

A top-down view of a wooden surface with several wooden spoons. One spoon in the foreground is filled with white rice grains. Another spoon to the right is filled with a mix of white and brown rice grains. Scattered rice grains are visible across the wooden background. The text 'CORPORATE SOCIAL RESPONSIBILITY' is overlaid in the center in a bold, white, sans-serif font, with horizontal lines above and below the words.

# **CORPORATE SOCIAL RESPONSIBILITY**

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# PROFILE OF THE ORGANISATION 01



## NAME OF THE ORGANISATION

Ebro Foods, S.A.

## ORGANISATIONAL STRUCTURE

Ebro Foods is the leading Spanish food group. Through its subsidiaries it operates on the rice and pasta markets in Europe and North America and has a growing presence in other countries.

The Ebro Foods Group is managed by business segments, combining the type of business performed and their geographical location. The two core businesses are:

**Rice:** this includes the production and distribution of rice and by-products and culinary compliments. The group has an industrial and brand business with a multi-brand model. Its covers Europe, the Mediterranean Area, India and Thailand through the companies of the Herba Group, and North America, Central America, the Caribbean and the Middle East through the Riviana Group and its subsidiary American Rice (ARI).

**Pasta:** this includes the production and marketing of dry and fresh pasta, sauces, semolina and by-products and culinary compliments. This business is performed through the New World Pasta Group in North America and the Panzani Group in the rest of the world.

The main companies in the group are:

COMPANY	COUNTRY	BUSINESS AREA
American Rice Inc.	USA	Rice
Arrozeiras Mundiarroz, S.A.	Portugal	Rice
Boost Nutrition, C.V.	Belgium	Rice
Catelli Foods Corporation	Canada	Pasta
Ebro Foods, S.A.	Spain	Holding
Ebro India, Private Ltd.	India	Rice
Ebrofrost Holding GmbH	Germany	Rice & Pasta
Euryza GmbH	Germany	Rice
Herba Bangkok	Thailand	Rice
Herba Egypt, SAE	Egypt	Rice
Herba Puerto Rico, LLC	Puerto Rico	Rice
Herba Ricemills, S.L.U.	Spain	Rice
Herba Ricemills Romania, S.R.L.	Romania	Rice
Lassie, B.V.	Netherlands	Rice
Lustucru Fraix, S.A.S.	France	Pasta
Mundi Riso, S.R.L.	Italy	Rice
Mundi Riz, S.A.	Morocco	Rice
New World Pasta	USA	Pasta
Panzani, S.A.S.	France	Pasta
Riceland Magyarorzag, KFT	Hungary	Rice
Riviana Foods Inc.	USA	Rice
Stevens&Brotherton Herba Foods, Ltd.	UK	Rice

Decision-making corresponds to the Board of Directors, which is responsible for defining the Group's general strategy and management guidelines. The Board delegates certain tasks to the Executive Committee, including the monitoring and oversight of compliance with the strategic and corporate development guidelines, while the Management Committee, made up of the managers of the principal business areas, monitors and prepares decisions relating to company management.

The Annual Corporate Governance Report contains detailed information on the ownership structure and administration.

## FUNCTIONING AND STRATEGY

The principal raw materials used in the production process of the Group's products are rice and durum wheat. Rice is the grain with the largest consumption worldwide, although since some of the largest producers in the world run at a loss (China, Philippines, Indonesia) the world trade is smaller than that of other cereals. The rice marketed by Ebro is obtained from various sources, depending on the type of grain and the quality/abundance of the harvests. Three major sources of supply can be distinguished, related with different varieties of rice: USA, Southern Europe and South-East Asia. Pasta is produced from a variety of wheat with a high protein content called durum wheat. Durum wheat has a much smaller market and geographical distribution than other varieties used mainly for the production of flour. Ebro mainly sources from the north of the United States and Canada and the South of Europe (France, Spain and Italy).

Commodities are purchased from growers, cooperatives or milling companies, which supply the basic raw material for the production process; the milling and/or processing is then done at the Ebro plants. The processes are different depending on the ultimate purpose of the product, from cleaning, milling, polishing and basic extrusion to complex processes of parboiling, boiling and freezing.

The principal activities, brands and market shares by business area can be consulted in Note 6 to the Consolidated Annual Accounts, Financial information by segments.

The Group's strategy aims to provide healthy food solutions for consumers that permit differentiation of its brands based on innovation and the development of new formats and products. The main features of that strategy are indicated in the different three-year plans:

**Low risk exposure.** The structure of the Group gives it a geographically balanced source of income. The breakdown of sales by geographical regions during 2013 was as follows:

- ❖ 7.2% in Spain
- ❖ 47.5% in rest of Europe
- ❖ 39.5% in North America
- ❖ 1.6% in Africa
- ❖ 3.3% in Middle East
- ❖ 0.2% in Asia
- ❖ 0.7% in other parts of America

The segments of activity in which the Group operates do not have a strong cyclical nature although the fresh and greater value added products, which are at the same time the principal growth vector, are those most closely linked to the evolution of the consumption patterns.

Furthermore, with low financial leverage and a recurring cash flow, we are able to grow without exposure to financial storms.

**Differentiation and innovation.** The Ebro Foods Group invests in its products from two angles: strong innovation and development (R+D+I) and commitment to leading brands in its segment of activity.

**Growth and consolidation of synergies.** Ebro Foods specialises in the food industry. It is strongly established in North America and Europe, with a growing presence in markets from which it sources its commodities. Its growth is concentrated in countries that the management teams know well, where it is possible to share resources and develop synergies. The growth strategy places emphasis on these guidelines: value-added products in countries with high consumption while searching for opportunities in developing countries with a high growth potential.



## LOCATION OF THE ORGANISATION'S HEADQUARTERS

The registered office of Ebro Foods, S.A. is:  
Paseo de la Castellana, nº20 – 3ª planta  
28046 Madrid (España)

Number of countries in which the organisation operates and names of the countries in which it performs its main activities or activities that are specifically important regarding the sustainability aspects addressed in this report.

The Ebro Foods Group performs its business activity in 52<sup>1</sup> countries in Europe, America, Africa and Asia. Of those 52 countries, Ebro's activities are purely commercial in 39 and in the remaining 13 countries it owns industrial facilities through its different subsidiaries. Those 14 countries and their production centres are listed below:

- |  |   |
|--|---|
| 1. Belgium:<br>Merksem<br>Schoten  | 7. France:<br>Gennevilliers<br>Nanterre<br>Saint Genis Laval<br>Lorette<br>Saint Just<br>Vitrolles<br>Littoral<br>La Montre |
| 2. Canada:<br>Montreal   | 8. Netherlands:<br>Wormer   |
| 3. Denmark:<br>Orbaek  | 9. India<br>Haryana   |
| 4. Egypt:<br>Heliopolis  | 10. Italy:<br>Vercelli  |
| 5. Spain:<br>San Juan de Aznalfarache<br>Coria del Río<br>Isla Mayor<br>Jerez de la Frontera<br>Silla<br>Algemesi<br>L'Aldea<br>La Rinconada | 11. Morocco:<br>Larache   |
| 6. United States:<br>Carlisle<br>Brinkley<br>Clearbrook<br>Freeport<br>Memphis<br>Fresno<br>St. Louis<br>Winchester<br>Hazen                 | 12. Portugal:<br>Coruche  |
|  | 13. United Kingdom:<br>Liverpool<br>Cambridge   |
|  | 14. Thailand:<br>Bangkok  |

<sup>1</sup>The list of these countries, broken down by business areas, can be consulted in the Ebro in 2013 section of this Annual Report.

