

4. ECO-EFFICIENCY AND CLIMATE CHANGE

The *Feeding the Future* Plan includes a programme of specific action called 'SOS Grouptenable'.

The activities included in Grupo SOSStenable have as their objective:

1. The establishment of environmental policies and the development of a good environmental performance.
2. Management according to criteria of eco-efficiency and reduction of impact on climate change.
3. The rigorous use of scarce resources, and the minimization of the impact of our activities.

And their three axes are focused on:

- Acting in accordance with an environmental commitment and formalizing policies.
- Developing a specific strategy of eco-efficiency and reducing the effect of the emission of 'Greenhouse Gases'.
- Defining and developing the environmental management model, and extending its use to all the factories.

Commitment to the environment and formalization of policies

Grupo SOSStenable

The environmental policy of the SOS Group consists of the following commitments:

- Assuring compatibility between financial and sustainable development
- Designing processes and activities that take account of environmental criteria in the prevention of contamination.
- Striving for continuous improvement that goes beyond legal requirements.
- Including the environmental factor in the whole of the supply chain.

This policy was revised and adapted in 2009, and an eleventh commitment clause was included, to be adopted by the Organization:

- The development of production processes and products that have better energy efficiency, and which therefore generate fewer emissions of CO₂

The policy was ratified by the signature of the new Managing Director, and is being communicated to the whole organization.

The data for 2009 reflect the incorporation of a new factory in the oils activity and the disinvestment that occurred in the biscuit business.

Climate change

In March, 2009, SOS Group subscribed to the United Nations' Caring for Climate initiative, as another way of demonstrating its commitment to the fight against climate change. Moreover, the Organization was invited to present a paper entitled *Towards rational use of energy*, during the day of presentation of the initiative, which was organized in Madrid by the Spanish arm of the World Agreement and the Fundación Entorno BCSD-España.

Companies perform an important role in the fight against climate change, but they can only succeed if the international legal framework is appropriate. That is why SOS Group added its name to those of more than 950 global companies who signed the Copenhagen Communique on Climate Change, presented during the aforementioned United Nations summit conference on Climate Change.

The international initiative Carbon Disclosure Project (CDP), involving 475 investors with assets valued at 55 billion dollars, presented its 2009 report in November. The 85 largest companies quoted on the Spanish Stock Exchange were invited to participate in this second edition. Among the 36 companies that voluntarily submitted themselves to the analysis, showing their maximum commitment to all matters related to climate change, was SOS Group, which was, moreover, the only company present from the food sector.

The Organization's strategy in sustainability and energy efficiency is differentiated in two areas: offices and production centers. It is applied in the action program SOS Acción CO₂, which is deployed in concrete projects for each of the areas.

The success of the strategy is based on bringing it to the attention of the employees, and sensitizing them to it. They are, after all, the people most involved in each project. That was precisely the message of the presentation given by the Organization in the conference that was organized by Marcus Evans, and entitled: "Energy Efficiency and Environmental Responsibility within the Company".

In May, 2009, the Spanish arm of the United Nations' World Agreement published the program of sensitization and environmental management that is in use in our Organization on its website, as an example of good progressive practice in the observance of Principle no.8 (the development of initiatives to promote more environmental responsibility).

SOS Acción CO₂ in factories

The International Energy Agency calculates that a very large proportion of the reductions in CO₂ results from energy savings and energy efficiency, which also provide a positive return on investment in the short term. Our Organization's greater potential for energy-saving is directly related to the type of production processes that we use, and to our manufacturing installations.

SOS ACCION CO₂, in the industrial context, faces two main challenges:

1. To achieve a reduction in indirect emissions by obtaining energy savings in the principal and auxiliary processes of the different activities.

