



Sustainability
Report
2020



To be a team.

To be for the environment.

To be close to the customer.

To be **novaresine**.





NOVA*r***ESINE**
INNOVATION GOES **GREEN**



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Statement from a senior decision-maker: Novaresine speaks to its stakeholders.

It is with great pride that we present the first Novaresine Sustainability Report.

This document arises from the need to take stock of the ambitious path we have started on, and also from the desire to share the results with those who want to know us better, know what our values are, and how we intend to achieve our goals.

Novaresine is a “choral project”, made up of many people who work together with great commitment and dedication. If we tend to speak little about what we do, it is certainly not for arrogance, but for the great concentration we put into every action and which often catalyses our every energy. However, we have understood the importance of putting our path in black and white, to understand the relevance of its fruits, and to understand how to improve ourselves. For this reason, after some internal reflection, we decided to speak about ourselves and our work in a completely transparent way, telling not only of our strengths and goals, but also focusing on our weaknesses and failures. Novaresine was founded many years ago, and, today, we feel the urge to redeem a past that has sometimes lacked a defined vision, and to, thus, identify a guiding concept to shape the future of the company from now on: sustainability.

For us, sustainability means environmental protection, safety, ethics, and sensitivity to social issues. It is a way of acting, of thinking, and of looking to the future, in order to model it to the changing world. Evolution and innovation are the foundations for the production of green products, created in collaboration with our suppliers, consolidating our network, and establishing best practices from which everyone can draw benefit. Being sustainable means

employing resources in the control of the production process

and in reducing its environmental impacts, as is evidenced by the certifications in international standards that we have achieved.

The sustainability we practice is, first of all, human: the well-being of our workers, in every division and department, is fundamental. Key elements that guide and push us to do more and do better are team spirit and the engagement of workers, from the oldest to the youngest, the development of individual talents, and the ability to find new solutions to respond to a constantly evolving local and work scenario.

We want to thank our network of customers, who have given us and continue to give us their trust, and with whom we build consolidated relationships of loyalty, and our suppliers, who are always able to offer quality services and products.

Recognition certainly also goes to the institutions and local communities who, despite the understandable distrust that is often associated with such a complex sector as the chemical industry, have come into contact with us and have understood that in Novaresine nothing is done without first evaluating its effects on the environment and people.

We are sure that sharing and transparency are the right way to consolidate and grow this synergy, to identify new paths and imagine an ever more green future.

Bruno Franceschini
CEO - Novaresine

Organizational profile.

Novaresine and its history.

The plant built in 1979 for the production of resins has been managed by various Italian and foreign companies in its long history.

In 1979, the group IVM (Industria Vernici Milesi) built an industrial plant in Colà di Lazise for the production of alkyd and polyester resins for the wood coatings sector.

In 1990, the plant was sold to GESTIN, and thus became part of the group ICS (Industria Chimica Stura).

Production was interrupted from July 1991 to August 1992 due to the unavailability of the plant following a fire.

In September 1992, production resumed in Colà di Lazise in a completely rebuilt plant.

During 1992, ICS changed its name and became SYNTECH.

In 1997, SYNTECH was sold to an American group, McWhorter Technologies.

In 1999, McWhorter presented a remediation plan for a particular area.

In 2000, the 2 Mc Whorter plants in Colà di Lazise and Sant'Albano Stura were purchased by Eastman Chemical, based in Kingsport, Tennessee, USA.

In 2004, the resins business was acquired by Resolution Specialty Materials (RSM), based in Houston, Texas, USA, which, together with the company Resolution Performance Product, were part of the investment portfolio of the fund Apollo.

In 2005, Resolution Specialty Materials and Resolution Performance Product became Hexion. After a few years, in February 2010, the group Tenax invested in the resin production sector and acquired the factory in Colà di Lazise, recovering its name and establishing Novaresine Srl. **(GRI 102-1)**.

2.2 **GRI 102-3**
GRI 102-4
GRI 102-5
GRI 102-6

The holding Tajan.

Tajan was established in the summer of 2018, acquiring full control of Novaresine (**GRI 102-5**).

The Novaresine Srl plant is located in the Province of Verona, on the so-called Bisavola Plain, south of the

town of Colà di Lazise. Its site extends of over an area of 78,000 m², mostly occupied by green areas. The paved or built areas cover approximately 26,000 m². (**GRI 102-3**; **GRI 102-4**).

2.3 **GRI 102-2**
GRI 102-6
GRI 102-7

Scale of the organization.

Novaresine produces various types of RESINS, including saturated solvent and water-based polyesters, long, medium and short oil alkyds, UV resins, unsaturated polyesters, and bio-based resins, for the manufacture of coating products (**GRI 102-2**), for Italian, European and extra-European markets (**GRI 102-6**).

The polymers are synthesized in nine polyvalent reactors, connected to as many diluters, according to the recipe formulated by the R&D laboratory.

We are a MEDIUM-sized company that is growing gradually, and currently has 59 employees. In 2020, we had revenues of Euro 40 million from producing 29220 tons of resins, volumes that are set to increase in the coming years. (**GRI 102-7**)

Organizational profile.

2.4 GRI 102-12

Certifications.

Since 2010, Novaresine has been quality certified to the ISO 9001 standard, while safety at work certification to the OHSAS 18001 standard and environmental certification to the ISO 14001 standard were obtained in 2014, thus creating a management system (IMS) integrated with the Major Accident Prevention system (PIR) required by the Italian law transposing the Seveso Directive. In 2020, the safety certification was renewed to the ISO 45001 standard.

In 2021, we obtained the PLATINUM rating from ECOVADIS.

The plant is classified at risk of major accidents according to the Seveso Directive, and, as for the upper threshold, the safety report has been duly prepared and submitted to the Regional Technical Committee, and is subject to a five-year review.

2.5 GRI 102-13

Membership of associations.

Novaresine is associated with Federchimica, and is part of the AISPEC sector association. Since 2020, it has been part of the RESPONSIBLE CARE programme, a voluntary global sustainable development programme for the chemical industry, which provides for periodic monitoring and communication to the organization of certain data relating to the environmental and social performance of members, by the filling in of a performance indicator questionnaire.

2.6 GRI 102-9

Supply chain.

The supply chain is a fundamental and delicate topic, and not without criticalities on whose management production continuity depends, and which cannot be ignored when reasoning about corporate sustainability.

Supplies and suppliers are relevant from economic, environmental and social points of view. They are the main recipients of the distribution of the economic value generated by Novaresine (78%), and the procurement of raw materials and, therefore, corporate productivity depends on them.

We select suppliers who are able to give us quality products at the right price, while operating in compliance with workplace and environmental safety standards. We annually verify the application of these requirements, evaluating their performance and assigning a score on which their qualification as a supplier depends.

We are committed to building a partnership relationship with strategic suppliers that is not limited to merely the procurement of raw materials, but is an opportunity to work together to design new solutions and products capable of meeting emerging market demands.

The criticalities are mostly due to the difficulty of finding raw materials on the market, and to the presence of a limited number of suppliers or, in some cases, only one supplier, for certain raw materials.

Such situations condition the strategy adopted by Novaresine and limit its ability to positively influence the supply chain. However, many suppliers are well-structured multinational companies that have already made sustainability part of their mission.

Despite the difficulties, and the relatively small number of Italian companies that produce chemicals, Novaresine has adopted a policy that aims to favour procurement

from local (Italian) suppliers where possible. However, there is a greater availability of foreign multinational companies that have production or logistics sites in Italy.

In 2020, we relied on 54 suppliers with headquarters or production sites in Italy, accounting for a total of about 11,000 tons of supplied raw materials.

In the same year, there were 29 foreign suppliers, accounting for a total of 17,000 tons supplied.

Supplies by Italian companies or companies with one or more production sites in Italy represented 40% of the total.

Though the percentage drops to 19%, when only supplies from companies that produce in Italy are considered.

Less critical is the management of logistics and maintenance services, most of which are provided by local or Italian companies.

In the role of supplier, we are annually subjected to evaluation by ECOVADIS. As a buyer, starting from the second half of 2021, we will also ask our suppliers to undergo the same evaluation process, in order to standardize the qualification process and strengthen supervision in the management of the supply chain. The challenge will be to involve smaller companies in this activity, most of which are located in Italy (GRI 204).

In the meantime, the evaluation will be conducted with the same criteria elaborated and codified in the procedure, which also takes into account compliance regarding the environment and safety at work.

In 2020, due to the pandemic, audits of suppliers were suspended. However, as soon as it is possible, we will resume them and conduct them in both approval and monitoring phases.

Organizational profile.

2.7

Sustainability numbers.

Inbound turnover rate
10,34% in 2019
6,9% in 2020

€ 629.000
spent on R&D

20% of the raw materials purchased,
are produced in Italy

€ 36,72 million
distributed to stakeholders

Outgoing turnover rate
1,7% in 2019
3,4% in 2020

T 29.220
of resins produced in total in 2020
of which
T 5.005
water-based resins, +35% water-based resins
compared to 2019

€ 4,9 million
EBITDA (+8%)

363 hours of technical training and
843 hours of training on the subject
of safety at work and the environment

Open projects for the production of resins **BIO** (produced
with raw materials derived from renewable sources)

Zero ACCIDENTS and
Zero occupational ILLNESSES
both in 2019 and in 2020

The planting of native trees (hornbeam, lime, ash and hackberry), sees
the capture and reduction of

3,83 t of CO2 produced



Organizational profile.

2.8 GRI 102-14
GRI 102-15

Strategy and management.

The first sustainability report represents, for us, both a point of arrival and a starting point.

We have finally come, after a long and somewhat tortuous journey, to reap the fruits of what has been sown from 2010 until today.

Eleven years of growth in production, of continuous improvements in the quality standards of our products, and of investments aimed at making our plants safer, more efficient, and more highly performing.

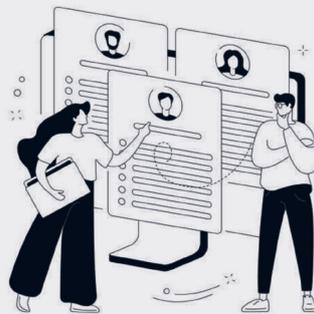
After a lot of work, we believe the time has come to draw up a balance sheet of everything that has been done by presenting the first report with which we intend to project ourselves towards the future, along with all our stakeholders.



Employees



Suppliers



Customers



Community

This document highlights the main environmental, social and economic aspects of the company, and is prepared in compliance with the GLOBAL REPORTING INITIATIVE (GRI) STANDARD - CORE OPTION.

These reporting principles are incorporated in the United Nations ENVIRONMENT PROGRAMME.

Numerous corporate departments and roles have been involved in the preparation of this report, each contributing, according to their competence, all the necessary data.

The preparatory stages involved the identification of our stakeholders, and the elaboration of the Materiality Assessment (GRI 101).