## HIGHLIGHTS OF THE REPORTING ORGANISATION

Net turnover by geographical area

2013	SPAIN	EUROPE	AMERICA	OTHERS	TOTAL
Turnover (€ 000)	146,110	991,346	839,439	113,539	2,090,434

CAPITALISATION	2012	2013
Capital and Reserves	1,692,209	1,705,757
Net Debt	244,804	338,291
Average Debt	294,114	260,820
Leverage	0.17	0.15
Total Assets	2,731,812	2,772,680

EQUITY	2012	2013
Equity attributed to shareholders of Ebro Foods, S.A.	1,728,263	1,693,237
Capital	92,319	92,319
Share premium	4	4
Restricted reserves	21,633	21,633
Unappropriated reserves (cumulative earnings)	1,646,384	1,588,508
Interim dividends	0	0
Exchange differences	(54,583)	(10,255)
Treasury shares	0	0
	1,705,757	1,692,209

AVERAGE NUMBER OF EMPLOYEES 2103	MEN		WOMEN		TOTAL
	PERMANENT	TEMPORARY	PERMANENT	TEMPORARY	
Executives	124	0	38	0	162
Middle management	400	13	166	17	596
Administrative	210	14	341	21	586
Auxiliary staff	545	145	145	34	869
Sales representatives	140	7	54	1	202
Others	1,547	446	306	86	2,385
<b>Total (*)</b>	<b>2,854</b>	<b>625</b>	<b>1,027</b>	<b>159</b>	<b>4,665</b>

\* This does not include the employees of Birkel Teigwaren GmbH, sold in December 2013, but does include the employees of Olivieri, a business incorporated in November 2013 and those of Ebro India Private Limited, incorporated as from March 2013.

## Significant changes in the size, structure and ownership of the organisation in 2013

There were several changes in the scope of consolidation during 2013, the most significant of which are indicated below:

### COMPANIES INCLUDED WITHIN THE SCOPE OF CONSOLIDATION IN 2013

COMPANY	SUB-GROUP	%	COMMENTS
Ebro India, Ltda. (India)	Rice	100%	Purchase of 100% of the business
Keck Spezializaten, Gmbh. (Germany) and Danrice SAS (Denmark)	Rice	55% Keck 45% Danr.	Purchase of 55% of Keck and sale of 45% of Danrice
Olivieri (Fresh pasta & sauces business (Canada))	Pasta	100%	Purchase of 100% of the business
Scotti Group (Italy)	Associate	25%	Acquisition of shareholding interest

### COMPANIES EXCLUDED FROM THE SCOPE OF CONSOLIDATION IN 2013

COMPANY	SUB-GROUP	%	COMMENTS
Ebro Germany, GmbH.	Pasta	100%	Sale of pasta business



# PARAMETERS OF THE REPORT

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07



## PROFILE OF THE REPORT

Period covered by the reported information. 2013

Date of most recent previous report. 2012

Reporting Cycle. Annual

### Contact for issues concerning the report or its contents

For general issues on this report, please contact:

Ebro Foods, S.A.

Dirección de Comunicación y Responsabilidad Social Corporativa

Paseo de la Castellana, 20 – 3ª planta

28045 Madrid – Spain

E-mail: [comunicacion@ebrofoods.es](mailto:comunicacion@ebrofoods.es)

## SCOPE AND COVERAGE OF THE REPORT

This report informs, on a consolidated level, on the environmental and social performance of the companies performing most of the business of the Ebro Foods Group throughout the world. The companies included are:

<b>COMPANY</b>	<b>COUNTRY</b>	<b>BUSINESS AREA</b>
American Rice Inc.	USA	Rice
Arrozeiras Mundiarroz, S.A.	Portugal	Rice
Boost Nutrition, C.V.	Belgium	Rice
Catelli Foods Corporation	Canada	Pasta
Ebro Foods, S.A.	Spain	Holding
Ebro Frost Holding GmbH	Germany	Rice & Pasta
Ebro India, Private Ltd	India	Rice
Euryza GmbH	Germany	Rice
Herba Bangkok	Thailand	Rice
Herba Egypt, SAE	Egypt	Rice
Herba Puerto Rico, LLC	Puerto Rico	Rice
Herba Ricemills, S.L.U.	Spain	Rice
Herba Ricemills Romania, SRL	Romania	Rice
Lassie, B.V.	Netherlands	Rice
Lustucru Fraiss, S.A.S	France	Pasta
Mundi Riso, SRL	Italy	Rice
Mundi Riz, S.A.	Morocco	Rice
New World Pasta	USA & Canada	Pasta
Panzani Group	France	Pasta
Riceland Magyarorzag, KFT	Hungary	Rice
Rivera del Arroz, S.A.	Morocco	Rice
Riviana Foods, Inc.	USA	Rice
Stevens&Brotherton Herba Foods, LTD	UK	Rice

All the above-named companies are included in aspects regarding Food Safety and Quality, except Ebro Foods, S.A. (holding), which does not manufacture or market food products.

The section on social action programmes refers to the activities organised by the Ebro Foundation, which promotes social action in Ebro Foods, S.A., and the donations of food products made by the companies Herba Ricemills, Riviana and Panzani in their respective countries and other actions performed locally by some of our subsidiaries.



The information on Human Resources does not include the employees of the Canadian business Olivieri, acquired in November 2013, since the operation was completed at the end of the year, in December. Furthermore, in contrast to our previous Report, this year the figures we present are not based on the final headcount, but on the average workforce.

In environmental performance, all the company's production facilities have been included, namely

- |  |  |
|--|--|
| 1. Belgium:<br>Merksem<br>Schoten  | 7. France:<br>Gennevilliers<br>Nanterre<br>Saint Genis Laval |
| 2. Canada:<br>Montreal   | Lorette<br>Saint Just<br>Vitrolles                           |
| 3. Denmark:<br>Orbaek  | Littoral<br>La Montre  |
| 4. Egypt:<br>Heliopolis  | 8. Netherlands:<br>Wormer                                    |
| 5. Spain:<br>San Juan de Aznalfarache<br>Coria del Rio<br>Isla Mayor<br>Jerez de la Frontera<br>Silla<br>Algemesi<br>L'Aldea<br>La Rinconada | 9. India<br>Haryana  |
| 6. United States:<br>Carlisle<br>Brinkley<br>Clearbrook<br>Freeport<br>Memphis<br>Fresno<br>St. Louis<br>Winchester<br>Hazen                 | 10. Italy:<br>Vercelli                                       |
|  | 11. Morocco:<br>Larache                                      |
|  | 12. Portugal:<br>Coruche                                     |
|  | 13. United Kingdom:<br>Liverpool<br>Cambridge                |
|  | 14. Thailand:<br>Bangkok                                     |

*NB: Among what are considered developing countries, Ebro Foods only has industrial presence with its own workforce in Morocco, Egypt and Thailand. These countries are included in the company's social and environmental performance. The presence of Ebro Foods in Angola, Algeria, Libya, Sudan, Saudi Arabia, United Arab Emirates, India, Israel, Jordan, Kuwait, Syria and Yemen is limited to the marketing of some of its rice and pasta brands, with no physical or industrial presence in any of them.*

## STAKEHOLDERS TAKEN INTO ACCOUNT IN THE PREPARATION OF THIS REPORT

Stakeholders have been analysed from the point of view of their importance for the company's activities, grouped into six categories:

- ❖ Shareholders
- ❖ Employees
- ❖ Customers
- ❖ Suppliers
- ❖ Society
- ❖ Media

These stakeholders were identified by company management through an internal reflection process. Relations had already been established with some of these stakeholders with a view to meeting their expectations and the Group's needs, make further progress

## CHANNELS FOR DIALOGUE WITH OUR STAKEHOLDERS

STAKEHOLDERS	CHANNELS FOR DIALOGUE OF THE COMPANY WITH ITS STAKEHOLDERS
Shareholders	Corporate web site Shareholders' electronic mailbox Shareholders' Office CNMV filings Investor Relations Department Meetings with analysts and investors Roadshows General Meetings Quarterly reports Annual Report Press releases Whistle-blowing channel of the Group Code of Conduct (COC)
Employees	Group and subsidiaries' web sites Group Intranet Suggestion box Mailbox Digital Newsletter Mailshots Department seminars Works Council HR delegates Group Communications Department Annual Report Whistle-blowing channel of the COC

**STAKEHOLDERS****CHANNELS FOR DIALOGUE OF THE COMPANY WITH ITS STAKEHOLDERS**

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Customers	Group and subsidiaries' web sites Customer services department Electronic mailboxes in each Group company Parent mailbox (comunicacion@ebrofoods.es) Advertising and Marketing Satisfaction surveys Regular meetings with consumers Social networks in some of our brands Regular visits to customers Fairs, forums and conferences Annual Report Whistle-blowing channel of the COC
Suppliers	Group and subsidiaries' web sites Purchases Departments of Group companies Regular visits to suppliers Surveys Annual Report Whistle-blowing channel of the COC
Society	Group and subsidiaries' web sites Web site of Ebro Foods Foundation Annual Report Communications and CSR Department Press releases Parent mailbox (comunicacion@ebrofoods.es) Meetings with NGOs and social action institutions Meetings with local government bodies Meetings with residents' associations Whistle-blowing channel of the COC
Media	Group and subsidiaries' web sites Group Communications Department Parent mailbox (comunicacion@ebrofoods.es) Press releases CNMV filings Regular meetings with the media Interviews Polls and questionnaires Annual Report

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# ENVIRONMENTAL PERFORMANCE



## GOALS AND COMMITMENTS

### PRODUCTION ACTIVITY

According to Ebro's Corporate Social Responsibility policy set out in its Code of Conduct, the management of environmental aspects related with the production activity of Ebro Foods to guarantee sustainable growth is based on the following fundamental aspects:

- ❖ Total compliance with the applicable environmental laws
- ❖ Minimising of energy and water consumption through continuous optimisation of its production processes
- ❖ Minimising of emissions (air, noise and effluent) and the generation of waste.

