



# Human Rights in the value chain

## 4. Human Rights in the value chain

### HUMAN RIGHTS PRINCIPLES IN EBRO FOODS

*Article 9.7 of the Code of Conduct of the Ebro Foods Group*

“The Group respects and promotes Human Rights and acknowledges that they are fundamental, universal rights and should be construed and recognised in accordance with international laws and practice, particularly the United Nations Universal Declaration of Human Rights and the principles proclaimed by the International Labour Organization (ILO).”

#### EMPLOYEES

The Group promotes and upholds the principle of equal treatment and equal opportunities for all Professionals, regardless of their race, colour, nationality, ethnic origin, religion, sex, political or sexual inclination, civil status, age, disability or family responsibilities, as a principle behind all Human Resources policies and applicable in the recruitment of Professionals, training, career opportunities, pay levels and all other aspects of relationships with Professionals.

#### SUPPLIERS

The Group promotes the assessment and selection of its suppliers based on social, ethical and environmental criteria, with a view to selecting those which, apart from offering the best bargaining terms, share the principles and commitments to Human Rights described in the Company's Code of Conduct.

#### CUSTOMERS

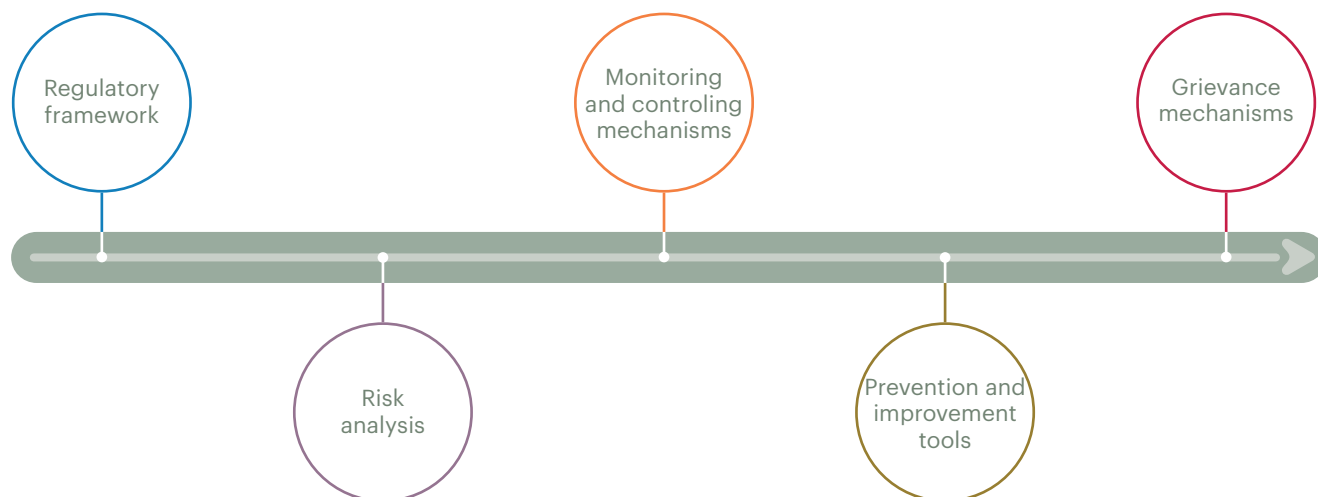
The Group undertakes to offer top quality services and products according to the quality requirements and standards established in law and its Food Safety and Quality Policy.

#### LOCAL COMMUNITIES

The Group is committed to making a positive contribution to human rights in the communities in which we operate, through the development of initiatives that contribute positively towards equal opportunities, reduction of inequalities and welfare of the people who live there.

Ensuring respect for Human Rights throughout our supply chain is one of the Group's priorities in Social Responsibility. With a view to reinforcing the achievement of this goal, in 2023 the Group's parent started working on the design and implementation of a due diligence system to detect, prevent and remedy, where necessary, any existing or potential impacts on Human Rights produced by or as a result of our operations.

This system contemplates the development of an action plan that will be supplemented over the coming three years, the progress and results of which will be reported annually through this Report and our corporate website. The plan includes the following actions: (i) a regulatory framework, (ii) evaluation and diagnosis systems, (iii) monitoring and control mechanisms that check compliance with our policies, (iv) implementation of tools for prevention, (v) complaint mechanisms, and (vi) fostering of good practices.