Competitors



R&D Partners



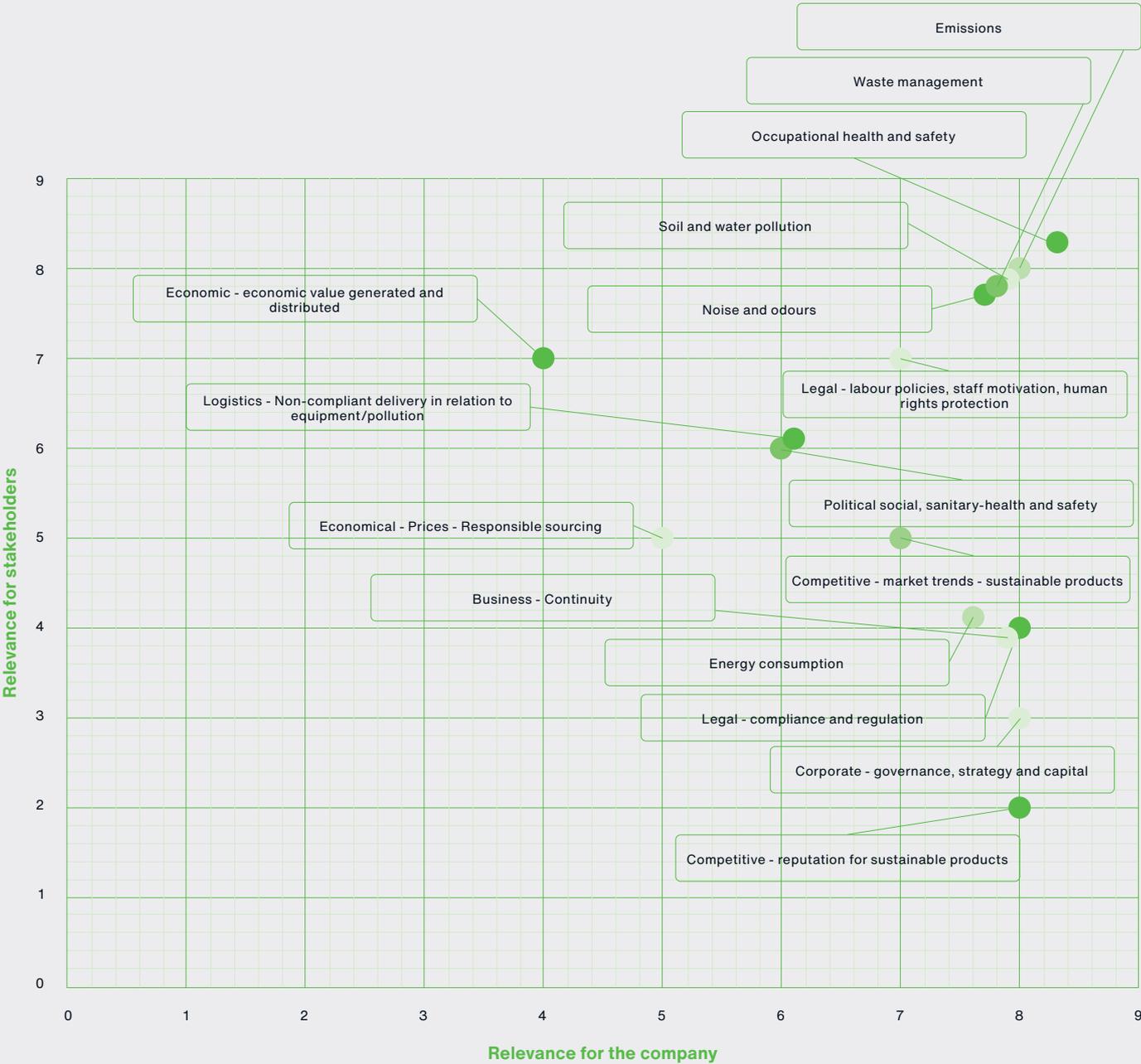
Legislators, PA, Control Bodies



Materiality Assessment.



- Economic - Economic value generated and distributed
- Political, social, sanitary, health and safety
- Competitive - market trends - sustainable products
- Competitive - reputation for sustainable products
- Corporate - governance, strategy and capital



4 GRI 200

Economic aspects,

4.1 GRI 102-7

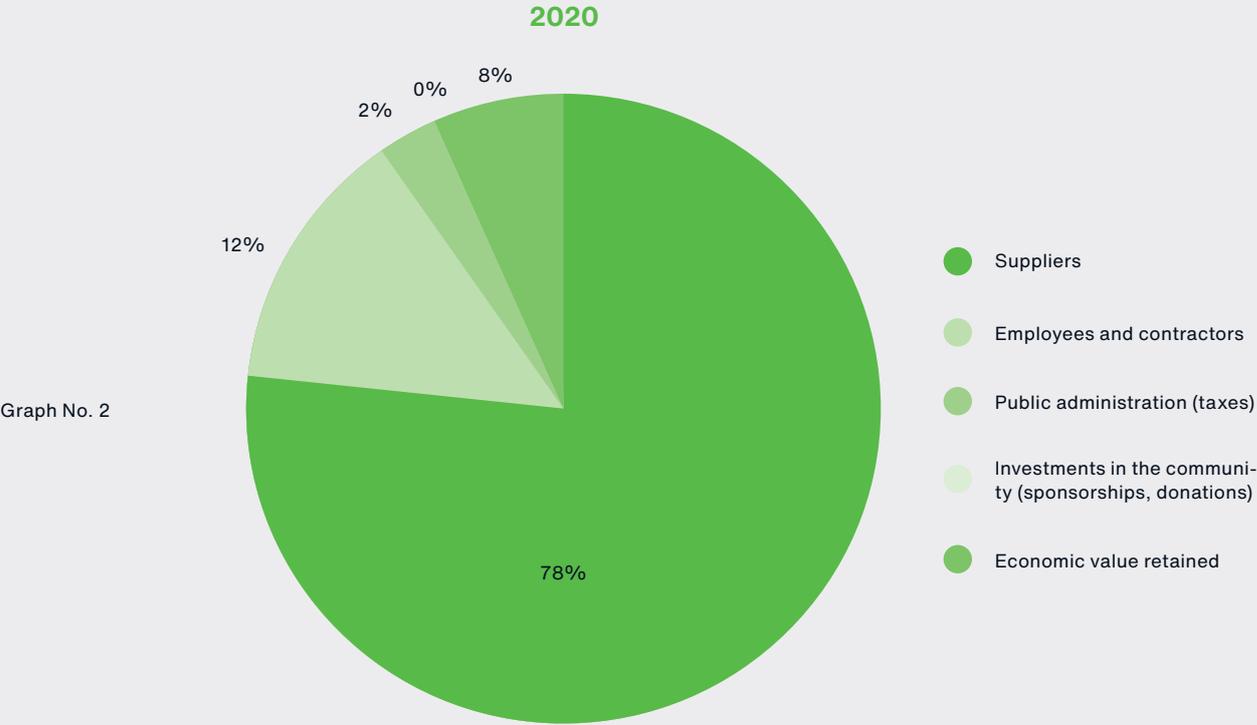
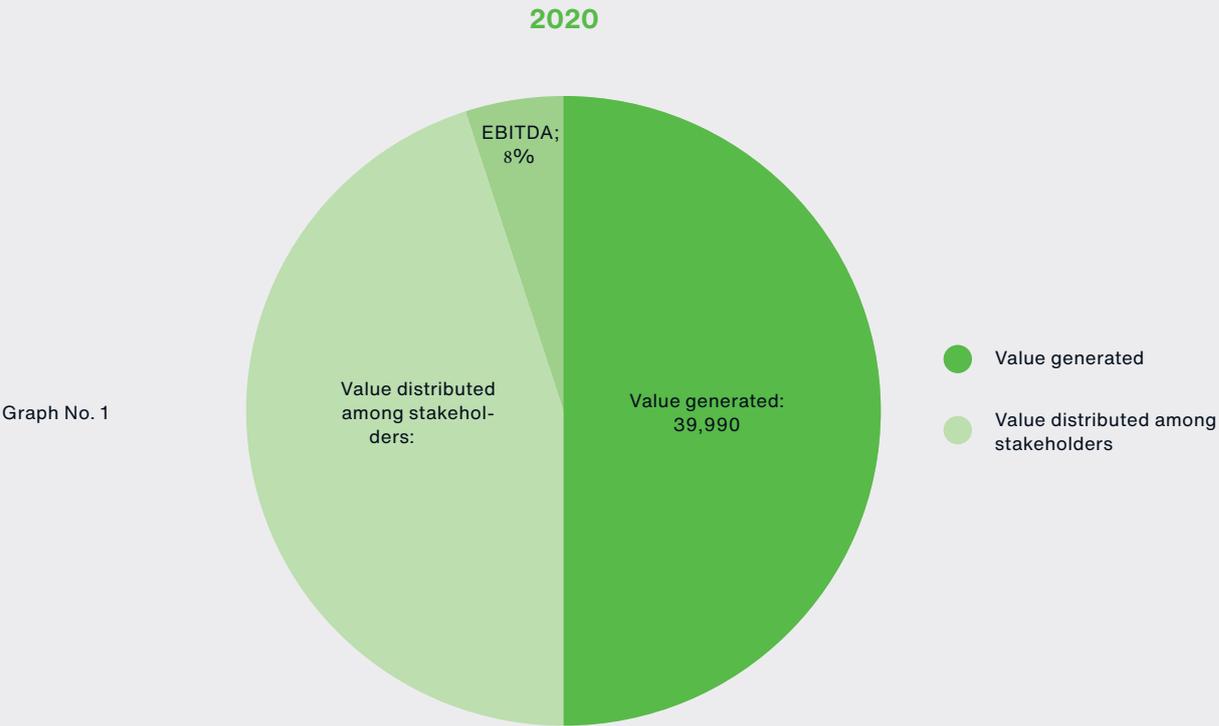
Scale of the organization GRI 201-1- economic value generated and distributed: GRI 103 strategy and management.

For a company, business is the driving force. Without it, there's no movement, no progress.

Accordingly, only by generating economic value and distributing part of it to stakeholders (GRI 201-1), is it possible to innovate, invest in new eco-sustainable projects, replace obsolete machinery with safer, better systems, and contribute to improving the living and working conditions of workers.

VALUE GENERATED AND DISTRIBUTION	Values in 1000s of Euros
Value generated	39.990
Value distributed among stakeholders	36.000
Suppliers	30.500
Employees and contractors	4.600
Public administration (taxes)	902
Investments in the community (sponsorships, donations)	21
Economic value retained	3.150
EBITDA	4.900

Production volumes	29220 T continuously growing
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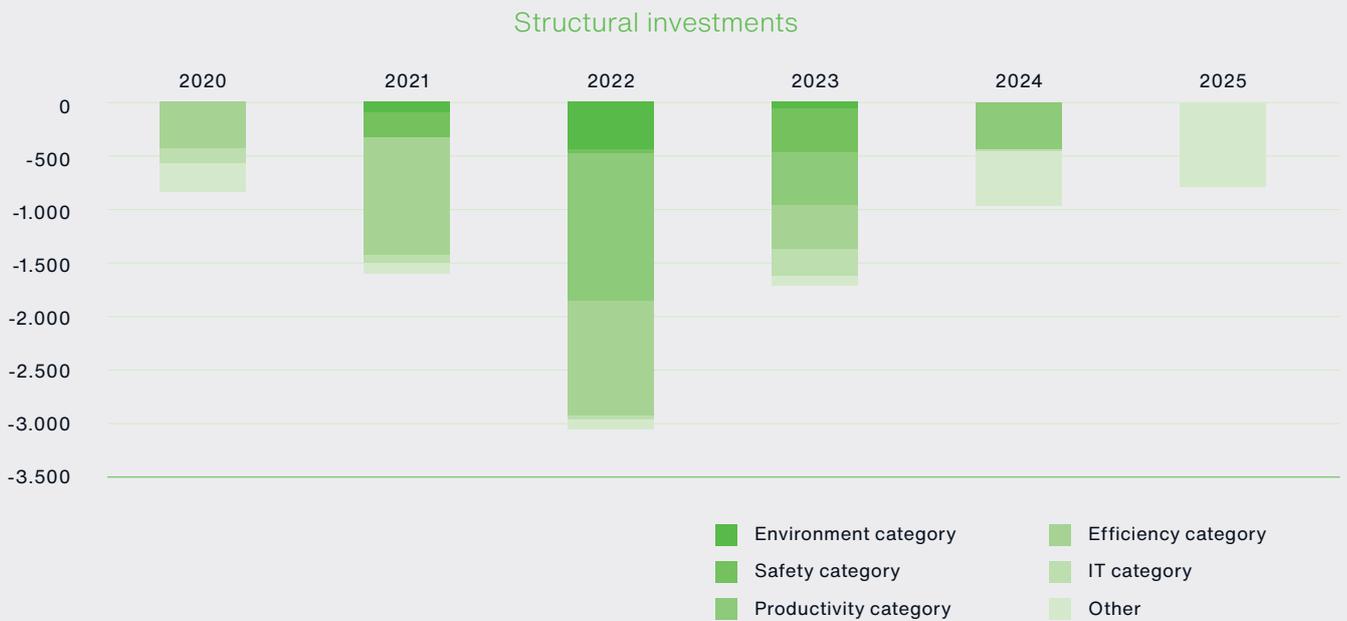


We believe it is STRATEGIC to maintain a SOLID FINANCIAL FOOTING that allows us to invest in technology and innovate.



Economic aspects.

Structural investments.



In June 2020, the Sole Director invited the department managers to present proposals for the drafting of the Business Plan for the years 2020-2025.

