



Communication on Progress (COP) Report

Reporting Period:
Dec 2014 – Dec 2015





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The present report is created as a continuity of our previous COP, covering the time period from December 2014 to December 2015 confirming Polyeco's constant commitment and respect to the principles of the United Nations Global Compact.



Statement of continued support for the Global Compact

Message from our Vice President

Three years after our first Communication on Progress Report, Polyeco SA continues its long standing commitment to the Ten Principles put forward by United Nations Global Compact which influence and inspire our business in this journey towards sustainable growth.

Since the establishment of our mother company Environmental Protection Engineering SA in 1977, we faced many challenges that strengthened our foundations and formed our system of values. Our generation of directors is determined to keep the best from the older generation. Our long term responsible business management approach allowed us to turn 2015, a difficult year full of economic challenges, into one of the most successful years for all the Companies in our Group. Our level of maturity has enabled us to deal with all external to our operation challenges and implement our annual goals. This did not happen by itself, it was the result of hard work.

In a few years we have managed to lead the way in our field. This has been achieved through continuous improvement and investments, sophisticated human resourcing, flexible and creative leadership. In 2015 we stayed concentrated on our goals and proceeded with the establishment of five new companies in order to better support our returning and new clients. Our journey is no longer just ambitious; it is a stable journey towards sustainability based on maturity and strong foundations.

We are especially proud to report that during 2015, we managed to enhance the trust and feeling of security to our employees. In addition, we successfully managed to overcome all technical difficulties created the Greek economic crisis and ensured the smooth operation of our companies.

Polyeco SA is an International Waste Management Company and as such, sustainability is in the core of its services. Our goal for next year is to stay focused on our plan inspired by our sustainability commitments and continue our tough journey towards becoming one of the most innovative International Waste Management companies.

Kind Regards,

Athanasios Polychronopoulos
Vice President Global Development



Polyeco S.A

Polyeco S.A is the first and sole integrated and fully licenced waste management and recovery industry in Greece. A leader amongst the most prominent waste management companies in SE Europe, Polyeco has strong presence in the Balkans, Middle East, Africa, Central Asia, Latin America and countries of the Indian Ocean, implementing some of the most challenging and time critical waste management projects across the Globe. Experienced personnel always work closely with clients to tailor solutions that meet their business requirements and organization's goals always in compliance with health, safety and environmental regulations.

Since its establishment, Polyeco S.A constantly strives on improving environmental management performance and competitiveness for its clients. Through continuous training, research & development in the fields of recovery, decontamination, reclamation and rehabilitation, it provides integrated sustainable waste management solutions for the industrial sector. Polyeco's diverse field of expertise encompasses licensing, decontamination, transport treatment, recovery and disposal of all types of hazardous and non-hazardous industrial waste.

In 2015 Polyeco expanded its network of companies with the establishment of Polyeco B.V. based in The Netherlands, Polyeco Gulf Ltd. in Sultanate of Oman, GEA S.A. in Egypt and Ecorecovery S.A. and Nordeco S.A. in Greece. Polyeco's sustainable development plan is stimulated by its aim to provide complete solutions to its clients and increase the promotion of recovered industrial waste into new production cycles.



Sustainability is in the heart of our business



Human Rights

Principle 1

Businesses should support and respect the protection of internationally proclaimed human rights

Principle 2

Make sure that they are not complicit in human rights abuses





Assessment, Policy and Goals

Description of the relevance of human rights for the company (i.e. human rights risk assessment). Description of policies, public commitments and company goals on Human Rights.

Polyeco Human Rights Policy

To respect the human rights of our employees, our contractors and community as established by the UN A/RES/3/217 Universal Declaration on Human Rights and in the ILO's Declaration on Fundamental Principles and Rights at Work, including non-discrimination, prohibition of child and enforced labor, and freedom of association and the right to engage in collective bargaining.

No discrimination based on race, national or social origin, caste, birth, religion, disability, gender, sexual orientation, union membership, political opinions and age. No discrimination in hiring, remuneration, access to training, promotion, termination, and retirement.

No use or support for forced or compulsory labor; no required 'deposits' - financial or otherwise; no withholding salary, benefits, property or documents to force personnel to continue work; personnel right to leave premises after workday; personnel free to terminate their employment; and no use nor support for human trafficking.

No interference with exercise of personnel tenets or practices; prohibition of threatening, abusive, exploitative, coercive behavior at workplace or company facilities; no pregnancy or virginity tests under any circumstances.

Treat all personnel with dignity and respect; zero tolerance of corporal punishment, mental or physical abuse of personnel; no harsh or inhumane treatment.

We respect privacy and properly manage and use the Personally Identifiable Information (PII) that our fellow in Polyeco, as well as our prospective or former employees, entrust to us.

PII is defined as any information that directly identifies an individual - such as name, physical address, email address, employee ID, government ID, photograph, or any combination of information that might identify an individual.

We do not share this information with anyone, either inside or outside our Company, who does not have a legitimate business need to know. In addition, we should take steps to properly secure such data at all times from unauthorized access by third parties.



Goals and Commitments

Further Commitments and Actions to be taken

- 1.** In the short-term we plan to promote specific measures to favor the protection of our staff facing complex family situation, particularly in the cases of serious sickness among the members of their families. We believe this is an important initiative, particularly in a moment of economic recession and crises of the Greek State Social Welfare where families are more vulnerable and exposed to the lack of protection by the state.
- 2.** Obtain a SA 8000:2008 accreditation. Although efforts to establish measurements, standards and certifications related to social responsibility are ongoing, we have set a goal to go beyond simple compliance by voluntarily obtaining the Social Accountability International Standard (SAI8000) certification based on international human rights and labor conventions by 2018, to credibly demonstrate to all of our stakeholders and interested parties that existing company policies, procedures, and practices conform to the requirements of this standard. Then we wish to integrate the SAI8000 standard into our management systems and practices through an evidenced-based process.

