

Environmental Report

Our progress in 2009



Company

With 300 years of history behind it, Torraspapel is the leading manufacturer and distributor on the Iberian Peninsula of coated woodfree paper and specialty papers such as metallized, carbonless, thermal, cast-coated and self-adhesive papers.

The Company boasts an output capacity of over 1.1 million tons, with 7 mills in Spain and 2,640 employees, in addition to wholly-owned distributors and sales offices serving markets in Spain, Portugal, France, Argentina, the United Kingdom, Germany, Italy, Central and Eastern Europe, the United States, Morocco and Mexico.

Since December of 1999, Torraspapel, along with two other paper companies, Cartiere del Garda (Italy) and Papeteries de Condat (France), has been part of the Lecta Group. Together they make up the second largest coated-paper manufacturing group in Europe, with a total output capacity of over 2 million tons of coated paper, pulp, specialty papers and base paper.

Commitment to Sustainability

Torraspapel demonstrates its firm commitment to protecting the environment through numerous initiatives inspired by the following principles:

- Compliance with environmental regulations and promoting continuous improvement of environmental management.
- Integrating environmental management into the company's policies and decision-making.
- Guaranteeing the efficient use of natural resources such as raw materials, water and energy, in order to contribute to sustainable development.
- Verifying the origin of wood and pulp, promoting sustainable forest management.
- Developing safe, environmentally-friendly products.
- Minimizing the environmental impact of the company's operations.
- Raising internal and external stakeholder awareness.
- Communicating the company's environmental practices transparently and on a regular basis.



Transparency

One of the guiding principles of Torraspapel's environmental policy is transparent and regular communication of the Company's environmental practices.

Since 2005, Torraspapel has published a biannual Environmental Report that documents advances made in the area of sustainability, monitors progress toward established objectives, and sets new goals for the future.

The 2009 Report updates the information provided in the 2008 Environmental Report, tracking progress of key environmental indicators and noteworthy initiatives that, as a responsible company, are a sign of our firm commitment to a sustainable future.

Accomplishments in 2009

Given the economic crisis in 2009, the paper industry, like many others, suffered a dramatic drop in demand that required a series of production stoppages and adjustments and had a negative effect on maximum process yield. This, along with increasingly efficient environmental indicators – the result of a history of investment and ongoing improvement –, made Torraspapel's progress in reducing environmental emissions less significant in 2009 than in previous years.

However, there were many other noteworthy achievements such as securing EMAS certification, the strictest environmental accreditation in Europe, for all its mills in 2009, as well as the significant increase in the purchase of certified pulp, which reached 86%, thereby furthering Torraspapel's commitment to sustainable forest management.

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Environmental Indicators

Sourcing wood

Torraspapel guarantees the sustainable origin of the wood used to manufacture its products and is able to document that it comes exclusively from legal, non-conflictive sources, all certified or controlled. Testimony to this is the PEFC and FSC multi-site chain-of-custody certifications Torraspapel holds all of its operations and product lines.

In 2009, Torraspapel consumed a total of 581,129 m³ of eucalyptus wood from Spain and Portugal to produce pulp at its Zaragoza plant. All of Torraspapel's pulp production is for internal consumption, representing 57% of the cellulose pulp used in its paper manufacturing. The remaining pulp is obtained from external suppliers who must prove that the pulp they provide comes from certified wood sources as well as indicate the type of certificate applicable with the relevant references and provenance of the wood.

Torraspapel significantly increased its purchase of pulp from certified forest plantations, reaching 86% in 2009, thus actively contributing to the forest certification process. The remaining 14% comes from controlled sources accepted by the certifications themselves.

