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CORPORATE SOCIAL RESPONSIBILITY AND SUSTAINABILITY MODEL



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Corporate social responsibility and sustainability model

Definition of the model

The Ebro Group considers sustainable growth one of the basic pillars of its management strategy, to secure its consolidation as a benchmark business group in its areas of activity and position itself as a global, sound, innovative, responsible enterprise committed to social well-being, environmental balance and economic progress. Accordingly, it has incorporated environmental, social and ethical criteria in its decision-making processes, alongside the typical economic variables.

In this context, the Ebro Group views Corporate Social Responsibility (CSR) as the creation of a sustainable business model, which, as well as contributing value, profitability and competitiveness, contributes towards the progress of society, generates trust among our stakeholders and leads to the creation of shared value for all those who interact with us in our business activities.

The Group has followed a four-stage procedure to define and design this CSR model:

1. Diagnosis of the sustainability measures taken by the different companies in the Group.
2. Detailed analysis of our value chain with a view to identifying the potential risks and impacts, both positive and negative, of our operations. Within this process we have identified three key areas, in which we can make the most valuable contributions to society, as they are inherent in our core business and present throughout the entire chain: (i) nutrition and health, (ii) agricultural development, by promoting and implementing sustainable agricultural practices, and (iii) environmental management.
3. Constant dialogue with our internal and external stakeholders, which has enabled us to identify their main concerns and incorporate their suggestions in the design and implementation of the Group's action plans.

The company's principal stakeholders are:

- Shareholders
- Customers, consumers and distributors
- Employees
- Suppliers
- Society (Administration, NGOs and other institutions)
- Media

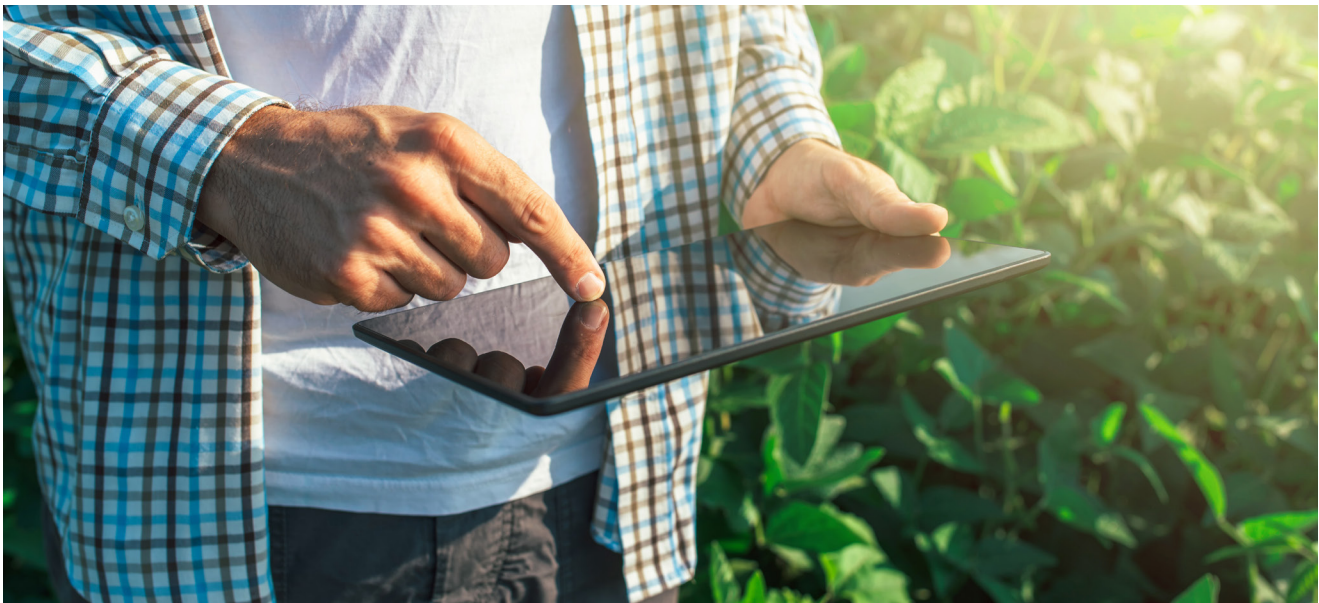
The frequency and form of communication with each group varies according to the company of the Ebro Group and the reason for the consultation or meeting, with at least one a year. Much of this dialogue is conducted directly by the parent company.

