

# A M E R O P A

## SUSTAINABILITY HIGHLIGHTS 2012-2015

CONTENTS

About this highlights report	3
About us	8
Values, Main Sustainability Goals and Integration of Sustainability	12
Entrepreneurship	14
Integrity	16
Family	18
Azomures	24
Looking ahead - 2016	30

ABOUT THIS HIGHLIGHTS REPORT

This is the first highlights extract of our first sustainability report which covers exclusively the activity of the Ameropa Group companies in Romania, providing a comprehensive overview for the period 2012 to 2015.

The scope of this report provides a voluntary overview regarding the non-financial information of Ameropa Romania as well as the management of the companies, board members and financial institutions as required by Directive 2014/95/EU of the European Parliament and of the Council of 22 October 2014 amending Directive 2013/34/EU as it pertains to the disclosure of non-financial and diversity information by certain large undertakings and groups.

In order to ensure the accuracy of the information, only specialists and members of our management teams were involved in the drafting process of this first sustainability exercise in Romania.

The core level structure of the Global Reporting Initiative (GRI) G4 sustainability reporting guidelines was used for issuing this report.

Our core values as well as the United Nations Global Compact 10 principles form the basis for our Code of Conduct, which applies to all of the Ameropa Group companies and its employees. Corporate policies are applied equally to all Ameropa entities and they are approved by the Group’s Board of Directors. Our Corporate policies target common challenges and goals such as Risk Management and Compliance Standards. Other Corporate policies target specific concerns of individual entities, such as Health issues, Safety concerns, and Environmental measures in production activities, or transportation functions in logistic activities. The board of directors of the concerned Ameropa entity are responsible for approving the aforementioned policies.

By providing an overview of our activities in Romania, this report defines our main sustainability goals (materiality assessment). Moreover, this report further describes each goal in detail as well as our level of performance as it relates to these goals. Special emphasis is given to the fertilizer production activity due to its considerably higher exposure to safety concerns and environmental issues.

Our aim is to track our performance by publishing an updated annual report covering the previous calendar year, enabling us to measure our performance metric. The full report will be published on our website for the first time in 2018 for calendar year 2017, in accordance with EU legislation.

We hereafter summarize the highlights of our findings.

OUR VALUES

Like all companies of the Ameropa Group, we adhere to the principles of the United Nations Global Compact (UNCG). In Romania, we are furthermore required to follow the legal provisions of the European Union Directive 2014/95/EU.

The following set of values reflect who we are and how we behave. They guide us in our daily behavior towards our colleagues, customers, suppliers, and other stakeholders.

ENTREPRENEURSHIP

We challenge ourselves to be entrepreneurs. We cultivate an open and rewarding environment where people are empowered to take decisions and build their own future. We provide highly professional services that differentiate us and make a positive contribution to our partners and customers.

INTEGRITY

We are dedicated to honoring our contracts and commitments at all times. We pride ourselves on being a reliable partner with a long-term view. We respect and carefully balance the economic, ecological, social and ethical needs of our stakeholders inside and outside of the company.

FAMILY

We are a family-owned business that values personal relationships and generational continuity. We respect traditions while being open to new ideas. We encourage our employees to think creatively, have fun on the job and use their talents to make a difference.







## ABOUT US

Founded in Switzerland in 1948, Ameropa is a privately owned, international agri-business with worldwide activities ranging from production, logistics, marketing, and distribution. We are part of the agricultural supply chain whose task it is to feed the world. As a general strategic approach, we emphasize long-term sustainable business over short-term quick profit schemes. Under this strategic approach, we decided to expand our business model by investing heavily in Romania since 2008.

The Ameropa Group has three<sup>1</sup> independent companies located in Romania: Fertilizer plant Azomures S.A., Ameropa Grains S.A. – originating grains and distributing fertilizers, and Chimpex S.A. – handling import/export of grains, fertilizers, and raw materials for fertilizer production.

In the following report the term “Ameropa Romania” is used as an amalgamation of three separate companies with common legal ownership only. It is an abstract term created to define the scope of our business in Romania and it does not have a legal background.

Ameropa Romania employs about 1'700 people (weighted average 2015) in our areas of operation, promoting the local labor force while striving to achieve the highest degree of professionalism and performance.

Overall, Ameropa Romania is a leading fertilizer producer with an annual production of 1.34 million tons. 360'000 sq.m of port operating area and 10 operational berths with a total quay length of 2.26 km at the Black Sea makes us a key port operator.

In addition, we sell over 200 000 tons of fertilizers per year and over 2 000 000 tons of grains, making us one of the largest integrators in Romania.

