

# Entsorga Group Sustainability Report

2020



**Sustainability** is a key theme in the political, social and economic agenda. This is true today and it will be ever more so in the future. For this reason we are all called upon to make our best efforts in this direction, beyond following legal requirements.

As a PMI we are not required to draw up an environmental Budget, but the drafting of this Report bears witness to our willingness to lay out our development strategies and their impact on our employees, on the environment and on the community in which we operate **in a transparent way**.

In the document we set out our principle **non financial performances** in 2020, highlighting instead the results we achieved and the **Key Performance Indicators (KPI)** that we have set for 2021, on which we will judge the next year and our ability to continue to create environmental and social values. The KPI have been defined by an internal team and established as relevant for our company and the context in which we operate. When identifying these goals, we also took into account the **17 Sustainable Development Goals (SDGs)** that were set out in the 2030 Agenda of the United Nations.

It is possible to achieve **sustainability** and **development**. And we would also like to continue to play our part, by creating intelligent and efficient solutions to combat climate change, recover waste material and find alternative and clean sources of energy.

G. Francesco Galanzino  
CEO Entsorga Group

## METHOD NOTES

The Report lays out the indications given by the GBS Guide (A study Group on social records) in a non-binding way. It contains the information essential to demonstrate **the social and environmental impacts** connected to our business activity. The first section contains information related to our mission, to the internal competencies and organization of our company. The second section examines the principle actions carried out in 2020, highlighting the more significant KPI with respect to the three dimensions analyzed.

The data font to document the direct impacts is the company archives.

To calculate the CO<sub>2</sub>eq tons we carried out a scale analysis comparing the estimated size with the emission factor (EF), according to the guidelines in the 2017 Defra/DECC's GHG Conversion Factor.

To calculate the emissions savings realized thanks to our plants we followed the methodology of the UNFCCC (United Nations Framework Convention on Climate Change).



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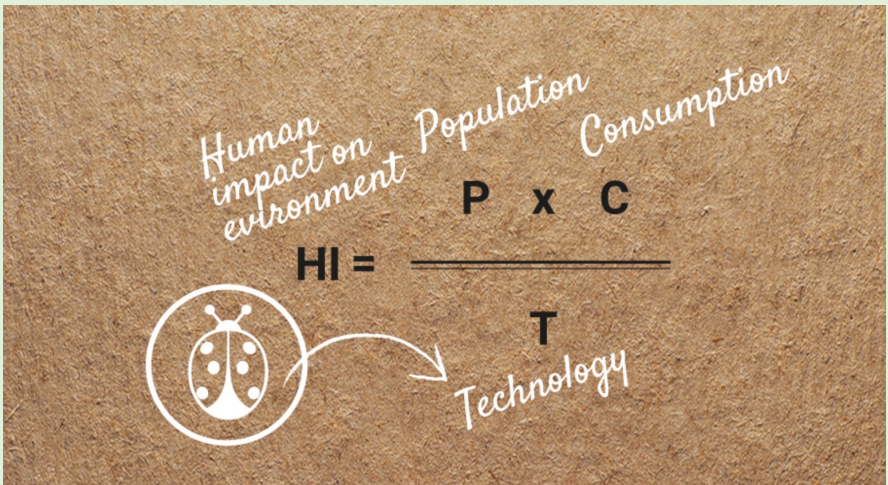
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## ➤ FINDING ADVANCED AND EFFICIENT TECHNOLOGICAL SOLUTIONS TO REDUCE THE HUMAN IMPACT ON NATURE HAS BEEN OUR MISSION SINCE 1997.

We were created to alleviate the impact of man on the planet and it is with this parameter that we measure **our produced value** every year, for our staff, for the community in which we live and for the environment that hosts us.



For this reason we also monitor our direct and indirect impact, recording it for years in the **CO<sub>2</sub>Balance** and this year in particular with our first **Sustainability Report**.