STAKEHOLDERS	DIALOGUE CHANNELS
Shareholders	<ul style="list-style-type: none"> → Corporate website → Electronic shareholders' mailbox → Shareholders' office → CNMV regulatory announcements → Investor Relations Department → Meetings with analysts and investors → Roadshows → General Meeting of Shareholders → Quarterly reports → Annual Report → Social media → Press releases → Reporting channel of the Code of Conduct (COC)
Employees	<ul style="list-style-type: none"> → Corporate website and websites of our subsidiaries → Corporate Intranet → Suggestion box → Social media → Mailbox → Digital newsletter → Blogs (corporate and brand) → Mailshots → Department Days → Works Council → HR contacts → Corporate Communications Department → Annual Report → Reporting channel of the COC
Customers, consumers and distributors	<ul style="list-style-type: none"> → Corporate website and websites of our subsidiaries → Customer services department → Electronic mailboxes in each of the Group companies → Parent company mailbox (comunicacion@ebrofoods.es) → Advertising and Marketing → Satisfaction surveys → Regular one-to-one meetings and visits → Social media → Blogs (corporate and brand) → Trade fairs, forums and conferences → Annual Report → Reporting channel of the COC
Suppliers	<ul style="list-style-type: none"> → Corporate website and websites of our subsidiaries → Meetings with the Purchasing Departments of Group companies → Supplier Code of Conduct → Regular visits to suppliers → Surveys → Assessments through Sedex → Annual Report → Social media → Reporting channel of the COC
Society	<ul style="list-style-type: none"> → Corporate website and websites of our subsidiaries → Website of the Ebro Foods Foundation → Social media → Corporate blog → Annual Report → Communications and CSR Department → Press releases → Parent company mailbox (comunicacion@ebrofoods.es) → Meetings with NGOs and social action institutions → Meetings with local authorities → Meetings with resident associations → Reporting channel of the COC

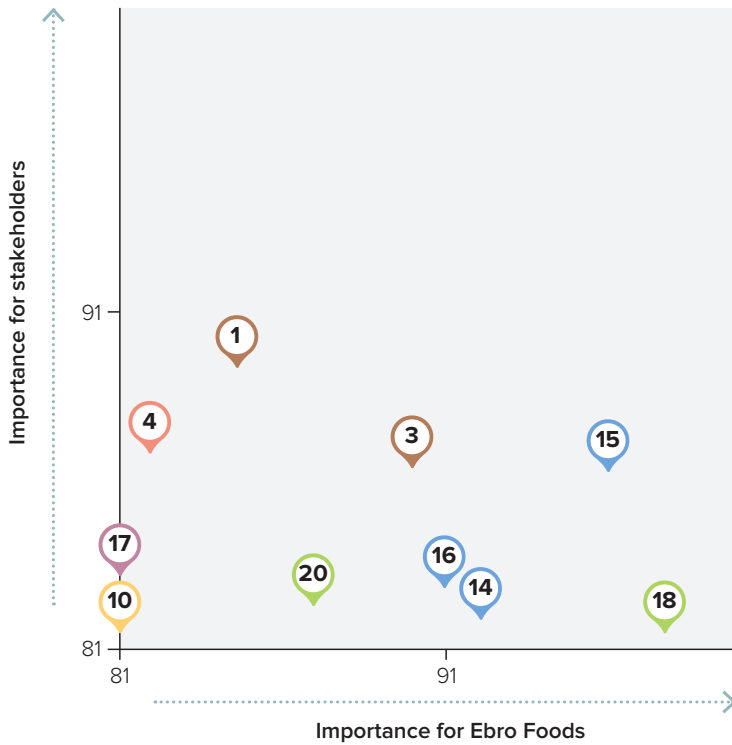
STAKEHOLDERS	DIALOGUE CHANNELS
Media	<ul style="list-style-type: none"> → Corporate website and websites of our subsidiaries → Corporate Communications Department → Parent company mailbox (comunicacion@ebrofoods.es) → Press releases → CNMV regulatory announcements → Social media → Corporate blog → Regular meetings with different media → Interviews → Surveys and questionnaires → Annual Report