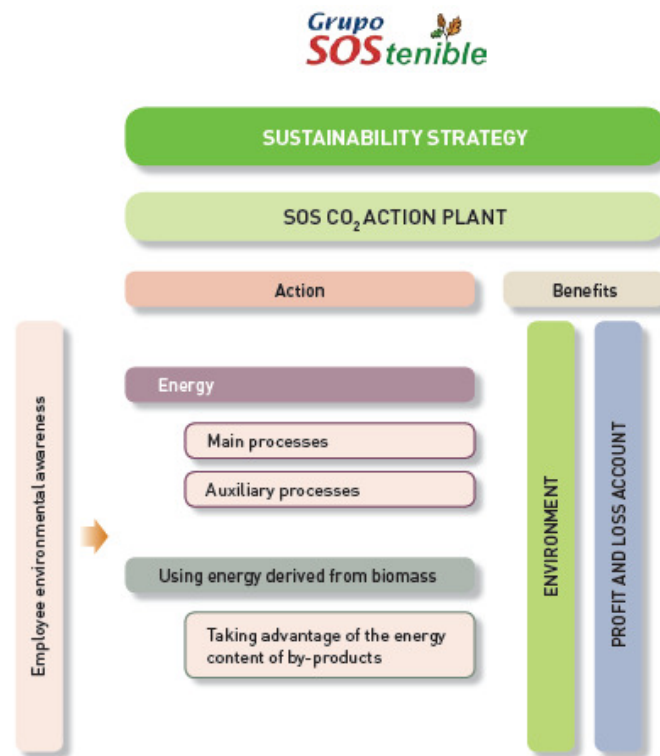
A.- Effecting complete energy audits in the installations which use the most energy. In 2009 the energy audit of the oils factory in Alcolea (Córdoba) was performed. The result of the audit was a group of projects which, if implemented, would generate savings of 392,000€.

B.- It had been intended to begin the energy-saving projects in the oil plant in Alcolea (Córdoba) during 2009, but, owing to the Company's financial situation, this had to be postponed.

2. To venture with bio-mass as an alternative to fossil fuels.

A.- The installation and start-up of three boilers, using as fuel 80% glycerine and 20% natural gas, was completed during 2009. These boilers are for the production of steam, and are installed in the Andújar (Jaén) factory.

The publication *Towards energy efficiency: a challenge for Spanish companies*, produced by the Fundación Entorno-BCSD España, includes one of the initiatives of our Organization, namely, the one involving a saving of energy in the overall functioning of the plant at Andújar in Jaén (Spain).



The principal performance indicators:

Total CO₂ emissions, direct and indirect, by weight, were 3.76% less than in the reference year (2007) (taking into account the same factories), so the accumulation of 14,461 tons was avoided compared with that year.

Total CO₂ Emissions (tons)	2007	2008	2009
Rice	42,459	31,578	37,054
Oil	31,279	26,548	33,556
Biscuits	20,833	21,703	2,505
Various	4,857	3,810	1,992
Cogeneration	46,836	52,739	59,314
Total	146,263	136,378	134,421

* Total emissions of CO₂ = direct emissions of CO₂ (derived from combustion)
 + Indirect emissions of CO₂ (derived from consumption of electricity)

Indirect emissions of CO₂, by weight:

Indirect emissions of CO₂ (tons)	2007	2008	2009
Rice	19,906	12,008	19,082
Oil	17,235	13,658	16,612
Biscuits	5,793	5,939	348
Various	1,794	1,489	845
Cogeneration	0	0	242
Total	44,728	33,094	37,129

*Indirect emissions of CO₂ (derived from the consumption of electricity).

NO, SO and other significant emissions into the air, by type and weight:

Emissions of NO_x (tons)	2007	2008	2009
Biscuits	34.02	26.10	3.32
Oil	65.52	60.69	39.27
Rice	33.96	33.68	32.52
Various	5.27	3.96	2.09
Cogeneration	146.00	809.90	992.54
Total	284.78	934.34	1,069.73