After an extensive debate to discuss the various ideas put forward, the Business Plan was entitled “SEE YOU 2025” and began to take shape under coordination entrusted to two main supervisors.

The Plan provides for significant investments in the fields of the environment, productivity, IT and efficiency. It also provides a road map for the completion of its implementation by 2025.

Environmental aspects.

Through the management of this MATERIAL TOPIC, we want to contribute to the pursuit of the goals enshrined in the United Nations 2030 Agenda, which represent significant goals for Novaresine.

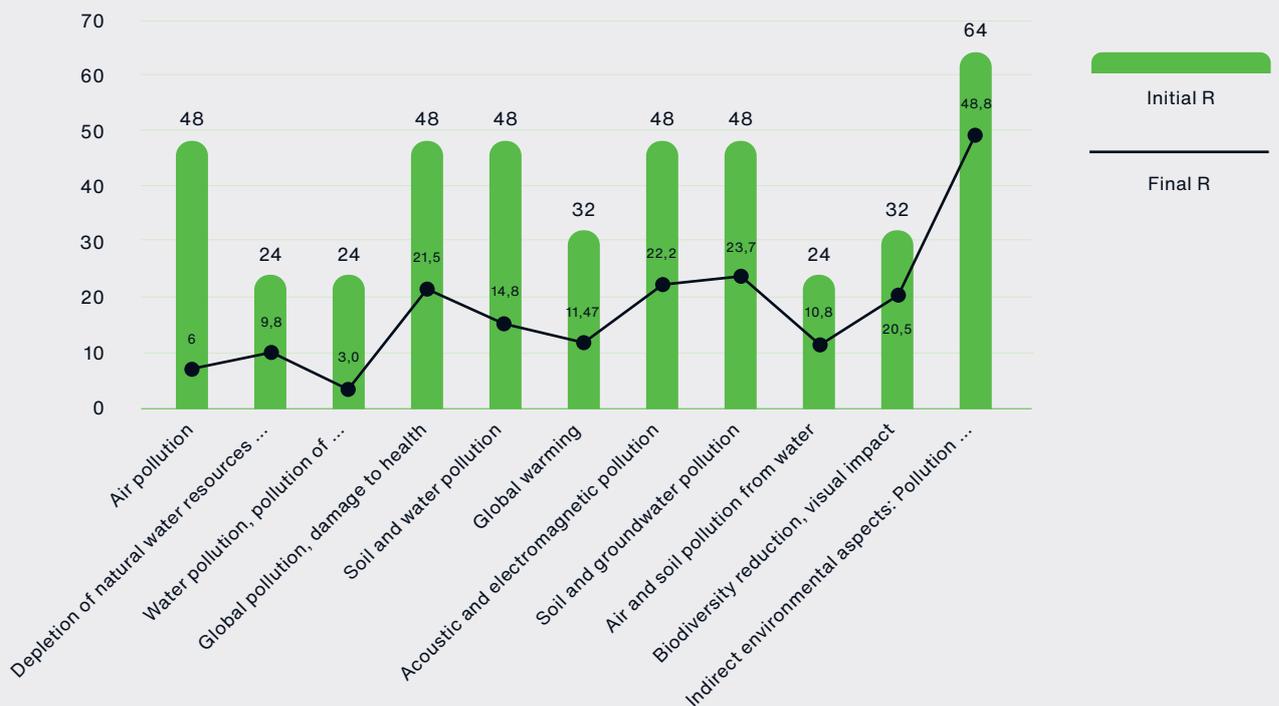
UN Sustainable Development Goals significant for Novaresine.



Any modifications to the plant, to the raw materials used, whether hazardous or not, to the manufacturing processes, or to the organization of work are preceded by a risk assessment process carried out in accordance with Operating.

Procedure POS 09-MOC. The results of the assessment are reported in the document entitled “Analysis and Assessment of Environmental Impacts”, and are elaborated by applying a square matrix of order 4, where the values 1, 4, 6 and 8 are neatly distributed on the first row and the first column.

The extent of the risk, estimated before and after the adoption of prevention measures (e.g. emission reduction systems, rainwater purification plant, own disposal of reaction water and exhausted solvents via incineration, replacement of hazardous with less hazardous raw materials, recycling, continuous training of workers, refurbishment of equipment), has been considerably reduced. The highest value is given by indirect environmental aspects, which are difficult to verify, and complex to influence other than through the continuous awareness-raising action that Novaresine has undertaken, and which is bringing excellent results.

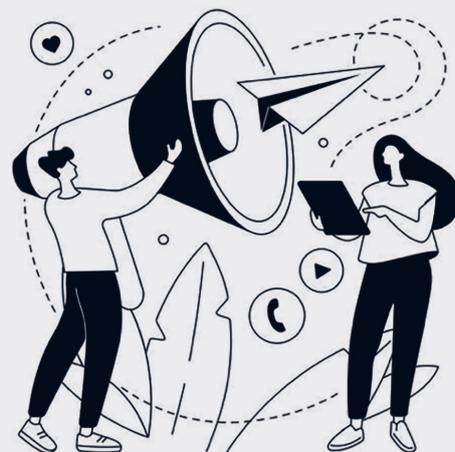


Environmental aspects.

The technicians of the R&D laboratory are working on several projects, some of which already in the industrialization phase aimed at the synthesis of BIOBASED resins, using recycled or renewable raw materials and energy sources.

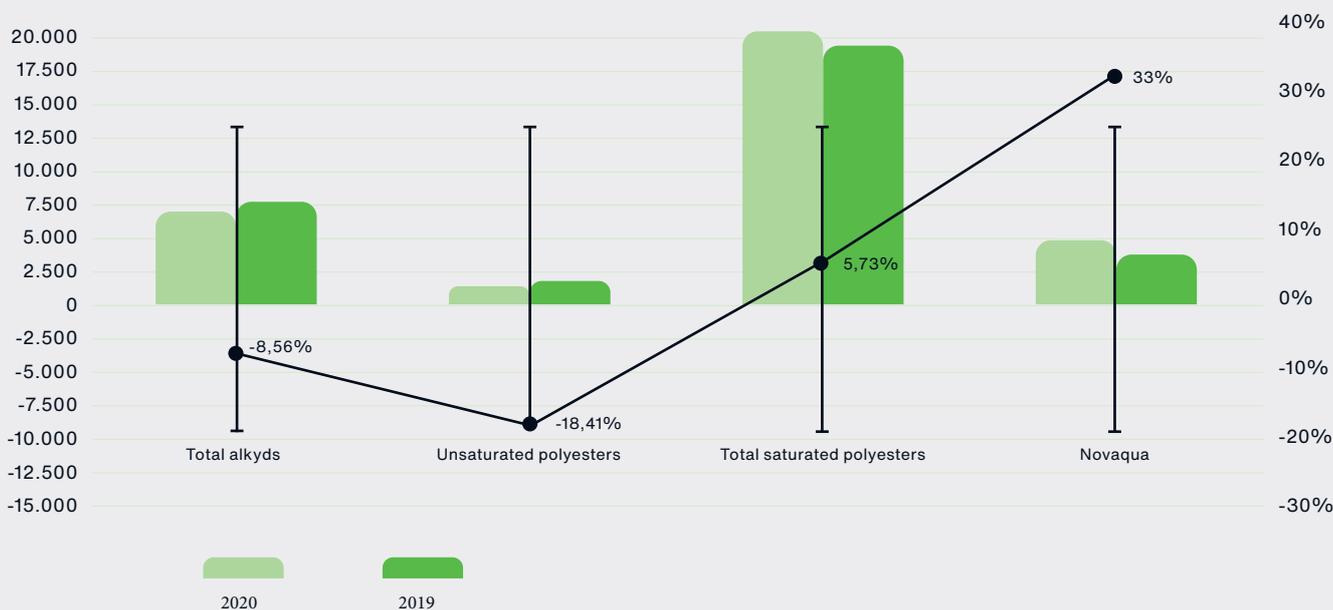
The suppliers involved in these projects are actively collaborating by offering raw materials to meet our needs. Furthermore, customers are showing ever more interest in this new sustainable product portfolio, and asking for the availability of resins with a high content of non-feedstock raw materials, such as biobased, recycled and mass balance, in many cases for tailor-made and exclusive projects.

The production of water-based resins has also increased by double-digits (+34.89% compared to 2019), especially for use in can/coil coatings.



Overall, in 2020, despite the difficulties due to the pandemic, the volumes sold in 2019 were reconfirmed.

PRODUCTION PERFORMANCE



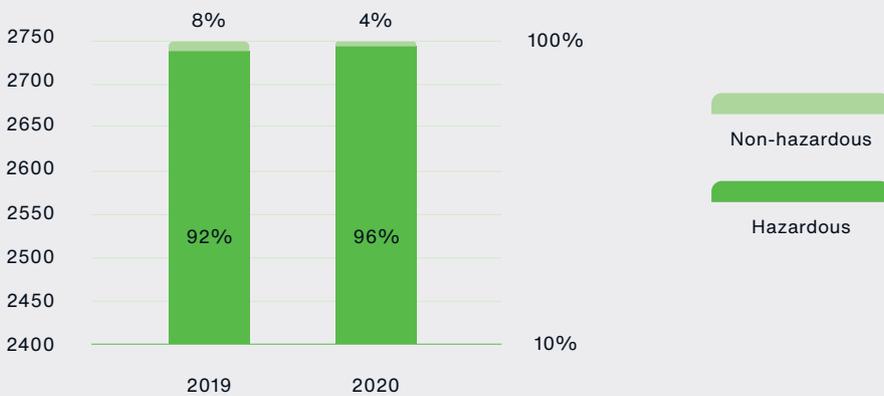
Environmental aspects.

5.1 GRI 306

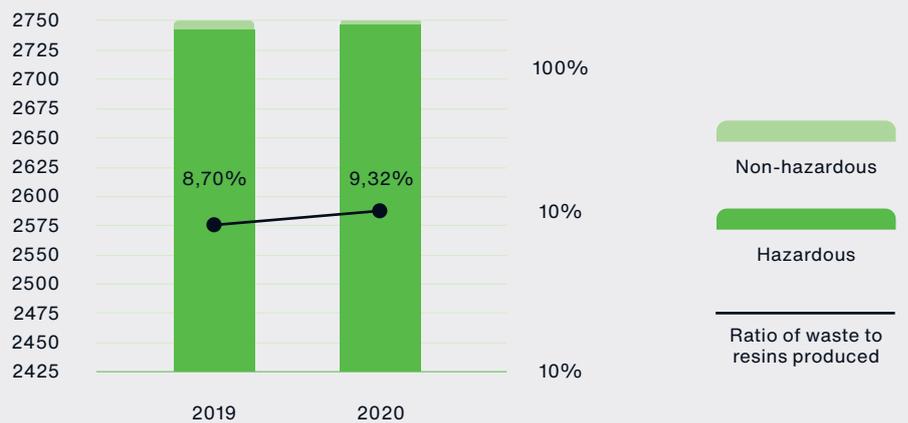
Production and waste disposal.

Hazardous waste prevails over non-hazardous waste as a precaution since it was decided to manage packaging as hazardous waste, despite the fact that it is emptied carefully, so as to not leave any residues of materials inside.

Total waste (t)



Total waste (t) from produced resins (t)



Environmental aspects.

Production and waste disposal

The hazardousness of the waste, together with its odorous aspect, and the lack of facilities authorized for its recovery, make disposal the only option.

Novaresine has built a self-disposal plant for liquid process waste, with incineration and simultaneous heat recovery. In addition to reducing the quantity of waste leaving the plant, the release of odours has been reduced.



Non-hazardous waste disposed of / recovered (t)



Non-hazardous waste is fully recovered.

Most of the raw materials arrive in the company by tanker, and are discharged into dedicated tanks. Some products are delivered in IBCs, if liquid, or in Big Bags, if solid.

After being emptied, the packaging is delivered to a specialized company that submits it to reconditioning. The possibility of purchasing reconditioned packaging to fill with the products is being considered.

