

EBRO IN 2012

FINANCIAL

INFORMATION

CORPORATE SOCIAL

RESPONSIBILITY

CORPORATE

GOVERNANCE

ENVIRONMENTAL PERFORMANCE

WEB: www.ebrofoods.es

Environmental performance



Aware that the company's growth must be sustainable, Ebro Foods has implemented in its companies the necessary tools and measures to achieve an optimal balance between the performance of their operations and protection of the environment. With this aim in mind, it has set environmental performance goals, which are updated as circumstances change in the different business areas.

These goals are:

- ❖ Minimise the environmental impact of the Group's operations by constantly implementing new initiatives to reduce pollution, make a rational use of resources, reduce the consumption of water, paper and energy, reduce the generation of waste and emissions and seek environment-friendly solutions.



- ❖ Develop and progressively implement an Environmental Management System compliant with UNE-EN-ISO 14001:2004 or, as the case may be, introduce environmental management practices that improve its production practices.
- ❖ Provide environmental awareness and training programmes for the company's employees.
- ❖ Promote good environmental practices among its suppliers and customers, including them in Ebro's commitment in this regard through communication of its Code of Conduct.
- ❖ Whenever this may be considered necessary, have internal and external environmental performance assessments made.

Moreover, in an effort to ensure meeting the reduction, recycling and recovery targets set in the Packaging Waste and Packaging Act 11/97 of 24 April, the Spanish subsidiary Herba is a member of Ecoembalajes España S.A. (Ecoembes), a non-profit company whose mission is to design and develop systems for selective collection and recovery of used packaging and packaging waste. Ecoembes uses the Green Spot concept (this symbol appears on the packaging) to show that the packager of the product has paid a sum of money for each container or other form of packaging put on the market.

The European rice companies and the head offices of Ebro Foods have also signed an agreement with companies similar to Ecoembes for the destruction of paper and other data carriers. Apart from complying with the Data Protection Act, this agreement guarantees a sustainable management of documents by virtue of those companies' commitment to recycling.

Environmental management programmes and certificates

The workplaces certified under Standard UNE-EN-ISO 14001 are those situated in France:

Company	Country	Name of the workplace	Certificates
Panzani	France	Semolina Gennevilliers	ISO 14001
Panzani	France	Semolina Marseille Littoral	ISO 14001
Panzani	France	Semolina Marseille St. Just	ISO 14001

The Ebro companies in the USA operate under the following American specifications:

1. Title V Federal Operating Permit.
2. General Permit to Dispose of Waste.
3. Storm Water Multi-Sector General Permit.
4. Air Permit.
5. National Pollutant Discharge Elimination System (NPDES).

ENVIRONMENTAL PERFORMANCE INDICATORS

In 2012 the company invested almost one million two hundred thousand euro in enhancements to minimise the impact of its production activities on the environment. These enhancements included, among others:

- ❖ Optimising of machinery (Orbaek plant, Danrice)
- ❖ Installation of new compressed air systems, replacing on-off air compressors with variable speed compressors (Jerez de la Frontera and Silla plants, Herba Ricemills)
- ❖ Start-up of new LED lighting systems (Clearbrook plant, Riviana)
- ❖ Acquisition of high energy-efficient engines (Cambridge and Liverpool plants, S&B Herba Foods)
- ❖ Use of rice husk as fuel instead of propane (Larache plant, Mundiriz)
- ❖ Implementation of system to control emissions from the burners, coolers and air conditioners (Merksem plant, Boost Nutrition)
- ❖ Water recycling programmes (Carlisle plant, Riviana)
- ❖ Optimising of production parameters to use less water in the process, thereby reducing the volume of effluent (Memphis plant, Riviana)
- ❖ Energy audits at the Panzani plants in France
- ❖ Closing of the cooling circuits at the parboiled plants (San Juan de Aznalfarache, Herba Ricemills)
- ❖ Reuse of cooling water from the cooking plant (San Juan de Aznalfarache, Herba Ricemills)



During 2012 some residents living near the plant in Jerez de la Frontera sued the company claiming that the noise at that plant exceeded the level permitted by law. At the date of drafting this report that claim had not yet been settled.

None of the Group companies have any own or leased operating facilities that are adjacent to, contain or are situated within protected areas or unprotected areas of considerable value for biodiversity.

Moreover, all the Group companies have taken out liability insurance covering damage to third parties caused by sudden, unintentional, accidental pollution, which insurance is believed to cover any possible risk in this regard.