---

<sup>1</sup> Given the nature of the businesses a separate company called Ameropa Romania Services S.R.L. was set up in Bucharest to provide services to the three Romanian companies. Its relevance on sustainability matters is not considered significant and is hence excluded from the scope of the present report.







## VALUES, MAIN SUSTAINABILITY GOALS AND INTEGRATION OF SUSTAINABILITY

Like all companies of the Ameropa Group, we adhere to the principles of the United Nations Global Compact (UNCG). In Romania, we are furthermore required to follow the legal provisions of the European Union Directive 2014/95/EU.

We have grouped our sustainability goals around our three core values as follows and report additionally about the specific challenges of our production activity in Azomures.

**Entrepreneurship:** As a family company for generations, we want to assure the long-term viability of the company by fostering entrepreneurship, creativity, and development. We constantly need to reinvent ourselves to stay competitive. Adapting our business model is a key challenge to ensure business continuity, and contributing to making modern agriculture more sustainable is one of our challenges.

**Integrity:** The quality of our products and services has always been the basis of our reputation and a large part of our business model. Our goal is to have no claims for the quality of our products and no disputes over the quality of our services. The same standard applies to compliance, health and safety, and transparency in the public defense of our interests.

**Family:** We wish to be an exemplary employer and have a motivated, informed and responsible staff. Maintaining a flat hierarchy and an entrepreneurial culture, promoting talent and promoting from within, being actively involved in the life of the communities around us and allowing for a degree of fun and satisfaction on the job is important to us.

**Azomures:** As a large chemical factory, Azomures poses additional challenges for the health, safety and environment of its employees, community and customers, about which we report in more detail. As on all our sites, our goal is to have 0 accidents and 100% compliance with all emission limits.





### BUSINESS DEVELOPMENT

All three companies have undergone a profound transformation in the last years.

**Azomures** has completely changed the focus of its sales and marketing efforts to the domestic market rather than the export markets. Where the majority of its production was exported in the past, it is now sold in Romania. This has required us to expand our cooperation with our distributors, increasing the number of warehouses where our products are available, developing new products adapted to the needs of the Romanian agriculture and increasing our marketing activities with the Romanian farmers. At the same time, as we will show later in this report, our production facilities have undergone a vast upgrading leading to a greatly improved quality of our products and cleaner and more efficient production processes.

**Ameropa Grains**, formerly only active in the Constanta region, has expanded its footprint throughout the main grain production areas of Romania. It has built up its input sales (fertilizers, seeds and plant protection chemicals) from scratch, and it has greatly increased the financing it provides to the Romanian farmers.

**Chimpex** has made numerous investments to increase its capacity and improve the quality and safety of its services. The new grain terminal under construction will radically change its way of operating in terms of capacity, speed and logistics.