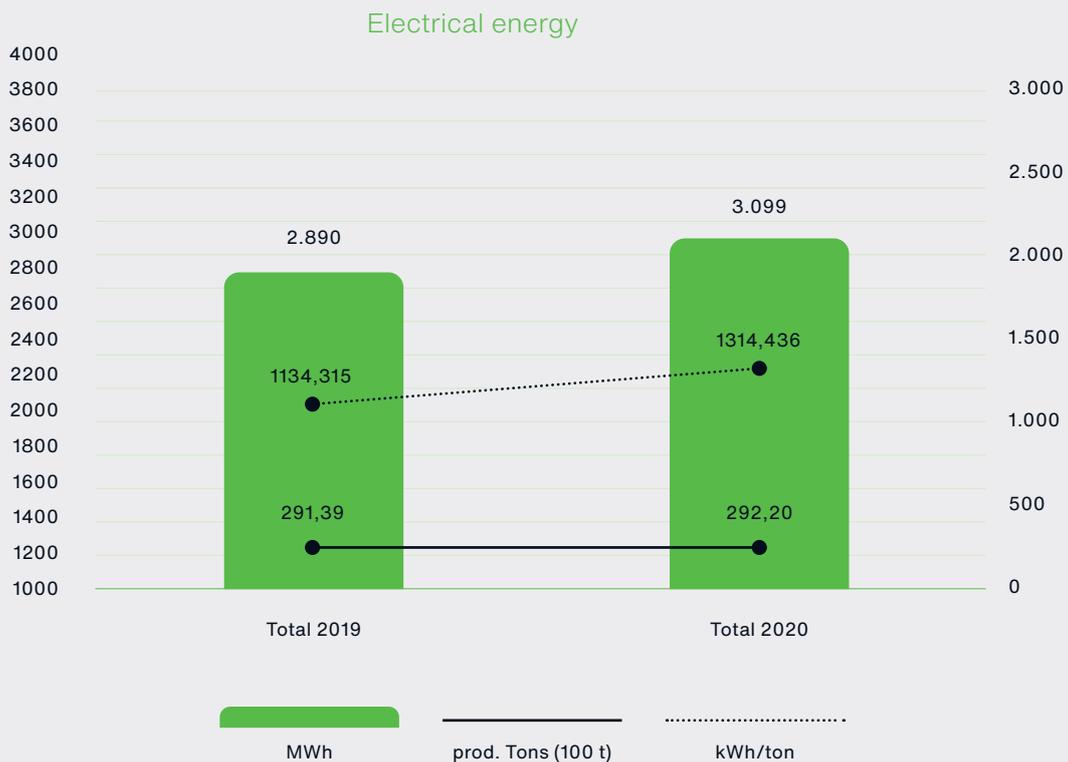
Environmental aspects.

5.2 GRI 302

Energy consumption.

In 2020, electricity consumption increased over 2019. The greatest consumption comes from the increase in production.

The progressive modernization of the plants with more energy-saving equipment and machinery will lead to a reduction of consumption in the coming years, in relation to the quantity of finished product.

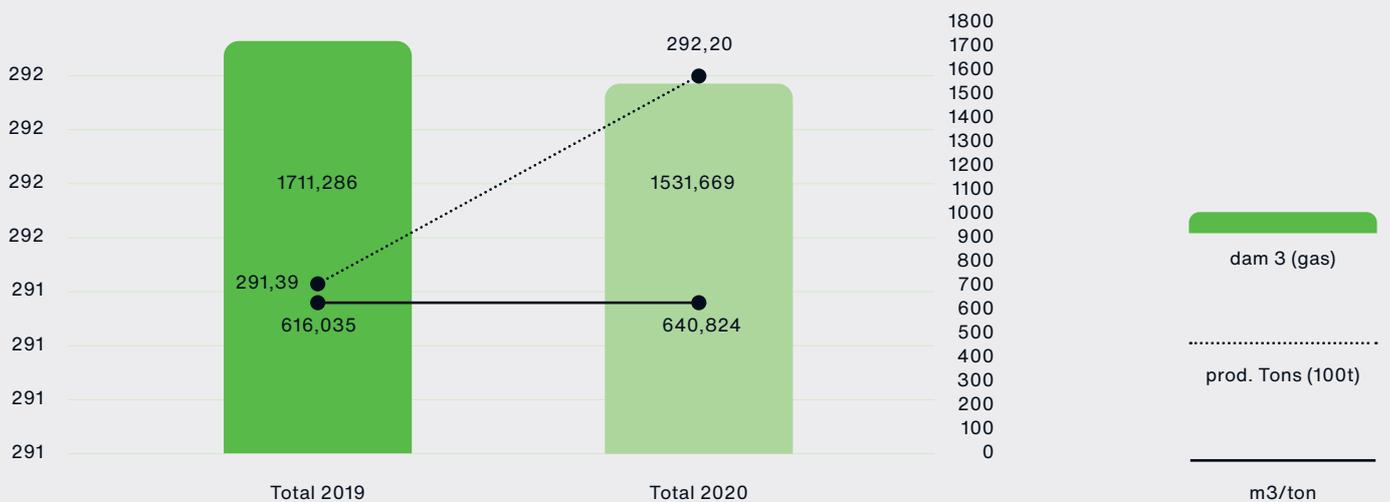


Environmental aspects.

Energy consumption.

The consumption of methane gas in relation to the quantity of finished product has remained unchanged. However, the trend is towards reduction, mainly due to energy efficiency measures currently being implemented, such as the replacement of the old boiler with a latest generation, energy-saving one, and the use of the steam produced by the incinerator.

Natural gas analysis



Environmental aspects.

5.3 GRI 305

Emissions.

The monitoring of the main emission sources — boilers for steam production and diathermic oil heating, afterburners, and, lastly, the incinerator — has been carried out for many years, with annual analyses conducted by an external laboratory and the continuous recording of certain parameters (e.g. NO₂, CO, COT, SO₂, HCL, NH₃, HF, and dust) of the incinerator' emissions.

From this year, we have, for the first time, approached the assessment of direct and indirect greenhouse gas emissions, on the basis of energy consumption (Scopes 1 and 2), with the intention of continuing in 2021-2022 by involving the suppliers of logistics services and extending quantification to the emissions from the means of transport used by them (Scope 3).

The assessment was made using a specific tool compliant with the Greenhouse Gas Protocol (GHGP) developed by the World Resources Institute (WRI), in collaboration with the World Business Council For Sustainable Development (WBCSD).

The GHGP is an international standard for the corporate accounting of emissions, and classifies greenhouse gas emissions under Scope 1 (direct emissions under the control of Novaresine or deriving from its own emissions sources, and fugitive emissions from the air conditioning system), Scope 2 (indirect emissions deriving from the use of electricity and heat supplied by third parties), and Scope 3 (transport logistics), according to the source that produces them.

WRI: This is a non-profit organization that works with governments, companies and general society to research, design and implement solutions that can improve the quality of life of people while respecting the environment and natural resources.

WBCSD: This is an association of around 200 leading companies aimed at finding solutions to accelerate the transition to sustainability, according to the goals set in the UN 2030 Agenda.

Most of the emissions of greenhouse gases, equal to 69.9%, are represented by Scope 1 emissions, or direct emissions, mainly due to the consumption of methane gas.

Scope 2 emissions, representing 29.78% of emissions, are related to the purchase of electricity, and are estimated according to the market-based approach.

The estimation of Scope 3 emissions is a challenge for the future. For now we have limited ourselves to quantifying the emissions due to the commuting of some workers, representing a relatively negligible percentage of 0.32% in 2020.

Environmental aspects.

Emissions.

GHG Emissions (T di CO2)



To partially offset the emissions from the plant's production activities, we have established a tree plantation, currently made up of 38 native trees typical of the local area, with 10 linden, 10 hackberry, 10 ash and 8 white hornbeam trees.

An agronomic report was commissioned from a technical studio to quantify the potential of the trees to absorb CO2.

For the modelling of CO2 offsetting, the studio followed a methodological process based on the "Good Practice Guidance for Land Use, Land-Use Change and Forestry" (GPC-LULUCF) of the Intergovernmental Panel on Climate Change (IPCC), which was created by the international scientific community, and is used for the reporting of forestry absorption by Kyoto Protocol countries.

The statistics on the average annual absorption of the 4 species used in the project indicate an average intake of 101 kg/year per plant, equal to 3.83 T per year.



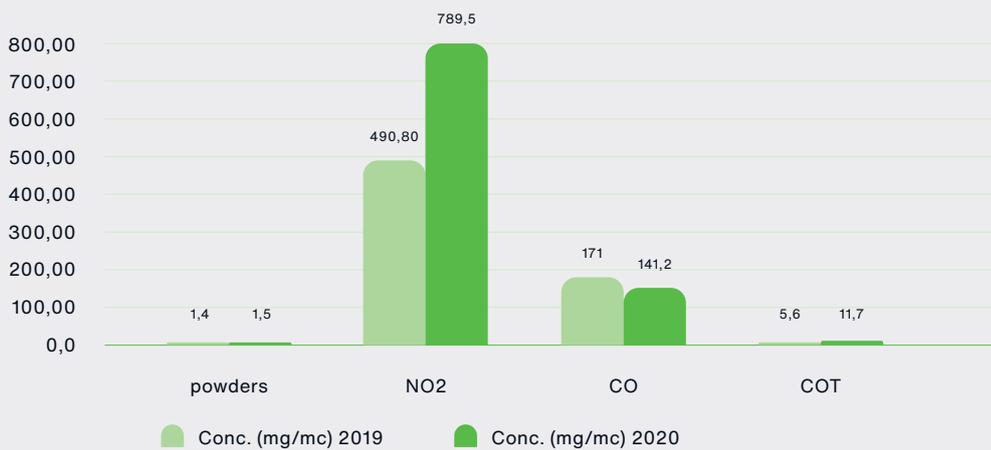
Environmental aspects.

5.3.1

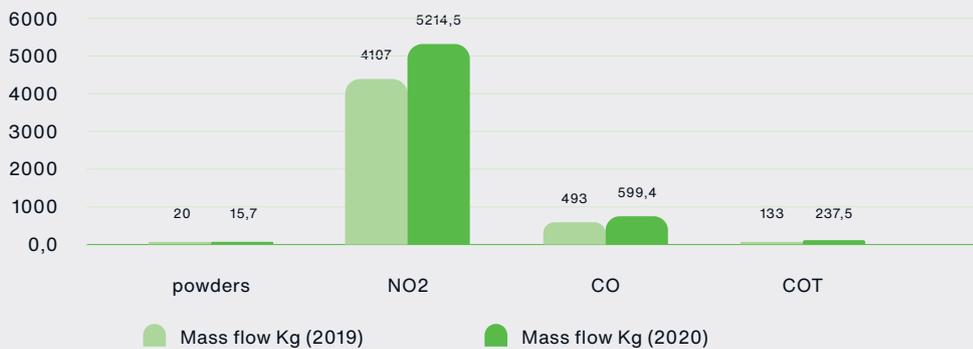
Vented emissions.

In the calculation of the emissions, all those coming from chimneys subject to authorization were taken into account.

VENTED EMISSIONS: Comparison between 2019 and 2020 concentrations



VENTED EMISSIONS: Comparison between 2019 and 2020 mass flows



The slight increase in emissions from 2019 to 2020 was due to the presence of the E49 chimney of the incinerator, which had not yet been built yet in 2019.



Environmental aspects.

5.4 GRI 304

Biodiversity.

Novaresine is located in a large green area, surrounded by vast agricultural areas, where there are crops of landscape value, such as vines and olive trees, as well as some elements of natural environmental value, including wooded areas on morainic elevations, and by indigenous riparian vegetation along the Bisavola River. The site is affected by the “watercourses” landscape constraint that extends along the Bisavola River, given the presence of a rich riparian vegetation.

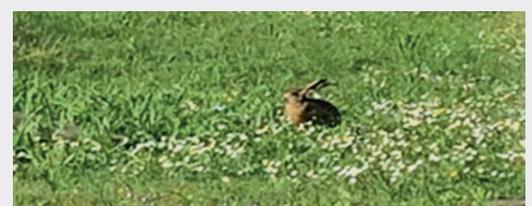
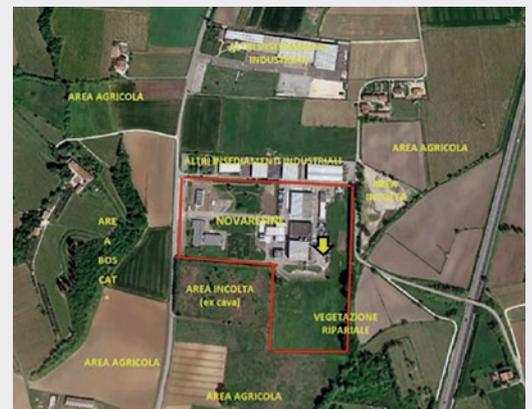


However, it is not included in the ecological network of Natura 2000 sites, within which biodiversity is specially protected.