## MAXIMUM PERFORMANCE, WITH MINIMUM IMPACT

WE ARE A COMPANY THAT IS RESPONSIBLE FOR NATURE, BORN TO COMBINE THE CREATION OF ECONOMIC VALUE WITH THE HIGHEST LEVEL OF SUSTAINABILITY.

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For us developing **green technologies** means the recovery and reduction of waste material otherwise destined for landfill with **maximum efficiency** and **lowest environmental impact**.

The use of our technologies, compared to other treatment methods, guarantees:

- **A lower consumption of fossil fuels by number of tons treated:** we don't move the waste matter mechanically, we treat it through a system of controlled air flows, thus accelerating the natural digestion processes, which reduces fuel consumption to a minimum.
- **Maximum energy efficiency,** thanks to the use of automatic bridge cranes to move the waste material
- **Greater treatment capacity and optimized use of space:** compared to traditional bio cell systems with mechanical ball movement , our technologies allow for the treatment of larger quantities in less space
- **Work related injuries reduced to a minimum:** the workers operate in maximum safety conditions, they are not exposed to contaminated air, dust or other polluting agents

## STRATEGIC GOALS 2020-2022

OUR COMMITMENT FOR THE NEXT THREE YEARS CONFIRMS OUR AIM TO COMBINE THE CREATION OF ECONOMIC VALUE WITH MAXIMUM SOCIAL AND ENVIRONMENTAL SUSTAINABILITY, IN FULL RESPECT OF THE 17 DEVELOPMENT AIMS SET OUT BY THE UN AGENDA FOR 2030.

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These are our next four intervention projects:

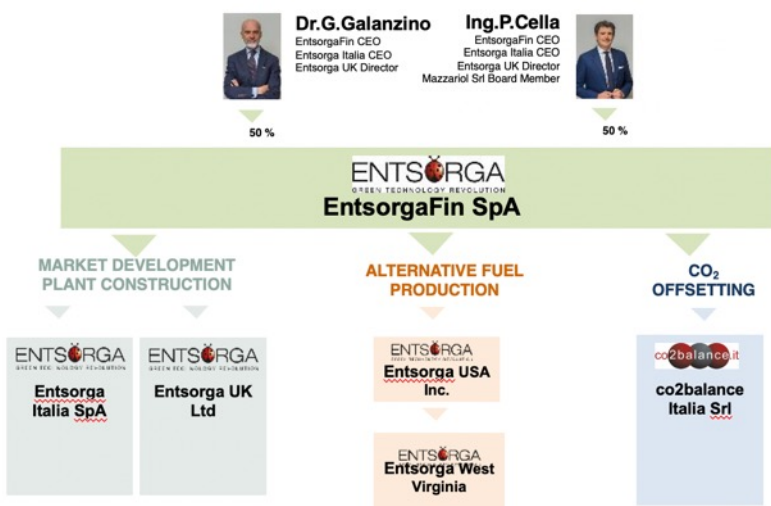
- **EU MARKET:** develop our presence in Europe generally, with particular attention to Greece and Eastern Europe
- **Cement Plants:** consolidate the position of cement works on the market, both as providers of technologies for CSS production, and as consultants to obtain the Reach (Registration, Evaluation, Authorization and restriction of Chemicals) and classifying CSS as an end product of waste, thus becoming a product suited to use as a fuel for their ovens.
- **Anaerobic digestion:** improve our competitiveness on the DA and **Biogas** market, so as to valorize and capitalize on our acquired experience in order to **lower the construction costs of our plants.**
- **Reinforce the Business Unit O&M:** the know how that we have acquired and will acquire through the development of our new software Eagle Cloud (dedicated to process managing, performance and plant maintenance) will allow us to further develop the market for Biomethane and Biogas.





## GOVERNANCE

**EntsorgaFin Spa** is the holding to which 4 companies refer to and which, on behalf of the Group, carries out administrative, promotional and quality control activities, in order to optimize the organization of processes and systems, following policies that have been defined in company procedures.



