



Value creation
model

6. Value creation model

The Ebro Group makes a significant contribution to the social and economic development of the communities in which it operates. Its business activities generate wealth through the creation of jobs, payment of salaries, tax contribution, purchase of goods and services from suppliers, distribution of dividends, implementation of welfare programmes, development of environmental initiatives, commitment to the value chain and investment in R&D and innovation.

6.1 CASHFLOW SOCIAL

(000€)	2023	2022
Economic value generated		
Net proceeds from operations	865,294	419,351
Sale of assets and businesses	15,652	27,411
Dividends received from third parties	1,317	2,319
	882,263	449,081
Economic value distributed		
Payments to or on behalf of employees	(332,694)	(334,371)
Corporate income tax	(41,146)	(90,821)
Contribution to not-for-profit entities and support for sustainable agriculture	(6,917)	(4,933)
Interest income/expenses	(7,368)	(5,562)
Business acquisitions	(1,628)	(48,556)
CAPEX	(141,670)	(118,808)
Dividends paid (*)	(97,345)	(96,528)
	(628,768)	(699,579)
Economic value retained	253,495	(250,498)

(*) Dividends paid in the corresponding year

6.2. TAX INFORMATION

With a view to guaranteeing responsible compliance with the tax laws in place in the jurisdictions in which it operates, the Ebro Group has developed several procedures to secure transparent, honest tax management and payment of taxes.

The Ebro Group does not use opaque structures consisting of interposing base companies in low-tax or non-tax countries and/or territories not cooperating with the tax authorities. Nor does it engage in any business in any of the jurisdictions listed as tax havens, regulated in Spain in Supplementary Provisions 1 and 10 and Transitional Provision Two of the Tax Fraud Prevention Measures Act 36/2006 of 29 November (as amended by Act 11/2021 of 9 July on measures to prevent and combat tax fraud, effective from 11 July 2021).

In 2023, the Ebro Group paid more than **EUR 47.56 million** directly to the tax authorities in the different countries in which it operates.

BREAKDOWN OF TAX PAYMENTS (000€)

	2023	2022
Income tax paid	41,146	90,821

TAXES PAID BY GEOGRAPHIC AREAS	2023		2022	
	NET IT	OTHER TAXES	NET IT	OTHER TAXES
Spain	(21,006)	524	36,615	613
Rest of Europe	25,947	2,273	24,426	2,492
America	32,825	3,618	29,067	3,304
Asia	1,954	0	170	0
Africa	1,426	0	543	0
Total	41,146	6,415	90,821	6,409

MOST SIGNIFICANT COUNTRIES	2023		2022	
	IT	OTHER TAXES	IT	OTHER TAXES
Spain	(21,006)	524	36,615	613
France	5,730	1,994	6,245	2,226
Italy	6,800	279	5,133	208
USA	32,991	3,503	11,690	3,196
UK	6,199	0	5,879	0

PRE-TAX PROFIT, BY COUNTRIES (000€)

GEOGRAPHICAL AREAS	PRE-TAX PROFIT	
	2023	2022
Spain	20,369	(315)
Rest of Europe	126,768	74,130
America	113,783	89,668
Asia	9,849	18,353
Africa	3,088	3,971
Total	273,857	185,807

MOST SIGNIFICANT COUNTRIES	PRE-TAX PROFIT	
	2023	2022
Spain	20,369	(315)
France	22,769	(3,627)
Italy	48,279	28,468
USA	106,756	87,087
UK	27,700	32,665

PUBLIC GRANTS RECEIVED

(000€)	2023	2022
Capital grants received	6,304	1,026
Operating grants received	1,633	2,509

