

A young child with light-colored hair is holding a bright yellow leaf in front of their face. The child's eyes are looking towards the camera. The background is a soft, out-of-focus green, suggesting an outdoor setting with trees or foliage. The lighting is natural and bright, creating a warm and positive atmosphere.

COMMITMENT
to the Environment



EBRO FOODS, S.A.

Commitment to the Environment

SCOPE OF REPORTING

The information set out below corresponds to the 63 production plants that the Ebro Group has through its different companies.

The comparison of 2018 and 2017 is distorted by the fact that the figures from the following six companies have been added to the consolidated figures in 2018:

- ▶ Herba Ricemills, with 1 new plant in Los Palacios
- ▶ Ebrofrost UK, with 1 plant in the UK
- ▶ Bertagni, with 2 plants in Italy
- ▶ Geovita, with 4 plants in Italy
- ▶ Ebrofrost North America, with 1 plant in USA (last year it was included in the Riviana questionnaire)
- ▶ Herba Cambodia (last year it was included in the Herba Thailand questionnaire).

REGION	NO. SITES REPORTING	COMPANIES
Europe	44	
Spain	12	Harinas Santa Rita (1), Herba Ricemills (9), Vegetalia (2)
Portugal	1	Mundiarroz
UK	4	Ebrofrost UK (1), S&B (3)
Italy	8	Bertagni (2), Garofalo (1), Mundiriso (1), Geovita (4)
France	11	Celnat (1), Lustucru (3), Panzani (6), Roland Monterrat (1)
Belgium	4	Boost (1), H.Ingredients (3)
Netherlands	2	Lassie, Herba Ingredients
Germany	1	Ebrofrost Germany
Denmark	1	Ebrofrost Denmark
North America	14	
USA	11	Riviana (10), Ebrofrost NA (1)
Canada	3	Catelli
Africa	2	
Morocco	1	Mundiriz
Egypt	1	Herba Egypt
Asia	3	
Thailand	1	H.Bangkok
India	1	Ebro India
Cambodia	1	H.Camboya



ENVIRONMENTAL MANAGEMENT

The processes used at Ebro Group's production plants in both the rice and pasta divisions are relatively simple agri-food processes that do not generate any major environmental impacts and entail a minimal risk of accidental pollution. The most significant environmental risks relating to the Ebro Group can be classified as follows:

- ▶ **Air emissions:** Mainly emissions of particles during the handling of cereals (rice and wheat) and greenhouse gas (GHG) emissions related to energy consumption, fossil fuels and electricity. The most widely used fuel is natural gas.
- ▶ **Production processes:** Essentially mechanical and hydrothermal, requiring the use of very few chemical products and in very small quantities. Most of these products are used to clean the equipment and cleanse the raw materials and are relatively harmless for the environment.
- ▶ **Water consumption:** The amount of water used in our processes is very small (the vast majority of our products are dry) so the volume of effluent generated is also small. Moreover, the little effluent produced has a low level of contamination since the water consumed is basically used to produce steam, for cooling or as an ingredient in the finished products.
- ▶ **Waste generation and management:** The Ebro Group generates minimal amounts of waste, both non-hazardous (mainly packaging of ingredients and ancillary materials) and hazardous (maintenance operations).

To minimise these impacts, Ebro Foods upholds protection of the environment as one of the basic principles of our activities and implements the necessary tools, measures and means in its companies to guarantee that protection. The Ebro Group takes measures to:

- ▶ Ensure that its companies comply with the environmental laws applicable to their respective activities by implementing internal management systems and monitoring the applicable laws and regulations.
- ▶ Minimise the environmental impact of its activity by seeking eco-friendly solutions and continually embarking on initiatives to reduce its emissions and waste generation and optimise its consumption of water, energy and packaging material.
- ▶ Manage all its waste adequately and safely, encouraging recycling and reuse. Use recycled raw materials and/or those respectful of the environment, whenever possible.
- ▶ Organise environmental awareness and training programmes for employees.