Among the most important elements from a naturalistic point of view is the riparian vegetation. On watercourse banks spontaneous species can be found, such as white willow (*Salix alba*) and black poplar (*Populus nigra*). On embankments, there are field elms (*Ulmus minor*), dogwood (*Cornus Sanguinea*), blackthorn (*Prunus spinosa*), St. Lucie cherry trees (*Prunus mahaleb*), barberry (*Berberis vulgaris*), buckthorn (*Rhamnus sp.*), hawthorn (*Crataegus monogyna*), black locust (*Robinia pseudoacacia*), and traces of sedges, such as *Carex elata* and *Carex acutiformis*, *Lythrum salicaria*, etc.

The territory is inhabited by native animal and plant species that have not suffered any damage from the presence of the plant.

In fact, it is not uncommon to see hares, or squirrels jumping from tree to tree. There is a great variety of birdlife, and also some snakes, which, despite being less pleasant to some, contribute to the overall balance of the ecosystem.



Social aspects.

UN Sustainable Development Goals significant for Novaresine



The information contained in this document refers to 2020. The data relating to personnel are therefore updated as at 31 December 2020.

The references to the GRI with which Novaresine complied in the drafting of this chapter are reported below.

People are the main asset of Novaresine’s corporate strategy. Taking care of their well-being is a priority for us. Our workers are the architects of our success, their professionalism and their commitment are the strengths of the company.

The guiding principles of Novaresine’s commitment to worker health and safety are described in the Integrated Corporate and Prevention of Major Accidents Policy, made available on the corporate website, and posted on both physical and digital bulletin boards. The policy aims to regulate the company’s activities not only in terms of compliance with legislative and regulatory requirements in terms of workplace health and safety, but also with the aim of continually improving performance, primarily by raising people’s awareness of these fundamental topics.



Social aspects.

**6.1 GRI 103
GRI 403-1**

Workplace health and safety system.

We have implemented a Quality, Workplace Safety, Environment and Prevention of Major Accidents Risk Management System in order to manage, in an organized way, the continuous social and economic changes of recent years that have led the company to act in a context of constant change. The next goal we have set ourselves is the drafting and publication of the relative report, through which we can speak of ourselves in a completely transparent way, and share objectives, strategies, strengths and weaknesses with stakeholders.

With the exception of Major Accident Prevention, made mandatory by Italian Law No. 105 of 2015, the system components were implemented on a voluntary basis, covering all activities implemented by Novaresine to improve the management of all the relevant material topics, and conforming to the international reference standards, such as ISO 9001/2015 for quality, ISO 14001/2015 for the environment, and ISO 45001/2018 for safety.

(GRI 403-1)

The workplace safety management system was implemented in 2014, first in compliance with OHSAS 18001, and then updated to corresponding international standard.

Social aspects.

6.2 GRI 403-2

Hazard identification, risk assessment and accident investigation..

The work environments, equipment, machinery, activities and processes in the plant are subject to safety assessments necessary to understand dangers and assess the risks associated with them.

Risks are considered regarding:

- The safety of people present on the premises for any reason
- Prevention of the onset of occupational diseases

The health of workers is monitored, and, on the basis of the risks they are exposed to, a specific protocol has been drawn up by the company physician.

Assessments of accidents, near misses and risks are periodically updated, and, in any case, reviewed in light of changes in processes or systems that may impact safety or the environment. An Environment and Safety Committee meeting is held every month, attended by department managers, the Plant Manager (employer), and the employer's and workers' safety representatives. At the end of the meeting, a report is drawn up.

In the case of new activities, equipment, machinery, substances, processes, substantial changes, extensions to spaces, changes to areas or departments, or changes to regulations, and so on, the Management of Change Procedure is activated (MOC - Management Of Change).

In the two-year period 2019-2020, the ratio of open MOC procedures to MOC procedures was 83%, a good result, but one that can be improved on.



Social aspects.

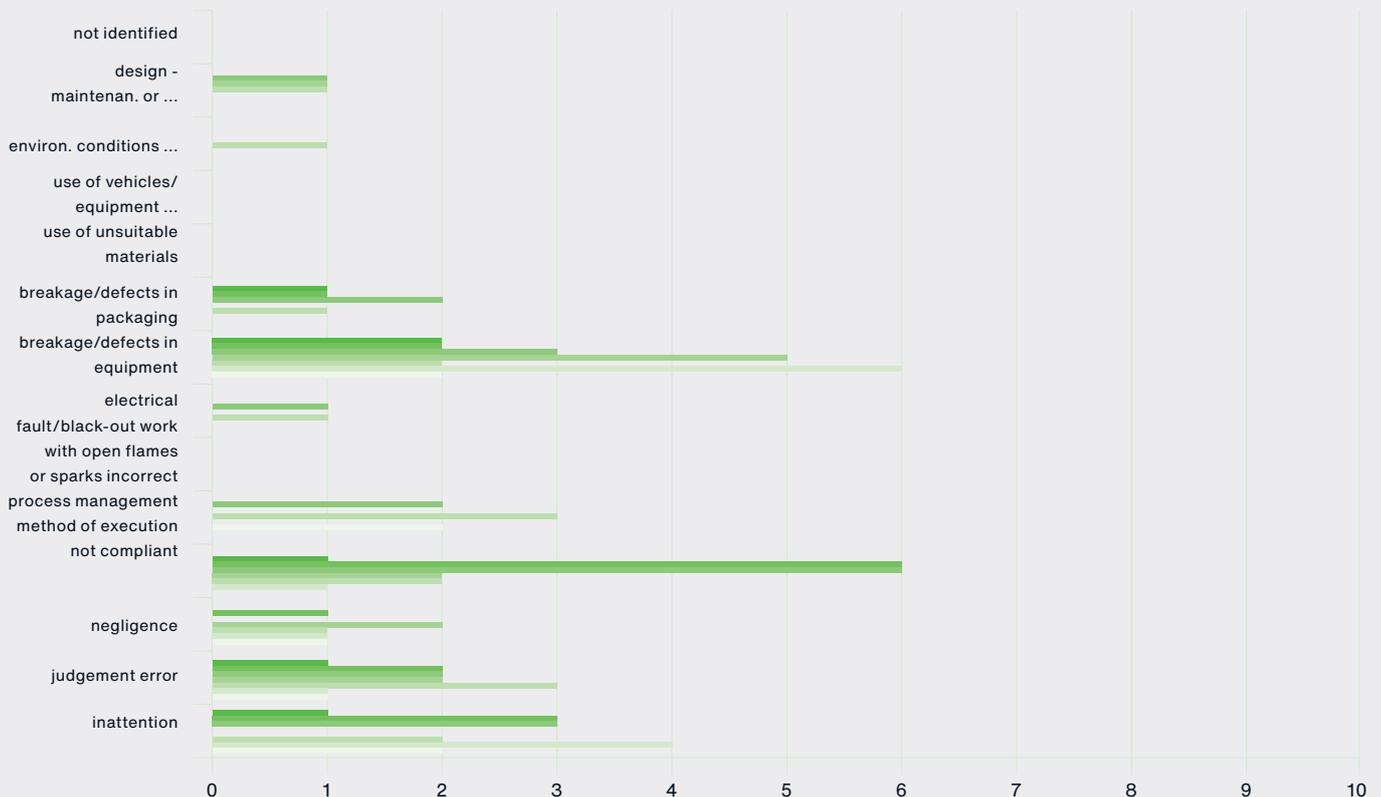
6.2.1

Accident frequency.

There were no injuries in 2020.
 There were six reports of ACCIDENTS, a significant reduction compared to previous years.
 All events were treated with opportune actions, whose effectiveness was assessed.
 Following is a table containing the causes of the accidents in 2020:

- 2020
- 2019
- 2018
- 2017
- 2016
- 2015
- 2014

RECORD OF EVENTS BY CAUSE / YEAR



Social aspects.

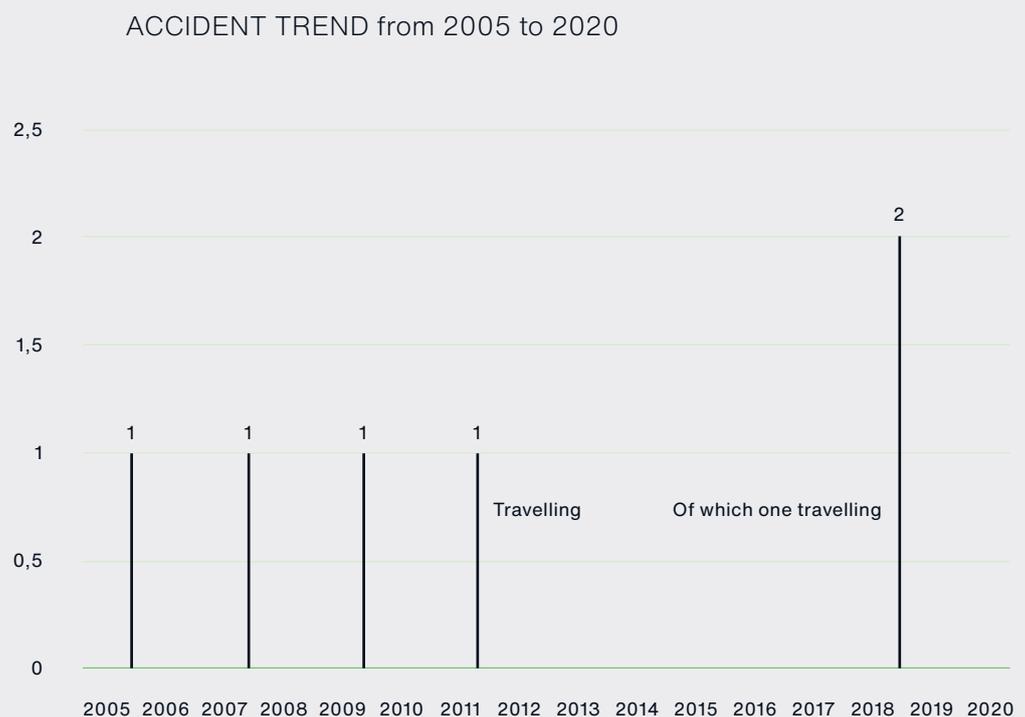
6.2.1

Accident frequency.

In 2019, most of the accidents were attributable to human conduct. In 2020, the main cause was equipment breakages/defects. In this regard, an articulated Preventive Maintenance Programme has been implemented, which also provides for the replacement of certain obsolete equipment.

Accident trend from 2005 to 2020.

YEAR	N° EVENTS
2005	1
2006	0
2007	1
2008	0
2009	1
2010	0
2011	1
2012	0
2013	0
2014	0
2015	0
2016	0
2017	0
2018	2
2019	0
2020	0



Social aspects.

6.2.2

Covid-19 emergency.

2020 was a historic year, with the SARS Cov-2 pandemic significantly impacting the stability of companies in every sector, and even putting their survival at risk. Novaresine immediately complied with the regulations issued by the Italian government to combat the spread of the SARS Cov-2 virus, adopting a series of measures that, though some were unpopular, were suitable for guaranteeing the protection of the health of workers and their families, as well as the continuity of production.

The events, as dramatic as they were, made us even more aware that workers are fundamental resources, increasingly called on to play an active role in promoting change, technological development, growth and the creation of a collaborative, supportive and more motivating work environment. Sharing the objectives and challenges facing the resin sector is a key element in guaranteeing the company's international growth. Novaresine is committed to valuing the professionalism and talents of everyone, through transparent and merit-based management, capable of creating an inclusive work environment.

We are convinced that the well-being of workers is inseparable from their various dimensions, such as the company, family, social relations, and so on.

Managing the many aspects of one's life is often complicated, and work, while also forming a part of one's personality, can make it extremely difficult to find time for other important commitments.