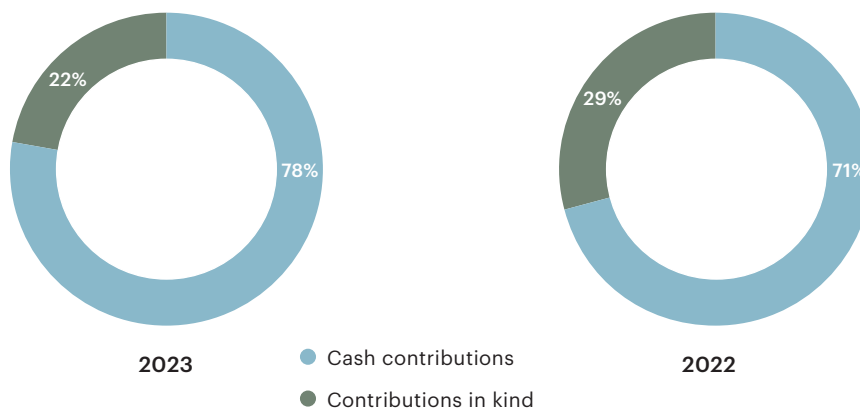
6.3. COMMITMENT TO THE DEVELOPMENT OF LOCAL COMMUNITIES

One of the main pillars of social responsibility action within the Ebro Group is ensuring the well-being and socio-economic development of the local communities directly related with our business activities.

During 2023, as in previous years, the Ebro Foundation and the Group participated in projects created by different not-for-profit organisations and promoted and developed *motu proprio* several initiatives of social and environmental interest.

Within this context, the global amount spent on social action during 2023 was **EUR 6.9 million**.

SOCIAL ACTION	2023	2022
Food donations subsidiaries	1,529,646.26	1,415,232.06
Ebro Foundation activities	699,907.99	601,459.37
Sustainable Agriculture	4,687,526.00	2,916,070.00
Total amount (EUR)	6,917,080.25	4,932,761.43

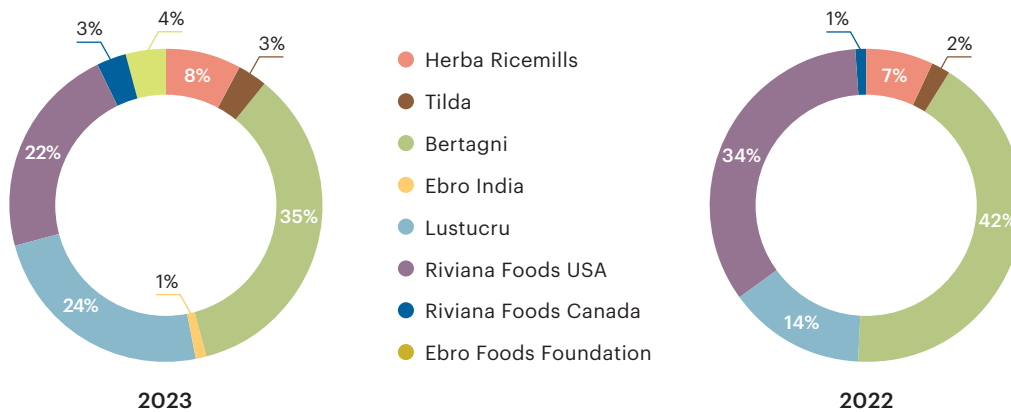
Types of contribution

FOOD DONATIONS

During 2023, Group companies in Spain, the UK, Italy, France, India, USA and Canada made food donations for an aggregate value of **EUR 1.5 million, delivering 606,742 kilogrammes of food.**

COMPANY	2023	2022
Bertagni	562,713.85	600,732.00
Ebro India	7,294.00	2,832.49
Ebro Foods Foundation	68,862.11	119,329.82
Herba Bangkok	-	1,493.15
Herba Ricemills	124,408.31	98,104.62
Lustucru	389,201.00	190,379.00
Riviana Foods Canada	42,491.00	11,111.25
Riviana Foods USA	355,059.10	479,026.95
Tilda	48,479.00	31,552.60
Total amount (€)	1,598,508.37	1,415,232.06