4. Materiality analysis: In 2017 we updated our materiality analysis, assisted by Forética. That analysis collected the expectations of our stakeholders (authorities, customers, employees, investors, media, NGOs and suppliers) in Spain, North America, France, Italy, Netherlands, India and Morocco, and from our own corporate management, represented by the Audit and Compliance Committee.

After identifying the principal challenges and opportunities of the Group in respect of sustainability and benchmarking the positioning of other companies in the food sector, we established 23 important topics for consultation, classified into 8 different areas: (i) health and safety of direct and indirect workers, (ii) job quality, (iii) positive social and economic impact on society, (iv) driving force for innovation, (v) promotion of healthy food, (vi) maximising food safety and quality, (vii) implementation of environmental policies and (viii) good governance, integrity and transparency.



GLOBAL MATERIALITY MATRIX



Three aspects stand out for their importance for the organisation and its stakeholders:



Maximising the sustainability, quality and safety of food throughout the value chain



Preventing and avoiding accidents and damage by improving the safety of direct and indirect jobs (manufacturing and distribution)



Implementing environmental policies (especially those related with climate change and water)

HEALTH AND SAFETY OF WORKERS (DIRECT AND INDIRECT)

- 1 Prevent and avoid accidents and damage by improving the safety of direct and indirect jobs
- 3 Promote compliance with human rights throughout the supply chain

JOB QUALITY

- 4 Manage human resources responsibly (equality, work-life balance, diversity)

DRIVING FORCE FOR INNOVATION

- 10 Invest in developing better food solutions for society

PROMOTE HEALTHY, SUSTAINABLE FOOD

- 14 Use raw materials based on environmental and social sustainable principles as ingredients for ready-to-serve dishes
- 15 Promote sustainable growing and production of the principal raw materials used
- 16 Foster sustainable good practices throughout the supply chain

MAXIMISE FOOD QUALITY AND SAFETY

- 17 Promote the implementation of management systems and tools to maximise quality and information for consumers

IMPLEMENT ENVIRONMENTAL POLICIES

- 18 Make the fight against climate change one of the organisation's focal points
- 20 Develop policies and make investments to reduce and optimise water consumption