Implementation

Description of concrete actions to implement Human Rights policies, address Human Rights risks and respond to Human Rights violations.

Our Code of Ethics and Business Conduct executes these basic principles. It is the main tool to which a greater visibility and knowledge is given in order to make our position towards human rights clear to each of our stakeholders, both internal and external. A copy of our Code of Ethics and Business Conduct is made available to all our employees, contractors, supply chain, and other stakeholders in our headquarters and on our Corporate website.

Our harassment policy, which is part of our Code of Ethics and Business Conduct, contains multiple reporting means by which a person can report harassment or any other abuse of our Code of Ethics and Business Conduct or human rights protection policy and protect the anonymity of the senders of reports. We track all such reports and investigate as the case warrants.

Our company operates in full compliance with the Greek Law regarding human rights and the Labor legislation on all of its activities, as well as the local laws and legislations of all other countries in which we operate.



These, among other regulations, forbid all forms of forced and compulsory labor, give to employees the freedom and the right to resign from their work voluntarily and reward extra hours of work with additional payment. We are against any form of child labor in all of our operation in Greece and abroad, and the same we require from our contractors and supply chain.

Polyeco is fully committed to the concept and practice of equal opportunity in all aspects of employment. We hire the best and encourage them to achieve their best in a manner consistent with our core values and ideology.

Measurements of Outcome

Description of how the company monitors and evaluates performance.

Polyeco's Group of Companies has no track record with incidents of human rights violations. Success in this field is generally measured by the lack of reports of violations of policy or law regarding the human rights, and, to date, there have been no reported violations in Polyeco, nor within the group of our parent and sister companies nor from our contractors. Should a violation be reported, we intend to undertake a thorough investigation.





Labour

Principle 3

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining

Principle 4

The elimination of all forms of forced and compulsory labor

Principle 5

The effective abolition of child labor

Principle 6

The elimination of discrimination in respect of employment and occupation





Assessment Policy and Goals

Description of labor rights, related risks and opportunities, written policies, commitments and company goals on labor rights

Our company complies with the Greek Labor Legislation on all of its activities, as well as the local laws and legislations of all the countries in which we operate.

Among other regulations, these forbid all forms of forced and compulsory labor, give to employees the freedom and the right to resign from their work voluntarily and reward extra hours of work with additional payment. We are against any form of child labor in all of our operation in Greece and abroad, and the same we require from our contractors and supply chain.

Being by definition a company having sustainability at the heart of our business and servicing blue chip clients, NGO's, UNIDO, UNEP, UNPD, UNDP and the World Bank our main focus is in leveraging the dynamics and structured synergies between the sister companies of our group to persevere the promotion and implementation of a management approach coherent with all the UN Global Compact principles.

- **We value the relationship we have with our employees.**
- **The success of our business depends on every employee in our global enterprise. We are committed to fostering open and inclusive workplaces that respect human and workplace rights, where all employees are valued and inspired to be the best they can be.**

The foundation of our approach lies in two key documents: our Code of Ethics and Business Conduct and our Workplace Policy Handbook. Both are influenced by the United Nations (UN) and International Labor Organization (ILO) declarations.

Together, they describe our high standards and expectations, addressing such subjects as child labor, forced labor, freedom of association, discrimination, health and safety, hours of work and Human Rights. Our Code of Ethics and Business Conduct and our Workplace Policy Handbook, apply to all entities in which Polyeco S.A. owns a majority of interests.



Implementing the United Nations Guiding Principles on Business, labor and human rights in our corporate context we use three primary components:

- a.** Our Code of Ethics and Business Conduct a key document used as a framework for respecting human rights in our business context influenced by UN A/RES/3/217 Universal Declaration.
- b.** Our Workplace Policy Handbook influenced by the Greek Labor legislation, the UN A/RES/3/217 Universal Declaration of Human Rights and International Labor Organization (ILO) declarations.
- c.** A due diligence process to identify, prevent, mitigate and be accountable for labor and human rights abuses.

The selection, recruitment and remuneration of our personnel are based on their qualifications, skills, work experience, and on personal interview without gender, age, family status or other discriminations. Wages offered by the company are equal or greater than the minimum rates applicable for each job position. It is our policy, in accordance with all applicable laws, to recruit, hire, train and promote person in all job titles without regard to race, sex, religion age, disability, nation origin, or any other characteristic protected by applicable law.





Occupational Health and Safety Management

We are measured by our ability to safeguard the health, safety and welfare of our people. Polyeco S.A. is committed to achieving excellence in providing a healthy and safe working environment, and to supporting environmentally sound practices in the conduct of its activities.

Recognizing the social and economic dimension of the occupational accidents Polyeco S.A. has developed and applied a comprehensive and effective Safety & Health Management System according to OHSAS 1 8001 standard and The Health and Safety at Work etc Act 1 974 requirements.

To achieve its Occupational Health and Safety goals, Polyeco S.A. is committed to the following:

- Its compliance with each legislation requirements and the relevant standards.
- The development, settlement and application of a complete Safety Management System according to the OHSAS 18001 standard.
- The appropriate and sufficient training / update on its personnel safety through special seminars and appropriate working instructions/procedures.
- Constant monitoring, documenting and evaluating safety and also the review of the present Safety Policy in order the constant improvement of the safety level.
- Ensure that our employees and contractors maintain a professional attitude towards alcohol consumption and do not use, possess or sell illicit drugs that are not prescribed.
- The disposal of necessary resources for the above goals accomplishment.
- Recording on a continuous basis, of the dangerous incidents and near accidents.
- Continuous effort for increasing / improving the facility's safety levels by implementing specific projects (strengthening the fire fighting network, equipment)
- Improvement / constant monitoring of the staff's sanitary level (conduction of measurements at workplace, purchase of Personal Protective Equipment (PPE), medical exams e.t.c)
- Constant monitoring for the implementation of Health and Safety directions.