### AGRICULTURAL COMMODITIES

Ebro Foods also acts outside its perimeter, working actively to improve the environmental sustainability in its supply chain of agricultural commodities, especially rice. For this purpose it has embarked on a project through its subsidiary Herba Ricemills called "Rice crop sustainability programme" which we presented in our Sustainability Report 2012.

This programme, developed in collaboration with IFAPA (\*), aims to acquire scientific expertise on the key parameters of environmental sustainability of the crop and inform the sector with a view to encouraging the application of sustainable agricultural practices.

The first results obtained through this programme are described below:

- ❖ **Optimising of nitrogen fertilizer:** it has been proved through several field studies that the doses of nitrogen fertilizer permitted by the European Union (EU) are not the most adequate, since they cause a loss of profit of around 8% for growers. We aim to present these results to the EU and request adaptation of the permitted doses to the optimum dose, which is just 10% above the dose currently permitted.
- ❖ **Phosphorus fertilizer:** Studies conducted in rice fields over ten years have established the evolution of phosphorus content in the soil after applying different doses of fertilizer and the effect of this phosphorus content on the crop. Some general recommendations have thus been established on the real needs of phosphorus fertilizer according to the content of this element in the soil. These results will enable growers to optimise their use of phosphorus fertilizer, thereby reducing costs and environmental impact.
- ❖ **Calculation of the global crop water balance:** two components of the water balance have been determined scientifically, evapotranspiration and percolation, for which there were previously no reliable data. The results show that owing to the particular irrigation system with recirculation used in the Seville area, the real water consumption of the crop (water lost through irrigation) is much smaller than the water used. Contrary to what was commonly believed, most (over half) of the water that enters the fields is returned to the environment, in this case the River Guadalquivir. Calculation of the water footprint of the crop in the Seville area will be based on this work.
- ❖ **Effect of salinity on the crop:** studies have established the threshold of salinity above which yield is affected and, above all, how and to what extent. This information will be useful for growers to optimise the quantity of irrigation water according to salinity and thus avoid loss of yield.

(\*) *Institute of Agricultural, Fisheries and Food Research and Training and ecological production, a public institution of the Regional Government of Andalusia. <http://www.juntadeandalucia.es/agriculturaypesca/ifapa/web>*

All these results have been published on the IFAPA website and were presented to the interested parties and players in the Sevillian rice sector at a technical seminar held in March this year. The event was attended by numerous growers, as well as heads of cooperatives, managers of plant protection product companies, representatives of the Rice Growers' Federation, heads of several irrigation farmer associations and integrated production experts, among others.

The next goals focus on further work on the impact of salinity on the different physiological states of the plant (project in progress), calculating the crop water footprint, addressing aspects of greenhouse gas emissions in rice fields and, finally, biodiversity.

## ENVIRONMENTAL PERFORMANCE – GRI INDICATORS

The figures set out below correspond to all the production centres of the different subsidiaries of the Ebro Foods Group (listed in the chapter Parameters of the Report) and have been prepared in accordance with the G4 Guidelines of the Global Reporting Initiative (GRI).

### NUMBER OF WORKPLACES REPORTING

Europe	24
North America	10
Africa	2
Asia	2
<b>Total</b>	<b>38</b>

## MATERIALS

EN1

### Raw Materials

The raw materials used to in the preparation of finished goods are divided into two major categories:

- ❖ Agricultural: rice and wheat
- ❖ Processed: ingredients (pre-cooked food)
- ❖ Packing and packaging materials

RAW MATERIALS FOR PRODUCTS	QUANTITY (t)
Rice	1,507,714
Wheat	682,570
Ingredients	11,728
<b>Total</b>	<b>2,202,013</b>

### RAW MATERIALS FOR PRODUCTS





The packing and packaging materials used for the finished goods are mainly paper, cardboard and plastic.

MATERIALS FOR PACKAGING	QUANTITY (t)	% RECYCLED
Paper	8,231	
Cardboard	36,664	
Plastic	15,471	
Others	249	
<b>Total</b>	<b>60,615</b>	

#### MATERIALS FOR PACKAGING



We have not been able to obtain reliable consolidated details regarding the percentage of recycled input materials used in packaging material (EN2), so this information is not included this year. It is, however, a key aspect for Ebro Foods and we are working with our suppliers to be able to present this information next year.

## ENERGY

EN3

### Energy consumption

The total energy consumption for the group is shown below:

#### DIRECT CONSUMPTION

NON-RENEWABLE ENERGY SOURCES	CONSUMPTION (GJ)
Natural gas	756,272
Others	48,006
<b>Total</b>	<b>804,279</b>

RENEWABLE ENERGY SOURCES	CONSUMPTION (GJ)
Biomass (*)	91,367
<b>Total</b>	<b>91,367</b>
<b>Total directas</b>	<b>895,645</b>

(\*) This is exclusively rice husk, a by-product from our industrial processes.

#### INDIRECT CONSUMPTION

INTERMEDIATE ENERGY ACQUIRED AND CONSUMED	CONSUMPTION (GJ)
Electricity	876,717
Steam	74,786
<b>Total indirect energy consumption</b>	<b>951,503</b>

## ENERGY CONSUMPTION



EN5

### Energy intensity

2013 will be the base year for monitoring the evolution of the group's energy intensity.

TOTAL PRODUCED	TONNES
	1,840,772
TOTAL ENERGY CONSUMED	GJ
	1,847,747
ENERGY INTENSITY	GJ/T OF PRODUCT
	1.003

EN6

### Reduction of energy consumption

Three subsidiaries have reported initiatives to reduce energy consumption, especially in lighting, by almost €150,000.

SUBSIDIARIES	INITIATIVE	COST	REDUCTION
Riviana – Clearbrook	Installation of 50 LED luminaires	28,833€	670 GJ/year – Estimate
NWP - Montreal	Modernisation of lighting	88,788 €	0.245 GJ/t - Estimate
	Repair steam circuit	1,446 €	0.006 GJ/t - Estimate
Herba Ricemills - Sevilla	Instalación luminaria bajo consumo	30,000 €	
<b>Total</b>		<b>149,067 €</b>	

## WATER CONSUMPTION

EN8

### Total water withdrawal

TOTAL VOLUME OF WATER WITHDRAWN	m <sup>3</sup>
Municipal water supplies or other water utilities	2,021,828
Ground water	290,444
<b>Total processes</b>	<b>2,312,272</b>
Surface water (1)	21,550,000
<b>Total water withdrawn</b>	<b>23,862,272</b>

(1) The consumption of water withdrawn from surface water, 21,550,000 m<sup>3</sup>, does not correspond to our industrial activity but the agricultural activity performed by the subsidiary Rivera del Arroz in Morocco. This company was included in environmental performance in 2012 with a surface water consumption of 19,296,858 m<sup>3</sup>.



**EN10**  
**Water recycled and reused**

<b>TOTAL VOLUME OF WATER RECYCLED AND REUSED</b>	<b>m<sup>3</sup></b>
Water recycled	98,304
Water reused	13,165
<b>Total</b>	<b>111,469</b>

None of the subsidiaries of Ebro Foods has so far calculated the water footprint of its products.



**BIODIVERSITY**

None of the Group companies has any operational site owned, leased, managed in, or adjacent to, protected areas or areas of high biodiversity value outside protected areas.