Currently the activities of the Group are subdivided into **9 functional Areas**:

- R&S
- Administration, Finance and Control
- Commercial
- Acquisitions
- Tenders
- Communication and CSR
- Technical Office
- IT & Automation
- Project Management

To these is added the function of General Affairs

In order to prevent fraudulent and non ethical behavior in the organizational process system, the Group applies policies of “segregation of duties”, explained in the job descriptions of staff members. From a judicial point of view, the holding is guided by the Board of Administration, composed of two people, both legal representatives of the Group.

Periodically, the members of the Board speak to the employees, with a view to a continuous improvement. Business projects are defined from this continuous exchange with the function heads and the external stakeholders, in particular clients and suppliers.

Business progress is followed through the preparation of a **three year plan**. The annual budget is prepared with a bottom-up process in which every function predisposes its own projections, which are then analyzed, put together and discussed.

## Supervisory Bodies

The supervisory bodies are the **Auditing Firm Ernst&Young** and the **Board of Auditors**, composed of three permanent members and two substitutes. Both groups are tasked with controlling the correct running and administration of the company, as well as the correct respect of regulations regarding budgetary matters.

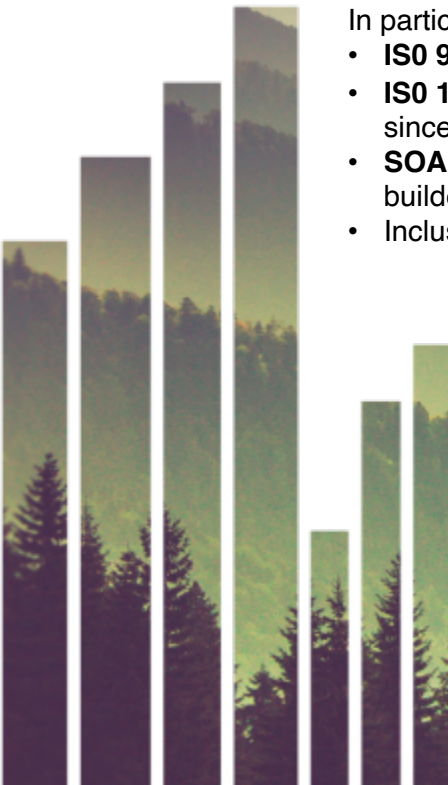


## OUR QUALITY POLICIES

Over time Entsorga has received several certifications that confirm its application of procedures and instruments that guarantee **the sustainable development of our company** with regard to quality, environment, health and safety, data security and the handling of tender applications.

In particular:

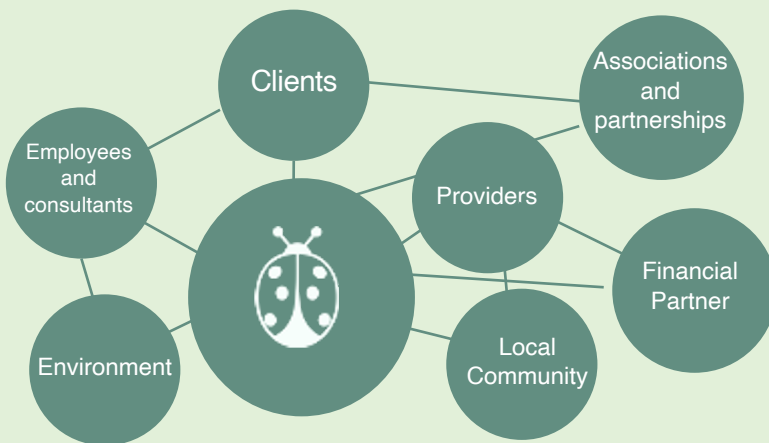
- **ISO 9001** for quality, since 2003
- **ISO 14001** in the environmental sector, since 2013
- **SOA** enrolment in the register of builders (0514, sixth class)
- Inclusion in the **White List**