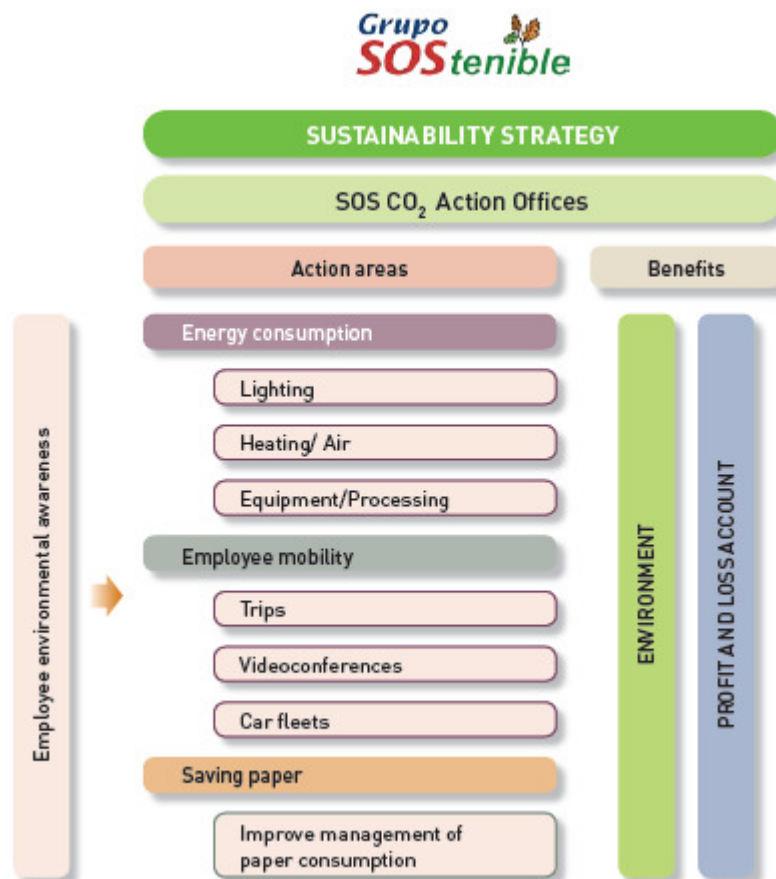
Source: Supporting Guide for the notification of emissions from thermal power stations and other combustion installations (Rev. 1), Regional Government of Andalucía.

Emissions de SO _x (tons)	2007	2008	2009
Biscuits	1.09	1.11	0.14
Oil	10.70	9.32	2.60
Rice	1.43	1.44	1.85
Various	0.27	0.05	0.00
Cogeneration	3.53	3.86	12.35
Total	17.02	15.78	16.93

Source: Supporting Guide for the notification of emissions from thermal power stations and other combustion installations (Rev.1), Regional Government of Andalucía.

SOS Action CO₂ in offices

SOS Group, together with the 17 other companies forming the working group on energy efficiency and climate change, led by the Fundación Entorno-BCSD España, is proud of the results obtained by voluntary initiatives to reduce the emissions of ‘greenhouse’ gases not connected with production processes already in place. In this way, to the global reduction figure achieved in 2008, which was 8,305 tons of CO₂, may be added a further reduction of 18,904 tons of CO₂ achieved in 2009.



The new courses of action taken in 2009 were:

- Replacement of vending machines by other, more efficient ones.
- Elimination of activities at night, by the automatic switching off of lighting and air conditioning.
- The wearing of more comfortable and informal dress on every Friday of the year.

For 2010, the actions envisaged in the central offices will be:

- Closing doors and isolating the modules in which the offices are located.
- Replacement of printers, and reduction of their number, so that they become a single resource that is shared by each module of offices.

Emission Rights

The cogeneration plant at Andújar (COANSA) falls within the legislative framework regulating business involving emissions established by the Kyoto Protocol. In the National Plan for the Allocation of Emission Rights for the period 2008-2012, a total of 230,633 rights of emission were granted for the activity of cogeneration. The manufacture of oils no longer falls within this framework.

RIGHTS OF EMISSION USED		
INSTALLATION	2008	2009
Cogeneration (Andújar)	52,738	59,067
Oils (Andújar)	1,724	-

Plans for energy efficiency

Studies of energy efficiency in factories

The strategy is based on achieving savings of energy in the principal and auxiliary processes of the different activities. The principal actions to be taken are:

- A.- Carrying out complete energy audits in the installations which use the most energy.
- B.- Introducing new energy-saving measures, derived from those studies.

The energy audit of the oils factory in Alcolea (Córdoba) was completed in 2008.

Owing to the organization's difficult financial situation, some of the planned actions had to be suspended. Priority was given to the most important ones, while the others were postponed.

Consumption of energy separated according to primary sources.

In SOS Group, the sources of the energy used for factory production are mainly fossil fuels. However, in the oils activity a source of energy used is the combustion of the husks of sunflower seeds, which are a sub-product.

As part of its strategy, SOS Group works on the incorporation into its production processes of usable sub-products and bio-fuels. That is why, in 2009, three bio-mass boilers, using glycerine (a product derived from the production of bio-diesel), in conjunction with natural gas, were installed in Andújar (Jaén).