Implementation

Description of concrete actions taken by your company to implement labor policies, reduce labor risks and respond to labor violations.

To prevent any potential human and labor rights violation we have made available complain boxes in our headquarters and depending on the violation corrective action, the company may take the reassignment of duties and in severe cases separation from the company the person committed such violation. Failure to respect the letter or the spirit of Polyeco's Code of Ethics and Business Conduct or the law of the country, may lead to disciplinary measures commensurate with the violation, including termination of employment and other criminal penalties such as fines and jail sentences.

Day to day responsibility is delegated to all senior management of the regions, categories, functions, and operating companies of the Group. They are responsible for implementing these principles, if necessary through more detailed guidance tailored to local needs, and are supported in this by the Board of Directors. Compliance with the Code is subject to review by the Board supported by the Corporate Responsibility and for financial and accounting issues by external Audits.

Through our Code of Ethics and Business Conduct it has been made clear to our employees and contractors and any other people involved in our supply chain that any breach of the code must be reported in good faith to our senior management and/or the Chief Legal Officer, by regular post, complaint box or email, having the right to remain anonymous, although we do not recommend it, and that all inquiries will be handled promptly and discreetly.

Working Hours: Compliance with laws & industry standards; normal 5 days weekly work, not including overtime, and maxim work week not exceed 48 hours; and at least 1 day off following every 6 consecutive work days, with some exceptions; overtime is voluntary, not regular, not more than 12 hours per week; required overtime.

Remuneration: Our primary responsibility is the protection of all our employees, their corresponding salaries and fringe benefits in a time that most of our competitors are laying-off staff and decreasing salaries. We ensure that our employees are paid well, at least legal minimum wage; sufficient to meet basic needs, have access to affordable benefits, and work in a safe environment.

Wages and benefits are clearly communicated to workers; paid in convenient manner- cash or bank deposit; overtime paid at premium rate; all employees receive a wage receipt with an analysis of their payment that include, any overtime payment, tax and social security deductions. We do not make use of false apprenticeship schemes to avoid legal obligations to personnel.



Employee wellbeing

The wellbeing of our employees is a key component of our corporate values and sustainability. We have strengthened and expanded support initiatives for employees offering them benefits beyond the statutory minimum, to help them cope with balancing work and family commitments.

We also actively protect motherhood and parenthood in our company through flexible labor regime, without any loss of benefits, for up to 12 months, as well as to our employees caring for elderly family members or family members with serious sickness.

We have also established a leave/short working hour system for employees caring for family members with special needs rated over 80%.

Occupational Health and Safety Management Implementation Polyeco has as a priority to respect human life by giving due consideration to safety and health concerns.

To prevent accidents and disasters such as explosions, fires, and leaks/spills of hazardous substances, we adhere strictly to disaster prevention management standards, and we are committed to preventative action/recurrence prevention including earthquake countermeasures.

- We focus our attention on the Health and Safety of our employees.
- We Implement safety leadership programs including regularly undertaking audits and workplace site inspections of our operations; and empowering all employees and contractor to cease work when there is a threat of safety;
- Prior to employment, a prospective employee may submit to a D&A test. During employment, each employee may be randomly tested for alcohol and/or drug abuse. Contractors are also obliged to conform the D&A Policies of Polyeco prior to undertaking work on behalf of Polyeco. In the event of an incident, each key person may be automatically tested for D&A, if required.

This duty extends to matters including the maintenance of plant; assessing the potential risks to employees' health and safety; hazard identification; systems of work; the arrangements for the use, handling, work equipment and workplace environment, storage and transport of articles and substances; information and training.

The Chief Technical Officer oversees all our operations, engineering, research and development, and Environment, Health and Safety functions. The global EHS team develops standards, provides expertise and facilitates best-practice sharing across Polyeco, while on-site Technical Officers and EHS staff throughout our worksites globally are accountable for their EHS performance.



All employees and contractors are required to:

- Carry out their work in accordance with Polyeco's safety policies, processes and procedures;
- Not use, possess, distribute or sell, alcoholic beverages, illicit or controlled drugs not prescribed by their doctor, drug paraphernalia in the workplace and whilst performing duties for, or on behalf of, Polyeco SA;
- Stop work where there is a threat to their or others' safety;
- Be accountable for their own safety, and that of others; "SLAM" - Stop, Look, Assess and Manage the hazards and risks inherent to the activities they undertake;
- Report any hazards or identified risks and all incidents that cause actual or potential injury or damage;

Polyeco S.A. assumes that every employee will make every reasonable effort to fulfill his responsibilities and obligations, responding to the company's commitment contributing to the implementation of this Policy.

With the satisfaction of the above conditions Polyeco S.A. aims to eliminate as far as is reasonably practicable, each potential hazard or/and hazardous situation that might damage the human health.

Medical Follow Up of Employees

In our headquarter facilities at Aspropirgos, we have an occupational physician and first aid facilities to provide medical support participating in our Health Safety & Health Management System, and periodically distributing health-related information.

Preventive checks and vaccines

Moreover, we provide employees with assistance for flu vaccinations, and try to prevent transmission by offering all employees the opportunity to get vaccinated at work. For our employees working overseas, in addition to services in health consultation by an occupational nurse, we provide all necessary support and physical examinations by partner medical institutions versed in health management for persons from other countries and preventive vaccinations for the particular host country or region.