**EMISSIONS**

**EN15 Y EN16**  
**Direct and indirect greenhouse gas (GHG) emissions (Scope 1 and 2)**

<b>GHG EMISSIONS</b>	<b>t CO2-eq</b>
Direct emissions (Scope 1)	45,977
Indirect emissions (Scope 2)	62,121
<b>Total emissions</b>	<b>108,098</b>



**EN17**  
**Other indirect GHG emissions (Scope 3)**

The greatest source of indirect GHG emissions of scope 3 is in the agricultural production of our raw material, rice. The flooding of the fields to grow this cereal fosters the appearance of anaerobic degradation of soil organic matter (fermentation), which generates significant emissions of methane. These emissions can vary enormously depending on the soil and climate conditions and agricultural practices, and they are difficult to measure.

Our subsidiary Herba Ricemills is working actively, in collaboration with several players in the European rice sector and major commercial partners, on the preparation of a predictive model based on direct measurement. This model will enable us to estimate those emissions reliably and propose mitigation strategies for the growers in our supply chain.

EN18

GHG emissions intensity

2013 will be the base year for monitoring the evolution of the group's GHG emissions intensity.

<b>TOTAL PRODUCED</b>	<b>TONNES</b>
	1,840,772
<b>TOTAL GHG EMISSIONS</b>	<b>t CO2-eq</b>
	108,098
<b>GHG EMISSIONS INTENSITY</b>	<b>t CO2-eq /TONNES PRODUCT</b>
	0.059

EN20

Emissions of ozone-depleting substances

No ozone-depleting substances have been generated.

EN21

NO<sub>x</sub>, SO<sub>x</sub> and other significant air emissions

<b>AIR EMISSIONS</b>	<b>TONNES</b>
NO <sub>x</sub>	68
SO <sub>x</sub>	15
VOC	3
Particulate matter (PM)	29
<b>Total emissions</b>	<b>115</b>

These data must be considered approximate as not all workplaces have been able to report on this aspect. Ebro Foods is working towards obtaining more complete, consistent information on this point.

**EFFLUENTS AND WASTE**

EN22

Water discharge

<b>WATER DISCHARGED</b>	<b>m<sup>3</sup></b>
Process water and sewage	1,523,160
<b>Total effluent</b>	<b>1,523,160</b>

<b>DESTINATION OF WATER DISCHARGE</b>	<b>m<sup>3</sup></b>
Sewerage system or treatment facility	1,497,836
Surface water	25,324

EN23

Waste generation

<b>WASTE</b>	<b>TONNES</b>
Hazardous	42
Non-hazardous	11,973
<b>Total Waste</b>	<b>12,015</b>

All hazardous waste is transferred to authorised waste disposal contractors for treatment according to the laws in place in each geographical area.

Non-hazardous waste is separated by type and also handled by authorised waste disposal contractors, favouring recycling and reuse whenever possible.

<b>NON-HAZARDOUS WASTE</b>	<b>DISPOSAL METHOD</b>
Paper / Cardboard	Recycling
Plastic	Recycling + reuse
SUW	Landfill + Incineration
Metal scrap	Recycling
Wood	Reuse
Treatment facility sludge	Reuse

EN24

#### **Significant spills**

No spills have occurred in 2013.

### **COMPLIANCE / EXPENDITURE AND INVESTMENT**

#### **COMPLIANCE WITH LAWS AND REGULATIONS**

Total compliance with the laws and regulations applicable to its activities is a basic principle in the Ebro Foods environmental management. All the company's production facilities operate under the applicable certifications, specifications and authorisations in their respective geographical areas and internally manage their environmental aspects accordingly.

In this regard, our Spanish rice subsidiary, Herba Ricemills, is implementing a tool to monitor and update information on environmental laws and management of the regulatory inspections and controls. This tool is expected to be operational in all Herba Ricemills production facilities by the end of 2014.

#### **ENVIRONMENTAL CERTIFICATION AND MANAGEMENT SYSTEMS**

Three semolina production facilities of the French subsidiary Panzani have had their environmental management systems certified under the standard UNE-EN-ISO 14001 to ensure enhanced compliance.

EN29

#### **Non-compliance, fines and sanctions**

There has been no non-compliance with laws or regulations and no fines or sanctions.

EN31

#### **Environmental protection expenditures and investment**

<b>WASTE</b>	<b>EUROS</b>
Expenditure in management and control	354,214
Investment to minimise environmental impact	362,940
<b>Total</b>	<b>717,154</b>

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# SOCIAL PERFORMANCE



Ebro Foods, S.A.  
Our Human Capital

## OUR HUMAN CAPITAL

The main aim of Ebro Foods in the area of labour is to have an adequate labour relations framework that will help to make its employees feel part of the organisation, favouring their career development, promote equal opportunities and non-discrimination and, in short, make a climate of industrial peace possible.

Each Group company is governed by the labour laws in place in the country in which it operates and the major companies also have their own Human Resources policies regulating their relationships with employees. Above those policies and without prejudice to the provisions established in the collective agreements of the different companies in the Ebro Foods Group, there is a Group Code of Conduct which not only guarantees responsible, ethical conduct by the employees of all the Ebro Foods companies in their work, but also serves as a reference for defining the goals of the employment policy and guarantees, health and safety at work, training and the principles to secure non-discrimination, diversity and equal opportunities in access to employment. This Code contemplates the existence of a confidential whistle-blowing channel ([canaldedenuncias@ebrofoods.es](mailto:canaldedenuncias@ebrofoods.es)) through which any of the persons bound by the Code of Conduct can report any breach of the principles established therein. In addition, any employees may submit queries, suggestions or consultations on any specific cases that may affect them, sending these communications to the Audit and Compliance Committee in any language through the specific e-mail address [codigodeconducta@ebrofoods.es](mailto:codigodeconducta@ebrofoods.es). The Code of Conduct is published on the company's website (<http://www.ebrofoods.es/responsabilidad-social-corporativa/codigo-de-conducta/>) and on the Group Intranet.

## LABOUR PRACTICES AND DECENT WORK. GRI INDICATORS

This Report has been prepared with information from all the operating companies in the Group (listed in the chapter Parameters of the Report). We have not included the employees of the Canadian business Olivieri, acquired in November 2013, since the operation was completed at the end of the year, in December.

Furthermore, in contrast to our Report 2012, the figures presented herein are not based on the final headcount, but on the average workforce of the company in 2013.

### HEADCOUNT BY TYPE OF EMPLOYEE

The Ebro Foods Group had an average of 4,794 employees on its payroll in 2013, of which 4,146 are employees of the company.

Employees	4,146
Supervised workers	614
Independent contractors	34



## HEADCOUNT BY GEOGRAPHICAL AREA

CONTINENT / TYPE OF WORKER	NUMBER	% TOTAL WORKERS
<b>Africa</b>	<b>366</b>	<b>7.63%</b>
Independent contractors	0	0%
Supervised workers	0	0%
Employees	366	7.63%
<b>Asia</b>	<b>227</b>	<b>4.74%</b>
Independent contractors	30	0.63%
Supervised workers	67	1.40%
Employees	130	2.71%
<b>Central America</b>	<b>9</b>	<b>0.19%</b>
Independent contractors	0	0%
Supervised workers	3	0.06%
Employees	6	0.13%
<b>Europe</b>	<b>2,684</b>	<b>55.99%</b>
Independent contractors	4	0.08%
Supervised workers	298	6.22%
Employees	2,382	49.69%
<b>North America</b>	<b>1,262</b>	<b>31.46%</b>
Independent contractors	0	0%
Supervised workers	0	5.13%
Employees	1,262	26.32%

## HEADCOUNT BY TYPE OF CONTRACT

Permanent	2,479	59.79%
Temporary	405	9.77%
At-will (USA)	1,262	30.44%



HEADCOUNT BY TYPE OF CONTRACT AND GEOGRAPHICAL AREA

<b>TYPE OF CONTRACT</b>	<b>NO. EMPLOYEES</b>	<b>% CONTINENT</b>
<b>Africa</b>		
At-will	0	0%
Permanent	135	36.89%
Temporary	231	63.11%
<b>Asia</b>		
At-will	0	0%
Permanent	130	100%
Temporary	0	0%
<b>Central America</b>		
At-will	0	0%
Permanent	6	100%
Temporary	0	0%
<b>Europe</b>		
At-will	0	0%
Permanent	2,208	92.70%
Temporary	174	7.30%
<b>North America</b>		
At-will	1,262	100%
Permanent	0	0%
Temporary	0	0%

*NB: The majority of temporary contracts are in Morocco, in the company Rivera del Arroz, which is essentially an agricultural company so the hiring of personnel is conditional upon the progress of the rice campaign and the number of hectares sown. Most contracts are made during the five or six months of the sowing and harvesting season.*