Source of energy	Oil					Rice					Biscuit	Olive Oil		Energy	
	Alcolea	Andújar	Las Palmas	Tavarnelle	Voshera	Inveruno	Alaernesí	Los Palacios	Wormer	Freepport	Oliveira	M. Paraje	Dos Hermanas	Pilas	Andújar
Electricity	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Derivatives of oil	Natural gas	●	●	●	●	●	●	●	●			●	●		●
	Gas-oil		●							●					
	Fuel-oil									●					
	Butane												●		
	Propane									●					
Bio-mass	Glycerine (bio-mass)														●
	Sunflower husk	●													

In 2009, the Group’s energy consumption was 2.52 % lower than in 2007 (the reference year) (considering the same factories). If we exclude the activity of cogeneration, the reduction is 20.75% (in 2008 it was 14.96%).

Total Energy Consumption (MWh) by line of business	2007	2008	2009
Biscuit	88,655	87,688	995
Oil	138,701	121,083	155,353
Rice	173,862	136,628	150,818
Various	21,345	16,528	13,014
Cogeneration	273,899	249,789	328,016
	696,462	611,715	648,195

The energy yield suffered because of the decline in production in lines of business such as Diversification.

Total Energy Consumption (MWh) per ton of product	2007	2008	2009
Biscuit	0.97	0.96	0.12
Oil	0.30	0.24	0.35
Rice	0.24	0.29	0.30
Various	0.80	0.88	1.22
Cogeneration (*)		0.003	0.003

(*) The product is considered to be KWH generated

Consumption of fossil fuels Kwh/ton of packaged product	2007	2008	2009
Biscuit	797	787	2
Oil	155	130	197
Rice	133	23	22
Various	594	833	2,026
Cogeneration (*)	nd	2.94	3.11

(*)The product is considered to be KWH generated

Consumption of electricity / ton of packaged product	2007	2008	2009
Biscuit	169	175	114
Oil	103	77	126
Rice	4	6	6
Various	58	73	128
Cogeneration (*)	nd	nd	0.006

(*) The product is considered to be KWH generated

The table below shows the consumption of electricity in each of the countries where we have installations.

Consumption of electricity by country (Kw/h).	2009
Spain	38,175,644
Holland	2,023,753
Portugal	3,235,472
USA	33,738,577
Italy	18,035,928
Mexico	978,349

This table, showing indirect consumption of energy, broken down into primary sources, is taken from data estimated in the GRI Energy Balance Sheet Protocol, based on consumption of electricity in GJ.

	INDIRECT ENERGY 2009 (GJ)								
	ELECTRICITY(GJ)	Coal	Natural gas	Derivatives of oil	Bio-mass	Wind	Hydroelectric	Nuclear	Geothermal
SPAIN	137,432	178,107	6,334	37,469	3,175	2,613	20,921	168,763	0
PORTUGAL	11,647	13,498	5,396	7,131	10	44	285	0	285
ITALY	64,929	24,778	47,338	75,526	1,388	175	15,006	0	11,672
HOLLAND	7,285	5,429	9,574	940	309	71	10	1,315	0
USA	121,458	227,633	36,623	10,972	240	1	11,623	101,465	784
MEXICO	3,522	1,233	1,885	6,523	0	0	814	754	1,399

Energy savings in offices

The SOS Acción CO2 program in offices, in the area of eco-efficiency, works along two axes: one orientated towards training and awareness-building, and the other focusing on simple ways of caring for the environment.

With the help of internal campaigns, we are working on the creation of an environmental culture.

System of environmental management

Extension of the introduction of the management system

In 2009 the certification of the System of Environmental Management at the Alcolea (Cordoba) plant was renewed in accordance with the UNE- EN ISO 14001:2004 standard.

Since 2009, SOS Group has had one more factory whose system of environmental management conforms to the UNE- EN ISO 14001:2004 standard, namely the oil production plant in Inveruno (Italy).

- Tools of the Management System

In 2009, the introduction of the on-line indicator management tool SOSMA was extended to the olive oil activity, in the form of the factory at Dos Hermanas (Seville).

- o Continuous improvement of Contamination Prevention

During 2009, reports were prepared on Risk Evaluation in the Andújar and Alcolea plants. The findings of those reports will be used to make plans for improvement.