RESOURCES DEDICATED TO ENVIRONMENTAL RISK PREVENTION

Fifteen of the 28 companies covered by this report have reported investments in measures to reduce / optimise energy consumption, water consumption and GHG emissions.

- ▶ Mundiarroz
- ▶ Boost
- ▶ Catelli
- ▶ Celnat
- ▶ Ebrofrost North America
- ▶ Garofalo
- ▶ Herba Ricemills
- ▶ Lassie
- ▶ Lustucru
- ▶ Mundi Riso
- ▶ Panzani
- ▶ Riviana Rice
- ▶ Riviana Pasta
- ▶ Roland Monterrat
- ▶ Vegetalia



	2017	2018
Expenditure in management and control	784,096 €	677,332 €
Investment to minimise impact	2,183,094 €	2,370,949 €
TOTAL	2,967,190 €	3,048,281 €

The investments reported here include measures to improve heat insulation, the installation of equipment to recover, reduce and optimise energy and water consumption, the installation of LED luminaires, the measurement of noise, particles emissions, and measurement and analysis of effluent.

PROVISIONS AND GUARANTEES FOR ENVIRONMENTAL RISKS

All the Group companies have taken out third party liability insurance covering any damage caused by sudden, unintentional, accidental pollution; that insurance is considered to cover any possible risks of this nature. To date there have been no significant claims for environmental issues, favourable outcomes of audits and inspections, and no allegations in the processing of Integrated Environmental Authorisations, etc.

ENVIRONMENTAL CERTIFICATION OR ASSESSMENT PROCEDURES

Total compliance with the laws and regulations applicable to its activities is a basic principle and goal in the Ebro Group environmental management. All the production plants of the Ebro Group operate under the applicable certifications, specifications and authorisations in their respective geographical areas and internally manage their environmental aspects accordingly.

NON-COMPLIANCE, FINES AND SANCTIONS

Only Arrozeiras Mundiarroz reported a small fine in 2018 for non-compliance with environmental laws and regulations.

YEAR	COMPANY	NON-COMPLIANCE	FINE/SANCTION
2018	Arrozeiras Mundiarroz	No certificate of technical inspection to detect gas leaks in cooling equipment (Granifrigor)	€6,075

The following production plants have an environmental management system certified under UNE-EN-ISO 14.001:

YEAR	COMPANY	COUNTRY	WORKPLACE	CERTIFICATE
2018	Garofalo	Italy	Gragnano	ISO14001
2018	Panzani	France	Littoral	ISO14001
2018	Panzani	France	Gennevilliers	ISO14001
2018	Panzani	France	Saint Just	ISO14001

PRECAUTIONARY PRINCIPLE

The guidelines on which the precautionary principle are set out in the Group's Code of Conduct and CSR Policy:

- ▶ The Group declares its firm commitment to respect and preserve the environment.
- ▶ It sees that its companies comply with the environmental laws applicable to their operations and any additional commitments assumed voluntarily.
- ▶ Environmental sustainability programmes will be applied in specific matters.



CIRCULAR ECONOMY AND WASTE MANAGEMENT AND PREVENTION

In Spain, to guarantee meeting the reduction, recycling and re-use targets defined in the Packaging and Packaging Waste Act 11/97 of 24 April, the Spanish subsidiary Herba has joined Ecoembalajes España, S.A. (Ecoembes), which has the mission of designing and developing systems for selective collection and recovery of used packaging and packaging waste. Ecoembes uses the “Green Dot” (symbol that appears on the packaging) to show that the packager of the product has paid a sum of money for each package put on the market.

Both the rice companies and the head offices of Ebro Foods have signed agreements with companies similar to Ecoembes for the destruction of paper and other data carriers. With these agreements, apart from complying with the Data Protection Act, they guarantee a sustainable management of the documentation through the undertaking by these companies to recycle the material.