HEADCOUNT BY BUSINESS AREA AND MEN-WOMEN RATIO IN EACH AREA

	<b>% OF BUSINESS AREA</b>			
	<b>MEN</b>	<b>WOMEN</b>	<b>% MEN</b>	<b>% WOMEN</b>
Rice	1,826	481	79.15%	20.85%
Holding	37	24	60.66%	39.34%
Pasta	1,202	576	67.60%	32.40%
<b>Total</b>	<b>3,065</b>	<b>1,081</b>	<b>73.93%</b>	<b>26.07%</b>

*NB: The men-women ratio reveals a larger number of male employees due to the industrial nature in the origins of the Group and the large number of workers employed in its industrial facilities, where the proportion of male workers has traditionally been much greater.*

HEADCOUNT BY AGE GROUP

<b>AGE GROUP</b>	<b>TOTAL</b>	<b>% TOTAL</b>
<=30	821	17.94%
30 - 50	1,167	25.53%
>=50	2,585	56.53%

HEADCOUNT BY AGE GROUP AND MEN-WOMEN RATIO IN EACH GROUP

AGE GROUP	% OF AGE GROUP				
	MEN	WOMEN	TOTAL	% MEN	% WOMEN
<=30	372	152	524	70.99%	29.01%
30 - 50	1,659	565	2,224	74.60%	25.40%
>=50	1,034	364	1,398	73.96%	26.04%

HEADCOUNT BY AGE GROUP, MEN-WOMEN RATIO IN EACH GROUP AND GEOGRAPHICAL AREA

	<=30		30 - 50		>=50	
	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN
Africa	93	16	204	11	39	3
Asia	19	12	81	18	0	0
Central America	1	1	3	0	1	0
Europe	160	94	992	358	588	190
North America	99	29	379	178	406	171
<b>Total</b>	<b>372</b>	<b>152</b>	<b>1,659</b>	<b>565</b>	<b>1,034</b>	<b>364</b>

HEADCOUNT BY EMPLOYEE CATEGORY

CATEGORY	NO. EMPLOYEES	% TOTAL EMPLOYEES
Executives	134	3.23%
Middle management	614	14.81%
Administrative staff	532	12.83%
Auxiliary staff	658	15.87%
Sales representatives	183	4.41%
Others	2,025	48.84%

MEN-WOMEN RATIO BY EMPLOYEE CATEGORY

CATEGORY	% TOTAL CATEGORY				
	MEN	WOMEN	TOTAL	% MEN	% WOMEN
Executives	109	25	134	81.34%	18.66%
Middle management	416	198	614	67.75%	32.25%
Administrative staff	195	337	532	36.65%	63.35%
Auxiliary staff	490	168	658	74.47%	25.53%
Sales representatives	135	48	183	73.77%	26.23%
Others	1,720	305	2025	84.94%	15.06%
<b>Total</b>	<b>3,065</b>	<b>1,081</b>	<b>4,146</b>	<b>73.93%</b>	<b>26.07%</b>

## HEADCOUNT BY EMPLOYEE CATEGORY AND AGE GROUP

	% TOTAL CATEGORY					
	<=30	30 - 50	>=50	<=30	30 - 50	>=50
Executives	3	78	53	2.24%	58.21%	39.55%
Middle management	54	308	252	8.79%	50.16%	41.04%
Administrative staff	66	300	166	12.41%	56.39%	31.20%
Auxiliary staff	108	339	211	16.41%	51.52%	32.07%
Sales representatives	28	102	53	15.30%	55.74%	28.96%
Others	265	1,097	663	13.09%	54.17%	32.74%

## NUMBER OF DISABLED EMPLOYEES

Men	44
Women	15
<b>Total</b>	<b>59</b>

Within the scope of placing the disabled in employment in Spain, Ebro Foods contracts certain services with different special employment centres (CEE). The value of those collaborations in 2013 was 88,551.18 €.

ENTITY	AMOUNT
C.E.E. Afanias	5,441.37 €
C.E.E. Cademadrid	386.56 €
C.E.E. Intgraf	8,246.45 €
Fundación Prodis	2,880.00 €
C.E.E. Inserción Personal Discapacitados "IPD"	71,596.80 €
<b>Total</b>	<b>88,551.18 €</b>

## EMPLOYMENT

### LA1

## NUMBER OF NEW EMPLOYEE HIRES AND AVERAGE EMPLOYEE TURNOVER

	Nº
New employee hires	575
New hires who join and leave the company in the same year	212
Employees voluntarily leaving the company	164
Dismissals/redundancies	231
Deaths	16
Permanent disability	6
Retirements	33

BREAKDOWN BY GENDER

	<b>MEN</b>	<b>WOMEN</b>
New employee hires	437	138
New hires who join and leave the company in the same year	171	41
Employees voluntarily leaving the company	109	55
Dismissals/redundancies	171	60
Deaths	13	3
Permanent disability	5	1
Retirements	27	6

BREAKDOWN BY AGE

**AGE GROUP**

	<b>&lt;=30</b>	<b>&lt;=50</b>	<b>30-50</b>
New employee hires	229	56	290
New hires who join and leave the company in the same year	76	16	120
Employees voluntarily leaving the company	47	32	85
Dismissals/redundancies	25	97	109
Deaths	0	16	0
Permanent disability	0	6	0
Retirements	0	30	3

EMPLOYEES PROMOTED DURING THE YEAR, BY GENDER

<b>MEN</b>	<b>WOMEN</b>	<b>TOTAL</b>	<b>% TOTAL</b>
142.00	30.00	172.00	4.15%

**LA3**

RETURN TO WORK AND RETENTION RATES AFTER PARENTAL LEAVE, BY GENDER

	<b>MEN</b>	<b>WOMEN</b>
Employees who were entitled to parental leave	64	37
Employees who took parental leave	56	37
Employees who returned to work after parental leave ended	55	33
Employees who returned to work after parental leave ended and were still employed twelve months after their return to work	52	31

	<b>MEN</b>	<b>WOMEN</b>
Return to work rate	98.21%	89.19%
Retention rate	94.55%	93.94%

## HEALTH AND SAFETY AT WORK

### LA6

#### NUMBER OF WORKERS REPRESENTED IN FORMAL JOINT MANAGEMENT-WORKER HEALTH AND SAFETY COMMITTEES

A total of 3,920 workers (employees + supervised workers) are represented in the formal joint management-worker health and safety committees, which is 86.84% of the total workforce.

The health and safety of our employees is an essential aspect in the labour relations of all the Ebro Foods companies. Accordingly, more than one million euros was spent in 2013 on different risk prevention actions, training and increasing the publication of accident rates and the causes and solutions of accidents produced.

#### Are all the employees of your origination covered for occupational hazards and prevention?

Yes

#### Investment made by the company during 2013 in occupational hazard prevention:

586,354.15 euros

#### Number of hours' training given on occupational hazard prevention:

23,323.50

#### Cost of that training:

414,639.79 euros

#### Rate of injuries, occupational diseases, lost days, absenteeism and number of work-related fatalities.

- ❖ Number of injuries of employees: 234  
*% injuries / total workforce: 5.64%*
- ❖ Number of injuries of supervised workers: 18  
*% injuries / total workforce: 4.89%*
- ❖ Number employees who have had occupational diseases: 15
- ❖ Number of supervised workers who have had occupational diseases: 0
- ❖ Lost days by employees (injuries and occupational disease): 5,884
- ❖ Lost days by supervised workers (injuries and occupational disease): 461
- ❖ Number of days de absenteeism of employees: 12,309
- ❖ Number of days de absenteeism of supervised workers: 739
- ❖ Number of work-related fatalities, employees: 0
- ❖ Number of work-related fatalities, supervised workers: 0

#### EMPLOYEES

- ❖ Injury rate (IR): 6
- ❖ Occupational disease rate (ODR): 0.38
- ❖ Lost day rate (LDR): 148
- ❖ Absentee rate (AR): 309

## SUPERVISED WORKERS

- ❖ Injury rate (IR): 4,05
- ❖ Occupational disease rate (ODR): 0 (ZERO)
- ❖ Lost day rate (LDR): 98
- ❖ Absentee rate (AR): 158

## LA7

### WORKERS IN OCCUPATIONAL ACTIVITIES WITH A HIGH INCIDENCE OR HIGH RISK OF DISEASE

None of the Group companies has any workers involved in occupational activities with a high incidence or high risk of disease.