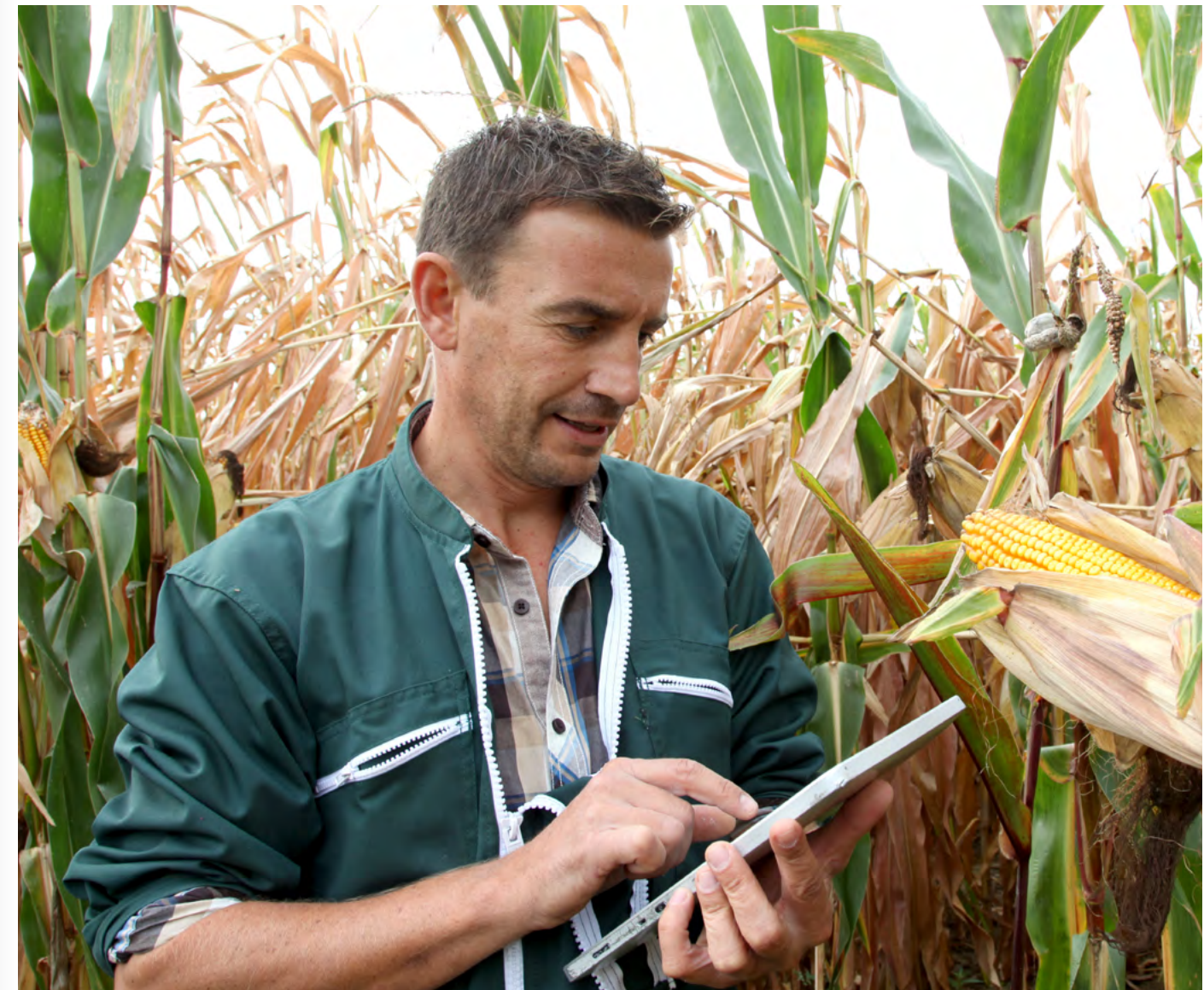
### RESEARCH AND PRODUCT DEVELOPMENT AT AZOMURES

Modern agriculture has achieved the huge challenge of feeding an evergrowing world population despite adverse circumstances such as urbanization, water shortage, and climate change. It must continue to do so as food demand is set to increase by another 60% up to 2050. At the same time, it must master the sustainability challenge and watch soil erosion, water consumption and CO<sub>2</sub> emissions. In our field of activity, we want to contribute to making modern agriculture sustainable by optimizing our own footprint, by promoting responsible fertilization, and by combating waste in the grain supply chain.

Since 2012, following the change of its focus to the domestic market, Azomures has started to build up a Research and Development department. We have developed new products suitable to the Romanian conditions and tested them in field trials made together with Romanian farmers. In 2015 we have met more than 3'000 farmers during such activities. The partnership with the University of Agricultural Sciences and Veterinary Medicine of Cluj serves the same purpose.

We have also started to promote the '4R' Nutrient Stewardship initiative which consists in advising our customers, based on the latest scientific know-how, about the right product, at the right rate, in the right place and at the right time for their fertilizer needs in order to improve their agricultural performance in an economically, socially, and environmentally sustainable way.

In all our activities, we aim at being a trustworthy partner for the Romanian farmers as well as for the distribution and transportation partners we work with.





## INTEGRITY

### CODE OF CONDUCT

We are an agribusiness spread in about 30 countries on 5 continents, and the business environment in which Ameropa operates has become increasingly complex and the same applies to national laws. Corporate compliance however is not limited to our responsibility to adhere to the laws and regulations of the countries in which we operate.

We have therefore implemented a formal Corporate Compliance Program which consists of our Code of Conduct available on our global website. The main task of our General Counsel and Compliance Officer who is also in charge of Corporate Policies and Corporate Compliance, is to assist our organizations in safeguarding our values.

The internal Ameropa policies provide the guideline for the conduct of our business and are updated regularly.

Our policies expand on various topics, including Know Your Customer Procedures, Credit and Risk Management Procedures, Insurance Matters, Treasury Matters, Expenses, Travel and IT, just to name a few.

Every employee, regardless of business or location, is responsible for maintaining personal compliance. Managers have the added responsibility of maintaining compliance within their areas of influence. Business units must conduct their daily business activities in such a way as to minimize risks in compliance-related areas.

The Group Code of Conduct applies to all Ameropa employees worldwide. In addition, each Group company sets up his own procedures to assure that the conduct is assimilated by the staff.