## OUR PRINCIPLE STAKEHOLDERS

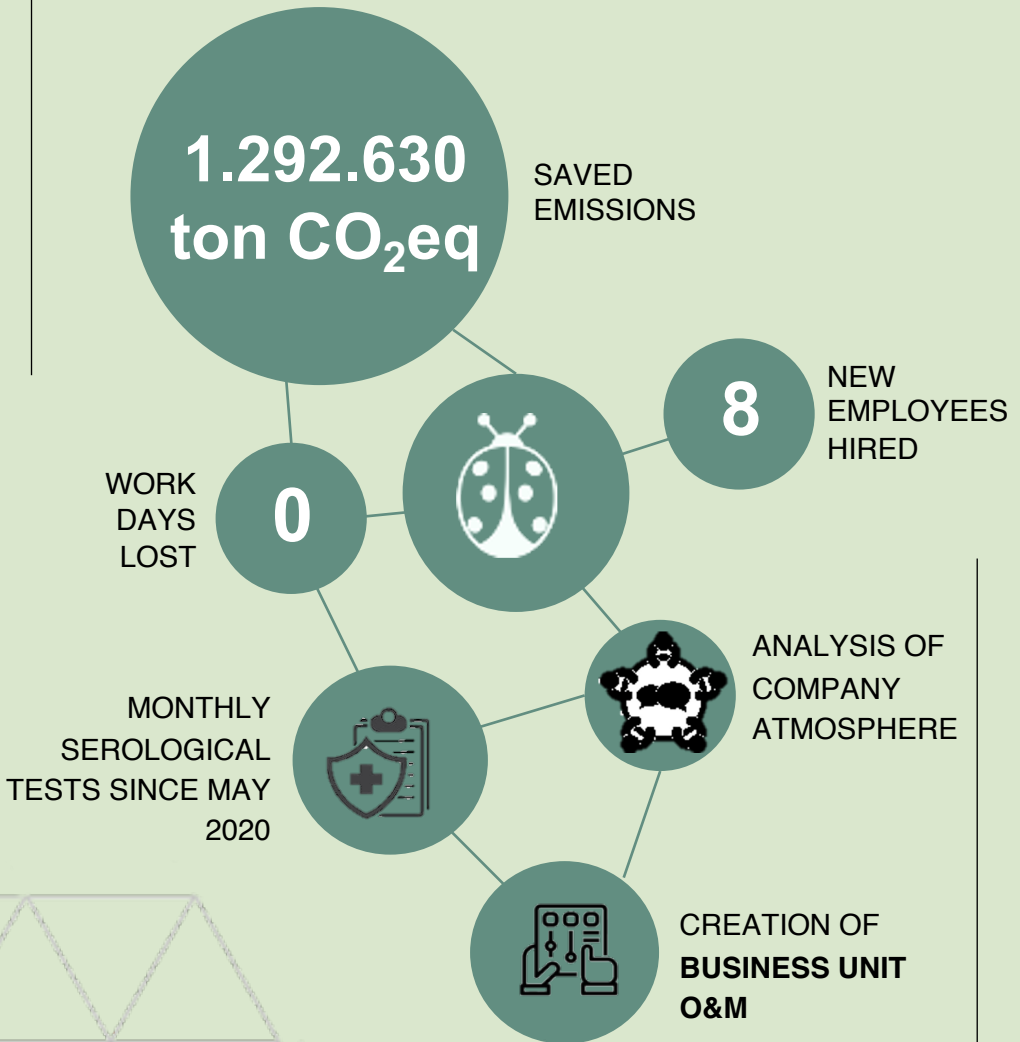
THE IDENTIFICATION OF THE KEY- STAKEHOLDERS WAS MADE BY ANALYZING ALL OF ENTSORGA'S INTERLOCUTORS AND BY IDENTIFYING THOSE WHO ARE MORE INVOLVED IN THE EXERCISE OF OUR ACTIVITY

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For every category of stakeholder we analyzed the activities which are closer to their interests and discovered **the business indicators** monitored in the day to day running of the company, and when necessary identified additional ones.