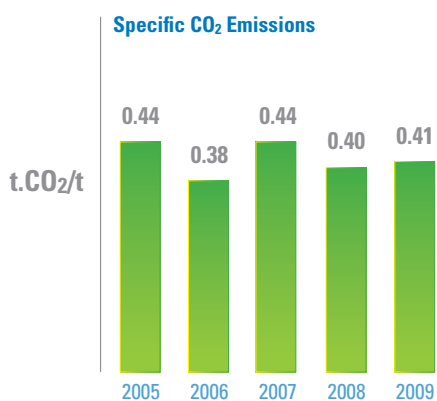


Summary of Environmental Information

2009	Emissions to air	Emissions to water							Waste
Torraspapel paper mills	CO ₂ (t.CO ₂ /t)	Waste water (m ³ /t)	COD (kg/t)	TSS (kg/t)	DBO ₅ (kg/t)	AOX (kg/t)	Nitrogen (kg/t)	Phosphorus (kg/t)	Dry sludge (kg/t)
Sant Joan	0.447	5.49	0.19	0.13	0.02	0.0007	0.0302	0.0011	11.01
Sarrià	0.323	16.31	1.03	0.20	0.09	0.0041	0.0824	0.0052	22.70
Motril	0.377	5.71	0.59	0.05	0.06	0.0027	0.0223	0.0040	11.51
Zaragoza	0.470	24.65	6.29	0.57	1.26	0.0505	0.0570	0.0090	20.51
Almazán	0.139								
Leitza	0.314	1.36	0.14	0.01	0.01		0.0015	0.0001	7.86
Uranga	0.658	22.64	2.11	0.68					18.20
TOTAL	0.412	13.76	2.81	0.29	0.52	0.0210	0.0370	0.0050	15.12

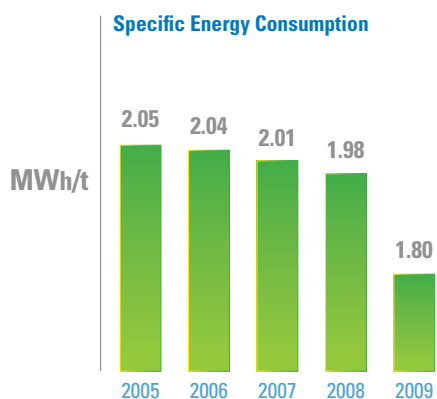
Energy CO₂ Emissions

All Torraspapel's mills monitor CO₂ emissions and work toward improving energy efficiency in order to reduce emissions, in accordance with the Kyoto Protocol. Over the last five years, Torraspapel has reduced CO₂ emissions by 7%.



Energy Consumption

Over the last five years, Torraspapel achieved a 12% reduction in total specific energy consumption – the amount of energy consumed per ton produced. Continuous implementation of energy-saving measures in production processes and increasing reliance on cogeneration have made a significant reduction in energy consumption possible.



Energy efficiency

In line with an environmental policy based on continuous improvement and the efficient use of natural resources, Torraspapel carried out diverse projects designed to increase energy efficiency in 2009.

All of its mills updated their equipment and installations with this goal in mind. Some of the actions implemented in 2009 were:

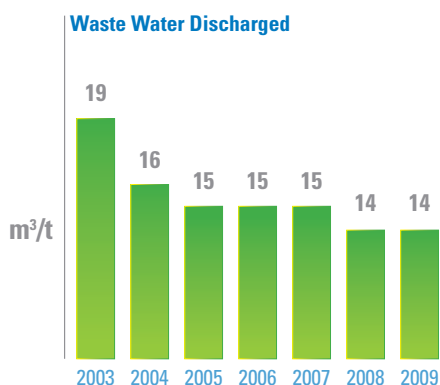
- inspecting and tightening of compressed air leaks
- installing frequency convertors in main motors to adjust electrical consumption to process needs
- updating pulp refining equipment with equipment that consumes less specific energy
- using hot air recovered from the process, instead of injected steam, for paper production
- installing heat exchangers that make use of residual heat from condensed steam to save direct steam

Water

Water usage

The paper and pulp production process requires a large amount of water. However, only 5% of the water gets consumed, while the remaining 95%, after being treated, is returned to the environment.

The implementation of internal measures for avoiding water loss and investment in equipment that permits the use of more recycled water resulted in a 26% reduction in the amount of water required for paper and pulp production between 2003 and 2009.