To facilitate work-life and family balance, the company has introduced and recently promoted smart-working, as

well as offering vertical (reduced hours) and horizontal (reduced days) part-time work, when compatible with the

role held, partially paid leave to devote to a relative who needs support, and, in particular cases of need, time off. To allow family members to get to know the work life of their relative better, it is company practice to organize family events from time to time. These are events that unfortunately stopped abruptly during the SARS Cov2 pandemic, but which we hope to resume shortly.

Given the above, this report will be updated annually, and since human rights in general and workers' rights in particular are one of our MATERIAL TOPICS, it will contain information and simple and aggregate data relating to the management of human resources, not only employees, but also external contractors and stakeholders in general, in compliance with the requirements established by the GRI for the pursuit of the goals enshrined in the United Nations 2030 Agenda, of which the significant goals for Novaresine are reported here.

Social aspects.

6.3 GRI 102-8 GRI 401-1 GRI 405-1 GRI 405-2

Company organizational chart and accessibility.

6.3.1 GRI 401-1

Personnel selection criteria.

The hiring of personnel is planned according to company needs, in order to ensure the right balance between productivity and psycho-physical well-being of workers. In recent years, there has been a constant growth of personnel due to the implementation of a series of strategic projects, such as the autonomous management of some company processes, and the launch of the continuous cycle production, scheduled for 2021. On the other hand, there have been some resignations due to retirement and for personal or family needs.

The following criteria are used in the selection of personnel: motivations and aspirations of the candidate, age, educational qualification, and residence.

The choice of hiring young and motivated people is dictated by the desire to operate in the perspective of a next generational change, guaranteeing them, in the meantime, the appropriate training to become conscious

workers, and creating the conditions so that the most deserving can grow professionally and assume roles of responsibility.

Qualifications are evaluated in relation to certain technical positions, in consideration of their affinity with the required profile, and if it is believed that a basic theoretical preparation facilitates the candidate in learning the practical aspects of the job.

For this reason, we have activated a collaboration with several local technical colleges to offer internships and evaluate any profiles of interest to integrate within the company.

The distance of home from the workplace can indirectly affect the well-being of workers already exposed to the risk of disturbances in their sleep cycle due to shift work. Having to travel many miles to and from work increases the risk associated with shift work, especially in relation

Social aspects.

6.3.1 GRI 401-1

Personnel selection criteria.

to night shifts, and also increases the risk of injury while commuting.

The majority of our shift workers reside in the municipality where Novaresine is based, and in the neighbouring municipalities.

Despite the primary choice of hiring young people, some more mature workers have been hired, who, despite the absence of a specific qualification, were in need, and boasted good job references.

As per company practice, despite the greater social security contribution burden, the integration of workers into the workforce takes place initially through a fixed-term employment contract, lasting one year, aimed at allowing the worker and the company to get to know each other, and to verify the existence of opportune conditions for establishing a permanent employment relationship, which we believe is the best primary contractual form for workers. During this period, we continue to invest in the worker, providing training and instruction on

how to independently carry out an activity. At the end of the fixed-term contract, the employment relationship is generally converted into a permanent one. However, in 2020, given the uncertainty about the future caused by the SARS-COV 2 pandemic, this rule was waived. Thus, while two employment relationships were made permanent, the other four fixed-term contracts were extended by another year, prudently postponing their conversion into permanent contracts until 2021. Novaresine sees its workforce as a close-knit team whose members bring commitment and passion to the table, to make the group a winner. Permanent contracts increase workers' sense of belonging to the team, raising enthusiasm and giving them the security and economic stability necessary to create a family, buy a house and car, go on holiday, and give their children the opportunity to study.

Social aspects.

6.3.2 GRI 401-2

Management, attraction, development and retention of talent.

A modern and efficient management of human resources provides for investment in young talents and the development of their skills and professionalism. Therefore, it is important for us to be an attractive company, offering a rewarding work environment, professional growth processes, continuous training courses, innovative work projects, and incentive plans. We pay particular attention work-life balance, benefits (GRI 401-2), and smart working.

One indicator used to measure Novaresine's attractiveness is its reduced personnel turnover, and the number of CVs that aspiring candidates send in.

In the summer of 2020, we carried out a survey among workers to assess well-being in the company.

Being an anonymous questionnaire, workers were all able to express themselves freely.

The outcome was very encouraging, and, although no critical issues emerged, we did obtain some input for improvements. In particular, we must continue to reaffirm our attractiveness, and motivate our workers on a daily basis. Novaresine is a limited liability company with a

single shareholder.

The administrative and legal representation is entrusted to the Sole Director. The role of Employer is covered by the Plant Manager by virtue of a specific notarial power of attorney, with decision-making and spending powers.

Corporate strategies are shared between the Sole Director, the Employer, and the Department Managers. Various forms of participation by workers are also envisaged, such as the Environment and Safety Committee, and the Quality Committee, in which the Department Managers participate, as well as the Joint Committee, composed by the union representative, the Sole Director, the Employer, and the Human Resources Manager.



Social aspects.

**6.4 GRI 102-7
GRI 405-1**

Workforce composition.

Total number of employees as at 31 December 2020: 59, equal to 58.13 FTE. Hires: 4 with fixed-term contracts lasting 1 year
 Conversions to permanent contracts: 2 with contracts signed in 2019
 Extensions: 5 employment relationships extended for another year.

Contractors: 2, of which 1 present in the company 3 days a week. These provide consultancy on IT matters and the organization of business processes (Industry 4.0). Workers who left in 2020: 3, of which 1 due to retirement
 The Company has only one site. Both for its number of workers and its turnover, we are a MEDIUM-sized company.

As at 31 December 2020, the workforce is composed as follows:

BY GENDER			Turnover	Note
	Male workers	Female workers		
	48	11		Equal to 58,13 FTE
FULL TIME	48	8		
PART TIME	0	3		

Number of workers by gender and age in 2020



	Male workers	Female workers
	48	11
< 30 y.o.	6	3
30 - 50 y.o.	31	5
> 50 y.o.	11	3

Social aspects.

6.4 GRI 102-7
GRI 405-1

Workforce composition.

Division by gender: 81.36% males, 18.64% females. Female personnel are generally employed in administration and the laboratory, male staff generally in production, in the warehouse, in the laboratory, in administration, and in maintenance.

The absence of female personnel in production is due to the need to perform physically strenuous operations such as the manual handling of loads heavier than that which can be handled by law.

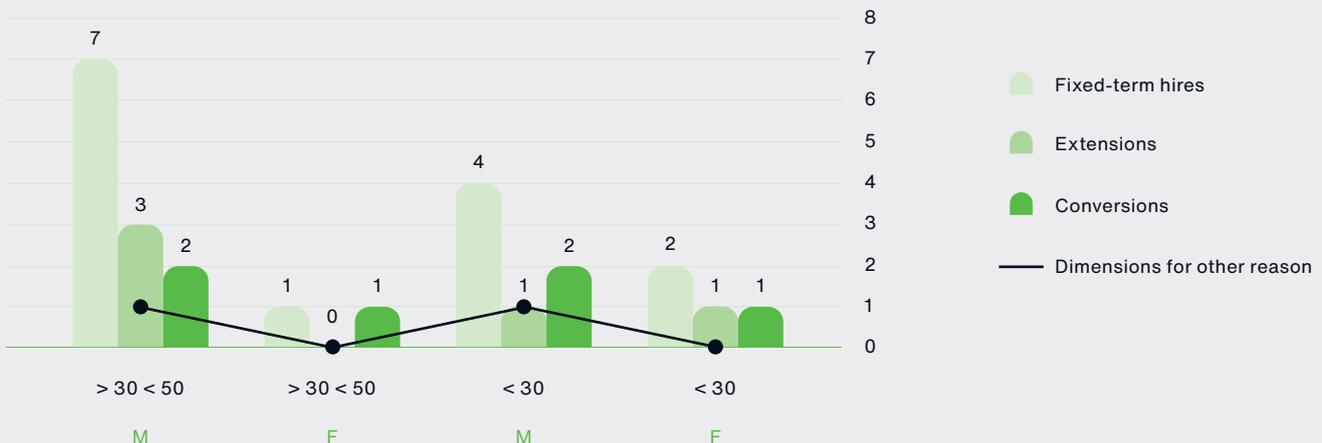
Gender equality, understood as substantial and non-formal equality, represents for Novaresine a MATERIAL TOPIC that is expressed through equal opportunities, which can be managed correctly by treating equal situations equally and different situations differently, and by rejecting so-called demeaning and discriminatory pink quotas.

In the present case, therefore, the inclusion of female personnel in production is among the company objectives of the near future. In order to achieve this, however, it is necessary to adopt and implement suitable technical and technological measures to reduce the number of the most strenuous operations, so that it is possible to reserve such operations exclusively for male personnel.

To make up for this current imbalance, the company is oriented, with equal professional requirements, to select female personnel to place in laboratory and administrative roles, where work activities do not involve them performing operations precluded for them by law.

PERMANENT CONTRACTS	41	10
FIXED-TERM CONTRACTS	7	1

Hires-Extensions and Conversions 2018-2020 by gender and age.



Social aspects.

Workforce composition.

It was not considered necessary to make a distinction by geographical area, since, Novaresine being a national company, most of its resources are Italian citizens or foreigners residing within the Italian territory.

OVERALL turnover rate	12,07	0	12,7%	
NEGATIVE turnover rate (outgoing)	3	0	3,4%	In 2020, the trend of increasing hires, which began in 2018, was reconfirmed.
POSITIVE turnover rate (incoming)	4	0	6,9%	
COMPENSATION rate			133%	Hires represented 33.3% more than exits in various company roles.
New hire TURNOVER rate			0%	This is an indicator that reflects the corporate spirit in its relationship with workers: resources must be trained and integrated permanently into the workforce, valuing their strengths and motivating them to develop and make the best use of their personal resources.
STABILITY rate	55,32%	40%		This is the percentage of workers with a length of service in Novaresine greater than 10 years.

This graph represents the continuous growth in employment in the three-year period 2018-2020.

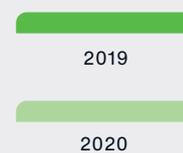
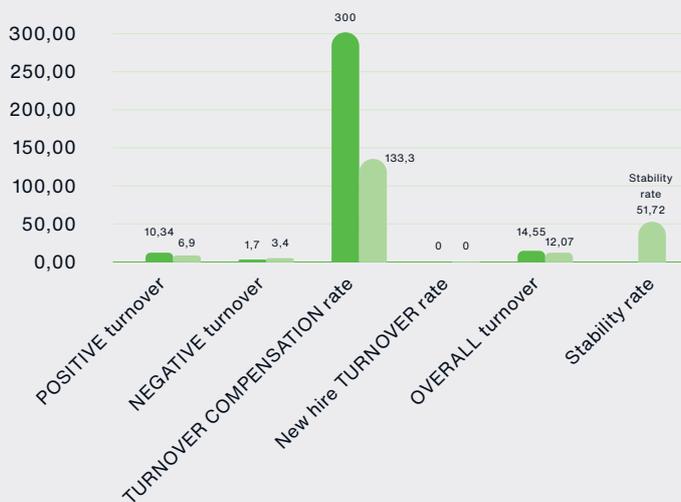
Social aspects.

6.4 GRI 102-7
GRI 405-1

Workforce composition.

Number of blue collar workers: 29 di cui 23 turnisti;
 Number of white collar workers: 22 di cui 2 turnisti;
 Number of middle managers: 6;
 Number of executive managers: 2.

TURNOVER categories



Average age: 42 years
 Average service seniority: 12,87 years

Production activities are carried out from Monday to Friday in three shifts.

27 employees work in production, 4 in the warehouse, 4 in maintenance, 7 in the laboratory, 17 in administration.

Workers



Social aspects.