We are analysing our contribution to CEFLEX, the collaborative initiative of a European consortium of companies and associations representing the entire value chain of flexible packaging. The CEFLEX Mission is to further enhance the performance of flexible packaging in the circular economy by designing and advancing better system solutions identified through the collaboration of companies representing the entire value chain.

ACTIONS TO COMBAT FOOD WASTE

The main internal policy for food surplus within the Group (defining surplus as products suitable for consumption but which, for different reasons -such as packaging defects, being close to their use-by date, etc.- are not suitable for sale to consumers) is donation to the closest food banks.

The Ebro Group also participates actively in the programme “Don’t waste food”, a collaborative initiative to reduce food waste, led by AECOC, the association of large consumer companies.

The three principal objectives of the project are to:

- ▶ Establish prevention and efficiency practices throughout the food chain to reduce waste
- ▶ Maximise use of the surplus produced in different stages of the value chain (redistribution, reuse and recycling)
- ▶ Make society aware of this problem and the need to reduce food waste.

The initiative is supported by over 350 manufacturers and distributors in the large consumer sector, logistics and haulage operators, business associations, consumer organisations and institutions and is coordinated by AECOC.

The programme aims to inform people about the efforts being made by companies to prevent food waste and promote enhanced collaboration to gradually reduce the problem. Every year some 7.7 million tonnes of food is wasted in Spain. Therefore, the “Don’t waste food” programme aims to make consumers throughout the world aware of the problems of food waste and get them to participate in the initiative, encouraging them to collaborate in order to reduce the waste generated by each person.



MEASURES FOR WASTE PREVENTION, RECYCLING, REUSE AND OTHER FORMS OF RECOVERY AND ELIMINATION

All the companies in our Group have contracted the management of hazardous and non-hazardous waste to authorised waste disposal contractors.

Some of the Group's rice companies use the husk from their manufacturing processes as a source of renewable energy. In 2018, Ebro India, Mundi Riso, Herba Ricemills and Vegetalia reported husk consumption as a source for generating heat energy.

Moreover, in 2019 Herba Ricemills, in alliance with other companies, is going to present a project in the LIFE Programme aiming to reuse rice husk and straw within the concept of circular economy, using a technological solution to create a new fireproof material or compound, with heat and sound insulating properties, that can be sold and used.

In addition, our subsidiary Herba Egypt, with the collaboration of the Ebro Foundation, has embarked on a project to reuse agricultural waste, especially rice straw, creating organic compost. The essential aim of the project is to make the residents of hamlets near our factory aware of the importance of preserving the environment, collaborating with farmers to find sustainable alternatives to burning rice straw. The compost project has not only helped to improve the quality of life of the local residents, but has also benefited the environment and is helping to build a circular economy model. Furthermore, with a view to building up a stronger, more integrated community, the project is being carried out by persons with disabilities from the village Kfr Bahout.

The first phase of the programme began in February 2018 and by October we had the first production of compost ready for sale on the market. It was also used to fertilize the local vegetable plots. Coinciding with this first production, a second phase was begun, during which the local travelling fruit and vegetable markets were encouraged to add the organic waste from their fruit and vegetables to the rice straw, thus generating larger quantities of compost.

At present, the project is making very satisfactory progress. We produce approximately three tonnes of organic waste a week, which is of the order of 144 tonnes a year, not counting the rice husk that will be mixed in to generate larger compost piles.

The aim is to continue increasing these quantities through successive awareness campaigns among growers and local residents.

WATER DISCHARGE

WATER DISCHARGE (M3)	2017	2018
Sewage	568,315	76,598
Process water	1,879,317	2,385,391
TOTAL WATER DISCHARGE	2,447,632	2,461,989

DESTINATION INDUSTRIAL EFFLUENT (M3)	2017	2018
Sewerage system or treatment facility	1,242,789	2,311,010
Inland waters	107,512	15,889
Marine waters	0	58,492
TOTAL	1,350,301	2,385,391

WASTE GENERATION

All the hazardous waste is transferred to authorised waste disposal contractors for treatment according to the laws in place in each region.