### Training and education

The different companies of the Group have invested a total of €1,315,969.60 in training courses for its employees. Just over 103,425.11 hours of training have been provided, in which around 67% of the workforce have participated.

NO. EMPLOYEES WHO HAVE UNDERTAKEN TRAINING	% OF TOTAL WORKFORCE
2,775	66.93%

## LA9

### TOTAL NUMBER OF EMPLOYEES WHO HAVE PARTICIPATED IN TRAINING SCHEMES, BY EMPLOYEE CATEGORY

	NO. EMPLOYEES	% EMPLOYEES IN CATEGORY
Executives	57	42.54%
Middle management	487	79.32%
Administrative staff	437	82.14%
Auxiliary staff	540	82.07%
Sales representatives	90	49.18%
Others	1,164	57.48%
<b>Total</b>	<b>2,775</b>	<b>66.93%</b>

### NUMBER OF EMPLOYEES WHO HAVE UNDERTAKEN TRAINING, BY GENDER AND EMPLOYEE CATEGORY

	% TOTAL GENDER BY CATEGORY			
	MEN	WOMEN	MEN	WOMEN
Executives	40	17	36.70%	68.00%
Middle management	340	147	81.73%	74.24%
Administrative staff	205	232	105.13%	68.84%
Auxiliary staff	399	141	81.43%	83.93%
Sales representatives	61	29	45.19%	60.42%
Others	960	204	55.81%	66.89%
<b>Total</b>	<b>2,005</b>	<b>770</b>	<b>65.42%</b>	<b>71.23%</b>

NUMBER OF HOURS OF TRAINING UNDERTAKEN, BY GENDER AND EMPLOYEE CATEGORY

	MEN	WOMEN	TOTAL
Executives	810.24	371.12	1,181.36
Middle management	13,738.40	5,269.27	19,007.67
Administrative staff	7,586.61	5,247.47	12,834.08
Auxiliary staff	36,376.00	12,086.00	48,462.00
Sales representatives	734.5	332	1,066.50
Others	15,540.50	5,333.00	20,873.50
<b>Total</b>	<b>74,786.25</b>	<b>28,638.86</b>	<b>103,425.11</b>

*NB: The principal subject areas on which training has been given are: quality and environment, languages, information technologies, occupational hazard prevention and safety at work, and the development of commercial and marketing skills.*

LA11

PERCENTAGE OF EMPLOYEES RECEIVING REGULAR PERFORMANCE AND CAREER DEVELOPMENT REVIEWS, BY GENDER AND CONTINENT

CONTINENT	NO. MEN	NO. WOMEN	% TOTAL MEN PER CONTINENT	% TOTAL WOMEN BY CONTINENT
Africa	35	2	10.42%	6.67%
Asia	91	27	91.00%	90.00%
Central America	3	1	60.00%	100.00%
Europe	617	399	35.46%	62.15%
North America	289	201	32.69%	53.17%

PERCENTAGE OF EMPLOYEES RECEIVING A VARIABLE REMUNERATION ASSOCIATED WITH REGULAR PERFORMANCE AND CAREER DEVELOPMENT REVIEWS, BY GENDER AND CONTINENT

CONTINENT	NO. MEN	NO. WOMEN	% TOTAL MEN PER CONTINENT	% TOTAL WOMEN BY CONTINENT
Africa	12	1	3.57%	3.33%
Asia	89	27	89.00%	90.00%
Central America	0	0	0.00%	0.00%
Europe	190	130	10.92%	20.25%
North America	289	201	32.69%	53.17%

23% of the employees of the different companies in the Ebro Foods Group are included in a variable remuneration scheme which bases the variable part of their annual salary on a number of collective (of the Group overall and the different business units) and job-specific objectives.

In addition, several employees in Spain benefit from the payment-in-kind programme, whereby taxation of their salaries can be optimised through the receipt of certain benefits, such as medical insurance, company car, computers, nursery service or housing rent.

This remuneration policy includes the delivery of shares in Ebro Foods, S.A.: under current tax laws employees may receive up to 12,000 euro in company shares without considering them remuneration for the purpose of personal income tax. During 2013, 35 employees of different Group companies received shares in the company for an overall sum of 344,910.48€.



Ebro Foods, S.A.  
Relations with Society



## LOCAL COMMUNITIES

SO1

### Percentage of operations with implemented local community engagement, impact assessments and development programmes

The Group companies have designated different representatives to conduct and maintain relations, through regular meetings, with the social partners of the communities in which they operate. The purpose of those meetings is to establish channels of communication through which the company can inform on the projects it has begun or is about to begin and communities can give the company any information they consider necessary and even, in some cases, social demands to help improve the life and development of those communities. In addition, Ebro works through its Foundation to align the interests of the communities with the principles of social investment, to generate compatible projects. The specific actions taken in the geographical areas in which we operate are described in the chapter “Social action and community development programmes”.

SO2

### Operations with significant actual and potential negative impacts on local communities

No disputes have arisen during 2013 with any of the communities with which the company interacts in the performance of its business activities, nor has it received any complaint or claim through the formal mechanisms regarding negative impacts on local communities.

SO4

### Communication and training on anti-corruption policies and procedures

The Ebro Foods Group has a Code of Conduct (COC) that includes a specific section on measures to combat corruption, bribery, illegal commissions and influence peddling. All the employees of the organisation have been informed of the COC, which has been signed and accepted by each and every one of them.

Some of the Group companies have developed specific policies which, while respecting the principles upheld in the COC, broaden the contents in this aspect.

Subsidiaries which have informed their employees of the company's anti-corruption policy:

#### ANTI-CORRUPTION POLICIES AND PROCEDURES

COMPANY	COUNTRY	NO. EMPLOYEES INFORMED	PERCENTAGE
Ebro India, Private Ltd	India	74	100%
Herba Ricemills, S.L.U.	Spain	680	100%
Lassie, B.V.	Netherlands	55	100%
Mundi Riso, SRL	Italy	22	78.57%
New World Pasta	USA y Canada	580	100%
Riviana Foods, Inc.	USA	682	100%
S&B Herba Foods, LTD	UK	96	100%

Subsidiaries which have provided training on anti-corruption for their employees:

	NUMBER OF EMPLOYEES		NO. EMPLOYEES THAT HAVE RECEIVED TRAINING	
	TOTAL		NUMBER	PERCENTAGE
<b>EBRO INDIA</b>				
Executives	12		12	100%
Middle management	14		14	100%
Sales representatives	5		5	100%
Others	43		43	100%
<b>Total</b>	<b>74</b>		<b>74</b>	<b>100%</b>
<b>MUNDIRISO</b>				
Executives	1		1	100%
Middle management	2		2	100%
Administrative staff	7		6	85.71%
Others	18		13	72.22%
<b>Total</b>	<b>28</b>		<b>22</b>	<b>78.57%</b>
<b>NEW WORLD PASTA GROUP</b>				
Executives	7		7	100%
Middle management	71		71	100%
Administrative staff	142		142	100%
Sales representatives	30		30	100%
Others	330		330	100%
<b>Total</b>	<b>580</b>		<b>580</b>	<b>100%</b>
<b>RIVIANA GROUP</b>				
Executives	5		5	100%
Middle management	174		174	100%
Administrative staff	63		63	100%
Auxiliary staff	434		434	100%
Sales representatives	6		6	100%
<b>Total</b>	<b>682</b>		<b>682</b>	<b>100%</b>

SO5

**Confirmed incidents of corruption and measures taken**

No cases of corruption have been reported in any of the Group companies or any of their business partners.

SO6

**Total monetary value of financial and in-kind contributions to political parties or related institutions**

None of the Group companies has made any financial or in-kind contributions to political parties or related institutions.

**ANTI-COMPETITIVE BEHAVIOUR**

SO7

**Total number of legal actions for anti-competitive behaviour, anti-trust, and monopoly practices**

None of the Group companies has been sued for these reasons.

**COMPLIANCE**

SO8

**Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with laws and regulations**

There have been no incidents of non-compliance in any of the Group companies so no fines or sanctions have been imposed.

**Ebro Foods, S.A.**  
**Social Action and Community**  
**Development Programmes**

**SUMMARY OF SOCIAL ACTIONS**

Once again, Ebro Foods has contributed towards furthering socioeconomic development in the geographic areas in which it operates. During 2013, it invested €1,846,948 through its Foundation and different subsidiaries in promoting different initiatives and projects to improve the quality of life of the individuals and groups in danger of social exclusion.