Food donations by company



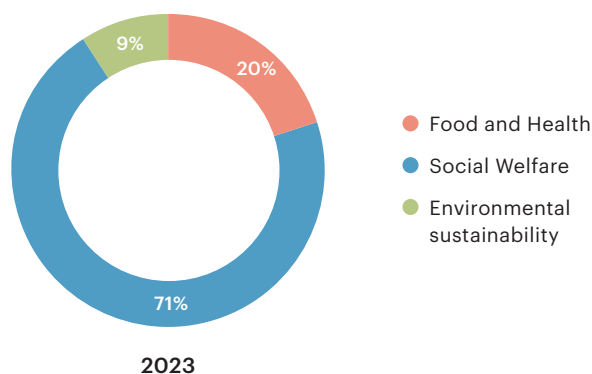
OTHER SOCIAL AND ENVIRONMENTAL INITIATIVES

Apart from the food donations and in our determination to contribute to sustainable development of the communities in which we operate, the Ebro Group and the Foundation continued working in 2023 to set up different social and environmental initiatives in the following areas:

- * Food and Health
- * Social Welfare
- * Environmental sustainability

A very large proportion of these actions are performed by the Ebro Foundation.

Details of action by the Ebro Foundation



1. FOOD AND HEALTH

Participation in initiatives that broadly combine food and health, through sport, healthy eating and social development.

Among the food projects, some 40 tonnes of rice and pasta were donated to different residential associations, brotherhoods and food banks, etc. during 2023. Several cash donations were also made to soup kitchens and associations such as Order of Malta in Madrid and Sevilla, San Juan de Dios soup kitchen in Seville, Asociación Achalay, Manos de Ayuda Social, etc.

Programmes were also run to promote healthy lifestyles among children and young people in our catchment areas, such as the programme developed jointly between Ebro Foundation and our subsidiary La Loma Alimentos in Entre Ríos (Argentina) to encourage healthy eating habits in preschool and fifth grade children and among the teaching staff, instructing them and providing them with support matter for their training. We received collaboration from Fundación Educativa (<https://educacional.org.ar/>) and corporate volunteers from the subsidiary to set this up.

Other actions included sports scholarships in football schools in Isla Mayor for children from poor families, the Order of Malta Charity Golf Tournament, etc.

The contributions made by the Foundation in this area in 2023 totalled **EUR 93,290.11**.

2. SOCIAL WELFARE AND COMMUNITY AID

This working area comprises support for education through scholarships, research projects, educational programmes that contribute towards equal opportunities, training projects for integration into society and employment, entrepreneurship and job promotion initiatives, and community aid programmes that contribute to achieving the full, effective social integration of these individuals and groups at risk of exclusion in the communities in which the Group operates.

These actions mainly take the form of the financing of projects run by local entities who have a first-hand knowledge of the needs of each area and invest all their resources in setting up those initiatives.

During 2023, a total sum of **EUR 498,689.90** was invested in the development of different programmes related with this working area in Seville, Madrid, Valencia, Malawi and Morocco.

The principal actions included:

1. COMMUNITY AID AND SOCIAL INTEGRATION

Seville

- ✳ **Proyecto Hombre in Seville:** Financing of grants to help meet the cost of rehabilitation and reintegration into society and employment of four drug addicts with limited financial resources from San Juan de Aznalfarache, Coria del Rio, Isla Mayor or La Puebla del Río.
- ✳ **Asociación Mater et Magistra:** Monetary contribution towards improvements at the Centre. Work continued on the maintenance and upkeep of the facilities, and furniture in the day care centre.

- * **San Juan de Aznalfarache Alzheimer's Association:** Assistance for the prevention and care programme for people with Alzheimer's by creating welfare, therapeutic, training and employability resources, resources for defending their rights, etc.

Valencia

- * **Association of relatives of people with Alzheimer's (Benifaió):** Contribution towards financing of the **Neuro Healthy Diet Project** for people with Alzheimer's.