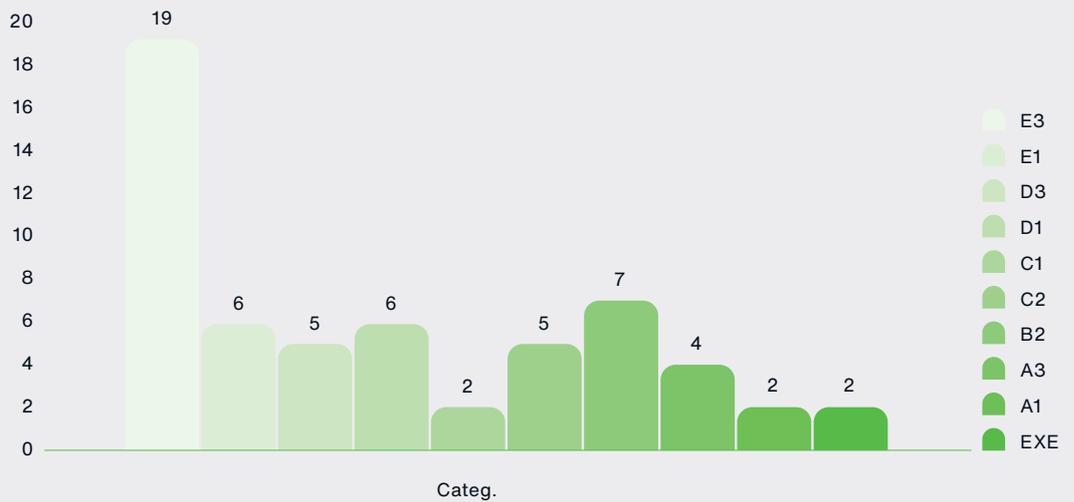
6.4 GRI 102-7
GRI 405-1

Workforce composition.

Subdivision by contractual categories:



No.	Categ.
19	E3
6	E1
5	D3
1	D2
6	D1
2	C1
5	C2
7	B2
4	A3
2	A1
2	EXE



Social aspects.

6.4.1

KPI identification.

Research suggests that low personnel turnover is a symptom of corporate well-being, and that new hires are an expression of growth. Personnel stability is also a sign of corporate well-being, as well as a low rate of short-term absenteeism, continuous training, and the absence or a low number of injuries.

Furthermore, frequent meetings with union representation are important for assessing the correct management of human resources, and engaging workers in corporate decisions.

Following are the KPIs approved during the Management Review and the corresponding 2020 targets, reconfirmed for 2021.

Negative turnover = $(\text{no. outgoing in the year} / \text{personnel at the start of the year}) * 100$;	≤ 5
Positive turnover = $(\text{no. incoming in the year} / \text{personnel at the beginning of the year}) * 100$;	≥ 0
Turnover compensation rate = $(\text{no. incoming in the year} / \text{no. outgoing in the year}) * 100$	> 0
New hire turnover rate = $(\text{no. new hires outgoing} / \text{total hires in the period}) * 100$	0
Stability rate = $(\text{personnel with seniority} > x / \text{personnel in the year } n-1) * 100$ (where $x = 10$ years)	50%

Social aspects.

6.5 GRI 403-4

Relations with trade union organizations and the consultation and participation of workers.

The National Collective Bargaining Agreement for Workers in the Chemical and Pharmaceutical industry is applied to workers in blue-collar, white collar and middle manager categories. The National Collective Bargaining Agreement for Executive Managers is applied to executives.

The Joint Committee was formally appointed on 11 June 2020, and duly registered with the Provincial Labour Directorate. The Joint Committee is made up of members of union representatives and three company representatives: the Sole Director, the Employer, and the Head of Human Resources.

In 2020, the Joint Committee met a total of 13 times, during which important decisions in favour of workers were jointly made. The CISL-FEMCA trade union delegate

participated in the most important meetings.

At the end of each meeting, a report was drawn up, signed by the parties, and, in some cases, posted on the bulletin board to facilitate their dissemination.

45.76% of the company's workers are members of the only trade union present in the company, CISL-FEMCA.

Through dialogue between the company and trade union representation, various contracts have been stipulated over time, which, in 2020, for reasons of homogeneity, were merged into the Consolidated Text of Company Agreements. The Consolidated Text contains guarantees and conditions to the greater advantage of workers than those contained in the national collective bargaining agreements.



Social aspects.

6.5.1

KPI identification

The company believes that constructive dialogue with trade union representation is fundamental, and that discussions on the organization of work, on remuneration and on the recognition of guarantees for workers are an expression of social responsibility. For this reason, the number of annual meetings to held with trade union representation, as a key performance indicator (KPI), is set at ≥ 4 .

Number of meetings with trade union representation	≥ 4
--	----------

6.6 GRI 202-1 GRI 405-2

Remuneration.

Novaresine believes in fair, market-oriented and results-oriented remuneration for its workers. Remuneration is based on the integration of the minimum values envisaged by collective bargaining with the more favourable conditions introduced by company agreements and benefits added according to objective criteria such as responsibility and skills and by recognizing bonuses to individuals or homogeneous groups of workers for the achievement of goals set annually. Differences in gender or age are not considered in the calculation of salaries.

In 2019, we paid approximately Euro 3,000,000 in salaries, and, in 2020, approximately Euro 3,700,000. Workers are paid a salary higher than the contractual

minimum provided for by the national collective bargaining agreements. The company independently decided, without any request from trade union representation, to renew the company extra-bonus of Euro 100 for each month worked, to which a mini-bonus of Euro 50 is added every Saturday or public holiday worked, in addition to the increases already provided for by the national collective bargaining agreements and the Consolidated Text of Company Agreements.

The relationship between actual remuneration and contractual remuneration varies from year to year. With reference to 2020, annual salaries have been compared, broken down by contractual level, as provided



Social aspects.

Remuneration.

for by the national collective bargaining agreements, with the annual salaries effectively paid by Novaresine, again broken down by contractual level.

Following are the comparative graphs relating to the years 2019-2020. It is evident that effective salaries are higher than those foreseen by the national collective bargaining agreements, and progressively increase year on year.

The following graphs do not show any gender distinction, as there is no difference between salaries paid to male workers and those paid to female workers with the same contractual level and the same years of service.

Analysing the graphs, it is possible to come to the following conclusions:

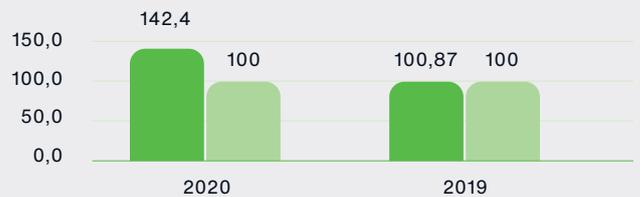
1 Average salaries, broken down by contractual level, paid to workers are higher than the salaries set out in the national collective bargaining agreements;

It is important to reaffirm the fact that remuneration varies according to contractual level, skills and results. There is no pay difference based on gender or age.

Similarly, the geographical origin, age or disability of workers are not elements of wage differentiation. These fundamental principles of social responsibility to which Novaresine conforms its actions are also enshrined in the Code of Ethics prepared by the company, and in its Human Rights Protection Policy.

A fair remuneration affects pensions, which increase with the contributions paid.

2020/2019 - % difference between salaries based on national collective bargaining agreements and actual salaries paid



Personnel cost	2019	2020
Gross salary	2.401.213,99	2.673.665,55
Social security contributions	765.327,78	856.286,79
Supplementary social security contributions and severance pay (TFR)	143.017,02	221.284,69

Social aspects.

6.7 GRI 401-2

Social guarantees and benefits: Supplementary funds Fonchim and Faschim, Leave.

6.7.1

Fonchim and Faschim.

The collective bargaining agreement for workers in the chemical, chemical-pharmaceutical industry promotes company bargaining for supplementary pension and healthcare funds.

The company's social partners have thus agreed to share some socially responsible choices such as adhering to FASCHIM, the Healthcare Fund for Chemical Industries, and FONCHIM, the Supplementary Social Security Fund for Chemical Industries.

The company informs new hires of the possibility of joining FONCHIM by paying the severance pay and an additional contribution provided for by the national collective bargaining agreement of 1.2% of their net salary for the purpose of calculating final severance pay.

The employee's contribution is supplemented by the company paying the equivalent of 2.35% of the employee's net salary for the purpose of calculating final severance pay, increased by a further 0.6% as established in the Consolidated Text of Company Agreements, which also provides for an increase of 35% of the excellence bonus recognized annually to the employee, if that employee decides to pay it into the social fund (GRI 201-3).

Membership of FASCHIM is actively promoted in order to contribute to the healthcare costs of employees and their

families. The annual contribution to FASCHIM is equal to Euro 318 per worker, of which Euro 270 is paid by the company. Membership of FASCHIM is provided for both workers and their families. In the case of the membership of several family members, special contributions are envisaged.

In addition, according to the Consolidated Text of Company Agreements, the company will continue to pay the contribution of workers who suspend their membership to cover the eventuality that they intend to recoup and continue to pay contributions.

All workers with a subordinate employment contract, even on a fixed-term basis, can join both FASCHIM and FONCHIM. Membership of FONCHIM is, by the statute of the fund, prohibited only during trial periods.

Having stated these general premises, the data relating to 2020 are reported below:

Number of employees at 31 December 2020: 59

Number registered with FONCHIM: 43

Percentage of registered workers over the total: 73%

Number registered with FASCHIM: 39

Percentage of registered workers over the total: 66%

Novaresine, to supplement the voluntary contributions of its employees, in 2020, paid to FONCHIM Euro 48,000.

Social aspects.

6.7.1

Fonchim and Faschim.

To ensure greater protection for workers during the Sars Cov-2 pandemic, Novaresine entered into a policy with an insurance company – with the premium paid entirely by the company – containing a series of guarantees relating to any hospitalization due to COVID-19.

Other recognized benefits include meal vouchers, daily allowances, participation bonuses and pre-

holidaybonuses. Added to these in recent years, and having a stable character, are an extra-bonus and the provision of petrol vouchers to demonstrate the appreciation of the company for the commitment made by workers in facing intense or more complicated work periods, such as during the pandemic.

6.8 GRI 401-3

Parental leave.

During the reporting period, parental leave was taken by 3 workers, two men and one woman.

The female worker took both compulsory leave and optional leave, at the end of which she returned to work in the same position and with the same job she had before her leave.

The male workers took only mandatory paternity leave, having chosen not to take the optional leave.

The female worker applied for a part-time arrangement, which was accepted by the company.

The Consolidated Text of Company Agreements provides for workers who need to assist relatives during illness, offering them leave for a maximum period of 2 months paid at 30% of their salary.

We are convinced that well-being in the company can only improve the productivity of workers. The adoption of measures that

favour the achievement of a balance between work commitments and family commitments contributes to this realization. Compatibly with individual roles, we offer workers part-time work, flexible hours, paid leave at 35% for a maximum of two months for severe and documented family reasons, and parental leave to be used with greater flexibility than established by law. Employees, both men and women, are encouraged to take the parental leave they are entitled to.

Social aspects.

6.9 GRI 401-2

Valuing of human capital.

Workers are involved in and made part of the company's results. Positive results led to BONUS PAYMENTS such as:

- a. PARTICIPATION Bonus;
- b. INCENTIVE bonuses to individuals for the achievement of objectives, and to reward their professionalism and commitment.
- c. Extra-bonus, paid to all workers, generally in December, as recognition of the contribution made by each of them to the achievement of company objectives.

New hires follow a long and articulated training process, divided into various steps, and overseen by qualified and experienced staff. The training and instruction period is concluded with one or more learning assessments.

We guarantee the continuous training and professional development of workers, organizing internal and external courses, partly chosen by the company and partly proposed by workers and department managers. All workers, regardless of their level and role, are given the opportunity to freely choose a path of growth within the company and move on to higher levels, without generating stressful competition.

In 2020, a total of 1208.5 hours of training were provided, of which 365 of a technical nature, and 843.5 on workplace safety and the environment, corresponding to 9.74 hours of training per capita.

Considering the limited mobility of workers due to the pandemic, and the need to resort to forms of E-LEARNING, we are satisfied with the results achieved. However, we are aware of the opportunity to improve the training of currently less specialized figures, to help them become more conscious of their work activities within the company. This is a goal, and also a challenge for the future, in that it has to be made it compatible with the continuous production cycle.

We consider ourselves an organization open to learning, with a constructive approach to mistakes made. The valuing of human capital depends on engagement

through communication, which by dictionary definition means "being in physical, verbal or written relationship with someone".