Although the groundwork was done in 2023 for an orderly, structured development of this work, the Group has already been performing a substantial part of the actions contemplated in the due diligence system for years. In this context, we explain below the work done so far in each of each of these aspects.

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## 1. REGULATORY FRAMEWORK

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Based, among others, on the Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights and the Fundamental Principles and Rights at Work of the International Labour Organization (ILO), the Ebro Foods Group's commitment is set out in: (i) our Code of Conduct, which establishes the principles and values that must underlie the actions of all people and companies in the Ebro Foods Group, (ii) our Supplier Code of Conduct, which establishes the principles, standards and business practices to be met by our suppliers and service providers in their relations with the Group and its professionals, and (iii) our Sustainability, Environment and Corporate Social Responsibility Policy, which establishes the basic principles and general framework for actions undertaken by the Company and the Group in respect of sustainability, environment and corporate social responsibility.

The Group's commitment to Human Rights is set out in Section IV, points 9, 11, 12, 13, 14 and 15 of our Code of Conduct in respect of our professionals. Specifically in points 9.1, 9.3, 9.4, 9.5 and 9.6 it lays down the guidelines for eliminating discrimination in employment and occupation, eliminating forced or compulsory labour, effectively abolishing child labour and exercising the rights of freedom of association, to join unions and collective bargaining, in accordance with the laws currently in place. In points 11-15 it sets out our commitment to personal and professional development, occupational health and safety, the right to fair remuneration and privacy and data protection.

The Supplier Code of Conduct sets out the same commitments in respect of the workers in our supply chain in point 3 and the Sustainability, Environment and Corporate Social Responsibility Policy reinforces all the commitments acquired by the Group in respect of its stakeholders in points 5.3-5.9.

Those Codes and Policy can be consulted on the Ebro Foods corporate website (<https://www.ebrofoods.es/en/csr/csr-in-ebro/codes-and-policy/>).

The Company intends to draw up a specific policy on Human Rights during 2024.

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## 2. RISK ANALYSIS

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The assessment of risks and impacts requires the involvement of different areas of the Group, from the Sustainability departments to Human Resources and Procurement.

A Due Diligence questionnaire on Governance, Human Rights and Environment is being sent out by the Corporate Communications and Social Responsibility Department to the general managements of the different subsidiaries to make an internal analysis and diagnosis. These questionnaires must be completed jointly with the respective management teams to define, identify, assess and measure risks, generate opportunities for subsequent verification and control and adopt the necessary, proportionate measures to mitigate, reduce or remedy those risks, as the case may be. We anticipate completing this work in the first half of 2024.

With regard to the supply chain, the suppliers of the Ebro Group are classified into four categories:

1. Suppliers of rice and durum wheat
2. Suppliers of other commodities
3. Packaging suppliers
4. Service providers

As the Group has decentralised certain management areas, such as the Procurements Area, to its respective companies, each subsidiary has traditionally had its own procurement policies and criteria, in keeping with the laws and characteristics of the countries in which they operate. Above them all, the Supplier Code of Conduct of Ebro Foods regulates the minimum criteria and rules of conduct in labour and environmental aspects that must be met by the Group's suppliers.

With a view to establishing globally the integral management of the supply chain, in 2019 we embarked on a work plan to: 1) make sure that all our suppliers comply with the Group's Supplier Code of Conduct and 2) require them to complete a questionnaire on ethics. The replies to this questionnaire enable us to identify the critical issues and risks we need to address in order to guarantee the sustainability of our supply chain, designing, together with our companies, a roadmap to achieve the goal set in our Global Sustainability Plan **HEADING FOR 2030**, that 100% of our suppliers and service providers will have signed the Group's Supplier Code of Conduct (COC) or incorporated ESG criteria in their policies.

In 2023 we mapped our global supply chain, with the following proportions per continent:

CONTINENT	% SUPPLIERS 2023	% SUPPLIERS 2022
Europe	69%	68%
Africa	10%	10%
Asia	10%	8%
North America	8%	8%
South America	3%	6%

**NB:** The % of suppliers in Africa out of the global total gives a distorted view of the percentage weight this continent really has in the Group's supply chain because of the large number of small suppliers of the agricultural commodity rice (some 564). If we take the amount of rice supplied in relation to the global supply of rice for the Group, it only accounts for 1%.