Madrid

- * **Techô:** A multistakeholder welfare programme that aims to find a sustainable solution to the problem of homelessness and social and residential exclusion, providing a decent home for people living on the streets. The Ebro Foundation has taken a double role in this project: on the one hand, it is promoting its start-up by presenting the programme to more than 120 welfare organisations and, on the other hand, it is sponsoring a given number of sheltered housing run by different NGOs for the homeless. In 2023, those NGOs included, among others, Asociación Aires, Mundo Justo, Afavi, Fundación Porqueviven and Apama. Moreover, the Ebro Foundation was one of the founding members of the Techo Foundation, set up during the year.

Morocco

- * **Financing of school transport** for children living in the kabila settlements next to our plant who do not have the resources to get to their schools. Ebro Foundation also financed the purchase of a photocopier for the school near our plant.

Malawi

- * **Economic aid** to mitigate the damage caused by **Cyclone Freddy**.

2. EDUCATION AND TRAINING FOR SOCIAL AND LABOUR MARKET INCLUSION

Madrid

- * Collaboration with **Fundación Adecco** in their **Women Programme**, a project for women who are victims of gender-based violence, sex trafficking and at risk of social exclusion, aiming to help women obtain qualifications that will enable them to apply for decent, quality work with special demand in the labour market.
- * **Carlos III University Foundation:** Financing of a dual-degree Alumni Scholarship for young students with good academic achievements and limited financial resources from other regions of Spain, to enable them to study at the Carlos III University in Madrid.
- * **Aula Laboral Project:** Once again, Ebro Foundation has collaborated with this initiative for persons with disability from the Capacis Foundation, a programme through which many young people with borderline intelligence have found their first job.

Madrid-Seville

- * **Gastronomix Project:** Ebro Foundation has been supporting this welfare and educational project since it began, nine years ago in Madrid and last year in Seville. Gastronomix gives young people at risk of social exclusion a second chance to secure their future through cookery training, building up their self-esteem and empowerment, and enhancing their chances of finding a job. The training programme is run by well-known, reputed professionals from the hospitality and catering industry, including two chefs from the Basque Culinary Center, the head teachers of the Casa de Campo Hospitality Colleges in Madrid and the secondary school IES Atenea, among others. At the end of the project, the participants are given work experience in prestigious restaurant and catering firms: upmarket catering firms, hotel chains of good standing and other reputed establishments in the sector.

Over these nine years, Gastronomix has not only introduced its pupils to state-of-the-art trends and technologies, but has also instilled in them respect for and promotion of healthier, more sustainable cuisine, in line with part of the Ebro Group's main pillars of action in the area of sustainability.

Seville

* **Balia Foundation:** Ebro Foundation renewed for a further year its commitment to the projects that the Balia Foundation is implementing in Seville to stimulate the social and educational development of children and adolescents in situations of poverty. These initiatives, run in the Tres Barrios-Amate district of Seville, seek to boost the talent and abilities of children and adolescents at risk of exclusion through education in values, stop them from leaving school and, as far as possible, ensure that young people complete their secondary school education.

During 2023, the aids provided by Ebro Foundation enabled minors aged 5-17 to participate in the following projects:

- Balia classes: 174
- Summer camps: 52
- Guidance for expelled students: 53
- Youth Territory: 51

Isla Mayor - Seville

* **CEIP Félix Hernández:** Contribution to promote specific programmes for pupils needing educational support.

Los Charrúas (Argentina)

* **Programme to provide training and working skills for students** at risk of exclusion in their final year of secondary education. This proposal, entirely innovative for the region, has proved to be a major challenge, owing to the need to generate a network of ties with secondary schools, which has hitherto not existed, to help strengthen and facilitate the education and employability of these young people. On this occasion, our subsidiary received collaboration from Fundación Forge. This initiative has also made it possible to reach young people who, in some cases, emigrated to nearby towns and cities owing to a shortage of quality work, and who, after participating in the programme, are eligible to join the workforce of one of the plants of our company La Loma Alimentos. Some of the participants have already done so, recently joining the Maintenance team at Los Charrúas.