### QUALITY, HEALTH, SAFETY AND ENVIRONMENT

**Chimpex** has implemented, maintains, and continuously improves a certified integrated management system based on these four standards:

- + ISO 9001 (quality) certification with SGS UK Ltd.
- + ISO 14001 (environment) certification with SGS UK Ltd.
- + ISO 18001 (health and safety) certification with SGS UK Ltd.
- + ISO 22000 (food safety) certification with SGS UK Ltd.

Our primary goal is to provide our customers with the best possible service through an experienced and qualified team for loading/unloading ships. Warehousing is a complementary activity to that of cargo handling. All our warehouses are in very good condition, as we consider it our obligation to take the utmost care of our clients' commodities while stored with us.

We invest in the best equipment to reduce product losses during manipulation, hence preventing environmental incidents. Thanks to these measures we received only one fine between 2012 and 2015: During the 2013 inspection by the National Environment Guard Constanta it was found that not all necessary measures requested during the 2012 inspection had been fulfilled.

In 2015 Chimpex established a Quality, Health, Safety and Environment (QHSE) Department. Based on the Safety Culture Assessment carried through by an external Consultant a series of objectives and targets have been set in 2015 to be developed and implemented as of 2016. Among the steps undertaken to reach these targets are the Revision of the Integrated Management System Procedures and the elaboration of the Safety Guide and Cardinal Rules; Rules of access and circulation for trucks; New Safety Convention for contractors; Internal Training for Managers about safety culture and safety audit.

The accidents registered at Chimpex are reported immediately to the responsible national authority (ITM). The registered accidents were minor and the people involved resumed their activity after closing of the investigation. Most accidents were caused by unsafe behaviors and actions or weather conditions especially wind, and not through equipment and/or unsafe conditions.

**Ameropa Grains** main challenge is to ensure food safety. To achieve this, Ameropa Grains has obtained the following certifications:

- + Certification GMP+B3: Trade, Collection, Storage and Transshipment with SGS Netherlands B.V.
- + Certification GMP+ B4: Transport of the GMP+ FC + Scheme (based on GMP+C6) of GMP+International with SGS Netherlands B.V.
- + Certificate ISCC EU: International Sustainability and Carbon Certification approved by the European Commission under the European Energy Directive (RED) with PCU Deutschland GmbH.

Another challenge is to comply with all national and European requirements regarding transportation. All our merchandise is accompanied by a CMR letter according to the Convention on the Contract for the International Carriage of Goods by road (CMR). We transport inflammable goods e.g. ammonium nitrate using only professional drivers that are holding an ADR Permit and an ADR kit for each vehicle as required by the law. The ADR license is the European Agreement concerning the International Carriage of Dangerous Goods by Road (ADR). Therefore, between 2012 and 2015 only one deviation from the environment rules has been recorded. We had introduced the use of 500 kg big bags for fertilizer transportation but had failed to inform the responsible authority.



## FAMILY

### LOCAL EMPLOYMENT

We employ people from the communities where we operate. We believe nobody understands Romania's customs and markets better than the local people. This translates into an important economic contribution to the communities where we do business.

### DIVERSITY

Diversity is an important factor in the workplace, showing tolerance and equal opportunity. Our staff is composed of mainly Romanian citizens but also some belonging to other ethnic communities like e.g. Hungarian, Roma, Turkish.

We do not reject employment opportunities because of race, nationality, religion, gender, age, sexual orientation, disability, political or any other opinion or conviction. Our criteria for hiring are based solely on a person's ability, motivation and experience for specific tasks within our organization.

### TRAINING, TALENT MANAGEMENT AND SUCCESSION PLANNING

We believe constant investments should be done in developing and training our staff to assure the human resources for tomorrow's needs. Our trainee programs are aligned to the market and business demands and are an important part of developing future talent.

In our fertilizer plant Azomures 50 young people have since 2012 started their career through the Program "Graduate Trainee". Within Ameropa Grains a number of 17 trainees were part of the internship program and during 2013-2015 they have successfully finalized the program. Almost all trainees within both companies have decided to stay after graduating.

The programs are dedicated to both high school and bachelor graduates in the technical field, future specialists. Their aim is to contribute to the development plans of the Ameropa Group in Romania. These youngsters are guided by experienced staff to ensure the best possible training and integration.





## OUR INVOLVEMENT IN THE LOCAL COMMUNITIES

All our companies, Ameropa Grains, Azomures and Chimpex are supporting social programs in the communities where they are located or where they do business. Their involvement is directly proportional to their size and number of people in the community.

The activities in which we are involved varies as does the nature of our involvement; supporting activities involving children and students, to collaboration with educational institutions, organizing sports competitions, craft activities, contributions to the local medical system.

