

SUSTAINABILITY REPORT **2016**

Detailed tables

and explanations

VOLUME II



NOVAMONT

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chapter 3

GENERATING VALUE

Also this year, our Sustainability Report is divided into two volumes. While the first provides a broad and general view, this second part allows us to take a deeper look, analysing, in detail, all of the numbers and specific data that the new GRI Standards require should be reported. Thus, the second volume is an integral part of the Report; it helps to complete the picture of every individual aspect, and is indispensable for anyone that wants to have more information about the results of our decisions in the environmental and social spheres.

201-1 – Directly generated and distributed economic value

YEAR 2016

ECONOMIC VALUE GENERATED BY THE COMPANY

	IMPORTI IN UNITÀ DI €
RECEIPTS AND OTHER OPERATING INCOMES	149.431.490
INCOMES FROM FINANCIAL MANAGEMENT	261.689
EXTRAORDINARY RECEIPTS	953.679
REVALUATIONS OF IMMOBILIZATIONS	-
CONTRIBUTIONS RECEIVED	3.755.297
TOTAL ECONOMIC VALUE GENERATED	154.402.155

ECONOMIC VALUE DISTRIBUTED BY THE COMPANY

OPERATING COSTS	117.429.625
PAYMENT OF COLLABORATORS	17.863.160
PAYMENT OF FINANCIAL BACKERS	2.165.646
PAYMENT OF THE PUBLIC ADMINISTRATION	2.764.468
EXTRAORDINARY COSTS	120.683
TOTAL ECONOMIC VALUE DISTRIBUTED	140.343.581

ECONOMIC VALUE RETAINED BY THE COMPANY

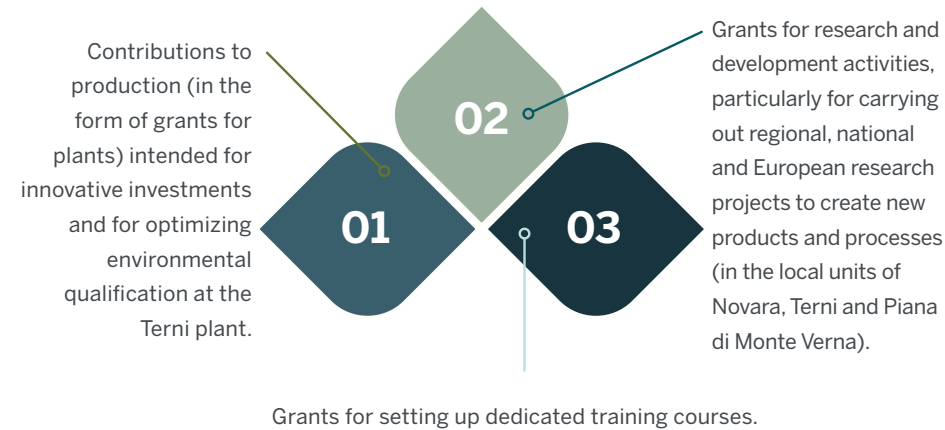
DEPRECIATION OF NON-MATERIAL GOODS	1.049.532
DEPRECIATION OF MATERIAL GOODS	5.995.307
PROVISIONS	37.228.627
LOSS GENERATED	-30.214.892
TOTAL ECONOMIC VALUE RETAINED	14.058.574

201-4 - Financial assistance received from government

The contributions received in 2016 from the public administration amount to

Euro 3.755.297

As indicated in the 201-1 indicator table. This value is made up of:



203-2 - Main indirect economic impacts

Novamont promotes an approach to the bioeconomy that is based on the efficient use of renewable resources and on the concept of territorial regeneration, starting with the local areas and creating plants that are the first of their kind, by applying proprietary technologies and by redeveloping industrial sites that are no longer competitive or have been abandoned, to generate new production chains, new products and new jobs. By promoting a system that involves the whole production chain, in an integrated way, the potential effects on employment do not only concern our plants, but also rural areas (because, with our integration model, we try to create new opportunities for employment and earning for farmers), the research and innovation part (which allows the development of technologies that are then applied to industrial sites, and makes it possible to make constant improvements our products in terms of technical and environmental performance and to develop new products), the downstream transformation industry (with opportunities to revitalize the sector) and the sector of collection and treatment of organic waste.

By promoting complete integration of the production chains and of the processes that characterize Novamont's model of the bioeconomy, it is estimated that, for every 1000 t of bioplastic produced, 60 full-time jobs are created, distributed as follows:

- - **35% Composting and anaerobic digestion plants**
- - **25% Agriculture and related activities**
- - **20% Production of building blocks for the bioplastics and biochemical industries**
- - **15% Bioplastics transformation industry**
- - **5% Research, development and innovation and production of bioplastics**

By improving management of the organic fraction, Novamont contributes to the development of the circular economy, which has significant and very diversified effects on employment. The European Compost Network, for example, estimates that for 1320 t of biowaste produced, there is a new job in rural areas, and in urban areas, there is a new job for every 4500 t of biowaste.

416-1 - Assessments of the impacts on health and

Mater-Bi is produced and managed in accordance with procedures that are in line with the integrated quality, environment and safety system, to ensure protection of the operators, protection of the environment and integrity and quality of the product, in view of the subsequent transformations by users.

A specific procedure that refers to the OHSAS 18001 system assesses the performance and suitability of new raw materials. Approval is given after a process that starts with pilot tests, and ends with industrial testing. Account is taken, particularly, of:



Safety of the Operators



Conformity with European regulation 1907/2006 (Reach)



Conformity with the laws that govern the Sector of Materials and Objects destined to come into contact with foods.

II Mater-Bi is a material that is not dangerous (according to EC regulations 1272/2008). The technical and processing sheets provide indications on how to process it safely. The impact on health and safety is assessed throughout all phases.

- **Development of the product concept**
- **Research and development**
- **Certification**
- **Production**
- **Marketing and promotion**
- **Storage, distribution and supply**
- **Use and service**
- **Disposal, reuse and recycling**



102-8 - Information on the numbers of employees

- a. No. of employees, by type of contract, by gender
- b. No. of employees, by type of contract, by site
- c. No. of employees, by job type, by gender

Division by gender, on each site and by type of contract

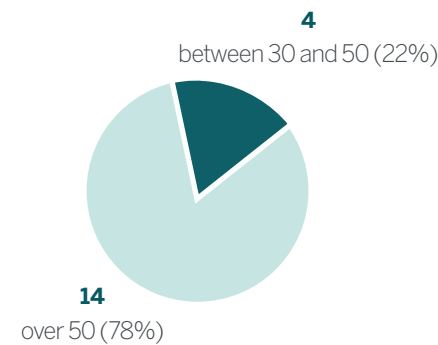
	NOVARA	TERNI*	PIANA DI MONTE VERNA	TUTTI
TYPES OF CONTRACT	PERMANENT			
	50	2	3	55
	72	116	10	198
	PERMANENT PART-TIME			
	6	2	0	8
	3	0	0	3
	TEMPORARY			
	4	0	0	4
	4	1	0	5
	APPRENTICESHIP			
	0	0	0	0
	0	0	0	0

405-1 - "Diversity" among the workforce

STEERING COMMITTEE

The senior management constitutes the steering committee, which is made up of 18 directors, of which, 16 are men (89%), and two, women (11%), one of whom deals with running the organization, as the CEO. Make-up of the steering committee, by age.

At the moment, there is no one that belongs to protected categories on the steering committee.



EMPLOYEES BY TYPE OF WORK AND GENDER

NOVARA	♀	♂	TOTAL
MANUAL WORKERS	0	3	3
OFFICE WORKERS	31	19	50
MANAGING CLERKS	15	16	31
MANAGERIAL STAFF	12	26	38
DIRECTORS	2	17	17
TOTAL EMPLOYEES	60	79	139

TERNI	♀	♂	TOTAL
MANUAL WORKERS	0	80	80
OFFICE WORKERS	2	20	22
MANAGING CLERKS	0	7	7
MANAGERIAL STAFF	2	9	11
DIRECTORS	0	1	1
TOTAL EMPLOYEES	4	117	121

PIANA DI MONTE VERNA	♀	♂	TOTAL
MANUAL WORKERS	0	0	0
OFFICE WORKERS	1	5	6
MANAGING CLERKS	1	2	3
MANAGERIAL STAFF	1	3	4
DIRECTORS	0	0	0
TOTAL EMPLOYEES	3	10	13

EMPLOYEES BY TYPE OF WORK AND AGE RANGE, FOR THE THREE SITES (NOVARA, TERNI AND PIANA DI MONTE VERNA)

CATEGORY	N OF EMPLOYEES		
	UNDER 30	BETWEEN 30 AND 50	OVER 50
MANUAL WORKERS	32	45	6
OFFICE WORKERS	20	53	5
MANAGING CLERKS	1	35	5
MANAGERIAL STAFF	0	46	7
DIRECTORS	0	4	14
TOTAL EMPLOYEES	53	179	23

202-2 Portion of senior management employed from the local community

Seventeen members of the steering committee work at the Novara site (5 of them reside in Piedmont), and 1 at the Terni site, who resides in Umbria. When the company assesses candidates for employment, skills being equal, it favours those who reside near the sites where the post they will be occupying is based.