Non-hazardous waste is separated by type and also handled by authorised waste disposal contractors, favouring recycling and reuse whenever possible.

WASTE (T)	2017	2018
Hazardous	40	7,238
Non-hazardous	31,891	37,240
TOTAL WASTE	31,932	44,477

NON-HAZARDOUS WASTE (T)	2017	2018
Recycling	9,743	11,650
Reuse	1,070	3,567
Landfill	9,509	9,953
Composting	1,607	1,954
Incineration	2,654	3,696
Other	5,660	3,318
TOTAL NON-HAZARDOUS WASTE	30,243	34,137

HAZARDOUS WASTE (T)	2017	2018
Recycling	0	7,035
Solidification & stabilization	0	5
Incineration	0	78
Pyrolysis	0	0
Landfill	0	1
Other	0	106
TOTAL HAZARDOUS WASTE	0	7,225

SIGNIFICANT SPILLS

No spills occurred in 2018.



SUSTAINABLE USE OF RESOURCES

RAW MATERIALS

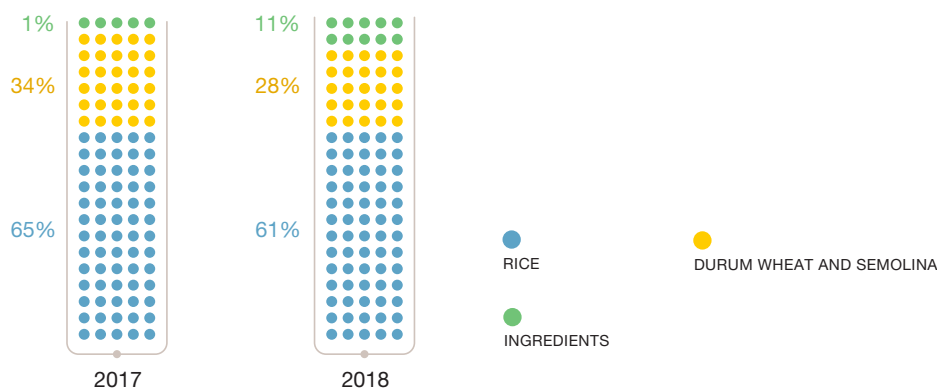
The raw materials used are divided into two major categories, those used in the preparation of finished goods and the packaging materials

The raw materials used in finished goods are divided into two categories.

- ▶ Agricultural: rice, durum wheat and quinoa
- ▶ Processed: ingredients (ready-to-serve)

RAW MATERIALS FOR PRODUCT (T)	2017	2018
Rice	1,974,151	1,774,534
Durum wheat and semolina	1,026,675	799,946
Quinoa	3,091	4,164
Ingredients	44,414	325,108
TOTAL	3,048,331	2,903,752

The packaging materials for finished products are mainly paper, cardboard and plastic.



INPUT MATERIALS FOR PACKAGING (T)	2017	2018
Paper	16,197	17,825
Cardboard	42,761	44,661
Plastic	17,424	46,144
Others	1,246	2,321
TOTAL	77,628	110,951



RECYCLED PACKAGING MATERIALS

The recycled input materials used for packaging set out below are partial, since this indicator has not been reported globally by all the European companies (the North American companies have provided this information).