This relationship can be realized through formal contexts (e.g. management meetings, Quality Committee, Environment and Safety Committee), but also through convivial events, such as those extended to families (e.g. company dinners, happy hours, toasts to celebrate a birthday or other occasions), that consolidate teams, increase the degree of complicity between colleagues, and make the company not just a workplace or a third party, but a context in which to be oneself.

In strategic areas of the company, where workers usually meet (e.g. the refreshment area), audiovisual devices have been installed to transmit important news regarding the company and personnel (e.g. the obligations and rights of workers, trade union agreements, KPI performance, pension plan maturity).

In 2020, in the midst of the pandemic, a questionnaire was administered to workers in order to try to understand their perception of well-being in the company, and the possible presence of stressors.

The results show that most of the answers given (74.2%) highlighted the perception of a substantial condition of well-being and the general absence of STRESSORS. However, several responses highlighted some possible improvements on the leadership front.

Leaders play a fundamental role in the implementation of corporate strategies and must operate in a manner consistent with the company's values, managing one's team with empathy, trust, optimism and authority. We offer our leaders various training opportunities in the fields of communication, human resource management and relationship and conflict management.

See the Treccani dictionary definition

Social aspects.

Valuing of human capital.

Aggregated questionnaire data



The company has foreign workers from different origins, and with different cultures, habits and backgrounds. Diversity is neither a problem nor an obstacle, and, during interviews for the selection of personnel, their qualifications, availability, commitment and passion are evaluated, not their origins. We are working hard to increase the number of women employed in the company. Currently, women work in our administrative offices and in the laboratory. However, it is our goal to have one or more resources working in production by the end of the two-year period 2021-2022.

The current absence of female workers in the production department is not due to any form of prejudice or sexism, which the company has always vehemently opposed, but to the characteristics of the work involving, in addition to night shifts, certain operations that require the use of significant physical strength. However, a reorganization of production processes has been underway for some years now to implement the automation of various physically strenuous operations.

Social aspects.

6.9 GRI 401-2

Valuing of human capital.



Most workers are aged between 40 and 50 years old, representing an average length of service of 14.33 years. If we consider all workers, including new hires over the last two years, the average length of service drops to 12.74.



Social aspects.

6.10 GRI 102-8
GRI 102-41
GRI 401-2

Work-life balance.

Novaresine recognizes the value of the family, and, compatibly with production needs, grants flexibility in terms of entry and exit hours, part-time work, and smart working.

Smart working has already been practised for numerous years, especially by workers who have their residence further away from the company headquarters.

The various measures adopted during the Covid-19 emergency included the extension of smart working to all those performing a compatible role. This way of working, initially obligatory during the pandemic, revealed some

positive and some negative aspects.

The positive aspects that the company wanted to enhance were the possibility of better reconciling work and family commitments and a reduction in car trips commuting to and from the company headquarters, with the related risk of accidents.

The negative aspects reported by workers themselves concerned isolation and difficulties collaborating with colleagues. The company made efforts, as soon as it was possible, to minimize such issues by giving the opportunity to alternate on-premises days with remote work days, leaving workers free to manage this way of working according to their needs.



Social aspects.

- 6.11 GRI 102-8
- GRI 102-41
- GRI 103-2
- GRI 407-1
- GRI 408-1
- GRI 409-1

Holidays accrued and used.

Holidays represent fundamental rest periods necessary for workers to recover their psychophysical energies.

Thus, the enjoyment of holidays is considered fundamental, as it favours the well-being of the individual, and helps reduce the risk of injury and exposure to work-related stress.

Furthermore, rested workers are in a better position to be able to best express their potential and work skills, and improve the quality of their work.

Aggregating the data, it appears that workers accrued a total of 9942.02 hours of holiday leave in 2019, and benefited from 8431, equal to 84.8%.

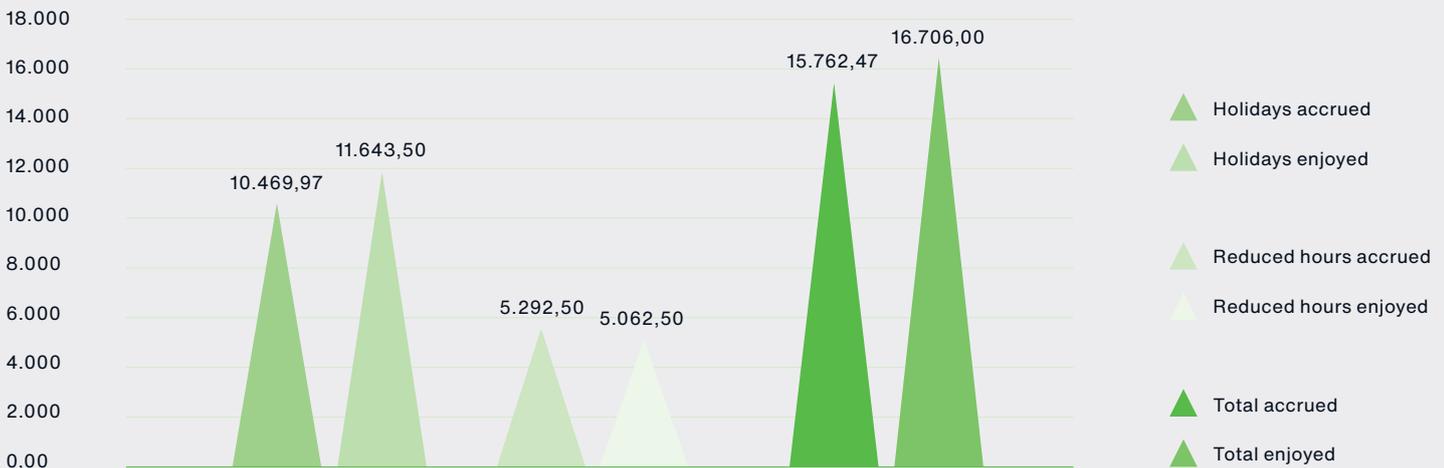
In 2020, they benefited from more holidays than those accrued in the year, using part of those accrued in previous years and not yet taken.

This was due to the SARS Cov2 pandemic, which forced companies to reduce the number of workers present at the same time on premises, by giving them holidays and accrued leave in rotation.

Considering that many workers have a seniority of service of more than 10 years, and that they, therefore, accrue 5 weeks of holidays per year, the data concerning the holidays taken is considered satisfactory.

The above data does not take into account the reduced working hours provided for by collective bargaining.

HOLIDAYS-LEAVE 2020



Social aspects.

6.12 GRI 404-1
 GRI 404-2
 GRI 404-3

Training.

Employee training, for which Novaresine makes use, in part, of the inter-professional funding for continuing training Fondimpresa and Fondirigenti, is oriented to the development of various skills, and includes ad hoc training projects built on the specific needs of individual employees or groups of employees. The training process, whether mandatory (e.g. safety and the environment) or not, is described and regulated by a specific management procedure (PGI4), which, among other things, provides for the monitoring and verification of its effectiveness. New hires follow a specific training course that combines environmental safety and technical aspects. The duration of the training course is established by the responsible manager, who certifies its completion and the outcome of the learning assessment.

Despite the difficulties and, in some cases, the impossibility of organizing on-premises training courses during the Sars COV-2 emergency, in 2020, a total of 363.5 hours of technical training were provided, equal to 6.16 hours per worker. Most of the courses consisted of webinars, in accordance with Covid-19 provisions. In compliance with current legislation, training on occupational safety and the Seveso directive was also provided, mostly remotely, for a total of 843.5 hours of training, equal to 14.3 hours per person. It should be noted that the number of employees at 31/12/2020 was used as a parameter in this instance.

Following is a summary of the hours of TECHNICAL training provided to each worker by gender.

Objective No. Hours/PERSON	4 hours
----------------------------	---------

Total Real Hours	363,5
Average Real No. Hours/PERSON	6,16
Total Real Hours MEN	298,5
Average Real No. Hours/person MEN	5,06
Total Real Hours WOMEN	79
Average Real No. Hours/person WOMEN	7,18

Social aspects.

6.12 GRI 404-1
GRI 404-2
GRI 404-3

Training.

Following is a summary of the hours of training on WORKPLACE SAFETY and THE ENVIRONMENT provided to each worker by gender.

Objective No. Hours/PERSON	12 hours
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Total Real Hours	834,5
Average Real No. Hours/PERSON	14,3
Total Real Hours MEN	633,5
Average Real No. Hours/person MEN	10,7
Total Real Hours WOMEN	435
Average Real No. Hours/person WOMEN	39,5

If we distinguish by category, training on safety and the environment mostly involved the production, maintenance and warehouse departments.

Technical training involved the laboratory and administration to a greater extent.

Technical training and specific training courses on safety and the environment contribute to the development of the skills of human resources, drive the professional growth of individual workers, and can lead to improvements in contractual level and the achievement of bonuses for meeting individual objectives.

The performance of the workers is verified through continuous monitoring by department managers, as well as through learning assessments at the end of training courses or training phases.

Using different tools, all workers are indeed subject to periodic evaluation of their performance.



Social aspects.

6.12.1

Identification of Key Performance Indices (KPIs).

Total number of hours of technical training per employee;

number of hours of safety/environmental training per employee.

6.13

Absence due to sickness.

Despite the SARS Cov 2 pandemic, sickness absence appeared to be low in 2020.

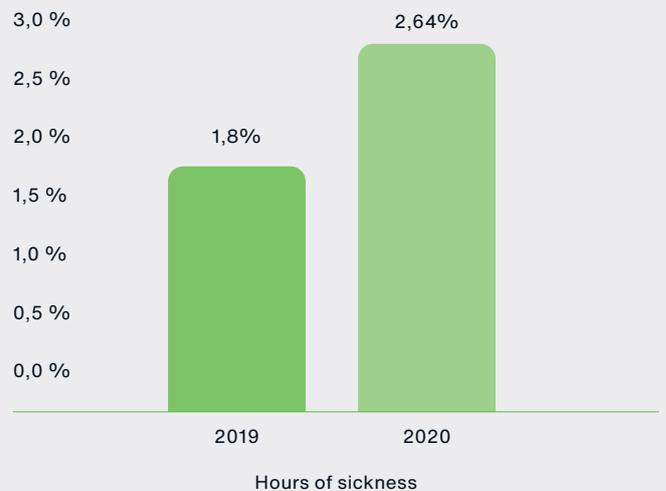
It has been calculated that, in relation to approximately 95975 hours of work, 2534 hours were lost to sickness, equal to 2.6%.

Compared to the hours of absence in 2019, there was, however, an increase, which, considering the general context, is to be considered very limited and absolutely acceptable.

No other types of absenteeism were recorded.

The data relating to absenteeism was also considered for the purpose of assessing work-related stress, for which, in 2020, nothing of note was recorded.

HOURS WORKED / HOURS OF SICKNESS



Social aspects.

6.14 GRI 406

An open and inclusive organization.

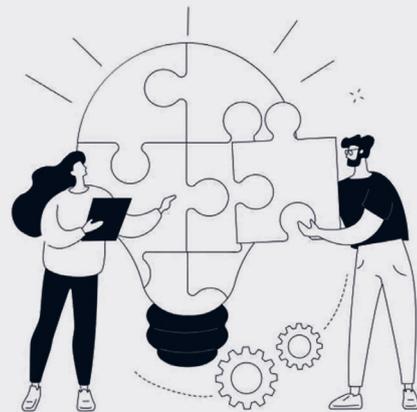
We want to be a large, inclusive family that workers and their families are part of and feel part of. No-one is discriminated against, and the differences and peculiarities of each and every one of us are respected and valued.

Novaresine promotes respect for diversity among workers also through the dissemination of its Code of Ethics, and prohibits and sanctions any behaviour that does not comply with this code.

Novaresine executives and managers are careful to immediately identify incorrect behaviour, and put a stop to it with equal timeliness.

At the Reception, for some years now, there have been two mailboxes where workers can anonymously submit various communications, such as suggestions, reports of critical issues, and reports of incorrect behaviour. To date, no reports of the latter have been made.

The company is sensitive to issues that may affect workers, including illnesses and family and financial difficulties, and, thus, makes an effort to evaluate and adopt work solutions that can help individual workers, such as anticipated holidays, partially paid leave, extended leave, reorganization of shifts, severance pay advances, part-time work (when compatible with the role), smart working (when compatible with the role), and so on.





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