According to our goal of 100% of our suppliers signing the Ebro Group's Supplier Code of Conduct, we continued making progress in 2023, as shown in the following table:

CONTINENT	2023	2022
Europe	17%	11%
Asia	54%	54%
North America	22%	8%
North America	37%	17%

Another of the tasks performed within the due diligence of our supply chain was to identify the risk levels of the principal commodity sourcing regions of the Ebro Group in order to prioritise our work. To do this we used the online tool <https://www.countryrisk.io/> - an international risk assessment platform that is constantly updated using the parameters provided by different international databases, combining qualitative and quantitative information.

Countryrisk.io offers different risk rankings, each specialising in different matters. We concentrated on two of them for the risk assessment in our Group:

- \* **ESG RANKING** → classifies countries according to their will and ability to meet their public debt obligations (foreign currency), explicitly taking into account social and environmental indicators.
- \* **SUPPLY CHAIN RANKING** → enables an oversight of the Social, Environmental and Governance laws in place in the different countries, covering some 250 countries.

Based on the outcome of this country risk analysis and the volume of purchases from each country as a proportion of the Group's global supplies, we will focus our efforts in 2024 on stepping up the due diligence procedure with the suppliers who have the most critical scores.

### 3. MONITORING AND CONTROL MECHANISM

As a tool to strengthen the monitoring and control of respect for Human Rights, both within and outside the Group perimeter, we use the Sedex Members Ethical Trade Audit (SMETA) protocol to assess our internal manufacturing sites against a common set of corporate social responsibility standards developed for the consumer goods industry.

In the specific case of the supply chain, in addition to our corporate account on the Sedex Platform, where all the Group companies are already registered and their respective suppliers are in the process, we continue improving our due diligence systems in Human Rights by developing internal capacities, frequent meetings and visits by the Procurement Department to their suppliers to check first hand that they comply with the Group's ESG standards and incorporate good practices.

#### AUDITS MADE ON PLANTS OF THE EBRO GROUP

We made 17 SMETA audits on Group plants in 2023.

COMPANY	COUNTRY	PLANT	DATE	TYPE OF AUDIT	AUDITORS
Herba Ricemills	Spain	San Juan	07-02-2023	SMETA	Intertek Spain
	Spain	Algemesi	03-07-2023	SMETA	
	Spain	Los Palacios	28-06-2023	SMETA	
Bertagni 1882	Italy	Avio	14-03-2023	SMETA	Bureau Veritas Certification
	Italy	Arcugnano	29-03-2023	SMETA	
Ebro India	India	Taraori	03-11-2023	SMETA	DNV
Herba Bangkok	Thailand	Nong Khae	03-10-2023	SMETA	SGS
Herba Cambodia	Cambodia	Phnom Phen	24-04-2023	SMETA	UL Responsible Sourcing
Ebro Foods Netherlands	Netherlands	Wormer	10-05-2023	SMETA	SGS CBE Belgium
Ebro Ingredients	Netherlands	Plant D	10-05-2023	SMETA	
	Belgium	Schoten	01-07-2023	SMETA	
Ebro Foods Belgium	Belgium	Merksem (Plant A)	01-07-2023	SMETA	
Mundi Riso	Italy	Vercelli	24-10-2023	SMETA	SGS Italy
S&B Herba	UK	Fulbourn (Cambridge)	16-11-2023	SMETA	Bureau Veritas Certification
Pastificio Lucio Garofalo	Italia	Gragnano	22-02-2023	SA8000	DNV
			19-01-2023	Customer audit	Arche Advisors
			27-09-2023	Customer audit	Bureau Veritas

13 ethics audits were made at Group workplaces during 2022.

COMPANY	COUNTRY	PLANT	DATE	TYPE OF AUDIT	AUDITORS
Ebro India	India	Taraori	06-10-2022	SMETA	DNV
Herba Cambodia	Cambodia	Phonm Phen	25-04-2022	SMETA	ELEVATE
Herba Ricemills	Spain	San Juan	21-03-2022	SMETA	Intertek Spain
Pastificio Lucio Garofalo	Italy	Gragnano	05-07-2022	SA8000	DNV
Riviana Foods	USA	Brinkley	01-02-2022	SMETA	Accordia Global Compliance Group
		Memphis	05-05-2022	BSCI	
		Carlisle	02-02-2022	SMETA	
		Clearbrook	18-01-2022	SMETA	
		Alvin	08-03-2022	SMETA	Control Union
Colusa	13-01-2022	SMETA			
S&B Herba Foods	UK	Regent mill	12-01-2022	SMETA	Bureau Veritas Certification
			18-05-2022	SMETA	
Herba Bangkok	Thailand	Nong Khae	26-10-2022	SMETA	SGS

Since we launched our Sustainability Plan in 2019, 97% of own workplaces have been submitted to SMETA audits or audits for other social/environmental standards.

