### G4-PR6

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.

### G4-PR7

In 2015, no incidents of noncompliance with regulations and voluntary codes concerning marketing communications were reported.

### Customer Privacy

MANAGEMENT FORM AND INDICATORS INFORMATION	PAGE	OMISSIONS	EXTERNAL VERIFICATION	INDICATOR	DESCRIPTION
G4-DMA	63	None	Verified	G4-PR8	-
G4-PR8	88	None	Verified	-	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.

#### G4-PR8

During 2015, there were no such complaints.

### Compliance

MANAGEMENT FORM AND INDICATORS INFORMATION	PAGE	OMISSIONS	EXTERNAL VERIFICATION	INDICATOR	DESCRIPTION
G4-DMA	63	None	Verified	G4-PR9	-
G4-PR9	88	None	Verified	-	Monetary value of (significant) fines for noncompliance with laws and regulations concerning the provision and use of products and services.

#### G4-PR9

In 2015, no fine was imposed on LIPOR due to violation of laws regarding the provision and use of products and services.

PEL 2015-2020 | 19<sup>th</sup> December, 2020

# IN 2020, LIPOR'S REUSING LABORATORY RLAB CONTINUES TO GROW

The RLAB - Reusing Laboratory is a LIPOR project that works as a knowledge laboratory where users can learn how to repair electrical and electronic equipment, to create their own equipment and to extend their useful life.

This project has helped to promote extended life of electrical and electronic equipment (WEEE), reducing the production of this sort of waste.

LIPOR DOES

**METHODOLOGICAL  
NOTES [G4-23]**



### G4-10

Both CEI (Employment-Inclusion Contract) Employees and LIPOR's Direct Employees were taken into consideration, as they have 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 our Employees. However, these 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 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 Sociedade Ponto Verde.

### G4-EN2

The formula used to calculate EN2 was:  
 $EN2 (\%) = \frac{\text{recycled materials used}}{\text{total materials}} \times 100$

### 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 informa-

tion available at:  
[http://www.concorrencia.pt/vPT/Estudos\\_e\\_Publicacoes/Relatorios\\_periodicos\\_e\\_Newsletters/Energia\\_e\\_Combustiveis/Documents/Boletim\\_Mensal\\_Combustiveis\\_201202.pdf](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	GASOLINE	GJ	GJ
tonne (metric)	26	barrel	6.22	gallon	0.125	0.0036
ton (short)	23.59	tonne (metric)	44.8	tonne (metric)	44.8	3.6
ton (long)	26.42	ton (short)	40.64	diesel		3,600
		ton (long)	45.52	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 the 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 2015. The formula used to calculate employee turnover was:  
 $LA1 (\%) = \frac{(\text{number of exits} + \text{number of entries})}{\text{total employees on 31-12-2015}} \times 100$

### 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) x 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

### G4-L1

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