RECYCLED INPUT MATERIALS IN PACKAGING (T)	2017	2018
Recycled paper	3,839	2,212
Recycled cardboard	17,055	16,820
Recycled plastic	715	216
TOTAL	21,609	19,248

ENERGY CONSUMPTION

The total energy consumption for the Ebro Group is shown below:

DIRECT CONSUMPTION

CONSUMPTION NON-RENEWABLE ENERGY SOURCES (GJ)	2017	2018
Natural Gas	3,327,082	3,268,551
Others	65,935	53,460
TOTAL	3,393,017	3,322,011

CONSUMPTION RENEWABLE ENERGY SOURCES (GJ)	2017	2018
Biomass	118,424	93,146
Total	118,424	93,146
TOTAL DIRECT CONSUMPTION	3,511,442	3,415,157

Biomass: is exclusively rice husk, a by-product of our industrial processes.

INDIRECT CONSUMPTION

INTERMEDIATE ENERGY ACQUIRED AND CONSUMED (GJ)	2017	2018
Electricity	1,311,458	1,391,809
TOTAL	1,311,458	1,391,809

TOTAL ENERGY CONSUMPTION (GJ)	2017	2018
TOTAL DIRECT	4,822,900	4,806,966

ENERGY CONSUMPTION / DIRECT & INDIRECT

2017 72.81% 27.19%

2018 71.05% 28.95%



TOTAL DIRECT



TOTAL INDIRECT

ENERGY CONSUMPTION PER SOURCE

2017 68.99% 27.19% 2.46% 1.37%

2018 68% 28.95% 1.11% 1.94%



NATURAL GAS



ELECTRICITY



BIOMASS

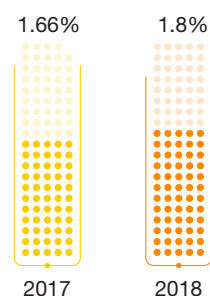


OTHERS



ENERGY INTENSITY

RAW MATERIALS PRODUCT (T)	2017	2018
Total produced (t)	2,912,525	2,671,856
Total energy consumed (GJ)	4,822,900	4,806,966
ENERGY INTENSITY (GJ/T PRODUCT)	1.66	1.80



REDUCTION OF ENERGY CONSUMPTION

Four group companies developed different initiatives in 2018 to reduce their energy consumption, by a total of €296,812.

COMPANY	INITIATIVE	COST (€)
BOOST NUTRITION	Luminaire	4,000 €
MUNDIRISO	Biomass boiler	52,380 €
PANZANI	Capacitor	30,000 €
PANZANI	Thermal insulation	125,346 €
PANZANI	Installation LED luminaire	44,000 €
RIVIANA PASTA	Installation LED luminaire (Fresno)	41,086 €
TOTAL		296,812 €

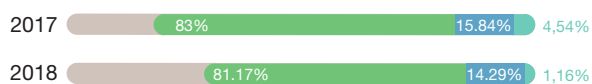
WATER CONSUMPTION

TOTAL VOLUME OF WATER WITHDRAWN (M3)	2017	2018
Tap water	3,310,017	2,843,088
Groundwater	242,308	902,660
TOTAL INDUSTRIAL PROCESSES	3,552,324	3,745,748
Surface water	17,340,000	16,150,000
TOTAL WATER WITHDRAWN	20,892,324	19,895,748

The surface water was not withdrawn for our industrial activity but the agricultural activity performed by the subsidiary Rivera del Arroz in Morocco.

	2017	2018
Groundwater	1.2%	4.5%
Surface water	83.0%	81.2%
Tap water	15.8%	14.3%

TOTAL WATER CONSUMPTION





WATER RECYCLED AND REUSED

TOTAL VOLUME OF WATER RECYCLED AND REUSED (M3)	2017	2018
Recycled water	455,417	400,054
Reused water	53,681	0
TOTAL	509,098	400,054

% WATER RECYCLED & REUSED / GLOBAL CONSUMPTION	2017	2018
Recycled water	2.18%	2.01%
Reused water	0.26%	0.00%
TOTAL	2.44%	2.01%

CLIMATE CHANGE AND PROTECTION OF BIODIVERSITY

The Ebro Group takes an active approach to the promotion and investigation of environmentally sustainable growing techniques for application in the production of its principal agricultural raw materials (rice, durum wheat and tomatoes) and to contribute towards greater preservation of the environment, biodiversity and mitigation of climate change by applying growing techniques to reduce crop emissions. This work is done through own initiatives and specific collaborations with stakeholders and sectoral associations, particularly the Sustainable Agriculture Initiative Platform (SAI Platform) and the Sustainable Rice Platform¹.