In 2008, the Organization had already begun studies to identify the most efficient way to satisfy the demands of the relevant environment authorizations in some of the plants concerned:

- In the Alcolea factory, a waste disposal audit was performed by an external company.
- As a result of that waste disposal audit, several improvements were introduced during 2009, increasing the efficiency of the purification system.

In the Andújar factory, work had begun on improving the drainage system and extending and improving the residual water treatment equipment.

Environmental behaviour indicators

1. Registers of producer goods by production process and by plant.

- o Total collection of water by source.

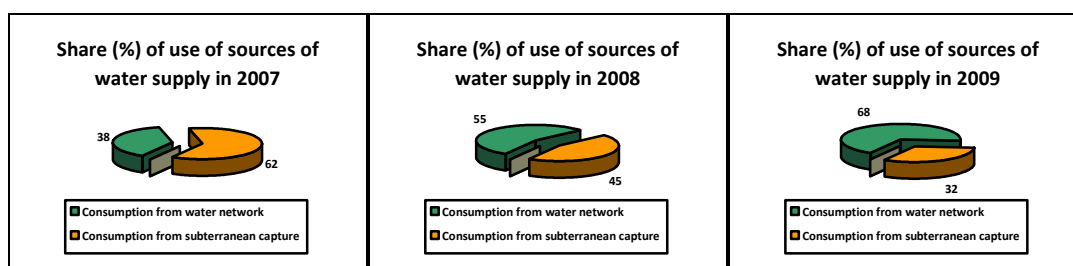
The organization's objective is to reduce consumption in its installations.

TOTAL CONSUMPTION OF WATER (m3)/tonne of packaged product

Line of Business	2007	2008	2009
Biscuits	0.7033	0.6322	1.0577
Oil	1.5849	1.2481	1.4131
Olive Oil	5.6093	5.4365	10.3438
Rice	0.0284	0.0568	0.0326
Ready-made dishes (Rice)*	27.4583	46.3591	45.5702

* Data revised and brought up-to-date, replacing those in previous reports.

In some of the Group's factories, with the authorization of the administration concerned, water collected underground is used.



- Total disposal of residual water, according to type and destination.

Residual water from the biscuit factory and from the oils factory in Alcolea (Cordoba) is disposed of through the drainage system. There is direct measurement of the flow of waste water at the Alcolea factory, but it is only possible to estimate it in the biscuit activity.

Disposal of residual water through the drainage network (m3)

Line of Business	2007	2008	2009
Biscuits	12,751.13	11,532.20	4,959.93
Oil	34,209.00	25,160.00	27,376.00

Disposal of residual water from the oils factory in Andújar (Jaén) is through a public channel. There is direct measurement of the flow of waste.

Disposal of residual water through the public channel (m3)

Line of Business	2007	2008	2009
Oil	191,822	195,334	133,066

The standards in the food industry specify that when it is intended to re-use the water used in production processes, even for cleaning, that water must be at least of the same quality as drinking water. Economically speaking, that makes it virtually unviable. The regulations relating to other applications, such as water for boilers or for hot-water cleaning, are even stricter. For that reason, the water in the factories is not recirculated.

- Total weight of managed waste, by type and by treatment method.

Tons of HARMLESS WASTE PRODUCED

Lines of Business	2007	2008	2009
Biscuits	4,060	4,114	76
Oil	8,007	7,197	7,921
Rice	1,011	807	929
Various	725	734	460
Total production	13,803	12,852	9,386

Tons of DANGEROUS WASTE PRODUCED

Lines of Business	2007	2008	2009
Biscuits	13.90	5.36	0.02
Oil	80.15	261.77	53.50
Rice	1.65	1.03	0.97
Various	1.06	1.55	0.31
Total production	96.76	269.70	54.79

The production of dangerous waste was reduced by 80% in 2009

2. Biodiversity

The Organization possesses a plant that was designed with environmental protection in mind. It is the rice factory at Algemés in Valencia (Spain) which is located near the Albufera National Park. For that reason, care is taken to ensure that the activities do not affect or interfere with the protection of the environment in this protected natural area. And there has been no effect caused by our activities or operations in this or any other area surrounding our installations.

During 2009, SOS Group supported the Fundación Félix Rodríguez de la Fuente, whose mission is to increase awareness in society so that people involve themselves in creating change that improves and enriches the life of Man, in the deepest sense of the word, and the life of the earth that sustains him.