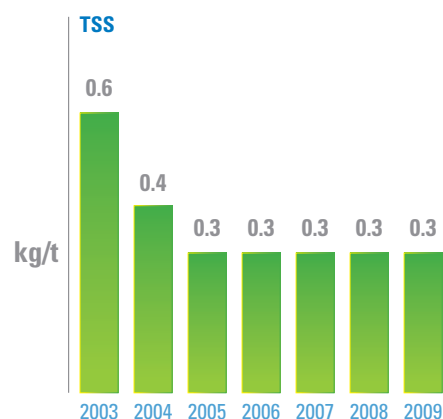
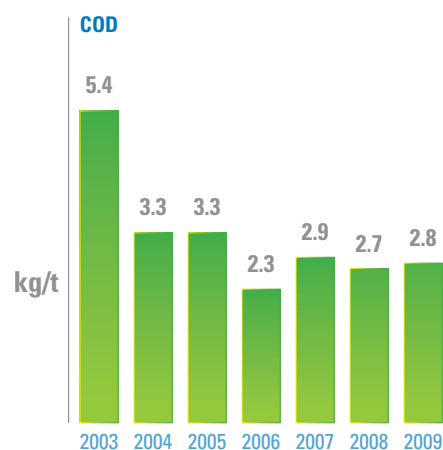
Quality of Effluents

Chemical oxygen demand (COD) values of effluents at Torraspapel's manufacturing sites have decreased significantly in recent years, with an approximately 48% reduction in values for pulp and paper production in the period 2003-2009.

While COD values have fluctuated slightly in the last three years, these variations are not considered significant since they remain below 3 kg/t, or 45% below the sector average.

During the same period, total suspended solids (TSS) discharged by Torraspapel per ton of paper and pulp manufactured was reduced by half.

Since 2001, 100% of the pulp produced by Torraspapel is ECF (Elemental Chlorine Free). Eliminating chlorine gas from pulp bleaching sequences removes dioxins from effluents, substantially improving the quality of discharged water.



Solid waste

Torraspapel, through numerous measures including reducing the amount of waste generated in paper manufacturing, recovering the waste and reintroducing it in production processes, and waste assessment for recycling, has, since 2003, reduced the amount of sludge sent to disposal sites by 29%.

Throughout 2009, market instability as well as restructuring of the Group's production resulted in continuous stoppages, adjustments and tests, having at times a negative effect on the efficiency of production systems and causing an increase in the amount of sludge per ton sold.



Environmental Management Certifications

All of Torraspapel's mills hold ISO 14001 and EMAS environmental certifications.

Since June of 2005, all of Torraspapel's pulp and paper production is certified to ISO 14001 standards. Securing ISO 14001 bears witness to the continuous improvement of production processes, including waste management, energy efficiency, pollution monitoring and prevention, and using the necessary means for ensuring that Torraspapel's operations directly contribute to sustainable development.

Furthermore, before the end of 2009, all of the Group's mills have passed the strict reviews required by the EU's Eco-Management and Auditing Scheme. EMAS is a voluntary system that promotes continuous improvement in the environmental performance of public and private organizations through the implementation of an environmental

management system; systematic, regular and objective evaluation of this system; communicating information to the public and stakeholders; and training with active involvement of employees. This system is based on the ISO 14001 environmental management standard, requiring in addition, an environmental statement verified by an external auditor made available to the public.



Paper Profile

Transparent communication and reducing the environmental impact of its operations are central to the Torraspapel's environmental policy. As proof of this, the Company makes available to its customers a "Paper Profile" statement for its coated and uncoated papers, which includes significant environmental information about its products: product composition, key environmental parameters – emissions to air and water, waste sent to landfill and purchased electricity consumption –, environmental management and wood procurement certifications.

The "Paper Profile" is an international, voluntary environmental product declaration designed to aid the paper buyer in making more responsible choices.



www.torraspapel.com