We keep an up to date and detailed list of activities on the Azomures website under the section “Social Involvement” and on social media (Facebook). We will in the near future develop dedicated website sections for Ameropa Grains and Chimpex as well.





## AMEROPA FOUNDATION IN ROMANIA

In December 2001, Ameropa formalized its philanthropic activities and founded The Ameropa Foundation. The Foundation supports humanitarian, educational, and agricultural projects. All projects are structured and managed by the Foundation directly, but implemented by local employees or local partners.

The Foundation engages in a long-standing commitment with its partners. We do not believe that a real change can happen quickly, on the contrary, our commitment to projects and individuals is based on a long-term strategy and nature.

We respect the local customs and ethical values and work alongside them. All job appointments go to local people and all foundation funds must be spent towards the projects, instead of overheads. As an important industry benchmark, we are pleased to say that 100% of the Foundation's funds go towards projects as all overheads are assumed by the group.

In 2013 the Foundation co-financed the construction of a kindergarten in Rosia, Sibiu County which is mainly attended by Roma children, approximately 30 per year.

In 2015 we decided to give financial aid to 4 Roma students who have graduated with excellence the local school to be able to attend a higher education in the town of Sibiu. The aid covers the cost of transportation, school supplies, lunch meals, and clothing.



In the same year we also decided to support another project in Rosia which consists in the establishment of a vocational school to train young men in the fields of metal-working, therefore we co-financed the construction of a workshop. One teacher was employed as an assistant to this project; the trainings are planned to start in 2016. Programs for women are under development.

The main goal of our projects in Rosia, is to help Roma children and adolescents to become an equal and accepted part of the community. The Roma community is the main minority in Rosia and represents more than 10% out of the local population.

For 2016 we are planning to offer summer school courses in cooperation with the Waldorf School „Hans Spalinger“ where approximately 140 students attend the local school curriculum, meant to bridge the long summer break. The summer school will offer various courses such as felting, painting, music, dynamic games, and also offer cooking classes for students and mothers to promote a healthier nutrition.

More about the Ameropa Foundation can be found online at The Ameropa Foundation <http://www.ameropa-foundation.com/en/ameropa>.





At our fertilizer plant Azomures the following certifications are in place:

- + Standard ISO 9001:2008 certification with TÜV Nord
- + Standard ISO 14001:2005 certification with TÜV Nord
- + Standard ISO 17025 certification for laboratories by RENAR
- + Standard Product Stewardship Certificate by Det Norske Veritas
- + Certified producer with the European Chemicals Agency under the REACH Regulation (Registration, Evaluation, Authorization and Restriction of Chemicals).

In addition to these Certifications we have at our own initiative implemented further procedures. We have developed Practical Guides dedicated to employees and contractors stipulating internal safety rules, Practical Guides for our customers like e.g. Farmers Guide but also encouraged mobile application development e.g. fertilizer spreading “Fertassist”.

## HEALTH AND SAFETY

Our target is to reach zero accidents and we are committed to continuously improve our preventive processes in order to reach this goal. As a result, the number of accidents registered on our production platform has decreased in 2015 if one considers the total number of working hours. Accidents are measured in the Lost Time Injury Rate (LTIR).

In 2015 the LTIR in Azomures was 3.11, representing 8 injuries. We have not had any fatalities since acquiring the plant in 2012. We give safety instructions or training to about 2'000 people per month. These are mostly employees, but also contractors, students, and visitors. We are devoting an average of 20h/year/employee on safety trainings.

We continuously work to improve our safety record and prevention measures for employees and contractors alike. For this purpose, we have in 2014 introduced an IT tool meant to measure the incidents avoided, also known as “near miss” ones. In 2015 a number of 37 “near miss” were registered.

Azomures has a close contact with responsible authorities and, when the situation requires, press releases are issued on the company website voluntary.



## MANAGEMENT OF EMERGENCY SITUATIONS

Emergency situations are strictly managed according to national legislation.

The prevention, intervention, limitation, and elimination of emergency situations can be found in the following documents of Azomures, which are permanently updated and/or revised:

- + Security Report
- + Internal Emergency Plan
- + Information which must be released to the public regarding security measures in operation and behavior in case of accident
- + Notification of activities presenting hazard of major accidents involving hazardous substances
- + Plan for prevention and control of accidental pollution at potentially pollutant water sources
- + Environmental procedure during emergency situations
- + Measure program regarding the operation of Azomures in periods with persistent fog
- + A program for restricted water supplies in case of draught.

Among some of the most important changes which took place during the period from 2012 to 2015, we would like to mention:

- + the installation of 4 electronical sirens to alert the local population in emergency cases
- + the replacement of all the detection and alarm systems in cases of fire
- + strict control of validity date of all extinguishers.