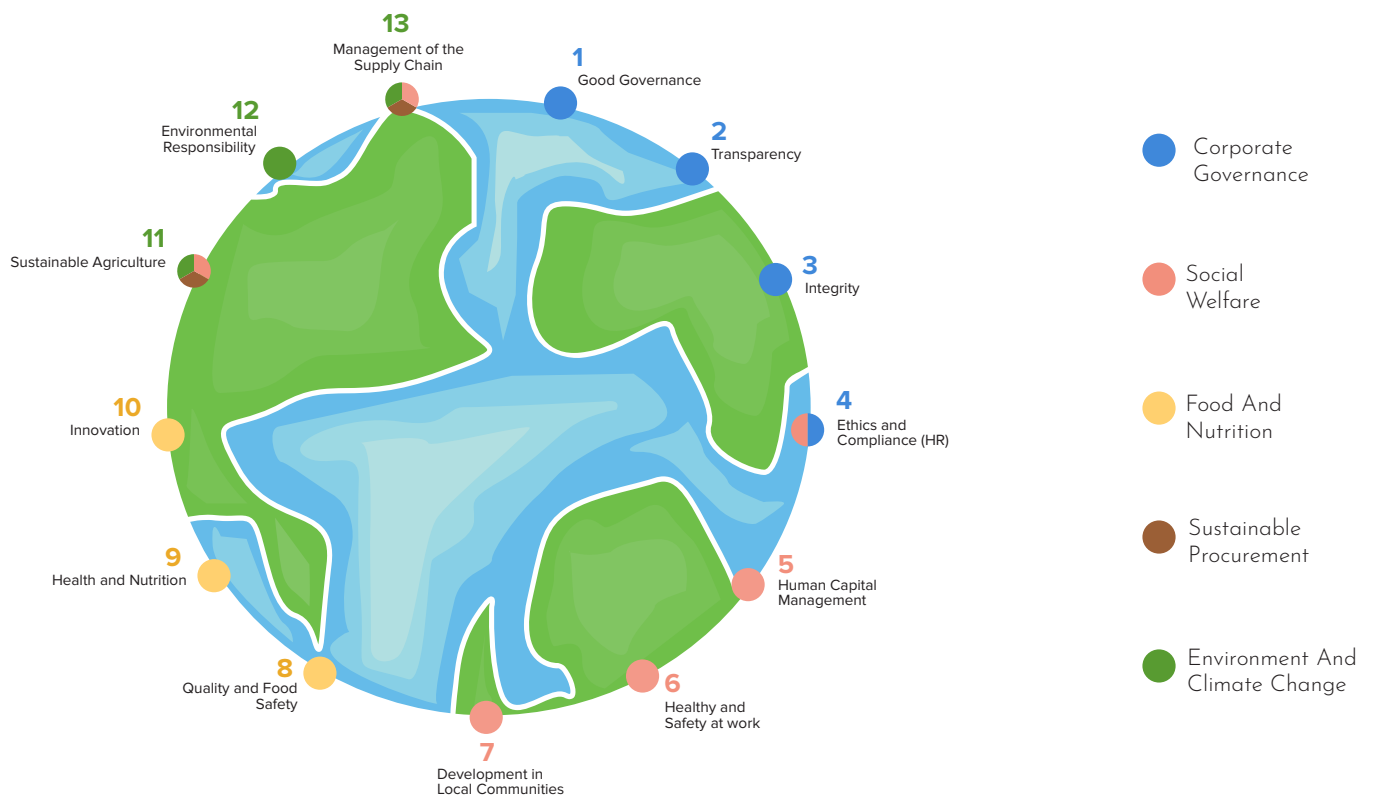
Since the end of 2021 we have been updating our materiality to the new proposed standard GRI101. We aim not only to measure the expectations of Ebro Foods' priority stakeholders, but also to find out what matters are currently having a greater impact on the Group. Based on the results obtained, we will study the social and economic impact of the Ebro Group, which will enable us to quantify the principal externalities of the Group's corporate activity. We expect to complete this project within the first half of 2022.

Working areas in CSR and Sustainability

The Group has identified five strategic focal points: **Our Team, Our Community, Our Public, Our Shareholders and Our Environment**, and five areas for action organised around the economic, environmental, social and governance pillars, namely: **Corporate Governance, In&Out Social Well-Being, Food and Nutrition, Sustainable Procurement and Climate Change**.

Thirteen principal working priorities are established around these focal points and areas for action to guarantee sustainability in each aspect of our business.

CSR Model



To make these 13 priorities effective, our Global Sustainability Plan (GSP) HEADING FOR 2030 [“HEADING FOR 2030”] lays down the guidelines and action plans that the Ebro Group will implement up to 2030 to grow sustainably, complying with the stipulations established in the regulatory framework of the EU and the different countries in which we operate, meeting the demands and expectations of our stakeholders, contributing towards achievement of the 2030 Agenda and minimising the negative impacts that our operations may have on the environment while maximising the positive effects of those activities.

The three main pillars of action of HEADING FOR 2030 are people, health through food and the planet.

