

Environmental and Social Data Sheet

Overview

Project Name:	PURATOS RDI PROGRAMME
Project Number:	2019 0110
Country:	Belgium
Project Description:	The project will finance Puratos' research, development and innovation (RDI) programme in food ingredients and innovative products for capital expenditure in 2019-2021, mainly carried out in Belgium.
EIA required:	no
Project included in Carbon Footprint Exercise ¹ :	no

Environmental and Social Assessment

The project will finance Puratos' research, development and innovation (RDI) programme in food ingredients – including the development of functional fermentation, non-GMO enzymes and process technologies - that will be carried out in existing facilities, already authorised. The project foresees some CAPEX investments strictly aimed at RDI equipment rather than construction works. It is therefore not expected that the investment would require an EIA according to Directive 2011/92/EC, as amended by Directive 2014/52/EU, and related national laws.

The RDI program includes research activities for innovative resource efficient products that, if successful, would potentially lead to reduction in food waste as well as energy and water consumption. The Promoter is ISO 14001 (Environment) certified and is regularly inspected for compliance with the relevant environmental and health authorities².

Puratos recently updated its Ethical Trade Charter in order to develop sustainable and ethical value chains. Suppliers are asked to sign this charter or to share theirs with Puratos. Puratos strives to have the same level of ethical requirements maintained throughout its supply and production chains, and the company makes sure these are constantly improved upon. Puratos and its suppliers commit in particular to:

- Providing good working conditions (contracts, health and safety, equal opportunities);
- Opposing slavery, all forms of forced labour and all other forms of abuse and exploitation;

¹ Only projects that meet the scope of the Carbon Footprint Exercise, as defined in the EIB Carbon Footprint Methodologies, are included, provided estimated emissions exceed the methodology thresholds: 20,000 tonnes CO₂e/year absolute (gross) or 20,000 tonnes CO₂e/year relative (net) – both increases and savings.

² The company is also certified ISO 9001 (Quality Management Systems), IFS (International Featured Standards), BRC (British Retail Consortium), and OHSAS (Occupational Health and Safety).

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- Maintaining an open dialogue with the local authorities, in particular those in charge of environmental conservation.

Puratos is implementing its Local Fruit Sourcing Programme, covering different aspects such as good social, economic and environmental practices, as well as quality and traceability practices. The promoter is actively selecting and accompanying fruit farmers that want to affiliate with this programme. The contracts are signed directly with the producers or with the processors for the fruits needing a pre-processing step. New supply chains have been put in place in Mexico, with close collaboration with local strawberry and pineapple producers. In addition to the social commitment, this activity improves the quality of the raw materials used.

Furthermore, with the aim of mitigating its supply chain risks, the Promoter has subscribed to a series of specific sustainability certification schemes:

- since 2010, Puratos is a member of the Roundtable for Sustainable Palm Oil (RSPO), which is the most broadly recognised palm oil certification system);
- in 2012 Puratos became a founding member of the Belgian Alliance for Sustainable Palm Oil (BASP)³;
- in 2018, Puratos became a member of Beyond Chocolate⁴, a partnership sponsored by the Belgium Government that aims for sustainable Belgian chocolate.

Other Environmental and Social Aspects

Clear performance indicators for energy efficiency, water savings and waste reduction are set and periodically monitored by the Promoter. Long-term objectives include being carbon neutral on direct operations (2025) and having a balanced and sustainable water management by reducing water consumption and improving the quality of water discharge (2030).

The promoter has put in place in its major supply countries Cacao-Trace™, a sustainable cocoa supply programme that helps farmers to obtain the highest possible income and to manage their plantations with greater autonomy. Puratos provides training to farmers in best farming practices and shares a quality premium of Euro 0.10 for every kg of Cacao-Trace™ chocolate sold. The Cacao-Trace™ programme is independently audited and certified by Bureau Veritas.

Long-term objectives for responsible sourcing are complemented with measures to favour raw materials, packaging, equipment and services that are environmentally friendly, benefit society, and give value for money over their lifecycle; and to favour suppliers who share Puratos vision of sustainability and who work towards maintaining a more sustainable supply chain.

Conclusions and Recommendations

Overall, the project can be classified as acceptable with positive or no residual impact, and with potential health and social benefits for the society. It is therefore considered acceptable for EIB financing in environmental and social terms.

Disbursement condition

None

³ <https://www.befair.be/en/content/belgian-alliance-sustainable-palm-oil>

⁴ https://diplomatie.belgium.be/en/newsroom/news/2018/beyond_chocolate



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Undertakings

The Promoter shall inform the Bank about any change/modification/extension of the project that could trigger an EIA-IED permitting process, following EIA directive 2014/52/EU, amending 2011/92/EU and IED directive 2010/75/EU and submit the relevant assessment reports to the Bank.

PJ/SQM/ECSO 01.02.2019