The Ebro Group is also a member of the Climate Change Cluster promoted by (www.foretica.org). In that Cluster, a group of large companies work together to lead the strategic positioning addressing climate change in the business agenda, discuss and exchange views and good practices, be part of the global debate and become key players in the decisions made at the administrative level.

Moreover, within our commitment to the rest of our value chain, in 2016 we started using the Sedex platform as a management tool, a programme to monitor the environmental (social and governance) -ESG- performance of our industrial suppliers through ethics audits and collaboration with them where necessary to enhance their environmental practices. During 2018 we continued working on the engagement stage, explaining our initiative to suppliers and asking them to register with SEDEX to assess their CSR performance. When this stage is concluded, we will make a risk analysis to define priorities for the ethics audit plan to be developed (last stage).

OPERATIONAL SITES IN, OR ADJACENT TO, PROTECTED AREAS OR AREAS OF HIGH BIODIVERSITY VALUE OUTSIDE PROTECTED AREAS

Of our 63 production plants, only the Riviana rice plant in Freeport, Texas is adjacent to a wetland with protected area status, Brazos River.

SIGNIFICANT IMPACTS OF ACTIVITIES, PRODUCTS, AND SERVICES ON BIODIVERSITY

There have been no impacts in any areas considered of high biodiversity value.

HABITATS PROTECTED OR RESTORED

No restoration measures have been implemented in protected habitats.

¹ These projects can be consulted in the chapter Management of the Supply Chain.

WATER SOURCES SIGNIFICANTLY AFFECTED BY WATER WITHDRAWAL

There has been no impact on water bodies or habitats of high biodiversity value.

SIGNIFICANT SPILLS [306-3] AND WATER BODIES AFFECTED BY WATER DISCHARGES AND/OR RUNOFF

There have been no significant spills or any impact on habitats of high biodiversity value.

POLLUTION

In 2016, Herba Ricemills obtained the Environmental Product Declaration (EPD) Certificate for its 1 kg packs of SOS short-grain and long-grain rice. This environmental declaration was prepared following the methodology of product Life Cycle Assessment (LCA), including the entire production chain from the rice growing, industrial phase and distribution of the packaged product, its use for human consumption and final disposal of the material.

The LCA study is based on the following ISO standards and product category rule indicated below:

- ISO 14040:2006 - Environmental management - Life cycle assessment - Principles and framework
- ISO 14044:2006 - Environmental management - Life cycle assessment - Requirements and guidelines
- ISO 14025:2006 - Environmental labels and declarations - Type III environmental declarations - Principles and procedures
- PCR: 2013:04 v 1.02; UN CPC 231, GRAIN MILL PRODUCTS; version 1.02.

