

Social Responsibility Management System (SA 8000)

Social Responsibility Management

Lipor has continuously worked to solve a problem that affects us all - waste production - being responsible for the destination of around 500,000 tons of waste produced annually by the inhabitants of its associated municipalities - Espinho, Gondomar, Maia, Matosinhos, Porto, Póvoa de Varzim, Valongo, and Vila do Conde.

As is clearly stated in Lipor's Mission - "Take on innovative solutions when managing resources, promoting a circular approach and the creation of shared value", this work has been carried out with transparency in its activities, involving all partners, constantly committing to Quality, and of course, seeking to anticipate the future.

Hence, it was a natural step to develop and implement a Social Responsibility Management System, and to subsequently certify it by the SA8000 Standard.

With strong impacts on the region's social fabric, (employees, families, suppliers and the community), this initiative has been integrated into the organization's own Strategy and Management since the very beginning, contributing towards its success.

As part of this Management System, Lipor has worked closely with its Stakeholders, anticipating their expectations and responding to their needs.

In this respect, a set of complementary projects have been developed, always with the end goal to improve the Quality of Life of citizens, and protect the Environment and the well-being of employees.

In fact, developing a business sustainably is only possible if the social initiatives are aligned with organizations' key skills and strategic goals, if staff are proud of their organization, and if it improves the well-being of their families and the local community.

Despite the maturity of Lipor's Waste Management System, Lipor is aware that it shall continue and advance, in order for continuous improvement, integrating the concerns of Social Responsibility into its strategy.

Aware that the implementation of a Social Responsibility Management System and its certification by the SA8000 Standard would be an added value for its work in this area, Lipor began a Diagnosis in 2008 which enabled necessary improvements

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to be checked. Processes that would be relevant for the SA8000 Standard were also identified, which allowed gaps to be identified concerning the standard, and obtaining the Certification.

One of the main issues addressed was the Control of Suppliers and the entire Value Chain. In this respect, a supplier involvement program was devised, namely through the creation of a Code of Conduct for Suppliers and Subcontractors, and a thorough control through self-diagnosis, visits to suppliers and also second-party audits.

This method of working allowed partners to be more involved, and to participate in the process, undoubtedly improving the final result.

It is also important to highlight the importance of aligning the entire organization with the goals and implementation processes of the SA8000 standard, so that continuous training is given to all employees on the principles of the standard and all the documents related to this System.

Lipor is aware that the Certification by the SA8000 Standard does not mean that the work has ended, but rather it is the principle of a new way of addressing Social Responsibility, paving the way for a Management which is more humane and inclusive.

Nowadays, Lipor continues to invest in this area of Social Responsibility, and believes that the implementation and certification of a Management System is a more effective way of managing Social Responsibility, which is why it began the transition process for a new version of the SA8000:2014 standard in 2016.

The first step in the transition process was to carry out a self-diagnosis, assessing the status of the Management System and the Social Responsibility policies in the organization, and on the SAI electronic platform - a Social Fingerprint.

This was an enriching experience which led to the creation of the Social Performance Team (EDS) who have worked tirelessly to promote Social Responsibility in the organization.

This method of addressing Management undoubtedly allowed Lipor to become a pioneer in

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generating capital gains for all partners in the mid and long-term, creating value, not only internally, but also for society.

Requirements of the SA8000 Standard

Upon implementing and certifying a Social Responsibility Management System, Lipor accepted the commitment of complying with the requirements of the SA8000 standard.

It is essential that Lipor, staff and all stakeholders along the value chain comply with the following requirements:

- Child labor is not permitted;
- Forced or compulsory labor is not permitted;
- Health and safety shall be guaranteed;
- Freedom of Association and Right to Collective Bargaining shall be guaranteed;
- Discrimination is not permitted;
- Disciplinary practices not provided for by law are not permitted;
- Working Hours shall be respected;
- Remuneration shall be in accordance with the legislation in force;
- A management system shall be in place, and shall guarantee compliance with the requirements and take into account the principles of continuous improvement.

In addition to these requirements, Lipor is committed to respecting the principles of international regulation instruments, namely the ILO Conventions and the international Human Rights standards expressed in our Mission, Vision, Values and Policy.