102-41 – Collective bargaining agreements

<h1>255</h1> <p>EMPLOYEES</p> <p>100% of the employees are covered by collective national labour agreements (CNLA) for Chemical Industry Employees.</p>	<h1>18</h1> <p>DIRECTORS</p> <p>100% of the directors are covered by collective national labour agreements (CNLA) for Directors of Companies that Produce Goods and Services.</p>
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401-1 Distribution of employees whose employment ceased, by age range and region

The following employees ceased their employment during 2016:

- No. 2 employees under 30
- No. 5 employees between 30 and 50
- No. 1 employee over 50

of which

N°1, Umbria Region N°7, Piedmont Region

402-1 – Minimum notice periods regarding operational changes

In 2016, no organizational changes were made that impacted the articles mentioned below.

In the case of changes of this nature or company transfers, **Art. 23 and 57 of the CNLA for Chemical Industry Employees**, respectively, are applied for all employees.

The same type of organization changes or company transfers involving directors, are governed by **Art. 13 and 14**, respectively, of the **CNLA for Directors of Companies that Produce Goods and Services**.

As stated in the CNLA for Chemical Industry Employees:
Art. 23 Transfer: this includes "suitable notice"; that is, with respect to the job carried out by the employee in question, and to his specific needs.
Art. 57 Company Transfers: this refers to the rules of law (Art. 47, Italian Law No. 428/1990).

As stated in the CNLA for Directors of Companies that Produce Goods and Services:
Art. 13 Transfer of company property: this refers to Art. 12 of the Italian Civil Code.
Art. 14 Transfer of the director: notice must not be less than three months, or less than four months when the director has cohabiting or dependent relatives.

403-1 – Percentage of all employees represented on the formal company-employee committees on health and safety

In 2016, 20 people were involved in the periodic meetings (both compulsory and optional) on health and safety, against the 7 required by the regulations.

10%: the percentage of employees present at the meetings to re-examine the safety management system, to check and give advice on programmes for protecting health and safety.

403-2 – Types of accident, accident rate, professional diseases, days of work lost and number of fatal accidents connected with the work, divided by region and gender

SITE OF NOVARA				
BS OHSAS 18001 PERFORMANCE INDICATORS	DESCRIPTION OF INDICATOR	2014	2015	2016
AR (ACCIDENT RATE)	(Total number of accidents/Total hours worked)*200,000	2,01*	1,85*	0,84*
PDR (PROFESSIONAL DISEASE RATE)	(Total cases of professional diseases/Total hours worked)*200,000	0	0	0
SI (SEVERITY INDEX)	(Total number of days lost because of accidents and professional diseases/Total hours)	19,11	18,55	18,57
RA (RATE OF ABSENTEEISM)	(Total number of days of absence in the reporting period/Total of working days in the same period)*200,000	1.271	1.185	2.259

SITE OF TERNI				
BS OHSAS 18001 PERFORMANCE INDICATORS	DESCRIPTION OF INDICATOR	2014	2015	2016
AR (ACCIDENT RATE)	(Total number of accidents/Total hours worked)*200,000	0,99*	1,94*	1,95*
PDR (PROFESSIONAL DISEASE RATE)	(Total cases of professional diseases/Total hours worked)*200,000	0	0	0
SI (SEVERITY INDEX)	(Total number of days lost because of accidents and professional diseases/Total hours worked)*200,000	77,55	28,12	55,40
RA (RATE OF ABSENTEEISM)	(Total number of days of absence in the reporting period/Total of working days in the same period)*200,000	2.140	1.816	6.048

SITE OF PIANA DI MONTE VERNA				
BS OHSAS 18001 PERFORMANCE INDICATORS	DESCRIPTION OF INDICATOR	2014	2015	2016
AR (ACCIDENT RATE)	(Total number of accidents/Total hours worked)*200,000	0*	0*	0*
PDR (PROFESSIONAL DISEASE RATE)	(Total cases of professional diseases/Total hours worked)*200,000	0	0	0
SI (SEVERITY INDEX)	(Total number of days lost because of accidents and professional diseases/Total hours worked)*200,000	0	0	0
RA (RATE OF ABSENTEEISM)	(Total number of days of absence in the reporting period/Total of working days in the same period)*200,000	291	125	9.360

NOTES The data analysed also includes the less important accidents (which required first aid). By "days lost", we mean calendar days. The "days lost" were calculated from the day after the accident. The factor of 200,000 comes from: 50 weeks x 40 hours x 100 employees.

404-1 – Average hours of training per employee in a year

HOURS BY CATEGORY, EXCLUDING HOURS OF TRAINING ON SAFETY						
CATEGORY	2015			2016		
	EMPLOYEES		AVERAGE	EMPLOYEES		AVERAGE
DIRECTORS	2	32	16	1	155	155
OFFICE WORKERS	9	376	42	2	1606	803
MANAGING CLERKS	6	185	31	4	532	133
MANAGERIAL STAFF	10	229	23	2	724	362
APPRENTICES	1	29	29	2	300	150
MANUAL WORKERS	-	-	-	1	38	38
TOTAL	28	851	30	12	3355	279

408-1 – Measures against irregular and child labour

All Novamont personnel are employed with regular employment contracts and no form of irregular employment is tolerated. Furthermore, we are unaware of any situations of child labour in the companies that supply goods and services purchased by Novamont.

409-1 – Measures against unethical or forced labour

Novamont undertakes to protect the moral integrity of its collaborators, by guaranteeing the right to working conditions that respect the dignity of the person. Consequently, no pressure of any kind intended to make someone act in a way that is against the law or the code of ethics is tolerated. Every head is required to make best use of the working time of his collaborators, by giving tasks that are in line with the duties and with the plans for organizing the work, and to encourage their growth. It is an abuse of the position of authority to request, as an act due to a superior, tasks, personal favours or any behaviour that constitutes a violation of the code. Novamont is unaware of situations of forced labour on its premises or on those of its suppliers.

412-1 – Operations that have been subject to human rights reviews or impact assessments

Novamont is aware of the influence, also indirect, that its activities might have on the conditions, economic and social development, and general wellbeing of the community; consequently, all of its activities are monitored.

Novamont undertakes, therefore, to improve the impact of its activities on the environment and on the landscape, and to prevent any dangers for the populations and for the environment.

This not only respects existing regulations, but takes account of the development of scientific research and of the best experiences on the matter.

All of this can be found in points 2.15 "Responsibility to the community" and 2.16 "Environmental Protection" of the code of ethics.

All of Novamont's activities are carried out in accordance with the law, respecting the values of honesty, integrity, correctness and good faith.

The code of ethics observes and emphasizes these values. In 2016, no claims were registered concerning violations of human rights. In 2016, the company did not receive any convictions for violations of the rights of the local community.

The principles contained in Novamont's code of ethics confirm the importance of guaranteeing the physical and moral integrity of its collaborators, and working conditions that respect the dignity of the individual.

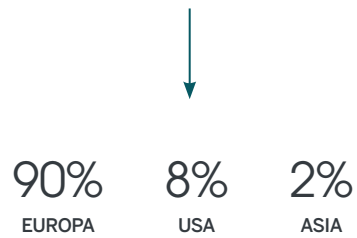
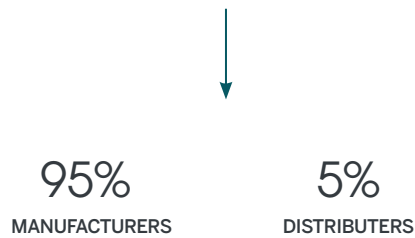


chapter 5

SUSTAINABILITY OF THE PRODUCTION

102-9 Description of the supply chain

SUPPLIERS



SUPPLY CHAIN ACTIVITY SEQUENCE

	MANAGING REQUIREMENTS	SUPPLIES	RECEPTION AND STORAGE	PRODUCTION (SCHEDULED)	CONTROL AND STORAGE	CUSTOMERS (DELIVERY)
input	scheduled finished product deliveries Analysis of customers' needs Stocks of finished products Analysis of raw material needs Level of raw material stocks	supplier screening: Product quality Country of origin Certification Raw material delivery plan	conformity of documents conformity of specifications	organization of production structure Removing raw materials from stock	depositing finished products in stock Conformity with sales	delivery of finished products to customers
ACTIVITY FLOW						
output	forecasting finished product requirements production scheduling forecasting raw material requirements	Vendor List: -about 80 suppliers -about 95% manufacturers, 5% distributors -about 90% Europe, 8% USA, 2% Asia raw material control plan	unloading and storage	production plan raw material consumption	piano di controllo prodotti finiti	issuing documents and certificates Reception of haulage contractors Management of non-conformities (if there are any)

204-1 – Proportion of spending on local suppliers, at the most significant sites

Two criteria are used when in purchasing supplies:

Local presence  Cost 

The definition of “local supplier” refers to purchases made in the provinces of Novara and Terni.

TABLE OF SUPPLIERS

LOCATION OF SUPPLIERS (PROVINCES)	2015		2016	
	AMOUNTS OF ORDERS MADE (€)	PERCENTAGE OF THE TOTAL OF THE ORDERS	AMOUNTS OF ORDERS MADE (€)	PERCENTAGE OF THE TOTAL OF THE ORDERS
NOVARA	5.915.237	5,65%	8.796.696	8,63%
TERNI	5.550.402	5,30%	5.271.265	5,17%
PIANA DI M. VERNA	118.850	0,10%	125.420	0,12%

302-3 – Energy intensity

The energy intensity is calculated as the ratio of the total energy consumed within the company and the quantity of Mater-Bi and Origo-Bi produced in 2016.