Training and inspection

We offer a wide range of relevant vocational, technical and waste management training programs to our staff. From ADR Drivers Training Certificates to DGSA Dangerous Goods Safety Advisers certificates as standard, systematic training forms an essential part of Polyeco technical approach to allow our personnel to perform their roles competently and safely. The Chief Technical Officer oversees all our operations, engineering, research and development, and Environment, Health and Safety functions. The global EHS team develops standards, provides expertise and facilitates best-practice sharing across Polyeco, while on-site Technical Officers and EHS personnel in our global worksites are accountable for their EHS performance.

In 2015 seven (7) of our employees were certified with International Technical Certificate in Oil and Gas Operational Safety. The qualification focuses on international standards and management systems, enabling students to effectively discharge workplace safety responsibilities both onshore and offshore. It covers health, safety and environmental management in context, hydrocarbon process safety, fire protection and emergency response, logistics and transport operations.





Measurements of Outcome

Description of how the company monitors and evaluates performance Polyeco's Group of Companies has no track record with incidents of human rights violations

Our certified with ISO 9001:2008 quality management system incorporates two processes (one internal and one external) that provide all information required to measure the outcomes.

On the internal front, the Human Resources process provides information on our compliance with the requirements of the ISO 9001 standard, which are fully on-line with the human rights principles, manpower planning, selection process and recruitment. On the external front, the procedure of the selection of suppliers and contractors makes sure that our partners also comply with the same principles we follow.

Greek Labor authorities are monitoring and audit Polyeco with regular procedures according to the Greek legislation. Polyeco has no track record with incidents of violations of labor principles or legal cases, rulings fines or other relevant violations of labor principles. Also, Polyeco SA is implementing all required measures for the prevention of work accidents.

No human and workplace rights complaints regarding harassment, discrimination, child or forced labor were received by Polyeco's senior management during 2015 and we found no issue where freedom of association had been denied.

Work in Progress

In December 2015 our company began an extensive analysis of its workforce. The results will help us identify areas of improvement and set new goals and commitments for the immediate future.

For the moment, our analysis on the minimum subsistence level for our staff shows that based on data from Hellenic Statistic Authority and our calculating study for Monthly Basic Needs: our currently average net salary is 1.060,58 € whereas the average minimum subsistence level for our staff is 521, 53€

In addition, we are proud to report that during a year of extremely challenging economic conditions our company created 30 new work positions while 23 people were made redundant.



Environment

Principle 7

Businesses should support a precautionary approach to environmental challenges

Principle 8

Undertake initiatives to promote greater environmental responsibility; and

Principle 9

Encourage the development and diffusion of environmentally friendly technologies





Assessment Policy and Goals

Description of the relevance of environmental protection for the company (i.e. environmental risks and opportunities). Description of policies, public commitments and company goals on environmental protection.

Polyeco S.A. is a modern and dynamic enterprise providing integrated sound waste management, with products and services that relate to the environment's protection addressed to various business sectors and industries.

The overall activity of the company is to identify and understand the hazards inherent to the activities we undertake and effectively assess control and manage those risks.

Polyeco also provides on-site hazardous and non-hazardous integrated waste management solutions, decontamination, site remediation and building capacity, to its client's facilities and by conducting client's personnel training and assessments.

Through its operations Polyeco helps environmental protection, conserves natural resources, fauna and flora, public health and public interests. We take reasonable steps to preserve the environment through responsible practices to minimize the environmental impact of our operations by complying with all applicable laws, guidelines and waste management industry standards.

We keep our processes and services as clean as possible, in real terms this means that all our facilities are already certified under the EMAS environmental management standard. The continuous improvement of our services is translated into direct benefits for the environment.

We have developed an Environmental Management System in full compliance with the requirements of the international standard 1221/2009/EC (EMAS) through which it is documented that products and services provided by Polyeco contribute to the protection of the environment. The scope of the system is the sound management of hazardous and non hazardous waste.

Our certified with ISO 17025:2005 Laboratory is responsible for waste sample analysis and classification. Our Quality Control department produces treatment recommendations control forms and other legislative documentation.

Additionally, the department can advise our customers on all hazardous waste regulatory issues, providing specialist industry knowledge and guidance.



Environment

Our Environmental policy is achieved through the implementation of our Environmental Management System, which consists of:

- Commitment to collaborate where possible with companies that have developed an environmental management system;
- Savings on non-renewable natural resources and energy in all its business;
- Continuous education of employees;
- Continuous updating of clients and partners;
- Continuous monitoring of legal and other regulations and requirements related to environmental issues.

All matters relating to the protection of the environment are encountered by the Environmental and Quality Control Officer, who holds responsibility and independence.

Environmental Targets

The company has evaluated the environmental aspects in which the company's activity has possible environmental consequences. Those are:

- Electricity consumption
- Suspended Particulate Matter
- Noise
- Liquid waste from rainwater in circulation and storage areas
- Hazardous and non hazardous waste leakage risk
- Risk of explosion or fire
- Water Consumption
- Paper consumption
- Hazardous materials storage
- Emissions of air pollutants (Volatile Organic Compounds – VOCs)



Environmental Policy

Polyeco conducts Particulate Matter and Volatile Organic Compounds Measurements at emission points, as well as Liquid Waste Measurements, which are carried out by Polyeco's accredited laboratory. Polyeco also monitors the levels of Environmental Noise within its facilities.

Additionally to the above evaluation procedure, Polyeco S.A. has developed environmental programs, setting specific goals, invests in environmental projects and implements the best available environmental techniques and practices for achieving continuous improvement.