3. Sanctioning actions.

In 2009, no denunciation or complaint was made, and no sanctioning action was begun against us, in relation to the environment.

8. COMMUNITY DEVELOPMENT

Development in the communities is supported by the priority of local implantation, included in the Plan 'Feeding the Future'. In this project SOS Group aspires to form stable links with society, especially in the immediate vicinity of its production centers.

The general purpose of the programs that are being developed in this context is to position the Organization as a company that is committed to addressing the social and environmental problems of our times, in a manner that is consistent with its effort to improve people's lives and to be a reference on the subject of the Mediterranean diet.

The three lines of action are:

- Commitment to addressing the social and environmental problems of the community;
- Evaluation of the projects' impact on the community;
- Seeking and studying ways of collaborating with NGO's within the framework of the Organization's community development strategy.

Work in the communities

The concept of the relationship with the community has evolved in recent years, changing from mere administrative attendance to sustained commitment. It is in this sense that SOS Group has adapted its programs to respond to the real needs of the surroundings in which it operates.

In this way, during 2009, SOS Group worked on projects promoting sustained progress beyond the needs of the moment. We report below on the greatest achievements of the period:

Approach to the schools in the proximity of the Italian factories

In conformity with the policy of moving closer to society, and with the aims, in the area of Corporate Responsibility, of encouraging good eating habits among children, the Italian subsidiary initiated in 2009 activities in neighboring schools.

For this it received the collaboration of the Instituto Nutricional Carapelli. This institute was founded in 2001, with the clear aim of researching into all aspects of olive oil: chemical, sensory, agronomic, extraction technology, humanistic, pharmacological, biochemical and nutritional.

It is precisely nutrition that is the Centre's fundamental subject of study, but it also works in other areas related to health. Of note are the programs of study and evaluation of the nutritional properties of oil.

From 2007 the *Instituto Nutricional* began to provide the results of its scientific research to the schools. The aim was to bring to a group as important as children and young people a greater awareness of the importance of correct and healthy nutrition.

The project took the name: "*Il frantoio delle storie*" ("The olive oil mill of the stories"). It is intended for primary school pupils in Piamonte, Toscana, Umbria and Campania, and has the aim of imparting a greater awareness, among the teachers, the children and their families, about education in nutrition and in good habits.

Each classroom receives, free of charge, a didactic kit in the form of a game, to involve the children and suggest to the teachers other methods of teaching these concepts. There is also a competition, with prizes, for all the classes involved.

In 2009, 1,200 kits were distributed among the schools selected. The package includes:

- ✓ 28 copies of the book for boys
(3 stories accompanied by suggestions for multi-disciplinary activities, prepared by experts in nutrition from the *Instituto Nutricional*)
- ✓ Posters about the competition
- ✓ Stickers with illustrations of the book
- ✓ A USB disc for the teachers, containing audio versions of the stories in the book and more detail about olive oil.

PROJECT RESULTS, 2009-2010

- ✓ 543 primary schools were contacted
- ✓ 91% of the schools stated that they were very interested in the project
- ✓ 805 teachers, almost 20,000 pupils and about 58,000 relatives took part.

The Fesmai Foundation

The collaboration between the Fesmai Foundation and SOS Group dates back more than ten years. Through it, SOS Group aimed to use education and balanced nutrition as a means to fight against exclusion and poverty.

However, as a result of events that occurred in 2009, it was decided, as a precaution, to suspend collaboration with the NGO. The basic reason for this was that SOS Group is in the process of suing the previous administrators, including the former Chairman, who is also the Chairman of the Board of FESMAI.

This precautionary suspension may be understood from the point of view of the relationship of trust that SOS Group wishes to maintain with the organizations with which it works. Rather than risk a possible rupture of that relationship, the Group has opted for a prudent position, halting its contribution to allow for a period of study and reflection.

Regardless of any future actions, we are here reporting the events occurring in connection with this collaboration, which was suspended in May, 2009.

The value of the financial contribution to this collaboration, from April, 2009, was 60,000€.

Education and nutrition v. Exclusion

In those areas of the world which are particularly depressed, where children, especially girls, feel obliged to abandon their schooling, financial and psychological contributions have become essential to guarantee access to the basic elements in child development.