So as to guarantee maximum objectivity and reliability of the data collected, we have considered only those which are directly measurable and have never included estimates.



## OUR COMMITMENT TO ENERGY REDUCTION CONSUMPTION AND ENVIRONMENTAL FOOTPRINT

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To reduce the **direct impacts\*** linked to our activity in 2020 we have:

- Renovated the **environmental certification 14.001**
- Worked on the **dematerialization** processes of the products
- Monitored the **CO<sub>2</sub>eq emissions\***



### GOALS 2021

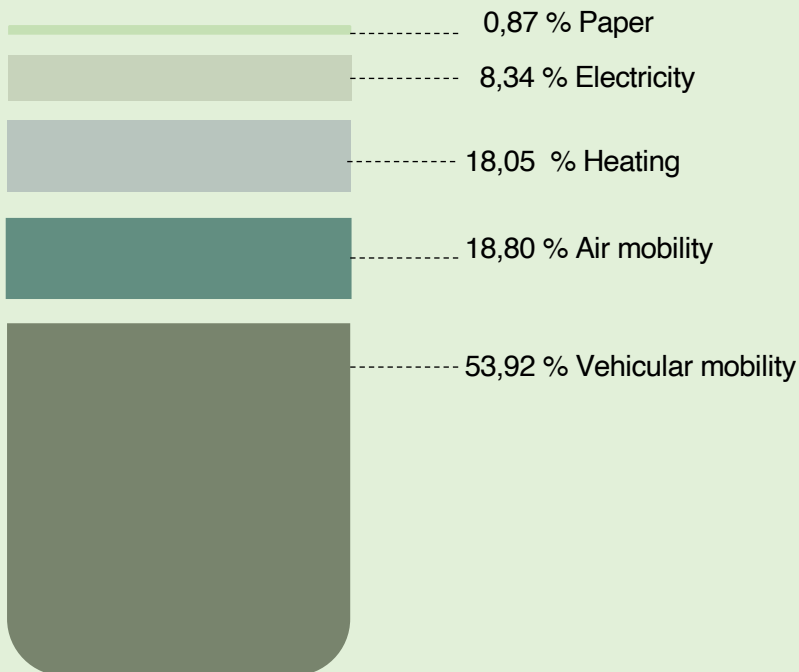
- **Reduce electricity consumption** from external sources and increase our autonomous energy supply thanks to the construction of a new **photovoltaic plant** in our new offices thus adding energy efficiency
- Increase **smart working** and analyze the effects at an economic level

\*The direct emissions of the Group have been compensated by the purchase of CO<sub>2</sub> credits generated by the project “Torrione, Colletterto, Giacosa, Bairo Landfills”.

## Our environmental imprint

The **direct impacts**, closely linked to the exercise of our activity, are attributable to the consumption of **energy, water, paper and company mobility**.

To contain these impacts, for years we have been trying to reduce the amount of transfers by car, by favouring teleconferences, and by limiting energy consumption through temperature control in our offices. As well as this, we discourage printing of documents and prefer the use of **certified ecological paper**.



To reduce **direct impacts** we encourage responsible and eco friendly behavior in the running of our activity. Thus we choose **clients and suppliers** who make virtuous choices with regard to the environment and companies who follow the green ethic.

## OUR COMMITMENT TO OUR STAFF

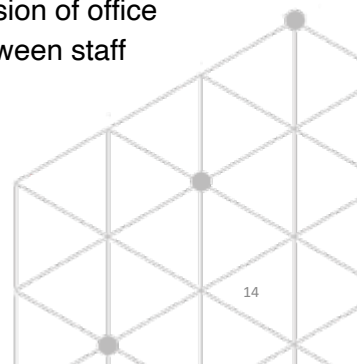
WITHOUT THE COLLABORATION OF OUR STAFF WE WOULD NOT ACHIEVE ANY ECONOMICAL RESULTS. LISTENING TO AND MOTIFYING THE PEOPLE IN OUR TEAM IS THEREFORE OUR PRIMARY INVESTMENT FOR THE FUTURE.