The energy consumed includes: electricity, methane and self-produced energy from the combustor.

	2015	2016
ENERGY INTENSITY, ONLY TERNI	2,9 GJ/t	2,7GJ/t

302-4 – Reduction in energy consumption

In Terni, there is a combustor in operation for the thermal oxidation of waste with a high organic content that comes from the polymerization process. When the combustor is not operating, the waste is sent to external solvent recovery plants or, as a last resort, to the consortium treatment plant.

	2015	2016
NET THERMAL ENERGY FROM WASTE COMBUSTION	6.846 GJ for the needs of the production	4.452 GJ for the needs of the production facility

304-1 – Proximity to protected areas and areas with a high biodiversity value

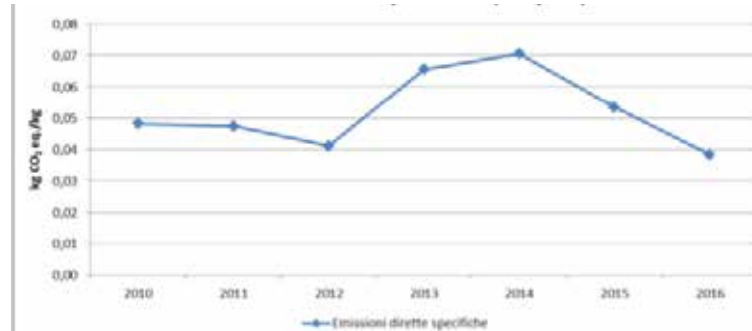
The Novamont sites are situated in urbanized areas, outside protected areas, and areas characterized by a high biodiversity value.

305-1 – Direct greenhouse gas emissions (Scope 1)

EMISSIONS TABLE

	2015	2016
SITE	DIRECT EMISSIONS [t CO ₂ EQ.]	DIRECT EMISSIONS [t CO ₂ EQ.]
TERNI	2.901	2.098
PIANA DI M. VERNA	166	256
NOVARA	-	-
TOTAL	3.067	2.354
GASES INCLUDED IN THE CALCULATION	CO ₂ (fossil)	
EMISSIONS OF BIOGENIC CO ₂	Not present	
BASE YEAR	Graph of specific direct emissions (Scope 1)	
GWP RATE	Direct emissions are emissions due to the direct combustion of natural gas for Terni and Piana Monte Verna and of the refluents in the combustor (only Terni).	
CONSOLIDATED APPROACH	Natural gas: 0.062 kg CO ₂ /MJ Source Ecoinvent 3.1 [Heat, district or industrial, natural gas {Europe without Switzerland}]/ heat production, natural gas, at industrial furnace low-NOx>100 KW/Alloc. Rec U]	
STANDARDS, METHODS AND ASSUMPTIONS	Direct measurements and stoichiometric balance	

Specific direct emissions (Scope 1)



The graph shows the specific direct greenhouse gas emissions (SCOPE 1). These were determined as the ratio of the total direct emissions to the overall amount of Origo-Bi and Mater-Bi polyesters produced during the reference year (2016).

305-2 – Greenhouse gas emissions generated by energy consumption (Scope 2)

	2015	2016
SITE	INDIRECT EMISSIONS [t CO₂ EQ.]	INDIRECT EMISSIONS [t CO₂ EQ.]
TERNI	325	327
PIANA DI M. VERNA	11	11
NOVARA	883	859
TOTALE	1.219	1.197
GASES INCLUDED IN THE CALCULATION	CO ₂ (fossil), CH ₄ (biogenic and fossil); N ₂ O; SF ₆	
EMISSIONS OF BIOGENIC CO₂	Not present	
BASE YEAR	-	
GWP RATE	Indirect emissions are emissions relating to externally purchased energy, that is: electricity and steam (only for Novara)	
CONSOLIDATED APPROACH	Electricity: 10.3 kg CO ₂ /MWh Source Ecoinvent 3.1 Record; "High voltage electricity {IT}, electricity production hydro run of river, Alloc. Def U". Steam: 0.24 kg CO ₂ eq/kg Source Ecoinvent 3.1 Record: "Steam, in chemical industry {RER} production, alloc. Def U"	
STANDARDS, METHODS AND ASSUMPTIONS	Direct measurements	

305-7 – NO, SO and other significant emissions

Novamont does not produce, import or export substances that damage ozone. The use of fluorinated gases in air-conditioning and conditioning and refrigeration plants is done in accordance with the reference norm (Italian Presidential Decree No. 43/2012, Reg. 2037/2000, Reg. 1005/2009).

306-2 – Total weight of waste, by type and method of disposal

THE DISPOSAL OF WASTE (IN KG) (NOVARA, TERNI, PIANA DI MONTE VERNA)							
DESCRIPTION CODE LOCALIZATION	WASTE	2015			2016		
		DANGER- OUS WASTE	NON- DANGER- OUS WASTE	TOTAL	DANGER- OUS WASTE	NON- DANGER- OUS WASTE	TOTAL
Depositing on or in the soil (for example, dumping)	D1	-	26.120	26.120	0	0	0
Treatment in terrestrial environment	D2	-	-	-	-	-	-
Biological treatment that gives rise to compounds or to mixtures subsequently destined for disposal	D8	-	51.190	51.190	69.250	69.250	69.250
Physical-chemical treatment, that gives rise to compounds or to mixtures subsequently destined for	D9	-	44.080	44.080	42.900	42.900	42.900
Ground incineration	D10	-	-	-	-	-	-
Preliminary depositing of waste destined for disposal by third parties	D15	43.143	139.230	182.373	62.622	113.110	175.732
TOTAL	D	43.143	260.620	303.763	62.622	225.260	287.882
Main use as fuel or as other means of producing energy	R1	145	-	145	190	-	190
Recycling/recovery of metals or of metal compounds	R4	-	-	-	-	-	-
Recycling/recovery of inorganic substances	R5	-	-	-	-	-	-
Placement in reserve of waste destined for recycling	R13	3.090	556.253	559.343	-	563.181	5.880
Exchange of waste destined for recycling	R12	-	10.420	10.420	7.557	5.880	570.738
TOTAL	R	3.235	566.673	569.908	7.747	569.061	576.808


 chapter 6
 LAWS AND REGULATIONS

414-1 – Screening of new suppliers using social criteria

Our suppliers come from countries where the legislation protects human rights and the territory from any impact that they might have. We expressly request that each of our suppliers satisfies two types of requirement:

Management system: which involves, for example, certifications such as ISO 14001, ISO 9001, OHSAS 18001, SA 8000.

Sustainability criteria: for suppliers that have a particular impact on the production chain, an additional check by the ECOPEC function is made.

In 2016, no direct investments were made in countries where the level of respect for human rights causes concern or attention in the international community.

301-3 – Percentage of products sold, and their packaging materials, that are recovered, divided by category

As Mater-Bi is a raw material used in the manufacture of products, it does not have a post-consumption or recycle phase. Any recycling will only concern the final products that use this raw material. Mater-Bi is distributed primarily in octabins, on pallets, and a small amount is sold loose. Neither the octabins nor the pallets are recovered (throwaway packaging).

307-1 – Sanctions for the failure to respect environmental laws and regulations

No sanctions were applied for violation of environmental regulations.

416-2 – Cases of non-conformity to regulations and voluntary codes concerning the impacts on the health and safety of products and services during their life cycle

During the reporting period, we did not receive any reports of cases of non-conformity in this area.

417-2 – Cases of non-conformity to regulations or voluntary codes concerning the information and labelling of products/services

There were no cases of non-conformity in this area.

418-1 – Documented complaints about violations of confidentiality and about the loss of consumer data

No complaints were registered in this area.





419-1 – Non-compliance with laws and regulations in the social and economic area

No sanctions were applied in this area.

Novamont considers sanctions of sums of more than €50,000, that is, greater than 0.038% of its turnover for 2016, to be “significant”. In this Sustainability Report only the “significant” sanctions have been reported.

205-1 – Percentage and total number of areas of operations analysed in relation to the risks connected to corruption + 205-2 – Communication and training for the anti-corruption procedures and policies

In 2016, the Intellectual Property and Legal Affairs function did not receive any reports or news of particular risks concerning corruption. 2016 was dedicated to gap analysis activities, which were followed by the drawing up of procedures and revision of the Organization, Management and Control Model (former Italian Legislative Decree No. 231/2001), and consequently, no assessment was made of ongoing operations and no training activities carried out concerning anti-corruption. In 2017, all activities of analysing and controlling the activities of the functions in relation to anti-corruption, including communication and training, will formally begin again.

206-1 – Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices

The company was not affected by legal actions in this area.

417-1 Requisites for information and labelling of products and services

Starting with the conception of a new formulation (grade) of Mater-Bi, the following activities are carried out, and the following documents are produced:

100% FOR ALL OF THE PRODUCTS



Activities

- **Assining** an unambiguous name to the new grade;
- **Safety and technical data sheets are produced** (these cover how to manage and handle the product correctly, for the purposes of worker safety, and its technical performance);
- **Industrialization of Mater-Bi**, which is sold in granular form to plastic transformers.