### AUDITS MADE ON OUR SUPPLY CHAIN

62 SMETA audits were made on suppliers in 2023.

COUNTRY	DATE OF AUDIT	AUDITORS
Argentina	26-06-2023	Intertek Argentina Uruguay and Paraguay
	11-07-2023	
	12-07-2023	Bureau Veritas Certification
	12-07-2023	
Austria	06-11-2023	Bureau Veritas Certification
France	27-06-2023	Intertek France
	01-06-2023	
	15-02-2023	SGS France
	23-01-2023	
	26-06-2023	
		13-12-2023
	30-03-2023	Bureau Veritas Certification
Germany	14-04-2023	Intertek Germany
	21-02-2023	SGS Germany
Greece	24-07-2023	Intertek Bulgaria
India	14-04-2023	DQS India
	15-06-2023	DQS CFS GmbH
	28-03-2023	Intertek India

COUNTRY	DATE OF AUDIT	AUDITORS
Ireland	18-08-2023	SGS_UK
	16-08-2023	
Italy	09-08-2023	Intertek Italy
	12-01-2023	
	01-01-2023	
	27-04-2023	
	14-11-2023	
	16-01-2023	BUREAU VERITAS CPS - EMEA
Mexico	17-05-2023	Intertek Mexico
Netherlands	04-05-2023	SGS CBE Belgium
	13-06-2023	
Pakistan	22-08-2023	ELEVATE
	19-06-2023	Eurofins South Asia
	14-02-2023	SGS Pakistan
	30-05-2023	SGS Pakistan
	21-11-2023	ALGI Pakistan
	26-12-2023	GSCS International Ltd
Peru	03-10-2023	Intertek Peru
	25-04-2023	SGS DEL PERU S.A.C.
	10-03-2023	SIPAS CR-PERU
	04-09-2023	
	23-11-2023	
Portugal	29-06-2023	SGS Portugal
Spain	26-04-2023	Bureau Veritas Certification
	30-10-2023	Intertek Spain
Switzerland	08-03-2023	Intertek Germany
Thailand	24-07-2023	SGS Thailand
	17-05-2023	
	07-08-2023	
	10-10-2023	
	07-08-2023	
Turkey	14-02-2023	ELEVATE
	19-06-2023	
UK	27-03-2023	BSI Group
	24-08-2023	SGS_UK
	27-03-2023	
	31-07-2023	
	06-12-2023	
	21-11-2023	
	27-11-2023	
	29-08-2023	BUREAU VERITAS CPS - EMEA
04-10-2023		
USA	08-02-2023	Intertek Peru
	21-04-2023	



54 SMETA audits were made on suppliers in 2022, 6 of them follow-up audits.

COUNTRY	DATE OF AUDIT	AUDITORS
Argentina	13-07-2022	Bureau Veritas Certification
	14-07-2022	
	16-07-2022	
Belgium	19-09-2022	Intertek France
	25-01-2022	SGS CBE Belgium
Cambodia	19-08-2022	SGS (Cambodia) Limited
France	05-04-2022	SGS France
	17-05-2022	
	19-10-2022	
	03-02-2022	Bureau Veritas Certification
	21-07-2022	
	27-07-2022	
	15-06-2022	BUREAU VERITAS CPS - EMEA
	01-12-2022	
05-09-2022	DNV	
Germany	21-04-2022	Intertek Germany
	19-04-2022	
	05-05-2022	Bureau Veritas Certification
	12-08-2022	TUV NORD CERT GmbH
	14-07-2022	
Greece	07-07-2022	Intertek Bulgaria
	31-05-2022	SGS_UK
Hungary	01-07-2022	Bureau Veritas Certification
India	26-05-2022	Bureau Veritas Certification
	20-07-2022	SGS ASIA
	07-11-2022	
	18-03-2022	Intertek India
Italy	22-06-2022	Intertek Italy
	14-04-2022	
	06-06-2022	SGS Italy
	25-05-2022	
	23-11-2022	BUREAU VERITAS CPS - EMEA
Mexico	08-06-2022	DNV
Netherlands	25-08-2022	Bureau Veritas Certification
Pakistan	04-10-2022	ALGI Pakistan
	29-09-2022	ELEVATE
	16-07-2022	ALGI Pakistan
Peru	10-08-2022	SIPAS CR-PERU
Poland	03-11-2022	SGS Poland
Portugal	14-10-2022	Intertek Portugal