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### How we faced the epidemic

In order to ensure safety in our workplace and the health of our staff, in advance of government regulations, we applied a rigorous **COVID policy formally put in place beginning on March 6**, the day of the first announcement of the **procedures**, which were immediately adopted by all our staff.

- From March 11 all our Italian staff began **flexible working**, having been provided with all the necessary instruments.
- On April 15 we began the **first serological screening** of all our staff and collaborators including live in relatives on a voluntary basis, at first every three weeks and from **June once a month**.
- On April 27 we began working in presence again, with precise safety procedures and the reconversion of office space to guarantee the correct distance between staff members.



## Analysis of the company atmosphere

After 4 years we repeated **an analysis of the company atmosphere** in order to have a better understanding of how we experience our company and how we perceive the **quality** of our work environment, so that we can improve our **motivation** and our overall wellbeing.

The analysis began with the compilation of a **questionnaire** in an anonymous form and the creation of specific **Focus Groups** among groups of people performing similar tasks. The subsequent analysis of the data gave us an understanding of the work dynamics, the interactions inside each group and between groups, and as a result the possibility of **reorganizing the structural organization according to Tasks**, based on the needs and expectations expressed by each staff member.



### GOALS 2021

- Issue **3 new insurance policies** dedicated to health so as to update and integrate the health insurance coverage already provided for our colleagues
- Experiment with **smart working** a few days a week and then evaluate the impact on the company atmosphere by repeating the relative analysis
- Reduce by about 500 km a week the transfer time of the O&M division (2 people) thanks to the **Eagle Cloud Software**, our new internally designed data monitoring system



# OUR CONTRIBUTION TO THE CARE OF THE ENVIRONMENT

THANKS TO OUR TECHNOLOGIES, 84 PLANTS THROUGHOUT THE WORLD TREAT ABOUT **2.500.000 TONS OF WASTE**, BOTH ORGANIC AND SOLID, TRANSFORMING THEM INTO RESOURCES AND RENEWABLE FUELS.

In over 20 years of activity we have patented 13 technologies, proprietary and bankable, for **composting** and **anaerobic digestion**, TMB solutions for the **biological and mechanical treatment** of solid waste, bio stabilizing or bio drying for the production of **alternative renewable fuels**, of **high quality** and with **greater heating potential**, suitable also for the replacement of coal in large energy consuming companies such as cement works.

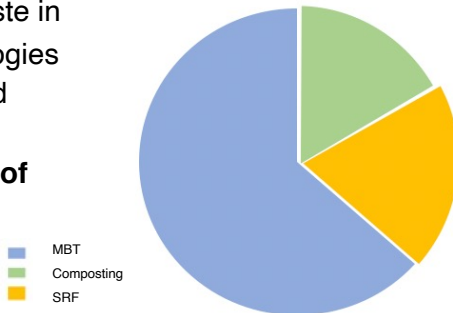
The use of efficient treatments leads to a **concrete saving in CO<sub>2</sub>eq emissions**, reducing their environmental impact by more than 50%:

Type of treatment	% CO <sub>2</sub> eq diversion*
Composting	65 %
SRF	51 %
MTB	51 %

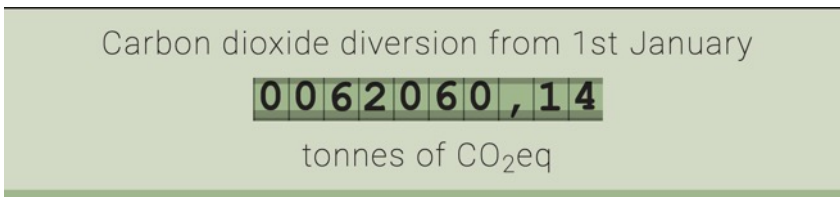
\* Percentage of CO<sub>2</sub>eq not emitted into the air thanks to the efficiency of the treatment

## Global reduction of CO<sub>2</sub>eq by plant type

In 2020 the treatment of waste in plants built with our technologies avoided landfill dumping and saved the environment the emission of **1.292.630 tons of CO<sub>2</sub>eq\***.