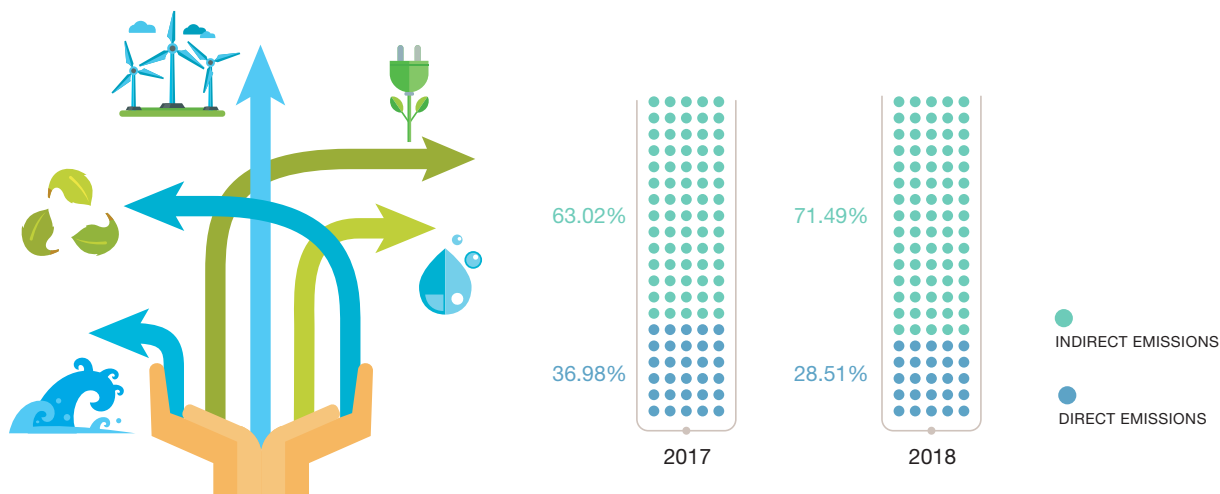
The LCA revealed that the stages with the greatest environmental impact as regards greenhouse gas emissions are the agricultural stage (45-54%) and the use and final disposal of the product (33-36%), the industrial stage being the one with the least environmental impact (10-17%).



DIRECT AND INDIRECT GHG EMISSIONS (SCOPES 1 AND 2)

GHG EMISSIONS (T CO ₂ -EQ)	2017	2018
Direct emissions	191,256	186,993
Indirect emissions	325,979	468,782
TOTAL EMISSIONS	517,234	655,775

GHG EMISSIONS (T CO₂-EQ)



OTHER INDIRECT GHG EMISSIONS (SCOPE 3)

In 2015, the rice division of Ebro Foods contracted its main shipping service provider, EccoFreight, to calculate the carbon footprint of shipping our raw materials and products.

This calculation is made using the tool Eccoprint developed by EccoFreight and has a gate-to-gate scope, including the transport (by rail and/or road) from the source plant to the port of departure and from the port of arrival to our plants.

In 2018, EccoFreight handled 74% of the shipments managed by Herba Ricemills for the entire Group, with 202,790 tonnes shipped (11,218 TEUs) and the GHG emissions totalled 33.894 t of CO₂ eq. These emissions are not counted to calculate the indicator 305-3.

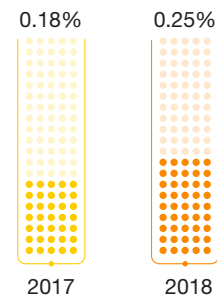
Moreover, in 2017 Ebro Foods started using the Cool Farm Tool predictive model of Cool Farm Alliance, of which it is a member, to estimate the GHG emissions generated in the production of its agricultural produce, which account for over 50% of the carbon footprint of its products in the case of rice.





GHG EMISSIONS INTENSITY

	2017	2018
Total produced (t)	2,912,525	2,671,856
Total GHG emissions (t CO2-eq)	517,234	655,775
GHG emissions intensity (t CO2-eq /t product)	0.18	0.25



EMISSIONS OF OZONE-DEPLETING SUBSTANCES

We are analysing the materiality of this indicator. So far, we only have partial data for some plants, so it will not be reported this year.

NOX, SOX AND OTHER SIGNIFICANT AIR EMISSIONS

We are analysing the materiality of this indicator. So far, we only have partial data for some plants, so it will not be reported this year.

GREENHOUSE GAS REDUCTION GOALS

At the end of 2018, the Ebro Group drew up its Global Sustainability Plan 2030, defining three work packages, one of which corresponds to reduction of our environmental impact.

WORK PACKAGES AND AREAS OF ACTION



Based on this Global Sustainability Plan, the Group companies will work on their individual goals during the coming year.