3. RESEARCH

Madrid

* **Fero Foundation:** Financial contribution for cancer research grants. The three projects that won the XXIII Fero Grant focus on translational cancer research into lung and breast cancer. Each researcher was awarded EUR 80,000 to develop their translational research over a period of 2 years.

Seville

* **cicCartuja-Ebro Foods Research Award:** In its thirteenth edition, in view of the high quality of the work, four awards were granted once again. Through this initiative, the company and the public are informed of the scientific work done by young talent from the Scientific Research Centre Isla de la Cartuja Cic (cicCartuja), stressing the social nature of science, conceived by and for citizens.

* **Ebro Talent Caring for Innovation:** This open innovation programme, developed jointly with the Loyola University in Seville for the third year, aiming to detect innovative projects and ideas in the food sector, identify innovative talent and encourage the development of sustainable solutions that can be applied to the value chain of the Spanish food sector.

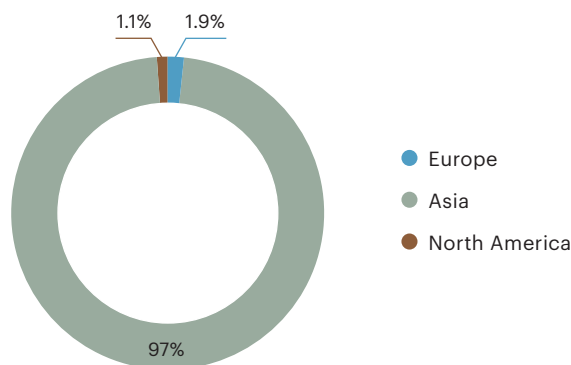
3. ENVIRONMENTAL SUSTAINABILITY

Environmental conservation is another essential aspect within the work of the Ebro Foundation. The Foundation supports the sustainable agriculture strategy put into practice by the Ebro Group and works on promoting and achieving the Group's sustainability goals through the EBRO FOUNDATION SUSTAINABILITY & ENVIRONMENTAL AWARDS, which aim to bring out the talent of the Group's professionals in the search for innovative solutions that contribute towards achievement of the goals contemplated in our sustainability plan HEADING FOR 2030. The prizewinners in 2023 were the companies Ebro India (first prize), for its **Stop Stubble Burning Project** aiming to replace stubble burning with the use of fungi and bioenzymes developed by the Indian Agricultural Research Institute (IARI), which decompose straw in approximately 25 days, reducing the use of fertilizers by around 20-25%; and Ebro Foods Benelux (second prize), for its **Sustainable Boil in the Bag Solution**, which aims to replace the material currently used for the boil in the bag category (fossil origin, HDPE) with a biological-origin bioplastic material (PLA), made from corn starch. The Foundation invested **EUR 60,000** in these prizes in 2023.

In addition, different Group companies invested **EUR 4,687,526** in the launching of sustainable agriculture programmes in our principal sourcing areas, and the payment of a premium fee to growers with a view to improving not only their agricultural yields but also their revenues.

The distribution of sustainable agriculture programmes is shown in the following graph:

Investment in Sustainable Agriculture Projects 2023



NB: Information on all our sustainable agriculture projects can be found in the chapter "Commitment to the Environment" in this Report.

4. AIDS TO LIBYA AND TURKEY

In an effort to mitigate the severe humanitarian crisis in Turkey and Libya caused by the earthquakes and flooding that devastated those countries in 2023, the Ebro Foundation, in collaboration with our subsidiary Tilda International in Dubai and our commercial network in Libya, donated more than **50,000 kg of rice** to both countries, **valued at EUR 48,000**.

COMPLIANCE

To conclude this chapter, we should mention that the Ebro Group has not received any complaints or claims regarding possible negative impacts in the local communities in which we operate.

Alignment with SDG in Value creation model



1. End poverty in all its forms everywhere **2.** End hunger, achieve food security and improved nutrition and promote sustainable agriculture **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