Management of emergency situations is set by a series of plans, procedures, and work instructions listed above. There are emergency places and procedures in place. Those for the public can be found on the company website and those for the staff on the Azomures intranet. We organize trainings for the staff on these safety procedures.

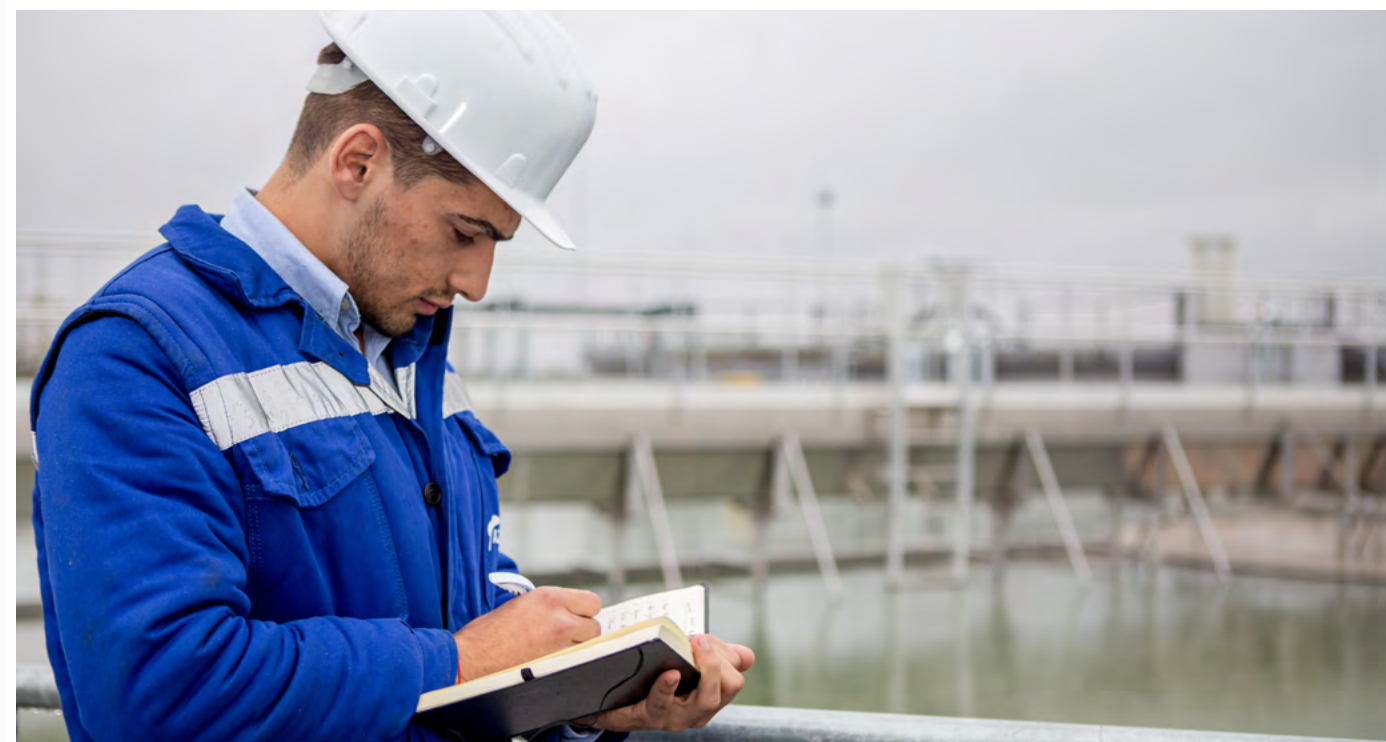
The purpose is not to just know how to act in case of an emergency but to also change the attitude towards safety to prevent incidents. We accept no compromise when it comes to prevention measures and behavior.

## MANAGEMENT OF HAZARDOUS CHEMICAL SUBSTANCES AND MIXTURES (REACH)

Hazardous and non-hazardous substances and mixtures are managed according to the applicable legislation. Azomures is one of the founding members of the Consortium FARM (Fertilizers and Related Materials), established in 2008. FARM originally comprised 16 chemical fertilizer producers in the EU. Today there are more than 50 member companies, including non-EU companies, as well as companies who would want to sell products into the EU.

According to EC Regulation 1907/2006 regarding the registration, evaluation, authorization, and restriction of chemical substances (REACH), Azomures in 2010 registered all chemicals, substances or mixtures, produced or imported from non-EU countries, in quantities > 1 tone/year, at the European Chemicals Agency (ECHA) Helsinki. The company invested approximately EUR 500'000 for this activity. The electronic dossiers are updated on a regular basis with new information on the chemicals.