Documents

- **Safety data sheets** (a guide on how to use the product safely, with information about how to dispose of it correctly);
- **Product processing sheet** (when a safety data sheet is not required by law, the company still provides information on how to handle the product correctly and safely);
- **Technical data sheets** (information on the physical-mechanical properties of the products, and instructions on how to transform them into finished articles).

< 100% PER ALCUNI PRODOTTI



Activities

Transmission of information about the sustainability of the products, not subject to procedure.



Documents

Compostability certificates:
92.5% of certified Mater-Bi grades, with respect to the total number of Mater-Bi grades.
99.6%, in weight, of certified Mater-Bi, with respect to the total quantity of material sold with the Mater-Bi name.





chapter 8

SAFEGUARDING AND MAKING THE MOST OF THE TERRITORY

417-3 – Cases of non-conformity to regulations or to voluntary codes in the activity of marketing, including advertising, promotion and sponsorship

There were no cases of non-conformity in this area.

413-1 – Areas in which programmes to involve the local community were developed

In Novamont, communication to the outside respects the laws, rules, and practices of professional conduct. It is done with clarity, transparency and timeliness, also using the mass media. The company's institutional communication is intended for all institutional interlocutors at the following levels: international, European, national and local.

Consequently, the company's interests are represented in a transparent, rigorous, coherent manner, in such a way as to prevent collusive-type behaviour.

In 2016, Open Days were organized in Terni and in Novara, to open the sites to the community and to create new opportunities to communicate and to relate. A system of gathering demands and any complaints from the territory was created with the same aim.

413-2 – Operation areas that have significant current and potential negative impacts on the communities

The organization has not caused any negative, environmental or economic impacts on the local communities in which it is active.

303-1 – Water drawn, by supply source

	2015	2016
TERNI		
DRAWN FROM WATER TABLE (m ³)	158.943	129.313
CONSUMPTIONS FROM AQUEDUCT (m ³)	2.124	1.390
PIANA DI MONTE VERNA		
DRAWN FROM WATER TABLE (m ³)	5.156	5.292
CONSUMPTIONS FROM AQUEDUCT (m ³)	862	3.157
NOVARA		
CONSUMPTIONS FROM AQUEDUCT (m ³)	18.000	19.053

303-2 - Sources significantly affected by the drawing of water

The water table affected by the Terni site, as the most relevant site from the point of view of drawing water, does not have characteristics indicating a high degree of vulnerability, and does not interact with protected, natural areas. Furthermore, the drawing does not interfere with the local communities, as the site lies in an area that has a high density of water tables.

306-1 – Total dumping of water, by quality and destination

THE SITE IN TERNI DUMPED	2015		2016	
	79.476 m ³ of water into the body of surface water, of which		64.790 m ³ of water into the body of surface water, of which	
	77.352 m ³ of untreated refluents	2.124 m ³ of blackwater treated in an Imhoff tank	58.791 m ³ of untreated refluents	1.390 m ³ of blackwater treated in an Imhoff tank
	4.451 m ³ di reflui industriali inviati al depuratore consortile nell'area industriale		4.609 m ³ di reflui industriali inviati al depuratore consortile nell'area industriale	

TYPE OF REFLUENT WATER		INDUSTRIAL, FROM PROCESS	CIVIL REFLUENTS
QUANTITY	2015	4,451 m ³	79,476 m ³
	2016	4,609 m ³	60,181 m ³
TYPE OF TREATMENT		Cooperative purifying plant Chemical-physical + biological polymer	Imhoff tank + Percolating filter (civil); continuous treatment with grease trap + Sedimenter
DESTINATION		Wall ditch (surface waters)	Wall ditch (surface waters)
DATA ACQUISITION METHOD		Measuring	Estimate

The details of pollutant emissions, which refer to the three types of dumping carried out by the company, are as follows:

TERNI 2015			
TOTAL EMISSIONS	DUMPING 4451**m ³	DUMPING 77.352** m ³	DUMPING 2.124** m ³
BOD5	16 kg/year	673 kg/year	21 kg/year
COD	36 kg/year	3.499 kg/year	116 kg/year
Ammonia Nitrogen	0,38 kg/year	67 kg/year	0,56 kg/year
Total Phosphorus	0,49 kg/year	41,9 kg/year	0,02 kg/year
Chlorides	55 kg/year	1.901 kg/year	40 kg/year
TNI	0,89 kg/year	79 kg/year	1,58 kg/year
Ferro	1,47 kg/year	1,45 kg/year	0,23 kg/year

** emissions after treatment

TERNI 2016			
TOTAL EMISSIONS	DUMPING 4.609**m ³	DUMPING 58.791**m ³	DUMPING 1.390**m ³
BOD5	111 kg/year	59 kg/year	4 kg/year
COD	272 kg/year	71 kg/year	15 kg/year
Ammonia Nitrogen	0,99 kg/year	1 kg/year	9,28 kg/year
Total Phosphorus	0,46 kg/year	0,59 kg/year	0,58 kg/year
Chlorides	190kg/year	913,6 kg/year	24 kg/year
TNI	0 kg/year	51 kg/year	0,9 kg/year
Ferro	0,48 kg/year	1,22 kg/year	0,1 kg/year

**emissioni dopo trattamento

PIANA DI MONTEVERNA

	2015	2016
TOTAL EMISSIONS	DUMPING 4.558 m ³	DUMPING 2.536 m ³
BOD ₅	46 kg/year	24 kg/year
COD	114 kg/year	60 kg/year
Ammonia Nitrogen	0,68 kg/year	0,05 kg/year
Total Phosphorus	6 kg/year	0,203 kg/year
Chlorides	1.427 kg/year	484 kg/year
Tensioattivi Totali	2,87 kg/year	2,08 kg/year
Ferro	0,36 kg/year	0,32 kg/year

NOVARA

	2015	2016
Civil refluents	18.000 m ³	19.053 m ³

102-48 – Correction section

There are no corrections to the previous Sustainability Report, which was published in August 2016.

DISCLOSURE ON MANAGEMENT APPROACH

TYPE	RELEVANCE CLASS	MATERIAL TOPICS	MOTIVATIONS AND BOUNDARIES	MATERIAL TOPICS FROM GRI-STANDARD	DISCLOSURE	MANAGEMENT INSTRUMENTS	RESPONSIBILITIES
COMMON	ALL CLASSES	All aspects	<p>The material topics were identified by applying the principles for defining the contents of the Report and by the processes of stakeholder engagement and of materiality analysis described in detail in Chapter 2 of Volume I of the 2016 Sustainability Report. For each material topic, the boundary within which the potential and relative impacts can fall were identified:</p> <ul style="list-style-type: none"> • Inside the company boundaries: in this case, the impacts primarily affect the internal stakeholders (e.g. employees) • Outside the company boundaries: in this case, the impacts that appear primarily affect the external stakeholders (e.g. customers, local communities, etc.) • Inside and outside the company boundaries: in this case, the impacts that appear affect both internal stakeholders and external stakeholders. 			<p>POLICIES</p> <p>1. Novamont issues, and keeps up to date, an Integrated Policy for Quality, the Environment and Safety, which may be consulted on the company website (www.novamont.com), and which confirms, among the various commitments, the importance of:</p> <ul style="list-style-type: none"> • Developing solutions that can guarantee environmental, social and economic advantages of the system as the main focus of the organization. The Integrated Policy is incorporated into all aspects of our business, starting with the products themselves, the production process and its maintenance, the supply chain, even involving our way of communicating and interacting with the community. • Getting involved in managing Quality, Environment, Health and Safety, by ensuring that Corporate Responsibility, conformity to laws, environmental awareness, greater sustainability and customer satisfaction are achieved. <p>The Integrated Policy for Quality, the Environment and Safety covers the three sites of Novamont S.p.A.: Novara, Terni and Piana di Monte Verna.</p> <p>The issuing of an Integrated Policy for Quality, the Environment and Safety makes reference to the international standards ISO 9001, ISO 14001 and OHSAS 18001. The Integrated Policy was last updated on 8 March 2016.</p> <p>2. The detailed Strategy Document contains the strategy developed by Novamont. The strengths, weaknesses, opportunities and threats are determined using SWOT Analysis. On the basis of this analysis, and in accordance with the first company approach, the CEO produces Novamont's Competitive Strategy and establishes the Objectives and Strategic Initiatives.</p> <ul style="list-style-type: none"> • The detailed Strategy Document covers the company network, including all of Novamont's sites in Italy. • The detailed Strategy Document does not refer to any international standards. • The last revision date of the detailed Strategy Document was February 2015. <p>COMMITMENTS</p> <p>1. Novamont expresses its commitments to sustainability by means of the Sustainability Report. This document describes the company's activities from the economic, environmental and social perspectives, and illustrates its strategy, commitments, approach to managing material topics and the results obtained during the calendar year. Furthermore, Novamont undertakes to make the Sustainability Report conform to the requirements contained in the GRI-Standards.</p> <p>The CEO summarized the commitments to sustainability in the interview at the beginning of the Report.</p> <p>The document is available and can be consulted, on the company's website (www.novamont.com).</p> <p>2. Novamont expresses its commitments also by adopting a Code of Ethics. The aim of the Code is to identify and spread common rules of behaviour in order to encourage morally correct conduct and respect for existing regulations, in relations between all subjects involved in Novamont (including stakeholders, customers, suppliers and other third parties).</p>	<p>It is the responsibility of the individuals in charge of the company's sites to write the Integrated Policy for Quality, the Environment and Safety and the detailed Strategy Document.</p> <hr/> <p>The commitment to sustainability starts with the CEO, and involves all functions in Novamont.</p> <p>The Code of Ethics is proposed by the CEO and approved by the Board of Directors.</p>