The collaboration of SOS Group is based on two supporting pillars:

- Alignment with the objectives of the Millennium of the United Nations:
 - o Objective 2: Universal primary education
 - o Objective 3: Promotion of equality between the sexes, and empowerment of women.
- Application of the circle of progress model. Generation of wealth and stability in the area of action, with effects that benefit not only the locality, but also the company or companies that are operating in the region.

Corporate voluntary work

In 2009, SOS Group deployed the program of voluntary work that had been begun the previous year. The program was carried out using the experience of FUNDAR Valencia and of its international partner ENGAGE.

The general aim was to promote a socio-cultural activity among the employees of the plant at Algemés (Valencia), with the collaboration of students at educational centers.

The project was composed of four stages, namely:

1. Motivation: Offering the personnel of the plant the chance to train and receive information about voluntary work and its scope.
2. Involvement: Building working teams and training their members.
3. Action: Starting up - execution.
Days of work in two places: the educational centers and the factories.
4. Evaluation : Analysis and the drawing of common conclusions.

Progression of the Stages:

1. Motivation

Specific objectives:

- To offer to the personnel at Algemésí the chance to train and receive information about voluntary work and its scope.
- To decide on the definitive group of participants.

Activities carried out:

- Notice of meeting: By means of a first communication giving a general outline of the project, and calling a meeting at which more details would be provided.
- Informative meeting: In which details would be given about the project in general, the involvement of the public administration, the networking with other companies, the centers which could be visited, and functional aspects.

2. Involvement

Specific objectives:

- To train those involved, deduce their interests and listen to proposals. The training includes not only introductory talks, but also on-line courses given by Fundar.
- To organize the working teams

Activities carried out:

- Training of the volunteers. The training includes not only introductory talks, but also on-line courses given by Fundar.

3. Action

Specific objectives:

- Start-up
- Development and execution

Activities carried out:

- Organization: Includes selection of the colleges, preparing the days of work and the visits.
- Completion of working days: They are divided into two groups:
 - o Those in the educational centre
 - o Those in the factory

4. Evaluation

Specific Objectives:

- To assess the efficiency of the activity
- To find areas for improvement in future programmes

Activities carried out:

- Analysis of the students' work;
- The drawing of common conclusions – Final evaluation, at which the management must be present.

The first two stages were completed in 2008, while the third and fourth took place in 2009. Three volunteers from the Algemésí factory took part in the program, giving professional orientation to young people through talks.

Program of nutritional aid

SOS Group has a consolidated program for the donating and distribution of food aid. In the last five years it has donated products to the value of more than 800,000 Euros.

A system has been set up to assure not only the transparency of the procedure, but also the pre-qualification of the receiving organizations and their follow-up.

Of note is that in the past year, to add to the internal screenings involved in the donating procedure, other control mechanisms have been introduced to ensure that the donations reach those for whom they are intended. In this context, the Department of Corporate Responsibility of SOS Group has recourse to consultations with bodies which accredit and keep watch over the behaviour of non-profit-making organizations.

In 2009, more than 400,000 Euros was handed over in cash. Much aid was given to African communities, such as that donated to the Foundation for the Promotion and Development of Bangassou, and that granted to the NGO Aid Association for Professional Schools in Africa.

One may also highlight the active collaboration with food banks, especially those of Madrid, Reus and Córdoba, which act as collectors and distributors of victuals.

In 2009 there were no exceptional contributions in response to emergencies. The co-operation agreement with the Emergency System of the Spanish Red Cross is continuing.

Dissemination and communication

Educational projects

SOS Group continues to support the University of the Canary Isles, using its company ACEICA, through which it co-operates in the scholarship program Innova, offered by that centre.

On the subject of collaboration with universities, in addition to financial contributions to educational centers, basic concepts of Corporate Responsibility were introduced.

The aim is to familiarize citizens with these principles. To that end, the Director of Corporate Responsibility took part in the 'Social Responsibility in Companies' days organized by Forética together with the students' association AIESEC and the University of Seville. His presentation dealt with 'Models of Corporate Responsibility Management' and their practical application in SOS Group.

Collaborations

For another year, SOS Group collaborated with the reviews of special employment centres. Through its advertisements, SOS Group provided sources of income to maintain these communication media. Examples are *Revista Accesible* (Famma), and *Revista En Marcha* (Cocemfe).