As per European legislation Azomures has issued Safety Data Sheets (SDS) for all of its own products. The chemicals supplied to Azomures all come with SDS from the producers. All Safety Data Sheets are updated on a regular basis.





## PRODUCT STEWARDSHIP PROGRAM

Azomures is one of 15 European fertilizer producers qualified to the Fertilizers Europe's Product Stewardship Program.

After several major accidents in the fertilizer industry in Europe in 2001 and 2002, the European manufacturers decided to develop a Product Stewardship Program. The program is a framework for all safety, health, environment activities, including security issues, associated with the production, storage, distribution, and use of fertilizers. The consistent implementation of the Program is significantly reducing the risk of serious incidents with fertilizers and improves the perception of the industry as a safe and reliable industry sector.

The most recent audit certification was conducted in 2014 by Det Norske Veritas (third party audit company). Azomures scored 93%. The next audit is scheduled for May 2017.

This program is part of our responsibility to the community which hosts us and most importantly contributes to the smooth running of the production process. More information can be found at <http://www.productstewardship.eu/>.

The company's top management is committed, through its authority and personal example, to ensure the necessary resources for the documentation, implementation, maintenance and improvement of the Integrated Quality-Environment Management System and of the Product Stewardship System.

## PRODUCT SAFETY AND QUALITY ASSURANCE

During the production process, we fulfil the European requirements of the EU Regulation 2003/2003 which requires manufacturers and distributors of fertilizer products to ensure compliance with certain technical requirements of composition, type of fertilizer identification module (marking and labeling), packaging etc.

We have our own laboratories and specialized staff that perform tests, on a continuous basis and in line with ISO 9001 Standard Procedure. Testing is done along the whole production process starting with the raw material, and ending with the final product.

In 2014 the quality department started a renewing process which is still ongoing. The result of this renewing process was the development of an IT Tool "Online Register for Analysis" that keeps a strict and real time track of all analyses and results. The aim was to eliminate paper registers and to provide real time analyses results to the production units.

If attention in the past was given rather to the final product and hence to the central laboratory, today it is extended to the production stages as well. As of 2016 new investments in laboratory equipment will take place.

Quality issues are avoided by standardized quality procedures and are incorporated into every contract. Our production, marketing, and execution divisions keep all records in case of a customer complaint.

## ENVIRONMENT

### Upgrading and receiving the Integrated Environmental Permit

After the acquisition of the fertilizer plant Azomures, the process of renewing parts of it in order to meet critical EU emission levels was initiated. The company benefited from a transitional period for compliance with legal environmental requirements until 31 December 2015, approved by the Treaty of Accession of Romania to the European Union.

Between 2012 and 2015, we have made investments totaling 240 million Euros resulting in a decrease of emissions in the environment, the increase of production capacity, and also an improved quality of the final product. In November 2015, Azomures celebrated the completion of the most extensive modernization process in its recent history by a special event organized in Targu Mures.

### Integrated Environmental Permit and Environmental Compliance

An Action Plan was annexed and preceded the issuance of the integrated environment permit (IEP) for compliance with environmental laws after 1 January 2016. The action plan contained a number of 8 investments; 3 in water and 5 in air aspects.

A revamping plan accompanied the previous environmental authorization and consisted of 3 investments in the upgrading of the Ammonia III, Ammonia IV and Urea installations.

The deadline for the completion of all measures was 31 December 2015.

We have assumed the following proposal for modernization:

#### Measure 1

To reduce consumption of methane in Ammonia 3 and 4 and to upgrade the installations.

#### Measure 2

To increase production and to reduce consumption of steam in Urea installation (wet phase).

#### Measure 3

To improve the quality of the finished product for Urea; upgrading Urea installations (solid phase).

The timely completion of our obligations under the action plan and program to phase Annex authorizations for water management, was controlled strictly by representatives of APM Mures, NEG-CJ Mures GNM Bucharest, ABA Mures by on-site inspections and verifications which took place from January to Dec. 2015. Documents drawn up by the supervisory authorities found that the activity in Azomures corresponds to the requirements of both Romanian and European legislation regarding environmental protection and prevention of pollution.

Among these, the Ammonia III and Urea (wet and solid) installations were upgraded. The Ammonia IV installation shall be upgraded in 2016.

The three consequences of our investments are: **economic** (we have increased our business performance), **environmental** (reduced the pollution and costs associated to production processes) and **social** (we have provided good jobs to local community and we are a net contributor to the local budget).





## Environmental management

We have a dedicated Department in Azomures devoted full-time to identify and mitigate environmental concerns.