Indicatively, Polyeco monitors the Consumption of Resources within its facilities and takes appropriate measures in an effort to reduce the effects that arise from the use of electrical and electronic equipment, toners/inks, lamps, batteries, lubricants and packaging materials. Adopting efficient strategy in this field, Polyeco contributes to the conservation of natural resources, reducing operating expenses and raising employee environmental awareness.

«Reduce, Reuse and Recycle» is one of Polyeco's fundamental principles, implementing longstanding and active waste reduction and recycling programs. More precisely, our top priority is to reduce waste generation in the first place and the second priority is the reuse and recycling of materials, whenever this is possible.

In the last years Polyeco has significantly reduced paper consumption in an effort to preserve natural resources, decreasing simultaneously its environmental footprint. In cases that it is not possible to avoid the paper consumption, we use recycled or FSC certified paper.

Furthermore, Polyeco is implementing measures and actions in order to reduce greenhouse gas emissions, the main cause of climate change. Except for the use of energy efficient products, Polyeco has established a solar power station at its facilities in Aspropyrgos. We are also conducting efforts in order to reduce water usage by establishing monitoring and targeting system.

It should be mentioned that for the achievement of the targets set in the field of environmental protection the company strongly encourages the participation of the employees and ensures their constant education on the practices that can be applied for the conservation of resources.

The training programs are conducted by external partners or by the company's executives.

The educational themes cover all the aspects of environmental management of the existing Quality and Environmental Management System. Furthermore, the employees are informed about the environmental policy applied by the company, the environmental goals and targets the applied environmental programs as well as the environmental effects of the company's operation.

Polyeco's Environmental Indicators

In full compliance with EMAS Regulation, Polyeco S.A. constantly monitors the basic environmental indicators measuring: water consumption, electricity consumption, greenhouse gas emissions and total annual emissions of air pollutants (NOx, SO2, and particulate matter) that arise from the company's activity.



Implementation

Description of concrete actions to implement environmental policies, address environmental risks and respond to environmental incidents.

We implement our Environmental Management System aimed at achieving long-term goals and protecting the environment from hazardous materials.

Within its activities, Polyeco SA bounds and guarantees the implementation of the agreed actions with its customers, applying the National and International Legislation, with view the environment's protection from any form of its burden.

One of our prime duties is to control and mitigate risk at all of our operating sites. Our safety performance is a key part of the relationship with our customers, who rely on us to maintain the highest levels of operational integrity at all times.

Each site is subject to routine inspections by Polyeco's safety professionals and we work closely with our contractors to ensure that they are always meeting our own high standards.

The choice of the most appropriate method of waste management is carried out in such a way as to ensure that the human health will not be endangered, directly or indirectly, and without using processes or methods that could harm the environment. For that reason measures are taken and proposed in order to: prevent or reduce production risk and waste, in accordance with the EU overarching principles. We help our clients primarily to prevent the generation of waste and to reduce its harmfulness. Where this is not possible, we aim in the reuse, recycling or recovery of the waste materials or their use as a source of energy.

The main objective of our policy is to prevent accidents or the creation of environmental problems, to the extent possible, by reducing any potential risk that could lead to environment pollution, through our Environmental Management System, continuous improvements, and the active participation of all our employees.

We intend to stabilize carbon emissions and environmental footprint from our operations, to the lowest possible level through renewable energy investments.

Making More from Waste: Recovery/Recycling/Reuse

At our main hazardous waste treatment facility we treat hazardous waste preventing their release into the environment and provide environmentally friendly methods of managing hazardous materials.



Measurements of Outcome

Description of how the company monitors and evaluates performance

Polyeco monitors its environmental performance with environmental measurements, and sets environmental goals, according to Environmental Management Procedures EMP.AE-40 and EMP.AE-20 EMAS. Finally the company conducts systematically environmental internal and external inspections.

The primary responsibility lies to the General Manager of Polyeco and the Environmental and Quality Control Officer for the implementation of EMAS environmental management system. External audits take place regularly by the (a) Greek state public authorities, (b) TUV Hellas and (c) by external inspectors from private companies on behalf of our customers.

No environmental incidents from our operations were reported at any Polyeco's worksites during 2015.

Renewable Green Energy - Photovoltaic Station

To achieve our commitment to UN GC Principles and stabilize carbon emissions and environmental footprint to the lowest possible level, Polyeco funded a significant investment to create a solar power station consisting of 1000 photovoltaic panels that have been installed, on the roof of our main industrial facilities in Aspropyrgos, Greece. This Green Energy Solar Station has a total surface of 3300m², and a generating capacity of 250 kW.

The conversion of direct current to alternating current generator is carried through 12 inverters DELTA (Germany), while for the connection of the unit to the Medium Voltage Power Network a privately owned Low - Medium Voltage Substation of 250kVA was built.

The commercial operation of this power station started after successful completion of the connection of the unit to the medium voltage network of the Hellenic Electricity Distribution Network Operator S.A. (HEDNO) in February 2013. Three years later, Polyeco S.A. continues the operation of its solar power station, which produces approximately 320.000kWh « green » electricity annually, amount enough to supply about 80 households midsize and reduce greenhouse gas emissions by about 270 tons of CO₂ and a total of nearly 6 tons of SO₂, CO, NO_x and PM₁₀ emissions.



EBEA 2006 Eco Awards



The award was granted to Polyeco, for its sensitivity and best practices to the protection of the Environment.

Accreditations



1221/2009 EC (EMAS) Environmental Management Standard, which documents that the product and services provided contribute to the protection of the environment.



The OHSAS 18001:2007 Occupational Health and Safety Specification, which serves as the foundation of our management approach to employee health and safety.