This aid has been channelled mainly through the donation of food, the integration of disabled persons in society and employment and the promotion of projects to enhance socioeconomic development in developing countries and other geographic areas in which the group operates. In these last three areas it has started up a total of 46 projects, which have helped to improve the living conditions of at least 40,380 people and in the line of food donations, it has donated different Group products to food banks in Spain, France and the United States with a value, had they been sold on the market, of over €1,400,000.

The different social action programmes in which Ebro Foods participated in 2013 are listed below:

**DONATIONS TO FOOD BANKS: 1,419,753 €**

Spain	156,406.00 €
France	675,000.00 €
USA/Canada	588,347.00 €

**COLLABORATION IN RESEARCH ACTIVITIES: 18,200 €**

TOWN / CITY	ORGANISATION	ACTION DEVELOPED
Seville	Ciccartuja	Funding of Research Prize
Madrid	Fundación Cris	Project for clinical studies on leukaemia in children



**SOCIAL ACTION IN SPAIN: 132,000 €**

TOWN / CITY	ORGANISATION	CSR ACTION DEVELOPED	BENEFICIARIES
Seville	Asociación Aliento	Aid for buying food and nappies for children at the M <sup>a</sup> Ángeles Nursery in El Vacie	45
Seville	Orden de Malta	Economic assistance for the San Juan de Acre soup canteen	200
Seville	Proyecto Hombre	Project for fitting out and starting up pre-employment workshops at the “Las Canteras” reintegration centre	108
Seville	Hermanidad de la Santa Caridad	Economic aid for its store	NS
Seville	Fundación Balía	Education project for children from broken homes and single-parent families	60
Silla - Valencia	Cáritas Española	Support and assistance for families	1790
Algemés - Valencia		Assistance to families, training for employment and solidarity store	
Benifayó - Valencia		Support and assistance for families	
Madrid	Fundación Balía	Education project for children from broken homes and single-parent families	16
Madrid	Banco de Alimentos de Madrid	Collaboration magazine	NS
Madrid	Orden de Malta	Soup kitchens	350
Madrid	Fundación Lafer	Master in Food Business Management	1
Madrid	Fundación S.Juan del Castillo	Refuge in Tres Cantos Rapa Project	40
Madrid	Fundación Theodora	Financing of Smile Doctors in several hospitals nationwide	690
Madrid	Asociación Volán	Premium for the volunteers’ liability insurance	150
Madrid	Manos de Ayuda	Las Ventas district soup kitchen	90
Madrid	ONG Olvidados	Purchase of food for those most in need	1050
Jerez - Cádiz	Madre Coraje	Economic support for solidarity vegetable garden for the El Salvador soup kitchen	100
Jerez - Cádiz	Parroquia San Pablo	“Childsplay” project	35
Granada	Proyecto Hombre	Rambling and hiking activities for drug addicts and their families	750

**INTEGRATION OF DISABLED PERSONS IN EMPLOYMENT AND SOCIETY: 150,000 €**

TOWN/CITY	ORGANISATION	CSR ACTION DEVELOPED	BENEFICIARIES
Seville	Autismo Sevilla	Financing of home for autistic individuals	20
Seville	Apascide	Speech therapy and independence assistance programme for deaf and blind people	34
Seville	Cáritas Española	San Pelayo Training Centre and Employment Project	126
Seville	Fundación Auxilia	Horticulture and Office Automation Workshops Programme	36
Seville	Mater et Magistra	"A Better Life" Project run in the Mamika and Carlos sheltered housing for the disabled	10
Madrid	Fundación Bobath	"Sponsor" Plan, integral treatment for a child with cerebral palsy	1
Madrid	Fundación También	Corporate voluntary work day	31
Madrid	Fundación Kyrios	Counselling and information programme for persons with borderline intelligence	10
Madrid	Fundación Juan XXIII	Passthrough dishwasher for the training catering hall for disabled	30
Madrid	Fundación Capacis	Vocational Training Project to enhance the employability of disabled persons	16
Madrid	Fundación Prodis	Promotor Project developed by the Autonomous University to improve integration into the labour market	116
Madrid	Fundación Síndrome de Down	Cátedra Family and Disability Project developed by the Universidad Pontificia de Comillas	47





**SOCIAL ACTION IN DEVELOPING COUNTRIES: 128,000 €**

TOWN/CITY	ORGANISATION	CSR ACTION DEVELOPED	BENEFICIARIES
Cambodia	Sauce ONG	Maintenance and development of nurseries in Battambang Province	191
North Vietnam	Codespa	Project to improve rice crops in the province of Tuyen Quang	17,000
Egypt	Herba Egipto	Social action in communities near the factory: delivery of food to the underprivileged and educational material to students. Funds to build a minaret in the local mosque and, along with the local NGO Almanara Association, improvement of the sanitary conditions of poor patients.	NS
Morocco	Rivera del Arroz	Furniture for disabled association. Payment of tax and school transport insurance	117
Malawi	África Directo	Vegetable gardens continuity project in Mtendere for the nutritional support of orphans and seropositive patients in the hospital and communities, including training for mothers	670
Malawi	África Directo	Irrigation continuity project and support for nutritional centre in Chipwanyana	16,000
Mozambique	África Directo	Production of 30 hectares of cashew nuts in Muluama, Gurue. A school and clinic will be built with the proceeds from sales of this product	50
Kenya	África Directo	Bamboo plantation and honey for nutritional support of seropositive patients in Korogocho	NS
Chad	África Directo	Plantation of papayas, bananas, tomatoes, sorghum, etc. to feed schoolchildren and peasant training	NS
Niger	África Directo	Building of well for agriculture and farm	400
Philippines	África Directo	Emergency aid in Philippines after Haiyan typhoon	NS
Others	Obra Social La Caixa	Business alliance for vaccination of children in developing countries	NS

Further information on the projects developed by the Foundation in 2013 can be found at [www.fundacionebrofoods.es](http://www.fundacionebrofoods.es)

**Ebro Foods, S.A.**  
**Product responsibility:**  
**Food Safety and Quality**

## **PRODUCT RESPONSIBILITY: FOOD SAFETY AND QUALITY**

One of the basic pillars in the Ebro Foods management is to provide society in general and our customers and consumers in particular with top food quality and safety. The Group has a Food Safety and Quality Policy, which is supplemented with the specific policies of all our subsidiaries.

### **CORPORATE FOOD SAFETY AND QUALITY POLICY**

This policy is based on the permanently integrated action of our entire organisation to achieve continuous improvement of our company, especially in the following aspects:

1. Definition, development and implementation of a Food Safety and Quality System complying with the requirements of Standards ISO 9001, ISO 22000 (or similar, depending on the country in which the respective company operates), certified by an ENAC authorised body.
2. Training and promoting awareness of all company employees in the aspects of food safety and quality management required by their work and our organisation.
3. Setting and revising of quality targets to enable continuous improvement in this area, providing the necessary financial and operational resources.
4. Monitoring of the objectives and performance of preventive and remedial actions required from time to time by prevailing circumstances.
5. Encouragement of the company's suppliers to adopt similar principles to those set out above, cooperating with them to put those principles into practice.
6. Adoption of approval measures and quality programmes arranged with customers to ensure their satisfaction.
7. Ensuring health and safety of our customers, respecting the most stringent food safety standards.
8. Compliance with prevailing laws and regulations on product labelling.
9. Publishing of transparent, true marketing communications, complying with advertising self-regulation codes.
10. Preservation of the confidentiality of personal data of our customers, in pursuance of the data protection laws in place from time to time.

### **IMPLEMENTATION OF FOOD SAFETY AND QUALITY CONTROL SYSTEMS**

We use the most advanced quality control systems at all our plants and workplaces to guarantee the quality and safety of the food we offer our consumers:

- ❖ **Good Manufacturing Practices (GMP):** contemplating good practices for the handling, packaging, storage and carriage of fresh products.
- ❖ **Hazard Analysis and Critical Control Point (HACCP):** a system for identification and control of the possible problems that may come to light during the design and production processes.

❖ **Quality Assurance Standards:** such as the standards established by the International Organisation for Standardization (ISO 9001:2000, ISO 9001:2008 and ISO 22000), the International Food Standards (IFS), which, structured in line with ISO 9001:2000, are among the highest distinctions in Food Safety in all distribution sectors in Europe, the BRC (British Retail Consortium) certification, one of the internationally most widespread models for distributors and large retail outlets to rate their brand product suppliers, and finally, the Danish DS standards (Danish HACCP Code), for developing a HACCP system in the food industry and in the manufacturing of packing and packaging for food products. The effectiveness of these programmes is regularly assessed by independent experts.