TYPE	RELEVANCE CLASS	MATERIAL TOPICS	MOTIVATIONS AND BOUNDARIES	MATERIAL TOPICS FROM GRI-STANDARD	DISCLOSURE	MANAGEMENT INSTRUMENTS	RESPONSIBILITIES
COMMON	ALL CLASSES	All aspects	<p>The material topics were identified by applying the principles for defining the contents of the Report and by the processes of stakeholder engagement and of materiality analysis described in detail in Chapter 2 of Volume I of the 2016 Sustainability Report. For every material topic, the boundary within which the potential and relative impacts can fall were identified:</p> <ul style="list-style-type: none"> • Inside the company boundaries: in this case, the impacts primarily affect the internal stakeholders (e.g. employees) • Outside the company boundaries: in this case, the impacts that appear primarily affect the external stakeholders (e.g. customers, local communities, etc.) • Inside and outside the company boundaries: in this case, the impacts that appear affect both internal stakeholders and external stakeholders. 			<p>GOALS AND TARGETS</p> <p>I. Goals for sustainability</p> <ul style="list-style-type: none"> • The goals and targets are set annually, with reference to the previous year. When a goal requires several years to be achieved, it is monitored and confirmed annually. • The goals and targets are reported in the Sustainability Report. • The goals and targets concern all Novamont sites (Novara, Terni and Piana di Monte Verna). • Where possible, for every goal or target, a quantitative (or qualitative) indicator is selected. • The goals and targets are voluntary and ameliorative, with respect to Italian legislation. <p>Within the Integrated Management System, other improvement goals are set, and described in the improvement plan of every company site.</p> <hr/> <p>SPECIFIC ACTIONS</p> <p>I. Novamont has adopted a system for managing Sustainability based on the Sustainability Report. The management of Sustainability is continuous and involves all of the premises, functions and employees. The management of Sustainability refers to the GRI Standards issued by the Global Sustainability Standards Board (GSSB) (www.globalreporting.org/standards).</p> <p>2. Novamont has adopted an Integrated Management System for Quality, the Environment and Safety, and keeps it active.</p> <ul style="list-style-type: none"> • The Integrated Management System covers all Novamont sites in Italy (Novara, Terni and Piana di Monte Verna). • The Integrated Management System is a long-term activity, as its goal is continuous improvement over time. • The Integrated Management System provides the framework for developing, implementing, monitoring and revising goals, targets and standards in such a way as to create a culture of seeking continuous improvement and reducing possible risk factors. • The Integrated Management System for Quality, the Environment and Safety is certified and conforms to the international standards ISO 9001, ISO 14001 and OHSAS 18001. <hr/> <p>COMPLAINT MECHANISMS</p> <p>I. Novamont provides the opportunity to ask for information and to make any complaints through its Internet site: www.novamont.com, in the Contacts section.</p> <hr/> <p>ASSESSMENTS OF MANAGEMENT</p> <p>In order to monitor the adequacy of the management of the material topics, Novamont uses the results of audits, carried out by the company and by third parties, on the Integrated Management System, by assessing the presence of any non-conformities or of complaints from internal and external stakeholders. The results of the assessment are:</p> <ul style="list-style-type: none"> • Audit Reports • Disclosure of the GRI Standards indicated in the "Disclosure" column • Assessment tools used by the customers • Feedback from the parties concerned. <p>In the reporting year, no modifications or changes were made to the approach to management with respect to the previous year.</p>	<p>Management of Sustainability is coordinated by the Ecopec function and involves the whole of Novamont.</p> <p>The Integrated Management System is under the responsibility of the Quality function and of the Safety and Environment function.</p> <p>Management of Sustainability is coordinated by the Ecopec function and involves the whole of Novamont.</p> <p>The Integrated Management System is under the responsibility of the Quality function and of the Safety and Environment function.</p> <p>Requests for information and any complaints are managed and forwarded to the relevant functions.</p>

TYPE	RELEVANCE CLASS	MATERIAL TOPICS	MOTIVATIONS AND BOUNDARIES	MATERIAL TOPICS FROM GRI-STANDARD	DISCLOSURE	MANAGEMENT INSTRUMENTS	RESPONSIBILITIES
SPECIFICI	GENERAZIONE DI VALORE	1. The company's economic value	The economic value generated by Novamont and distributed within the company and to the outside. Any positive or negative impacts related to it may have repercussions either inside or outside the company boundaries.	GRI 201: Economic performance 2016	202-1, 201-4	<p>POLICIES Novamont issues, and keeps up to date, an Integrated Policy for quality, the environment and safety, which confirms, among the various commitments, the importance of:</p> <ul style="list-style-type: none"> • Promoting the transition from a product-based economy to a system-based economy, by means of a bioeconomy model based on territorial regeneration, starting with the local areas and by redeveloping industrial sites that are no longer competitive or are disused, to generate new production chains, new products and new jobs. <p>For the general description of the Integrated Policy, turn to the section "Processes common to all Relevance Classes". The detailed strategic document gives the trends and policies in the sphere of economic performance. For the general description of the strategic document, turn to the section "Processes common to all Relevance Classes".</p> <p>COMMITMENTS The commitments made for the material topics of this Relevance Class are developed following what is described in the section "Processes common to all Relevance Classes".</p> <p>GOALS AND TARGETS The goals and targets adopted for the material topics of this Relevance Class are developed following what is described in the section "Processes common to all Relevance Classes".</p> <p>RESOURCES The personnel and financial resources for managing the material topics of this Relevance Class are allocated to the functions:</p> <ul style="list-style-type: none"> • Group Operation General Management • Bioplastics Core Business General Management • Agro Department • Institutional Relations and Associations • New Business Development and Licences • Intellectual Property and Legal Affairs • Ecology of Products and Environmental Communication • Strategic Planning and Institutional Communication • Human Resources • Research and Development • Finance and Auditing Administration <p>COMPLAINT MECHANISMS The mechanisms with which it is possible to make any complaints about the aspects of this Relevance class are developed following what is described in the section "Processes common to all Relevance classes".</p> <p>SPECIFIC ACTIONS Every now and again, the CEO and the Board of Directors (BoD) assess Novamont's economic performance and analyse the risks and opportunities, in order to increase the value of the company and its ability to generate value for itself and society, also through innovative processes.</p>	Managing the aspects of the Relevance Class "Generating value" is the responsibility of: <ul style="list-style-type: none"> • the CEO • the Group Operation General Management • the Bioplastics Core Business General Management
		2. Indirect economic impacts	Additional consequences of the positive or negative economic impacts generated by Novamont in terms of wellbeing for the community. Any impacts, positive and negative, related to this aspect may have repercussions outside the company boundaries.	GRI 203: Indirect economic impacts 2016	203-1, 203-2		
		3. Innovation	The ability to innovate its product, processes and its production chain. For Novamont, innovation is a foundational value. Any impacts, positive or negative, related to this aspect may have repercussions both inside and outside the company boundaries.	416: Health and safety of the customer 2016	416-1		
		4. Diversification of the market	The company's ability to cover different market types (e.g. Retail or large-scale distribution). The ability to predict and control the evolution of the market. Any impacts, positive and negative, related to this aspect may have repercussions outside the company boundaries.	Markets served	102-6		