The ISO 9001:2008 or ISO/TS16949 quality management system standards, which provide a framework to improve system and process quality to increase efficiencies, reduce risks and avoid errors.



ELOT EN ISO / IEC 17025:2005 Accreditation of the Quality Control of our Laboratory.



ISO 28000:2007 Specification for the Security Management Systems for establishing, implementing, operating, monitoring, reviewing, maintaining and improving a documented Supply Chain Security Management System (SCSMS), using continual improvement approach.



Polyeco Contemporary Art Initiative

A statement about Polyeco's ethos and identity reflecting the company's energy and sense of commitment

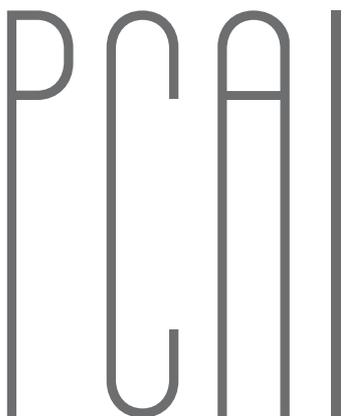
Since its foundation in 2001 Polyeco implements programs, initiatives and practices that reflect its values and define its Corporate Social Responsibility (CSR), incorporating voluntarily social and environmental friendly targets in its everyday business activities. For Polyeco, CSR is not just resolved to simple compliance with legal and business obligations but extends to substantial contribution to the society and the environment with respect to the principles of sustainability and prosperity.

In our 2014 Report we had the pleasure to announce the launching of Polyeco's ambitious Contemporary Art Initiative, **PCAI which primarily aims at raising environmental awareness through a unique art program inspired by the crucial issue of waste management**, which is not only technical, but also environmental and social. Since then, Mr Athanasios Polychronopoulos, Polyeco S.A. Global Department Vice President and driving force behind the company's art initiative, decided to implement a sprinting strategy towards the implementation of PCAI's objectives. His genuine belief that art is the best tool to stimulate dialogue about waste management was complimented by his wish to share this assumption with the company's employees, clients and the general public. The objective has been to create a framework that will allow Polyeco to implement its unique environmental awareness raising program. Within a year PCAI has made huge steps, from finalizing its structure to start implementing its vision.



Artist Natasa Efstathiadi filming in Benin

© P. Manolopoulos





Current status

Polyeco's commitment to PCAI mission is reflected in two major steps. In March 2015 it employed a fulltime Director and a guest curator.

The Director is responsible for planning and implementing all PCAI activities.

The guest curator will be responsible of selecting a number of agreed commissions. A different guest curator will be appointed every two (2) years. The second step is that by January 2016 PCAI will become a non-profit organization based in Athens, Greece.

Structure:

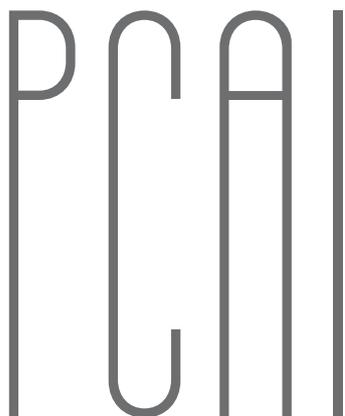
PCAI implements its objectives through three areas of activity, The Collection, The Projects, The Support

PCAI is becoming part of an international trend in the corporate collecting sphere that goes beyond purchasing art works.

The Collection is based on special commissions mainly of moving image art. PCAI provides mid-career and emerging artists with the means and resources to create an artwork inspired by urgent environmental, sociological and philosophical issues. Artists are invited to enter a dialogue while retaining their absolute freedom of expression and critical inquiry. Every effort is made to provide them with all the financial, scientific and legal support in order to realize their projects. Should they wish, commissioned artists are offered a wide choice of international sites to visit and do research. Artists may draw inspiration from the waste management sites and facilities, the countries, the workforce and the people involved in the waste management process. They can investigate waste sources and itineraries; they can research the external factors and taboos that affect our perception of waste. Our commissioned artists come from all over the world reflecting Polyeco's international reach. In 2015, two commissions were completed by artists, Natasa Efstathiadi and Costas Vittis and four new artists were commissioned Anja Kirschner, Saskia Olde Wolbers, Vassilis Karouk and Loukia Alavanou. All works are expected to be completed before September 2016. Four further commissions will be assigned in the first quarter of 2016.

The Projects are all the activities and events (exhibitions, publications, educational programs and workshops) organized by PCAI around its growing commissioned based Collection. PCAI wishes to reach as big an audience as possible. Apart from exhibiting the collection in Museums and other cultural institutions our aim is to incorporate the art to special educational programs.

These will be presented at schools and other venues in remote locations exposing students and the public to contemporary art practices as well as informing them about environmental degradation, which constitutes one of the greatest challenges of the 21st century.





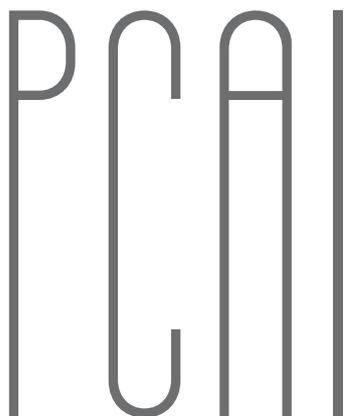
The Support refers to our engagement in other initiatives and individuals that share the same vision and concerns. Apart from the collection of commissioned art works PCAI has ensured a growing budget for sponsorship. This involves engagement in international art sponsorship schemes and the support of other initiatives, the establishment of a scholarship for post graduate studies in Media Arts and the growing support of exceptional events and people in the countries that Polyeco develops business activity. In 2015 we sponsored Design Overview In Tirana (aka DOIT) is an established annual event about visual communications culture in traditional and non-traditional media. The first-ever, international conference in Albania dedicated to Advertising, Design and New Media. In September 2015 we also sponsored Emilia Bouriti's performance Eleusis | Space Time Energy, which explores the relationship between the human body and the industrial landscape of Eleusina, was held Sunday, September 6th, 2015 at the Old Olive Oil Factory under the Aeschylia Festival 2015.