COUNTRY	DATE OF AUDIT	AUDITORS
Thailand	02-09-2022	SGS Thailand
	02-11-2022	
	17-03-2022	
	19-09-2022	
	25-05-2022	
Turkey	14-02-2022	Intertek Turkey
	24-05-2022	
UK	22-02-2022	SGS_UK
	28-09-2022	Verisio
	01-08-2022	Intertek UK
	08-08-2022	Verner Wheelock (incorporating KSSA)
	21-11-2022	
USA	18-01-2022	Accordia Global Compliance Group (Home Office)
	23-02-2022	Intertek Peru

## 4. PREVENTION AND IMPROVEMENT TOOLS

### TRAINING

In an effort to prevent and facilitate identification of possible negative impacts within and outside the Group perimeter, towards the end of 2022 the parent launched a compulsory training course on Human Rights for all the company's professionals. This has now been done in most of the Group companies and will be completed within the first half of 2024.

This Training Plan, the content of which has been tailored to different professional categories, is being implemented through the SAP Litmos e-learning platform for professionals who have a corporate e-mail account, and in person for factory workers.

### GOOD PRACTICES

Another of the fundamental tools used by the Group in the area of prevention is to encourage good practices, both within the Company and in the rest of our value chain.

Within the Group we highlight the certification of Ebro India as a 'Great Place to Work', in recognition of its excellent team management, its positive labour culture and its outstanding work in social responsibility. Another highlight was the certification of our subsidiary Tilda as B Corp, a recognition that encompasses all the operations of a company and guarantees high standards of social and environmental performance.

We have also developed several training and collaboration actions with our agricultural commodity suppliers, such as:

- ✳ **Pakistan (Herba Ricemills):** Together with Pakistan Basmati Heritage Foundation (PBHF) and Rice Exporter Association Pakistan (REAP), the Procurements and Exports team of Herba Ricemills participated in several work seminars with their suppliers in the Punjab area, which is very important for the Ebro Group's purchases of Basmati rice. The underlying goal was to train growers, exporters and other interested parties in our value chain and make them aware of the importance of sustainable production.

- \* **Morocco (Mundiriz):** Our company in Morocco holds an annual meeting with its rice suppliers in the Gharb region to boost its relations with suppliers, fostering coexistence and sharing good practices among them all to enable a sustainable, efficient management of the Mundiriz supply chain.
- \* **India (Ebro India):** This company has implemented several initiatives with both direct and indirect suppliers. Through the EKTA programme, the company provides training focused on sustainable agricultural practices, thus forestalling adverse impacts by its agricultural suppliers. The training contemplates aspects of modern farming techniques, ways of optimising the use of water in planting and production processes, and providing free biocontrol products to ensure a rational use of pesticides. Ebro India also has a team of graduate farmers who provide free counselling to its suppliers on ethics and compliance. Their support embraces issues such as Human Rights, the protection and safety of workers, the provision of free safety kits and even topics such as government legislation, the Land Law, etc. kits de seguridad gratuitos, o hasta tópicos como la normativa gubernamental o sobre la ley de la tierra, etc.

In the area of agricultural raw materials, more specifically in rice production, Ebro India, Herba Bangkok, Herba Ricemills, La Loma Alimentos, Mundiriso and Riviana are, together with their agricultural suppliers, developing different sustainability programmes to assess and verify the sustainability of the crop using the FSA standard of the Sustainable Agriculture Initiative Platform (SAI Platform) and the SRP standard of the Sustainable Rice Platform, as well as the Ecological Agriculture Platform and Fair Trade. All these programmes together have produced a positive impact on approximately 10,500 growers who supply the Ebro Group.

At this point, we also highlight the sustainable agriculture projects we are developing in some of our principal sourcing areas, the main goals of which are: (i) improve growers' revenues, (ii) optimise their agricultural returns, (iii) mitigate climate change by reducing the use of water, (iv) cut emissions and (v) encourage the use of biological means to combat pests. **Our global investment in all these projects was EUR 4.7 million.**

The details of these programmes can be consulted in Chapter 9 of this Report, Commitment to the Environment.

In this regard, the start-up of all these projects has contributed towards the fact that no negative environmental or social impacts have been identified in our supply chain.

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## 5. GRIEVANCE MECHANISM

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During 2023, in pursuance of Act 2/2023 transposing the EU Whistleblowing Directive into national law, the Ebro Group established an Internal Reporting System (IRS) guaranteeing protection of whistleblowers who act in good faith and integrating all the complaint channels existing within the Group.