In order to measure the CO<sub>2</sub>eq savings and evaluate how much our activity contributes to reducing environmental impact, on our **site** we have set up a register that allows us to monitor progression in real time.



### GOALS 2021

We aim to reduce CO<sub>2</sub>eq by 10% globally thanks to the plants built by Entsorga throughout the world.

\* To evaluate the **impacts** linked to the application of our technologies we have adopted the **CO<sub>2</sub>eq equivalent as a reference parameter**.

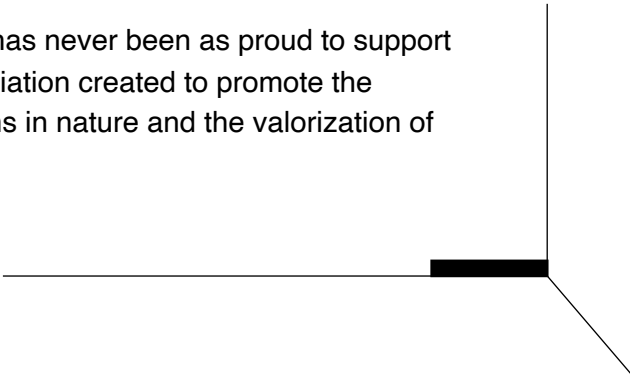
## DEFENDING THE COMMUNITY IN WHICH WE LIVE

VALORIZING THE PLACES IN WHICH WE LIVE IS ONE OF THE COMMITMENTS THAT WE CARRY ON WITH CONVICTION EVERY YEAR, IN ORDER TO MAKE OUR TERRITORY EVER MORE WELCOMING AND FRIENDLY. A PLEASANT PLACE TO LIVE AND WORK, AND AS A RESULT ALSO ATTRACTIVE TO YOUNG TALENTED PEOPLE WHO CAN CHOOSE TO REMAIN AND GROW HERE WITH US.

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Every year we create incentive **projects to support the local communities**. Also in 2020, in the limited conditions imposed by the pandemic, we supported many worthwhile initiatives, that like Entsorga share the same respect for nature, the passion for teamwork and a healthy competitiveness.

Before 2020 our company has never been as proud to support **Azalai**, the tortonese association created to promote the development of competitions in nature and the valorization of the territory through sport.



As usual there were hundreds of runners and walkers involved in the organized events:

- **Winter Trail**, the only competition that actually took place last February, with over 400 people participating.
- **Virtual 5.30**, with the highest number of participants in the world- 500 people, which led to the collection of 2000 euro and the purchase of a defibrillator which was then donated to the town of Tortona.
- **Virtual Trail of the *Quarto Stato*** (Fourth Estate), in which 300 participants were involved and which collected 900 euro in favour of the Pelizza da Volpedo Association.



### GOALS 2021

To increase by 3% our support in favour of the associations active in the local communities in which we live.





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# THE 17 SUSTAINABLE DEVELOPMENT GOALS (SDGS) UN

The 2030 Agenda for Sustainable Development is an action programme for people, the planet and prosperity undersigned in September 2015 by the governments of the **193 member Countries of the UN**.

The Agenda sets out **17 Sustainable Development Goals**, SDGs-in an important action programme with a total of 169 targets.

The official launch of the Goals for Sustainable Development, begun in 2016, guides the world on the road to follow over the next 15 years: in fact the Countries committed to reaching these goals by 2030.

## SUSTAINABLE DEVELOPMENT GOALS