In 2013, Azomures decided to maintain the integrated quality-environment management system, in order to improve it continuously according to the requirements of quality standards SR EN ISO 9001:2008 and environmental standards EN ISO 14001:2004.

The company's top management is committed, through its authority and personal example, to ensure the necessary resources for the documentation, implementation, maintenance and improvement of the Integrated Quality-Environment Management System and of the Product Stewardship System.

## Environmental Incidents, Air Fines and Water Penalties

In the period from 2012-2015, no environmental incidents leading to significant accidental pollutant emissions, major accidents or interference with the functioning of the decontamination equipment occurred. We reduced the number of environment related incidents

## Waste water

Every year a water management permit is issued by the Romanian Water Authorities. In 2015 the maximum pollution indicator levels were reduced compared to previous years thus also leading to an increase in the number of water penalties received.

Due to continuous efforts, we were able to reduce the number of air fines and water penalties received since 2012. All water penalties resulted from exceeding certain limits for trace elements in the water. Azomures has to test its waste water for 24 trace elements and safety levels.

The waste water problem from the factory was a legacy issue, and it was tackled by the commissioning of a new Waste Water Treatment Plant to be completed in 2016. This is a direct investment for Azomures and indirectly also for the community as a whole.

The quality of groundwater is monitored through quarterly and annual tests for the determination of pollutant concentrations from the active control drillings.



## Air Emissions and Ambient Air Quality

When we took over Azomures in 2012, there were 50 fixed sources of air emissions. With the investments undertaken since then, the number of fixed sources has decreased to 30.

The concentrations of the main pollutants discharged into the atmosphere were reduced, as well as the emitted quantities.

CO<sub>2</sub> emissions (greenhouse gas) in the atmosphere are calculated by Azomures and are validated on a yearly basis by a certified organization. Since 2013, the annual calculations of greenhouse gas emissions also consider the nitrous oxide emissions resulted from the nitric acid plants, measured continuously with automated analyzers.

As required by law we measure the level of ammonia to assess the ambient air quality with continuous automatic analyzers placed in two points: Mureseni and Cristesti areas. We have noticed a significant decrease of levels since the investments were made.



## Noise

Azomures received two complaints about excessive noise levels in 2012 and 2015. The particular incidents occurred during the annual one-month shutdown, when during a short period of time certain repairs to the installations required exceptional measures. Both occurrences have led to fines from the Authorities.

Currently we are conducting investments to decrease the noise level in the Mureseni area that are currently slightly higher than the tolerance levels. The investment that will significantly reduce the noise level will be finalized in June 2016.



## Energy

Natural gas is the main raw material in the production of ammonia, which in turn is the basis for all nitrogen-based fertilizers. We consume roughly one billion cubic meters of natural gas annually. A third of it is used to create energy for the production process. According to the national gas distribution company, Azomures is one of the top 10 natural gas consumers in Romania.

Natural gas is a non-renewable resource and as the key component of our product and cost structure, we place great emphasis on prudent use.

Our on-going investments into the production process will make Azomures more energy efficient. We are continuously improving our energy-saving and with that our environmental footprint.



## LOOKING AHEAD: YEAR 2016

We believe our people are our most valuable asset. Our first and foremost goal is “zero accidents” in all three companies. To fulfill this target we dedicate time as well as financial resources to develop and apply safety measures and policies adapted to the local needs.

These include:

- + Periodic reviews of our safety procedures and manuals
- + Investments in best quality equipment
- + Introduction and recording of the “near miss” incident rate
- + Focus on employees and contractors to change mentality
- + Development of a new fertilizer product.

Our second goal for 2016 is to achieve significant reduction in CO<sub>2</sub> emissions. This was one of the main drivers behind the revamping program in Azomures. To be able to achieve this we have to successfully overcome the technical start-up problems and to run the production units at full capacity and in the most energy efficient way. The completion of our new waste water treatment plant and of our dedusting units, and of additional noise reduction investments will reduce the amount of other emissions from Azomures.

Our third goal is to promote the safe and sustainable use of fertilizers, based on the ‘4R’-principles: right product, right quality, right time, right place. For this we are developing a program with the University of Agricultural Sciences and Veterinary Medicine of Cluj and various farmers’ associations.

Our next sustainability highlights for the year 2016 will be published on our website. This will allow us, our stakeholders and responsible authorities to assess whether we have achieved our goals.





For further information,  
please contact us at [ro.sustainability@ameropa.com](mailto:ro.sustainability@ameropa.com)  
subject: Ameropa Romania Sustainability Report 2012-2015

©Ameropa 2016