With regard to people, the Plan promotes the well-being at work of our professionals, supporting ongoing training and professional development to retain talent, seeking ways to balance work and home life and ensuring equal opportunities, diversity and health and safety at work. It also continues to implement actions that contribute towards social and economic development in our areas of influence.

Our primary goals in caring for the planet are to guarantee the environmental efficiency of all the Group’s operations, working to mitigate and adapt to the effects of climate change and guarantee the sustainability of our principal raw materials.

As for the third pillar, with the aim of securing the health and well-being of our consumers and the society at large, the Plan focuses on supplying a broad array of safe, healthy products, overseeing the quality and food safety of those products and actively promoting healthy eating habits and lifestyles.

A specific microsite has been set up as an information and monitoring tool for the Plan, on the domain caringforyouandtheplanet.com, the Group’s motto in CSR and Sustainability.

Taxonomy of the European Union

With a view to reorienting capital flows towards more sustainable activities, meeting the EU 2030 framework for climate and energy and achieving the goals of the European Green Deal, on 22 June 2020 the EU published Regulation (EU) 2020/852, known as the Taxonomy Regulation.

The Taxonomy Regulation establishes six environmental objectives:

1. Climate change mitigation
2. Climate change adaptation
3. The sustainable use and protection of water and marine resources
4. The transition to a circular economy
5. Pollution prevention and control
6. The protection and restoration of biodiversity and ecosystems

The Regulation also establishes the four conditions that must be met by an economic activity to qualify as environmentally sustainable:

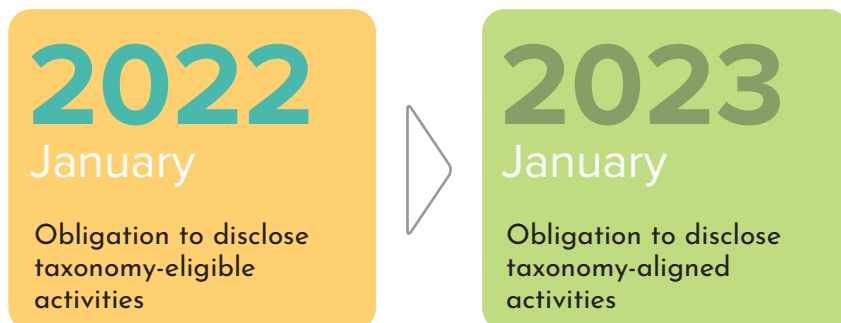
1. It must contribute substantially to one or more of the six environmental objectives.
2. It must not significantly harm any of the other environmental objectives.
3. It must be carried out in compliance with the minimum (social) safeguards laid down in Article 18 of the Taxonomy Regulation.
4. It must comply with technical screening criteria that have been established by the Commission through specific delegated acts.

Accordingly, a first delegated act was passed on 21 April 2021 on sustainable activities for climate change adaptation and climate change mitigation. The delegated regulation was formally adopted on 4 June 2021 (Commission Delegated Regulation (EU) 2021/2139). A second delegated act will be published in 2022 for the remaining objectives.

On 6 July 2021, the European Commission adopted the delegated act (2021/2178) specifying the contents, methodology and presentation of the information to be disclosed by financial and non-financial undertakings.

APPLICATION OF THE TAXONOMY IN EBRO FOODS

The Taxonomy Regulation stipulates that undertakings subject to the Non-Financial Reporting Directive (NFRD) are obliged to disclose how their business activities align with the Taxonomy according to the following calendar:



In line with this directive, during 2021 the Social Responsibility, Sustainability and Finance departments of Ebro Foods, as parent of the Group, analysed the current alignment between the environmental actions promoted by the companies in the Ebro Group and the taxonomy-eligible activities contemplated in the current Taxonomy framework, and the financial details associated with those environmental actions.

The outcome of that analysis is set out below:

1. For the time being, the EU Taxonomy has only developed the economic activities corresponding to two environmental objectives: i) climate change mitigation and ii) climate change adaptation, which do not so far cover the entire range of activities undertaken by the companies. In this regard, the economic activities performed by the companies of the Ebro Group, classified within the EU Statistical Classification of Economic Activities (NACE) C1061 (manufacture of grain mill products), C1073 (manufacture of pastas) and C1085 (manufacture of prepared meals and dishes), are not included within the framework of taxonomy-eligible activities.