In 2012 work began aimed at obtaining ISO 22000 certification for the Mundiriz, S.A. plant in Morocco and all the Group's plants are now certified for food quality and safety.

<b>COMPANY</b>	<b>COUNTRY</b>	<b>NAME OF WORKPLACE</b>	<b>CERTIFICATES</b>
Arrozeiras Mundiarroz, S. A.	Portugal	Coruche	ISO 9001 ISO 22000
Boost Nutrition	Belgium	Merksem	BRC IFS Higher Level Kosher Fairtrade Certification Organic Certification
Boost Nutrition	Belgium	Schoten	BRC IFS Higher Level Kosher Fairtrade Certification Organic Certification
Danrice	Denmark	Orbaek	BRC ISO 22000
Ebro India	India	Haryana	ISO 22000
Herba Bangkok	Thailand	Bangkok	ISO 9001 BRC
Herba Egypt	Egypt	Beni-Suef	ISO 22000
Herba Ricemills, S.L.U.	Spain	Coria Del Río	ISO 9001
Herba Ricemills, S.L.U.	Spain	San Juan de Aznalfarache (Pre-cooked food plant and Rice plant)	ISO 9001 BRC IFS
Herba Ricemills, S.L.U.	Spain	Aldea	ISO 22000 BRC
Herba Ricemills, S.L.U.	Spain	Jerez de la Frontera (Pre-cooked food plant)	ISO 9001 BRC IFS

COMPANY	COUNTRY	NAME OF WORKPLACE	CERTIFICATES
Herba Ricemills, S.L.U.	Spain	Silla	ISO 9001 BRC IFS
Herba Ricemills, S.L.U.	Spain	Algemesí (Pre-cooked food plant)	ISO 9001 BRC
Herba Ricemills, S.L.U.	España	Algemesí (Rice plant)	ISO 9001
Lassie	Netherlands	Wormer	BRC SKAL HACCP
Mundiriso	Italy	Vercelli	IFS BRC ISO 22000
Mundi Riz	Morocco	Larache	ISO 22000 (En proceso)
New World Pasta	USA	Saint Louis	SQF
New World Pasta	USA	Winchester	SQF
New World Pasta	USA	Fresno	SQF
Panzani	France	La Montre	ISO 9001 IFS
Panzani	France	St Genis Laval (Fresh pasta plant)	ISO 9001 IFS
Panzani	France	Weaehouse (Fresh pasta plant)	ISO 9001 IFS
Panzani	France	Lorette (Fresh pasta plant)	ISO 9001 IFS
Panzani	France	Nanterre	ISO 9001 IFS
Panzani	France	Vitrolles	IFS ISO 9001
Riviana Foods	USA	Memphis	SQF
Riviana Foods	USA	Brinkley	SQF
Riviana Foods	USA	Clearbrook	SQF
Riviana Foods	USA	Carlisle	SQF
Riviana Foods	USA	Freeport	SQF (Packaging and warehousing)
S&B Herba Foods	UK	Cambridge	BRC Kosher
S&B Herba Foods	UK	Liverpool	BRC Kosher

## PRODUCT RESPONSIBILITY. GRI INDICATORS

The details presented below have been obtained from all the subsidiaries of the Ebro Foods Group (listed in the chapter Parameters of the Report) and have been prepared in accordance with the G4 Guidelines of the Global Reporting Initiative (GRI).

PR1

**Phases of the product life cycle in which their impact on customer health and safety is assessed**

	<b>YES</b>	<b>NO</b>
Design of the product	X	
R+D	X	
Certification	X	
Manufacturing & production	X	
Marketing & promotion	X	
Storage, distribution & supply	X	
Use & service	X	
Elimination, reuse & recycling	X	

*NB: All products put on the market by the different subsidiaries are subject to these assessment procedures.*

**Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products during their life cycle**

Zero. No incidents have been registered.

## PRODUCT AND SERVICE LABELLING

PR3

**Type of product information required by the organisation's procedures for product information and labelling**

- ❖ The sourcing of components of the product: all the Group companies except the subsidiaries Mundiriz, S.A. (Morocco), S&B Herba Foods Ltd. (UK) and Lassie, B.V. (Netherlands).
- ❖ Content, particularly with regard to substances that might produce an environmental or social impact: all the Group companies except Arrozeiras Mundiarroz, S.A. (Portugal), Boost Nutrition, C.V. (Belgium), Lassie, B.V. (Netherlands), Mundiriz, S.A. (Morocco) and S&B Herba Foods, Ltd (UK).
- ❖ Safe use of the product: all the Group companies except Lassie, B.V. (Netherlands) and S&B Herba Foods, Ltd (UK).
- ❖ Disposal of the product and environmental/social impacts: all the Group companies except Boost Nutrition, C.V. (Belgium), Mundiriz, S.A. (Morocco), Panzani Group (France), Lassie, B.V. (Netherlands) and S&B Herba Foods, Ltd (UK).

PR4

**Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labelling**

No incidents of non-compliance in this regard were reported in any of the Group companies in 2013.

PR5

**Customer satisfaction surveys**

All the Group companies do four-monthly, annual or two-yearly customer satisfaction surveys and have established communication channels with their customers via e-mail, questionnaires, website, telephone, etc.

**MARKETING COMMUNICATIONS**

PR6

**Report whether the organization sells products that are banned in certain markets or the subject of stakeholder questions or public debate**

None of the Group companies sells products that are banned in certain markets or the subject of stakeholder questions or public debate.

PR7

**Total number of incidents of non-compliance with regulations concerning marketing communications, including advertising, promotion, and sponsorship**

There were no incidents of non-compliance by any of the Group companies in 2013.

**CUSTOMER SERVICES AND PRIVACY**

**CUSTOMER SERVICES**

Two important aspects of the Ebro Foods philosophy are our total vocation to customer service and our awareness that each customer is unique. Customers are the basis of our growth and their full attention and service is perceived as the road to be followed to secure constant improvement. Accordingly, our customer services section must essentially listen to their complaints and suggestions, duly respond to all their queries and questions, guarantee fulfilment of their rights and thus secure their total satisfaction.

The packaging of all the Ebro Group products provide consumers with information on their nutritional properties, along with the physical address of the company and, where appropriate, its website, e-mail and telephone number.

The different customer services departments collect data and generate information for the quality system. Claims are answered by telephone or e-mail, according to the details given by the customer. A case file is opened for each incident and reported internally to the Quality Department, which checks and monitors the relevant quality system in case of error and takes the necessary measures to offer a solution.

As a rule, the companies follow up all claims by telephone to check consumer satisfaction.

Statistical monitoring is regularly conducted of all complaints and proposals for improvement made by consumers and discussed at the different Management Committee meetings held every month within each company.

PR8

**Total number of substantiated complaints received concerning breaches of customer privacy and losses of customer data**

No incidents were reported in this regard in any of the Group companies in 2013.



**COMPLIANCE**

PR9

**Monetary value of the fines for non-compliance with laws and regulations concerning the provision and use of products and services of the organisation**

There were no incidents of non-compliance, so the cost was zero.

**PROMOTION OF HEALTHY FOOD AND A HEALTHY LIFESTYLE**

FP4

**Nature, scope and effectiveness of any programmes and practices that promote access to healthy lifestyles, the prevention of chronic disease and access to healthy, nutritious and affordable food**

In Spain, the subsidiary Herba Ricemills participates in the HAVISA (Healthy lifestyles) Plan implemented by the Spanish Food Safety and Nutrition Agency. It also offers society recipes focusing on healthy diets, through its website or the social networks.

FP7

**Percentage of total sales volume of consumer products, by product category, that contain increased nutritious ingredients like fibre, vitamins, minerals or functional food additives.**

The following Group companies have products enriched in certain nutritious ingredients such as vitamins, fibre or minerals.

**PERCENTAGE TOTAL SALES**

	RICE	PASTA
<b>EBRO NORTH AMERICA (RIVIANA + NWP)</b>		
Products enriched in fibre		10%
Products enriched in vitamins	70%	70%
Products enriched in minerals	70%	70%
<b>LASSIE</b>		
Products enriched in fibre	30%	
<b>RICELAND MAGYARORZAG</b>		
Products enriched in fibre	2%	