Participation of employees

Polyeco's employees play a crucial part in the implementation and the dissemination of the initiative, actively helping the artists in both research and the creation of their projects, using all the means in their disposal. They also act as ambassadors of PCAI in their areas of activity. Polyeco Project Managers are in a continuous dialogue with PCAI's Director exchanging information and narratives about past, current and future projects. The benefits from employee involvement have been recorded to be so substantial that through this growing new collaboration PCAI wishes to communicate to Polyeco employees that their participation in the Initiative through a number of different actions will eventually expose them to numerous different and creative ways of thinking.

Sharing

Apart from our own curated projects of the PCAI collection we accept loan requests from institutions and other professionals. So far we have accepted loan requests from many international institutions and festivals such as, Cairo Video Festival, Alternative Film/Video Festival, Academic Film Center, Belgrade, Serbia, Kuala Lumpur Eco Film Festival, Malaysia, Festival du nouveau cinéma, Montreal, Canada, "Kino der Kunst", Festival and Group Show, Munich, Germany, "ECU", European Independent Film Festival, Paris, France, Glasgow Short Film Festival, Glasgow, UK, Athens International Film Festival, Athens, Greece, Panorama of Ecological Films, Society for the Environmental and Cultural Heritage, Athens, Greece, The House of Cyprus: Cultural and Educational Office of the Embassy of the Republic of Cyprus in Greece.





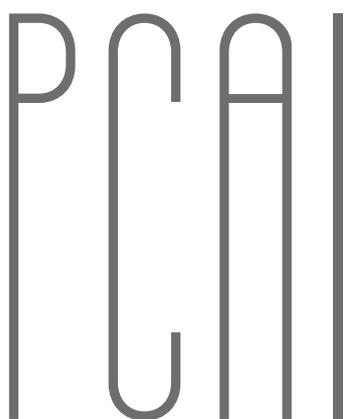
Target audience

Having as an ultimate goal the creation of environmental consciousness and culture, PCAI does not address a specific audience. On the contrary, it wishes to connect audiences through art. Adopting the principle that environmental protection is a common responsibility and can only be achieved with collective effort, our initiative addresses each and every one, trying to communicate through art the challenges that threaten nature and the consequences that are caused by the over exploitation of natural resources and human intervention, when there is no respect for the environment. However, special emphasis is given to the creation of environmental awareness among young people, which on the one hand will suffer more from the consequences of environmental degradation and on the other hand will be called to disseminate their culture to future generations.

Work in progress

PCAI is destined to mirror Polyeco's growth. Its activities are on par with the success of the company. For the next year we wish to:

- Develop an increasing activity around our growing Art Collection. In 2016 we are planning to open our first major Museum exhibition of PCAI commissions and produce a publication recording the first phase of our collection and activities.
- Involve more of our employers; enhance our engagement program promoting the role of art in the workplace stimulating productivity, innovation and open-mindedness.
- Commission and engage local artists in countries where Polyeco operates and further address our stakeholders and the local communities we offer our services to, especially those in parts of the world who are experiencing a form of cultural isolation. PCAI wishes to engage them in a creative dialogue and in some cases promote their artistic voices.
- Enhance our social impact and interaction with local communities and pose issues that concern environmental policy in local, regional and national level.
- Attract support from other initiatives and institutions. Currently PCAI operates exclusively through Polyeco's means and resources. Our aim is to be able to generate more financial support in order to expand our program and activities.
- Be recognized for our effort to make a lasting contribution to all the countries that trust its services.





Challenges

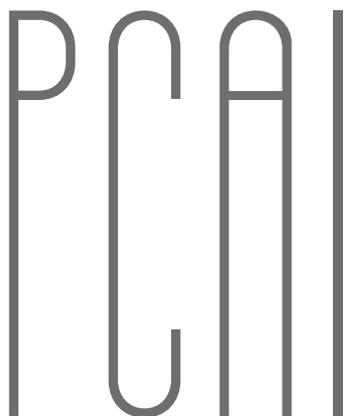
PCAI was inaugurated at a time of national financial turmoil and has managed to progress and establish strong foundations that ensure that it will stand in time in order to continue to benefit, support and inspire a number of different audiences.

PCAI has undertaken commitment programs that require time and effort from a great number of people.

2015 Highlights

During 2015 we had the opportunity to communicate our activities and mission to very diverse and interesting audiences. In May 2015 our newly founded Contemporary Art Initiative participated at the Science Fair which took place in the margins of the 2015 Triple COPs in Geneva. PCAI was included in the thematic area of 'Science Providing Sustainable Waste Management Solutions: Turning Waste to Resource' next to the Federal environmental agency of Germany, the University of Geneva, UNEP and others. There we had the opportunity to present KEPLER, a video art work by artist George Drivas and discuss our program with a great number of delegates. KEPLER was commissioned by PCAI in 2014 and was produced in Tbilisi, Georgia during the implementation of GEF Funded, UNDP Georgia and Ministry of Environmental Protection and Natural Resources Project 'Disposal of POPs Pesticides and Initial Steps for Containment of Dumped POPs Pesticides executed by Polyeco S.A. In November 2015 we had the opportunity to communicate PCAI activities at the International Conference on Pesticides held in Zaragoza, Spain. Scientists from different countries had the opportunity to learn about the Polyeco Contemporary Art Initiative and in some cases express their willingness to contribute to this effort thus strengthening the Initiative's intention to enrich its activities with specialized scientific knowledge, always with the primary goal of raising public awareness.