TYPE	RELEVANCE CLASS	MATERIAL TOPICS	MOTIVATIONS AND BOUNDARIES	MATERIAL TOPICS FROM GRI-STANDARD	DISCLOSURE	MANAGEMENT INSTRUMENTS	RESPONSIBILITIES
SPECIFIC	WORK MANAGEMENT	5. Safety of the processes	The guarantee of safety of the processes for the protection of the workers, during all of the supplying and production phases. Any impacts, positive or negative, related to this aspect may have repercussions inside the company's boundaries.	GRI 403: Occupational health and safety 2016	403-2	<p>POLICIES</p> <p>Novamont issues, and keeps up to date, an Integrated Policy for quality, the environment and safety, which confirms, among the various commitments, the importance of:</p> <ul style="list-style-type: none"> ensuring that employees, service suppliers and contract workers have adequate resources, information and training necessary to carry out their work in a competent and safe manner; in such a way as to ensure that the objectives of the system are achieved in terms of conformity of the products and services ensuring that all employees undertake actions intended to prevent accidents by applying risk management procedures related to their work identifying, reporting, recording and analysing incidents and unplanned events, to draw lessons from them and implement corrective and preventive actions consulting the workers and communicating with the relevant parties concerned in relation to the development and improvement of the management system. <p>For the general description of the Integrated Policy, see the section "Processes common to all relevance classes".</p> <p>COMMITMENTS</p> <p>The commitments undertaken for the material topics of this Relevance Class are developed following what is described in the section "Processes common to all Relevance Classes".</p> <p>GOALS AND TARGETS</p> <p>The goals and targets adopted for the material topics of this Relevance Class are developed following what is described in the section "Processes common to all Relevance Classes".</p> <p>RESOURCES</p> <p>The human and economic resources for managing the material topics of this Relevance Class are allocated to the functions:</p> <ul style="list-style-type: none"> Human Resources Group Operation General Management Quality, environment and safety. <p>COMPLAINT MECHANISMS</p> <p>For all aspects concerning the health and safety of employees, it is possible to make any complaints, suggestions and report any non-conformities using a specific format or by anonymous reporting.</p> <p>SPECIFIC ACTIONS</p> <p>1. Novamont has adopted, and keeps active, an Integrated Management System, which, through internal and external auditing and periodic reviews, sees to the control, monitoring and, if necessary, mitigation of negative impacts on the health and safety of employees. For the description of the Integrated Management System, turn to the section "Processes common to all Relevance Classes".</p> <p>2. The company's Human Resources Department manages professional and personal training programmes for employees.</p> <ul style="list-style-type: none"> Employees, newly-employed workers and interns/ apprentices at the Novamont sites in Italy (Novara, Terni and Piana di Monte Verna). The professional training programmes are developed in accordance with the company's needs, and last one year; The priorities for the individual employee are identified by the function heads and by the Human Resources Department, in accordance with the needs of the professional position, or in the event of modifications made to the operating frame of reference with respect to his job (for example, the purchase of a new piece of machinery requires that the worker be adequately trained to use it). <p>3. The review of the Integrated Management System for the health and safety of workers:</p> <ul style="list-style-type: none"> involves the directors of the individual sites and the heads of the various company functions; is carried out at least once a year;• is part of an internal audit, because by reviewing the results of the audits, the non-conformities and the corrective actions implemented, and the goals and indicators, it is possible to carry out improvement actions; satisfies the international standards (ISO 9001, ISO 14001 and BS OHSAS 18001). 	It is the responsibility of the Quality, Environment and Safety function of the site to handle complaints in the area of occupational health and safety.
		6. Attention to employees	The commitment to accepting and satisfying the needs of the employees. Any impacts, positive or negative, related to this aspect may have repercussions inside the company's boundaries.	GRI 202: Market presence 2016 GRI 401: Employment 2016 GRI 403: Health and safety 2016 GRI 404: Training and education 2016 GRI 405: Diversity and equal opportunity 2016 GRI 406: Non-discrimination 2016 GRI 407: Freedom of association and collective bargaining 2016 GRI 408: Child labour 2016 GRI 409: Forced or compulsory labour 2016 GRI 412: Human rights assessment 2016	202-2, 401-I, 403-I, 403-3, 404-I, 405-I, 406-I, 407-I, 408-I, 409-I, 412-I		
		7. Organization of the work	Increasing the efficiency of the processes and pursuing the wellbeing of the employees by organizing the work. Any impacts, positive or negative, related to this aspect may have repercussions inside the company's boundaries.	GRI 402: Labour/ Management of relations 2016 GRI 404: Training and education 2016	402-I, 404-I		

TYPE	RELEVANCE CLASS	MATERIAL TOPICS	MOTIVATIONS AND BOUNDARIES	MATERIAL TOPICS FROM GRI-STANDARD	DISCLOSURE	MANAGEMENT INSTRUMENTS	RESPONSIBILITIES
SPECIFIC	SUSTAINABILITY OF THE PRODUCTION CHAIN	8. Materials and Products	The development of increasingly sustainable bioplastics and products (i.e. applications) by means of an integrated chain that involves all players in the life cycle (suppliers of raw materials, users of the Mater-Bi and of the products in Mater-Bi, waste management chain), by making the most of the characteristics of renewability and compostability. Any impacts, positive and negative, related to this aspect may have repercussions inside and outside the company boundaries.	GRI 301: Materials 2016	301-I	<p>POLICIES Novamont issues, and keeps up to date, an Integrated Policy for quality, the environment and safety, which confirms, among the various commitments, the importance of:</p> <ul style="list-style-type: none"> • Developing bioplastics and biochemicals by integrating chemistry and agriculture, starting up biorefineries that are integrated into the territory, and providing application solutions that have a low environmental impact, that guarantee efficient use of resources throughout their life cycle. • Adhering to principles of sustainable resource management, prevention of pollution, environmental management, product safety and sustainability. • Developing effective collaboration systems, by establishing and maintaining fruitful working relations with the internal and external parties concerned, further up and further down the supply chain. <p>For the general description of the Integrated Policy, turn to the section "Processes common to all Relevance Classes". Novamont does not only assess the external environmental effects of its activities but obtains instruments for assessing the direct and indirect impacts associated with the organization's activities and with the life cycle of its products, within a view of Life Cycle Thinking. On the basis of these assessments, any areas for improvement, company policies and strategies are identified.</p> <p>COMMITMENTS The commitments made for the material topics of this Relevance Class are developed following what is described in the section "Processes common to all Relevance Classes".</p> <p>GOALS AND TARGETS The goals and targets adopted for the material topics of this Relevance Class are developed following what is described in the section "Processes common to all Relevance Classes".</p> <p>RESOURCES The human and financial resources for managing the material topics of this Relevance Class are allocated to the functions:</p> <ul style="list-style-type: none"> • Group Operation General Management • Bioplastics Core Business General Management • Agro Department • Quality, Environment and Safety • ECOPEC <p>COMPLAINT MECHANISMS The mechanisms with which it is possible to make any complaints about the aspects of this Relevance class are developed following what is described in the section "Processes common to all Relevance classes". It is also possible to send complaints about aspects that relate to this relevance class to the email address: csr@novamont.com.</p> <p>SPECIFIC ACTIONS Novamont adopts methods and procedures to assess and quantify the energy and environmental loads and potential impacts of products and processes throughout the lifecycle in a production chain logic:</p> <ul style="list-style-type: none"> • Application of the method of Lifecycle Assessment (LCA) • Internal testing laboratories for assessing the performance of the various grades of the product; e.g. biodegradation and mechanical performances; • Involvement of all of the professional skills necessary for the development, management and control of an integrated production chain; • Adoption and maintenance of a certified Integrated Management System for Quality, the Environment and Safety; for its general description, turn to the section "Processes common to all Relevance Classes" 	<p>The responsibilities for managing the aspects of the Relevance Class "Sustainability of the production chain" are of:</p> <ul style="list-style-type: none"> • the Group Operation General Management • the Bioplastics Core Business General Management. • Quality, Environment and Safety • Agro Department • ECOPEC
		9. Energy	The use of energy resources, in accordance with the principles of saving and using renewable resources. Any impacts, positive and negative, related to this aspect may have repercussions inside and outside the company boundaries.	GRI 302: Energy 2016 GRI 305: Emissions 2016	302-I, 302-3, 302-4, 305-I, 305-2, 305-4, 305-5, 305-7		
		10. Biodiversity	Protecting the biodiversity of the territories in which Novamont's activities are carried out. Any impacts, positive and negative, related to this aspect may have repercussions outside the company boundaries.	GRI 304: Biodiversity 2016	304-I, 304-2		
		11. Waste	Optimizing the waste cycle throughout Mater-Bi chain, as direct production waste and as end of life waste. Any impacts, positive and negative, related to this aspect may have repercussions outside the company boundaries.	GRI 306: Dumping and waste 2016	306-2		
		12. Overall actions	Actions that concern a number of aspects of the life cycle of Mater-Bi, such as those for the reduction of greenhouse gases or of the water footprint. Any impacts, positive and negative, related to this aspect may have repercussions inside and outside the company boundaries.	GRI 204: Supply procedures 2016 GRI 414: Social assessments on suppliers 2016	204-I, 414-I		