Within the structure of the IRS, a new Corporate Whistleblowing Channel has been created for the entire Group, through which anyone can inform Ebro Foods, S.A., as parent of the Group, of any possible irregularities detected in any of the Group companies. This Channel does not replace the complaints channels that some of our companies have established in pursuance of their local laws, but supplements them and the parent has also implemented it alongside its own complaints channel.

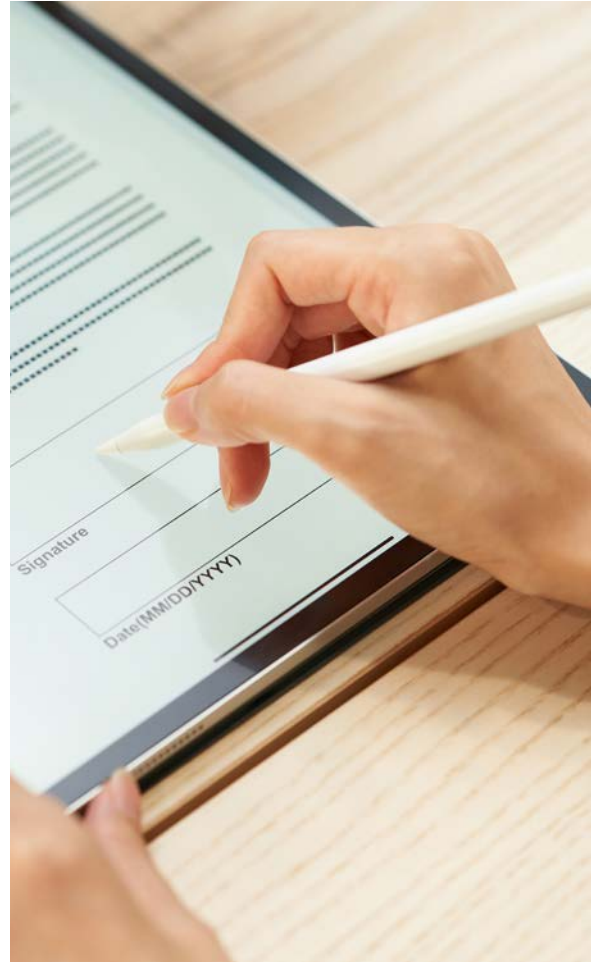
The Corporate Whistleblowing Channel is available for all stakeholders on the Group's corporate website, in the section "Contact" <https://www.ebrofoods.es/en/contact/> and on the websites of the different subsidiaries. In companies that do not have a website, it is advertised through other channels, such as within the signatures on e-mails, on notice boards, etc.

In Ebro Foods it is also possible to access the Canal from its intranet, where we have created a tab called “Internal Reporting System of the Ebro Group” and included the link to the channel within that tab: Access to the Corporate Whistleblowing Channel of the Ebro Foods Group.

As a result of the foregoing, we updated the Code of Conduct of the Ebro Foods Group. The new version of the Code introduces two changes in respect of the previous version: (i) it includes regulation of the new Corporate Whistleblowing Channel created within the structure of the Internal Reporting System of the Ebro Foods Group; and (ii) it includes the current name of the Audit, Control and Sustainability Committee of Ebro Foods, S.A., previously called “Audit and Compliance Committee”.

It should also be noted that in addition to the Corporate Whistleblowing Channel, the Human Resources Departments of the different Group companies have also enabled channels to process, investigate and resolve any incidents that may occur within the respective companies.

In this context, seven Human Rights grievances were reported during 2023 in the Human Rights Department of Riviana Foods, two of which had been resolved by the closing date of this Report. The same company received one complaint through the Corporate Whistleblowing Channel.



COMPANY	2023			2022		
	LODGED	PROCESSED	RESOLVED	LODGED	PROCESSED	RESOLVED
Riviana Foods	7	6	2	6	6	1
La Loma Alimentos	-	-	-	1	1	1
S&B Herba Foods	-	-	-	2	2	2
Tilda	-	-	-	2	2	2
<b>Total grievances</b>	<b>7</b>	<b>6</b>	<b>2</b>	<b>11</b>	<b>11</b>	<b>6</b>

Alignment with SDGs in Human Rights in the value chain

8 | 10 | 17 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all 10. Reduce inequalities and make sure nobody gets left behind 17. The SDG can only be achieved through sound global partnerships and cooperation among entities of an identical or different nature