In June 2015 PCAI participated as a sponsor in the program "Painting school buildings", which is realized under the auspices of the Greek Ministry of Education and assigned graffiti team Urban Act to create a mural about the Sea and the Environment in the entire building of the 22nd Piraeus Primary School. The mural was created by the well-known visual artist Same84. Within the context of this action, students were offered workshops while they were asked to participate in the painting of the lower surfaces. PCAI responded to the request of the school's director and the Municipality of Piraeus to change the image of decay that characterizes the majority of school buildings. The action has a permanent impact and will remain as a consignment to the city of Piraeus forever. This action happened on the occasion of The European Maritime Day (EMD) which has been established by the European Union and is celebrated annually on May 20th, aiming at highlighting the vital role of the sea for the life of the citizens, as well as for the sustainable growth. The sea and its opportunities are positioned in the epicentre of the dialogue. Our sponsorship to the 22nd Piraeus Primary School had a double purpose, our contribution to the improvement of the school environment for the children and our attempt to raise the students' awareness on issues concerning the environment.





Athanasios Polychronopoulos appointed new member of the board of the Hellenic Federation of Enterprices (SEV) council for sustainable development

In 2015 Mr Athanasios Polychronopoulos, Vice President of Global Development of Polyeco S.A., with great honour undertook responsibilities as Member of the Board of Sustainable Development. Mr Polychronopoulos resumed his duties having absolute sense of the responsibility and obligations that this new position brings. He committed that that he will work tirelessly in the Council's efforts to communicate the message that the country's economic development is inextricably linked to sustainable development.

The Hellenic Federation of Enterprises (SEV) Council for Sustainable Development is an entity which operates as a non-profit organization. The Council was created to be a powerful and dynamic factor for businesses, which are willing and able to play a leading role among the members of SEV in promoting Sustainable Development in the Greek business reality and in creating the necessary framework for discussion and weighing of critical issues of Sustainable Development among businesses, the State and society in general.

In this context, the Council promotes communication, information and education of its members and society in general, actions involving cooperation and promotion of the concept of Sustainable Development.

In 2014 Polyeco SA participated at the Hellenic Federation of Enterprises (SEV) conference on Sustainable Development. The subject of the Conference was «Comments on the National Plan for Sustainable Development that is under consultation.

In its official statement, Polyeco SA saluted SEV's initiatives on sustainable development and presented its proposals regarding the content and the structure of the National Plan.

More precisely, Polyeco SA stated that concerning the introduction, the National Plan should be adjusted to the international standard ISO 26000:2010-Guidance on Social Responsibility, as well as aligned with the British standard SA 8000:2014- Guidance on Social Accountability. Also, the National Plan should refer to Organizations, in order to include both public and private sector.

Furthermore, in its comments on the National Plan on Sustainable Development Polyeco mentioned that Corporate Social Responsibility (CSR) should be combined with art in the context of a socially and environmentally responsible development.



Concerning the definition of CSR, in order to avoid bureaucracy, this should be defined as it is stated in the respective international standard ISO 26000:2010 as well as the British standard SA 8000:2014.

Another important point is that under the international legal framework in force, the establishment of the issuance of Corporate Responsibility Reports is crucial for the proliferation of CSR.

In an effort to increase the efficiency of social responsibility, it would be beneficial for the organizations of the public sector to incorporate the principles of CSR in their actions and programs aiming at responsible operation.

Additionally, it would be very useful if the public services developed artistic and cultural initiatives aiming at raising the awareness of their third parties (subcontractors, suppliers, local community).

Concerning the implementation of a national strategy for CSR, it is substantial to establish an evaluation process for the quality of the reports at a national level, applying the appropriate procedures and methodology.

In conclusion, Polyeco SA defends that in the context of contemporary entrepreneurship, social responsibility should constitute the basis of the actions and the strategy of both private and public companies, creating a positive environment for the society.



MODERATION, by Anja Kirschner, 2015.



Against corruption

Principle 10

Businesses should work against corruption in all its forms, including extortion and bribery





Assessment, Policy and Goals

Description of the relevance of anti-corruption for the company (i.e. anti-corruption risk-assessment). Description of policies, public commitments and company goals on anti-corruption.

We support the UN Convention Against Corruption and we strongly believe that corruption and bribery practices not only compromise the social merit of development but also undermine the efforts of the company itself for sustainable development.

On the other hand, being a company with a certified quality management system we are committed and make sure that all employees, partners, business associates and contractors haven't been involved in any corruption activities.

Any suspicion of involvement in corruption or fraudulent activities must be reported to the Board.

Implementation

Description of concrete actions to implement anti-corruption policies, address anti-corruption risks and respond to incidents.

In our Code of Ethics & Business Conduct we have set the very highest standards for the quality of service we provide and the way we run our business wherever we operate around the world. Our code serves to guide the actions of our employees and sets out our commitment on how to do business in a fair way: treating everyone - customers, colleagues, investors, suppliers and sub-contractors, as well as the wider community with honesty, integrity and respect.

The Board is directly responsible for the anti-corruption policy of the company.

Polyeco requires that any suspicion of involvement in corruption or fraudulent activities to be reported to the Board in accordance with the procedures specified by the Chief Legal Officer.

Measurement of Outcomes

Description of how the company monitors and evaluates anti-corruption performance.

Success here is generally measured by the lack of reports of violations of policy or law and, to date, there have been no reported violations in Polyeco and our parent and sister companies of the Group. Should a violation be reported, we intend to undertake a thorough investigation.



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