TYPE	RELEVANCE CLASS	MATERIAL TOPICS	MOTIVATIONS AND BOUNDARIES	MATERIAL TOPICS FROM GRI-STANDARD	DISCLOSURE	MANAGEMENT INSTRUMENTS	RESPONSIBILITIES
SPECIFIC	LAWS AND REGULATIONS	13. Conformity of the product	The product's conformity to the main performance standards and obtaining certification for the characterizing parameters, such as biodegradability and compostability. Any impacts, positive or negative, relating to this aspect may have repercussions inside and outside the company boundaries.	GRI 416: Health and safety of the customer 2016 GRI 417: Labelling of products and services 2016	416-2, 417-2	<p>POLICIES Novamont issues, and keeps up to date, an Integrated Policy for quality, the environment and safety, which confirms, among the various commitments, the importance of:</p> <ul style="list-style-type: none"> • Continuously developing, implementing, monitoring, reviewing and improving its processes, to ensure conformity to the standards ISO 9001, ISO 14001 and OHSAS 18001. • Respecting the applicable laws, the regulations and standards and, when applicable, the customer's requirements; if there is no law or suitable standard, Novamont adopts and applies standards and methods that reflect its commitment to conforming to QASS requisites, the best technologies available and the company's expectations. For the general description of the Integrated Policy, turn to the section "Processes common to all Relevance Classes". <p>COMMITMENTS Novamont undertakes to prevent behaviours that may lead to the commission of the crimes mentioned in Italian Leg. Decree No. 231/2001, by adopting an Organization, Management and Control Model (OMM). The commitments undertaken for the material topics of this Relevance Class are developed also following what is described in the section "Processes common to all Relevance Classes".</p> <p>GOALS AND TARGETS The goals and targets adopted for the material topics of this Relevance Class are developed following what is described in the section "Processes common to all Relevance Classes".</p> <p>RESOURCES The human and financial resources for managing the material topics of this Relevance Class are allocated to the functions:</p> <ul style="list-style-type: none"> • Quality, Environment and Safety • Intellectual Property and Legal Affairs. <p>COMPLAINT MECHANISMS The mechanisms with which it is possible to make any complaints about the aspects of this Relevance class are developed following what is described in the section "Processes common to all Relevance classes". It is also possible to make complaints through Novamont's Customer Service, who will forward the complaint to the relevant functions.</p> <p>SPECIFIC ACTIONS Novamont has adopted, and keeps active, a certified Integrated Management System for Quality, the Environment and Safety, the essential requirement of which is to respect the applicable legislation. A company procedure has been issued with regard to the environment, safety and quality for the company sites that has the relative certifications.</p> <ul style="list-style-type: none"> • The procedure is a systemic activity that allows assessing the regulations that apply to the organization and ensuring they are updated in light of new laws and regulations. • The procedure aims to prevent or mitigate the impacts of the material topics of the category "Laws and regulations". <p>For the general description of the Integrated Management System, turn to the section "Processes common to all Relevance Classes".</p> <p>Novamont produces and implements an Organization, Management and Control Model (OMM) to ensure that the activities are carried out in such a way as to minimize the risk of illegal behaviours. The function of the Supervisory Body is to verify that the OMM is respected and is suitable, and to see that it is updated in accordance with Novamont's organizational developments, and developments in existing regulations. Furthermore, it is the Supervisory Body that informs the Board of Directors of updates and adjustments to the OMM. The Board of Directors issues the revisions of the OMM, to incorporate the changes in regulations or organization that occur during the year. Customer satisfaction is systematically monitored with a special system that entails the use of questionnaires sent to the main customers. The reference norm is ISO 9001, covered by the Integrated Management System.</p>	<p>Those responsible for managing the aspects of the Relevance Class "Laws and regulations" are:</p> <ul style="list-style-type: none"> • the CEO • the Board of Directors • the Board of Auditors • the Supervisory Body • the Group Operation General Management • the Operating Unit Management • Quality, the Environment and Safety
		14. Regulatory context	The Italian and international regulatory context for the sector, which regulates the use of products in Mater-Bi and which can affect its production chain and the reference markets. Any impacts, positive or negative, relating to this aspect may have repercussions inside and outside the company boundaries.	GRI 205: Anti-corruption 2016 GRI 206: Anti-competition behaviour 2016 GRI 307: Environmental compliance 2016 GRI 418: Customer confidentiality 2016 GRI 419: Socio-economic compliance	205-1, 205-2, 206-1, 307-1, 418-1, 419-1		
		15. Extended liability (downstream)	A correct use of Mater-Bi, in the post-production phases, is essential to guarantee its properties and, therefore, the benefits related to them. Any impacts, positive or negative, relating to this aspect may have repercussions outside the company boundaries.	GRI 301: Materials 2016	301-3		
		16. Voluntary agreements	Acting in accordance with other operators, building integrated networks that are driven by the same commitment to sustainability and by the same commercial ethics. Any impacts, positive or negative, relating to this aspect may have repercussions outside the company boundaries.	GRI 417: Labelling of products and services 2016	417-2		

TYPE	RELEVANCE CLASS	MATERIAL TOPICS	MOTIVATIONS AND BOUNDARIES	MATERIAL TOPICS FROM GRI-STANDARD	DISCLOSURE	MANAGEMENT INSTRUMENTS	RESPONSIBILITIES
SPECIFIC	TRANSPARENCY AND COMMUNICATION	17. Product communication	The quality of the communication concerning the characteristics of the product and of the processes to all parties concerned. Any impacts, positive or negative, relating to this aspect may have repercussions inside and outside the company boundaries.	GRI 417: Labelling of products and services 2016	417-1, 417-3	<p>POLICIES Novamont issues, and keeps up to date, an Integrated Policy for quality, the environment and safety, which confirms, among the various commitments, the importance of:</p> <ul style="list-style-type: none"> distributing the Policy at the Novamont sites and publishing it on the website (www.novamont.com) <p>For the general description of the Integrated Policy, turn to the section "Processes common to all Relevance Classes".</p> <p>COMMITMENTS The commitments made for the material topics of this Relevance Class are developed following what is described in the section "Processes common to all Relevance Classes".</p> <p>GOALS AND TARGETS The goals and targets adopted for the material topics of this Relevance Class are developed following what is described in the section "Processes common to all Relevance Classes".</p> <p>RESOURCES The human and financial resources for managing the relevant aspects of this Relevance Class are allocated to:</p> <ul style="list-style-type: none"> Strategic Planning and Institutional Communication Ecology of the Products and Environmental Communication Quality Safety and the Environment Institutional Relations and Associations Business Communication and Special Projects. <p>COMPLAINT MECHANISMS The mechanisms with which it is possible to make any complaints about the aspects of this Relevance Class are developed following what is described in the section "Processes common to all Relevance classes".</p> <p>SPECIFIC ACTIONS Novamont regards communication as an essential part of its activities and adopts all instruments necessary for this purpose. The Sustainability Report is considered one of the pivotal elements of this communication strategy, and communicates it to all categories of stakeholder. Thus, the Report goes to internal stakeholders (employees) and external stakeholders (e.g. direct customers, local communities and the authorities).</p> <p>For the general description of the Sustainability Report, turn to the section "Processes common to the Relevance Classes".</p> <p>Each grade of Mater-Bi is accompanied by the following information:</p> <ul style="list-style-type: none"> Unique name Safety data sheets Technical data sheets Instructions on how to manage and handle correctly, for the purposes of employee safety. <p>To this end, a procedure of the Integrated Management System for Quality, the Environment and Safety, has been issued.</p> <p>All grades of Mater-Bi are assessed in terms of Life Cycle Assessment (LCA, in accordance with the standards ISO 14040 and ISO 14044). The grades considered to be strategic for Novamont and the stakeholders may become the object of specific product communications or certifications (e.g. e-Label) based on the results of the LCA in case studies, projects and applications of great environmental importance.</p> <p>Should the need arise, either internally or externally, to provide more information on certain aspects, Novamont will prepare special documentation.</p>	Those responsible for managing the aspects of the Relevance Class "Transparency and communication" are:
		18. Intra-company communication	The quality of intra-company communication, within the same function, and between different functions. Any impacts, positive or negative, relating to this aspect may have repercussions inside the company boundaries.	GRI 404: Training and education 2016	404-1		
		19. Communicating with the local territory and communities	The quality and level of communication to the local territory and communities. Any impacts, positive or negative, relating to this aspect may have repercussions outside the company boundaries.	GRI 413: Local communities 2016	413-1		
		20. Promoting sustainability	The commitment to promoting the principles of sustainability also thinking about future generations. Any impacts, positive or negative, relating to this aspect may have repercussions inside and outside the company boundaries.		n° soggetti coinvolti nel progetto Scuola@ Novamont		

TYPE	RELEVANCE CLASS	MATERIAL TOPICS	MOTIVATIONS AND BOUNDARIES	MATERIAL TOPICS FROM GRI-STANDARD	DISCLOSURE	MANAGEMENT INSTRUMENTS	RESPONSIBILITIES
SPECIFIC	SAFEGUARDING AND MAKING THE MOST OF THE TERRITORY	21. Water	Protecting the water resources of the territories in which the company's activities are carried out. Any impacts, positive or negative, relating to this aspect may have repercussions outside the company boundaries.	GRI 303: Water 2016 GRI 306: Dumping and waste 2016	303-1, 303-2, 306-1	<p>POLICIES</p> <p>Novamont issues, and keeps up to date, an Integrated Policy for quality, the environment and safety, which confirms, among the various commitments, the importance of:</p> <ul style="list-style-type: none"> • Promoting the transition from a product-based economy to a system-based economy, by means of a bioeconomy model based on territorial regeneration, starting with local areas and redeveloping industrial sites that are no longer competitive or are disused, to generate new production chains, new products and new, valuable jobs • Developing solutions that can guarantee environmental, social and economic advantages of the system as the main focus of the organization. The Integrated Policy is incorporated into all aspects of our business, starting with the products themselves, the production process and its maintenance, the supply chain, up to involving our way of communicating and interacting with the community. • Developing bioplastics and biochemicals by integrating chemistry and agriculture, starting up biorefineries that are integrated into the territory and providing application solutions that have a low environmental impact, that guarantee efficient use of resources throughout their life cycle. <p>For a general description of the Integrated Policy, turn to the section "Processes common to all Relevance Classes".</p> <p>COMMITMENTS</p> <p>The commitments relating to the material topics of the category "Safeguarding and making the most of the territory" are made by adopting a Code of Ethics, in which Novamont seeks to manage its investments in a way that respects local communities (2.15 "Responsibility to the community") and to improve the impact of its activities on the environment and on the landscape (2.16 "Environmental protection").</p> <p>The commitments made for the material topics of this Relevance Class are developed following what is described in the section "Processes common to all Relevance Classes".</p> <p>GOALS AND TARGETS</p> <p>Gli obiettivi e i target assunti per i temi materiali di questa Classe di rilevanza sono sviluppati seguendo quanto descritto nella sezione "Processi comuni a tutte le Classi di rilevanza".</p> <p>RESOURCES</p> <p>The human and financial resources for managing the material topics of this Relevance Class are allocated to the functions:</p> <ul style="list-style-type: none"> • Group Operations General Management • Agro Management • Institutional Relations and Associations • Quality, the Environment and Safety <p>COMPLAINT MECHANISMS</p> <p>The mechanisms with which it is possible to make any complaints about the aspects of this Relevance Class are developed following what is described in the section "Processes common to all Relevance classes". Furthermore, since 2016, it is the Quality, Environment and Safety function that monitors any complaints from the local community.</p> <p>SPECIFIC ACTIONS</p> <p>Novamont adopts instruments to create virtuous relationships with the territory in which its premises are located, and to guarantee a high level of interaction of its activities with local, social and economic subjects. The instruments adopted are:</p> <ul style="list-style-type: none"> • schedule agreements with producer associations, to start up virtuous production chains; • sponsorship of local events; • environmental education activities at every level of education; • maintenance of high levels of employment; • achievement of high levels of control over the environment and over the safety of its activities. 	Those responsible for managing the aspects of the Relevance Class "Safeguarding and making the most of the territory" are:
		22. Use of the soil	The type and quantity of soil used in the agricultural supply chains, and pursuit of the principles of sustainable agriculture. Any impacts, positive or negative, relating to this aspect would have repercussions outside the company boundaries.	GRI 413: Local communities 2016	413-2		
		23. Local communities	Collaboration and comparison with the local communities. Any impacts, positive or negative, relating to this aspect would have repercussions outside the company boundaries.	GRI 413: Local communities 2016	413-2		