TOTAL ENVIRONMENTAL MANAGEMENT EXPENDITURE

Environmental expenditure	272,912.19€
Investments to minimise impact on environment	872,380.21€
Total expenditure	1,145,292.40€

ENERGY CONSUMPTION

Direct energy consumption

Non-renewable energy sources	Consumption (GJ)
Butane	0.92
Gas-oil	69,560.73
Petrol	2,266.23
Liquefied Natural Gas (LNG)	10,183.70
Liquefied Petroleum Gas (LPG)	6,317.06
Natural gas	2,449,731.15
Propane	229,121.58
Total	2,767,181.37

Renewable energy sources	Consumption (GJ)
Biofuels	94,019.00
Total	94,019.00

INTERMEDIATE ENERGY PURCHASED AND CONSUMED

	Consumption (GJ)
Electricity	881,689.04
Steam	23,220.00
Total	904,909.04

WATER CONSUMPTION

Total volume of water harnessed	m ³
Groundwater	354,835.00
Mains water or water from other water utilities	1,934,769.02
Surface water, including water from rainfall, rivers, lakes and oceans (1)	19,296,858.00
Total	21,586,462.02

(1) Of the total consumption of surface water harnessed, 19,295,500 m³ does not correspond to our industrial activity but the agricultural activity of our subsidiary Rivera del Arroz in Morocco. This company was not included in the environmental performance report last year.

Total volume of recycled and reused water	m ³
Recycled water	27,176.00
Reused water	28,200.00
Total	55,376.00

EMISSIONS

Greenhouse gas emissions	
Direct emissions (tn CO ₂ -eq)	110,003.84
Indirect emissions (tn CO ₂ -eq)	19,451.66
Total	129,455.50

Other emissions	Tonnes
NOx	124.26
Particles (MP)	34.36
SOx	18.61
Volatile organic compounds (VOC)	6.54
Other categories of standardised emissions classified in law	39.86
Total	223.63

WASTE AND EFFLUENT MANAGEMENT

Type of waste	Tonnes
Hazardous	17.75
Non-hazardous	14,918.11
Total	14,935.86

Total volume of industrial waste water 1,227,951 m³

Destination	Volume (m ³)
Sewers or wastewater treatment plant	1,188,159
Inland waters (irrigation channels, rivers, lakes, infiltration, etc.)	31,792
Biochemical treatment	8,000

NB: no body of water is significantly affected by effluent discharged by the organisation.



Environmental audits, inspections and checks made during 2012

- ❖ Arrozeiras Mundiarroz (Portugal): General Inspection Authority for Agriculture, Sea, Environment and Planning [Inspeção Geral da Agricultura, Mar, Ambiente e Ordenamento do Território (IGAMAOT)]. (9 April 2012)

- ❖ Riviana:
 - > Clearbrook plant (June-December 2012)

 - > Brinkley, Carlisle and Freeport plants: Quarterly and annual inspections to ensure fulfilment of the Storm Water Pollution Prevention Plan (SWPPP) ^[1]

 - > Memphis plant: Memphis-City of Memphis Industrial User Site Visit Inspection (23 May 2012)

- ❖ Panzani: energy audit of production plants in France. (December 2012)

Environmental sustainability of the raw material

In addition to the environmental sustainability of its production activity, Ebro has started working on environmental sustainability at all levels of its value chain. In an initial phase of this work, towards the end of 2010 Herba Ricemills, the major operator in the Seville rice sector, started developing a programme focusing on the environmental sustainability of the rice crop in the Guadalquivir area.

This initiative, developed in collaboration with other players in the sector, consists of the following phases:

1. Acquire and/or build up the necessary scientific expertise on the key parameters of sustainability.
2. Establish possible and real strategies to mitigate impacts on the environment: good agricultural practices.
3. Inform the major interested parties of the results obtained.
4. Encourage the application of sustainable agricultural practices.

^[1] Programme implemented by the US Environmental Protection Agency.



In this regard, within phase number 1, Herba has begun the following projects in collaboration with the Agricultural and Fisheries Research and Training Institute [Instituto de Investigación y Formación Agraria y Pesquera (IFAPA)] of the Regional Government of Andalusia and Hisparroz, S.A.:

- ❖ Optimising of nitrogen and phosphorus fertilizer: optimum dose, threshold values, crop response, etc.
- ❖ Water balance of crop: establish scientifically the quantity of water actually consumed by the crop compared to the quantity used – preliminary work for calculating water footprint.
- ❖ Effect of the salinity of irrigation water on the crop – Improvement of water handling according to salinity.
- ❖ Agricultural practices: determine the optimum combination of certain local agricultural practices (burning or incorporation of crop waste in the soil compared to flooding or non-flooding in winter) regarding the use of nitrogen fertilizer, herbicides and conservation of biodiversity.

The first results of these projects are expected to be obtained in 2013 and we will inform on them in forthcoming Annual Reports.