2. The environmental actions taken by the Ebro Group in the area of climate change mitigation and adaptation: (i) are included among the environmental sustainability objectives of the company, and (ii) are not environmentally sustainable economic activities as they do not have associated revenue, they have negligible OpEx and CapEx, close to zero, and they do not substantially contribute towards the two environmental objectives of the Taxonomy defined so far.
3. Although they do not meet the conditions for qualifying as taxonomy-eligible activities, some of the Group companies launched autonomous energy consumption actions during 2021 that could be classified within group “4.2.4 production of heat/cold from bioenergy”. The consumption of biomass as a renewable energy source represents 1.94% of the Group’s Scope 1 energy consumption and 1.51% of its total energy consumption.

The EU is expected to publish the delegated acts corresponding to the other four environmental objectives of the Taxonomy during 2022. The Group will then study whether they contemplate any eligible activities associated with its business activities and, if so, it will put in place the necessary reporting procedures.

Alignment of the model with the Sustainable Development Goals (SDGs)









All the actions taken by the Ebro Group within its Social Responsibility and Sustainability framework are related directly or indirectly with the 17 SDGs, but we have identified the ones to which we make the greatest contribution according to our business activities.

So based on our Sustainability Plan HEADING FOR 2030, we have defined the following priority SDGs: 1 (No poverty), 2 (Zero hunger), 8 (Decent work and economic growth), 10 (Reduced inequalities), 12 (Responsible consumption and production), 13 (Climate action) and 17 (Partnerships for the goals).



Alliances with environmental and social entities and initiatives

The Ebro Group and its Foundation belong to or have established alliances with different organisations or multi-stakeholder platforms that encourage and channel companies' commitment to society and the environment. Through these alliances they can give greater scope to the actions developed within their CSR strategy. Some of the important organisations are:

 <p>UN GLOBAL COMPACT Network Spain WE SUPPORT</p>	<p>Signatory of the United Nations Global Compact www.pactomundial.org</p>
 <p>La alimentación aprovéchala no tiene desperdicio</p>	<p>Member of the Redistribution Committee of the Spanish Commercial Coding Association (AECOC) project against food waste "Don't waste food, use it" http://www.alimentacionsindesperdicio.com/</p>
 <p>seres fundación sociedad y empresa responsable</p>	<p>Member of the SERES Foundation http://www.fundacionseres.org/Paginas/Inicio.aspx</p>
 <p>Miembro de Forética</p>	<p>Member of Forética http://www.foretica.org/</p>
 <p>SAI PLATFORM</p>	<p>Sustainable Agriculture Initiative (SAI) Platform http://www.saiplatform.org/</p>
 <p>SRP Sustainable Rice Platform</p>	<p>Sustainable Rice Platform (SRP) http://www.sustainablerice.org/</p>
 <p>Sedex</p>	<p>Sedex https://www.sedexglobal.com/es/</p>
 <p>MARCAS WASTE WARRIOR</p>	<p>Waste Warrior Brands https://toogoodtogo.es/es</p>

Regulatory framework

In order to define the general guidelines of the Group and its associates, the Group is governed by the following policies and principles of conduct approved by its Board of Directors:



External assessments

Since 2015, Ebro Foods has been part of the FTSE4Good Index Series, an international sustainability index that includes companies that prove their commitment and leadership in environmental, social and corporate governance aspects. Our inclusion in this index verifies that we are a socially responsible investment vehicle.

During 2021, we have obtained the following external accolades:

1. Inclusion in the *Standard Ethics Spanix Index*
2. Inclusion in the *IBEX Gender Equality Index* for promotion of gender equality
3. Inclusion in the *Refinitiv Diversity and Inclusion Index 2021* as one of the 100 most diverse and inclusive companies in the world.