COMPARISON

table

INDICATOR	DESCRIPTION	CLASSIFICATION	2014	2015	2016
102-8	Employees, by number and gender	total	249	271	273
		women	60	68	67
		men	189	203	206
401-1	New employees, by number and gender	total	11	31	10
		women	7	14	5
		men	4	17	5
	Terminations, by number and gender	total	7	9	8
		women	4	6	6
		men	3	3	2
403-2	Rates of accidents, professional diseases, absenteeism, severity index	All of the sites	AR – Accident rate 1,42	AR – Accident rate 1,8	AR – Accident rate 1,29
			PDR – Professional Disease Rate 0	PDR – Professional Disease Rate 0	PDR – Professional Disease Rate 0
			IG – Indice di gravità 45,88	IG – Indice di gravità 22,01	IG – Indice di gravità 33,90
			SI – Severity Index 3,548	SI – Severity Index 3,126	SI – Severity Index 4,430
404-1	Training, by number of hours and gender	total	729	851	3.355 h
		women	323	398	1.437 h
		men	406	453	1.918 h
201-4	Contributions, in €, received from the Public Administration		2.713.993	3.125.631	3.755.297
201-1	Direct economic value generated and distributed, in €	generated	€ 134.706.022	€ 159.946.762	€ 154.402.155
		distributed	€ 123.173.066	€ 144.056.853	€ 140.343.581
305-5	Reduction, in tonnes, in greenhouse gas emissions		16.315 t	20.674 t	20.773 t
305-1 305-2	Emissions, in tonnes, of direct + indirect CO2 equivalent		4.382 t	4.291 t	3.551 t
303-1	Withdrawals of water, in cubic metres, by source type	from water table	90.017 m ³	164.099 m ³	134.605 m ³
		from aqueducts	23.594 m ³	20.986 m ³	23.600 m ³

GRI Content Index

for “In Accordance – Core” option

Interpretation guide: I, 2 = Volume I, page 2

II, 15 = Volume II, page 15

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General information		
GRI 102: General Disclosure 2016	102-1 Name of the organization	I, 15
	102-2 Activities, brands, products, and services	I, 20
	102-3 Location of headquarters	I, 17
	102-4 Location of operations	I, 17-18
	102-5 Ownership and legal form	I, 16
	102-6 Markets served	I, 17-18
	102-7 Scale of the organization	I, 16
	102-8 Information on employees and other workers	I, 62 - II, 8
	102-9 Supply chain	II, 14
	102-10 Significant changes to the organization and its supply chain	I, 17
	102-11 Precautionary Principle or approach	I, 69
	102-12 Adherence to codes of conduct	Intro
	102-13 Membership of associations	I, 89-90
	102-14 Statement from the CEO	Letter
	102-15 Key impacts, risks, and opportunities	I, 46
	102-16 Values, principles, standards, and norms of behaviour	I, 59
	102-18 Governance structure	I, 63
	102-40 List of stakeholder groups	I, 35
	102-41 Collective bargaining agreements	II, 10
	102-42 Identifying and selecting stakeholders	I, 34
	102-43 Approach to stakeholder engagement	I, 35
	102-44 Key topics and concerns raised	I, 37
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	102-46 Defining report content and topic boundaries	I, 33, 36
	102-47 List of material topics	I, 37
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	102-49 Changes in reporting	I, 36
	102-50 Reporting period	Initial table, 33
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	102-52 Reporting cycle	Initial table,
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Material topics identified by Novamont S.p.A	GRI Standards	Explanation	Page
	GRI 103: Management approach	103-1 Motivations and boundaries of the material topics	II, 28
		103-2 Management instruments	II, 28
		103-3 Assessments of the management	II, 28
Economic value of the company	GRI 201: Economic performance 2016	201-1 Economic value generated and distributed	II, 5
		201-4 Funds received from the public administration	II, 6
Attention to the employees	GRI 202: Market presence 2016	202-2 Portion of management employed from the local community	II, 10
Indirect economic impacts	GRI 203: Indirect economic impacts 2016	203-1 Investments in infrastructure and supported services	I, 104
		203-2 Indirect economic impact principles	II, 6

Temi materiali identificati da Novamont S.p.a	GRI Standards	Informativa	Pagina
Overall actions	GRI 204: Procurement practices 2016	204-1 Proportion of spending on local suppliers	II, 16
Regulation context	GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	II, 22
		205-2 Communication and training about anti-corruption policies and procedures	II, 22
Materials and products	GRI 206: Anti-competitive behaviour 2016	206-1 Legal actions for anti-competitive behaviour, anti-trust and monopoly practices and their result	II, 22
Materials and products	GRI 301: Materials 2016	301-1 Materials used by weight or volume	I, 77
		301-3 Reclaimed products and their packaging materials	II, 21
Energy	GRI 302: Energy 2016	302-1 Energy consumption within the organization	I, 79
		302-1 Energy consumption within the organization	II, 16
		302-4 Reduction of energy consumption	II, 17
Water	GRI 303: Water 2016	303-1 Water withdrawal, by source	II, 25
		303-2 Water sources significantly affected by withdrawal of water	II, 25
Biodiversity	GRI 304: Biodiversity 2016	304-1 Operational sites own, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	II, 17
		304-2 Significant impacts of activities, products and services on biodiversity	I, 80
Energy	GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	I, 80 - II, 17
		305-2 Indirect (Scope 2) GHG emissions	I, 80 - II, 18
		305-4 GHG emission intensity	I, 80
		305-5 Reduction of GHG emissions	I, 79
		305-7 NO _x , SO _x and other significant emissions	I, 80 - II, 18
Water	GRI 306: Effluents and waste 2016	306-1 Water discharge, by quality and destination	II, 26
Waste		306-2 Waste by type and disposal method	II, 19
Regulation context	GRI 307: Environmental compliance 2016	307-1 Non-compliance with environmental laws and regulations	II, 21
Attention to employees	GRI 401: Employment 2016	401-1 New employee hires and employee turnover	I, 64-65 - II, 10
Organizing the work	GRI 402: Work/management of relations 2016	402-1 Minimum notice periods regarding operational changes	II, 11
Attention to employees	GRI 403: Salute e sicurezza dei lavoratori	403-1 Workers representation in formal joint management-worker health and safety committees	I, 69 - II, 11
Safety of the processes		403-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	I, 69 - II, 11
		403-3 Workers with high incidence or high risk of diseases related to their occupation	I, 69

Temi materiali identificati da Novamont S.p.a	GRI Standards	Informativa	Pagina
Organization of work Intra-company communication	GRI 404: Training and education 2016	404-1 Average hours of training per year per employee	I, 68 - II, 12
Attention to employees	GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	I, 66 - II, 9
		GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken
	GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	I, 68
	GRI 408: Child Labour 2016	408-1 Operations and suppliers at significant risk for incidents of child labour	II, 13
	GRI 409: Forced or Compulsory Labour 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	II, 13
Overall actions	GRI 412: Human Rights Assessment	412-1 Operations that have been subject to human rights reviews or impact assessments	II, 13
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Local territory and communities Soil use		413-2 Operations with significant actual and potential negative impacts on local communities	
Overall actions	GRI 414: Supplier Social Assessment	414-1 New suppliers that were screened using social criteria	II, 20
Innovation	GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	II, 7
Product conformity		416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	II, 21
Product communication	GRI 417: Labelling products and services 2016	417-1 Requirements for product and service information and labelling	II, 23
Product conformity Product communication Voluntary agreements		417-2 Incidents of non-compliance to regulations or voluntary codes concerning product and service information and labelling	II, 21
		417-3 Incidents of non-compliance concerning marketing communications	II, 24
Regulatory context	GRI 418: Customer Privacy 2016	418-1 Substantial complaints concerning breaches of customer privacy and losses of customer data	II, 21
Product conformity	GRI 419: Socioeconomic Compliance 2016	419-1 Non-compliance with laws and regulations in the social and economic area	II, 22
Promotion of sustainability	No. of students involved in the project Scuola@Novamont		I, 98

No information has been omitted from the reporting

