

INTERNAL CODE OF MARKET CONDUCT

July 2016

INTRODUCTION

On 27 July 2016, the Board of Directors of Ebro Foods, S.A. (hereinafter “**Ebro Foods**” or the “**Company**”) approved this Internal Code of Market Conduct to modify and replace the Code previously in force, approved on 25 November 2015.

This Code is included in a process of actions taken by the Company within the framework of constant review of its internal regulations to adjust them to the legal provisions and CNMV criteria in place from time to time.

The purpose of this Internal Code of Market Conduct (the “**Code**”) is to establish a set of rules conforming to the laws and regulations in place from time to time, governing the conduct by the Company and the Relevant Persons (as defined hereinbelow) in the different areas regulated in the Code, all relating to its actions in the security markets.

PART I

DEFINITIONS

SUBJECTIVE AND OBJECTIVE SCOPE OF APPLICATION

Rule 1. DEFINITIONS

For the purpose of this Internal Code of Market Conduct (hereinafter “**Internal Code of Market Conduct**”, “**Internal Code**” or “**Code**”), the following terms shall have the meanings ascribed to them below:

Closely Related Person: The following shall be considered Persons Closely Related to Directors and Senior Executives: (a) the spouse or person with an equivalent sentimental relationship under domestic laws; (b) dependent children under domestic laws; (c) any other relatives who have lived with the Relevant Person for at least one year prior to the date of trading; (d) a legal person, trust or association, in which the Director or Senior Executive in question or any of the other persons mentioned above, holds an executive position; or which is directly or indirectly controlled by the Director or Senior Executive in question or any of the other persons mentioned above; or that has been created for their benefit; or whose economic interests largely coincide with those of the Director or Senior Executive in question or any of the other persons mentioned above.

Company or Issuer: Ebro Foods, S.A.

Compliance Unit: The internal body which, among other tasks assigned to it in the Code, shall ensure compliance herewith.

Confidential Documents: Documents in any format or on any carrier containing Inside Information.

CNMV: The National Securities Market Commission or such body as may replace it in the future.

Directors: Members of the Board of Directors of Ebro Foods, S.A., including permanent representatives of corporate directors.

Ebro Group: Ebro Foods, S.A. and all the companies directly or indirectly controlled by it, as per Article 42 of the Code of Commerce.

External Advisers: Individuals who, in their own name or as employees or representatives of a legal person, render services of whatsoever nature to the Company or any company in the Ebro Group.

Inside Information: Information of a specific or precise nature referring directly or indirectly to one or several Relevant Securities, or to one or several issuers of such securities or financial instruments, which has not been made public and which, if it were or had been made public, could have had a significant effect on their market price.

For this purpose, it shall be considered that information may have a significant effect on the price when that information would probably be used by a reasonable investor as one of the basic reasons behind their investment decisions.

Furthermore, the information shall be considered precise if it refers to a number of circumstances that are produced, or may reasonably be expected to be produced, or an event that has occurred, or may reasonably be expected to occur, when that information is sufficiently specific to enable a conclusion to be drawn on the possible effect(s) of those circumstances or that event on the prices of the Relevant Securities. For this purpose, in the case of a process extended over time that is intended to generate or result in certain circumstances or a specific event, both that future circumstance or event and any intermediate stages in the process that are linked to the generation or stimulation of that future circumstance or event may be considered precise information.

An intermediate stage in a process extended over time shall be considered Inside Information if, in itself, it meets the criteria set out above defining Inside Information.

Insiders: Persons who have access to Inside Information and work for the Company or any of the companies in the Ebro Group, by virtue of a contract of employment, or who perform duties through which they have access to Inside Information, in their capacity as external advisers, accountants or rating agencies.

List of Insiders: A documentary register kept by the Compliance Unit, in which Insiders shall be recorded as long as they hold that status, pursuant to Rule 9 of this Code.

Relevant Persons: All persons to whom the Code is applicable according to the provisions hereof.

Relevant Securities: (i) Any fixed-income securities, equities, stock options, derivatives or other securities or instruments issued by any of the companies in the Ebro Group that are listed, or for which listing has been requested, on stock exchanges or regulated markets, multilateral trading systems or organised trading systems; and (ii) any financial instruments whose price or value depends on the financial instruments contemplated in (i) above or which affects their price or value, such as credit default swaps (CDS) or contracts for differences (CFD).

Senior Executives: The company executives considered as such by the Compliance Unit for the purpose of this Code, based on their regular access to Inside Information directly or indirectly related with the Company and also has the power to adopt management decisions affecting the future development and business prospects of the Company.

Trading in Relevant Securities: For the purpose of this Code, trading shall be any spot or future transaction for the purchase, sale or transfer of Relevant Securities, provisionally or definitively, under a limited or full title. The cancellation or modification of an order concerning Relevant Securities shall also be considered Trading therein.

Rule 2. SUBJECTIVE SCOPE OF APPLICATION

- 2.1. Save otherwise expressly stated herein, this Internal Code of Market Conduct shall be applicable generally and permanently to: (i) The Directors, Senior Executives, Secretary and Vice-Secretary of the Company's Board; (ii) Members of the Compliance Unit; and (iii) Any person other than the former whenever so determined in specific cases by the Compliance Unit contemplated herein, in view of the circumstances prevailing in each case ("**Generally Relevant Persons**").
- 2.2. Any other executives and employees of the Company or the Ebro Group and any External Advisers who have access to Inside Information in respect of a specific transaction or situation shall be bound by the terms of the Code of Market Conduct during such time as they are included on the List of Insiders pursuant to Rule 9 below ("**Temporarily Relevant Persons**").

"**Relevant Persons**" shall include both the "**Temporarily Relevant Persons**" and the "**Generally Relevant Persons**".

- 2.3. The Persons Closely Related to Directors and Senior Executives shall also be bound by Rules 4 and 5.

Rule 3. REGISTER OF GENERALLY RELEVANT PERSONS

- 3.1. The Generally Relevant Persons shall be recorded in a register (the "**Register of Generally Relevant Persons**"). The Compliance Unit will be competent and responsible for compiling and updating that register.
- 3.2. The contents of the Register of Generally Relevant Persons shall conform to the laws and regulations in place from time to time.
- 3.3. The Register of Generally Relevant Persons shall be updated (i) in the event of any change in the reasons why a person was included; (ii) when it is necessary to add a person; and (iii) when it is necessary to add a person from the register.
- 3.4. The Company shall inform Generally Relevant Persons, through the Compliance Unit, of their inclusion in the Register of Generally Relevant Persons. For this purpose, the Generally Relevant Person shall be issued a copy of the Code and duly send the Compliance Unit acknowledgement of receipt and a declaration of their awareness of the contents of the Code. They shall also send, where appropriate, an initial declaration of the holding of Relevant Securities, all duly signed, as per **Annex I** hereto.
- 3.5. Directors and Senior Executives shall inform the Company of the individuals and/or legal persons considered Closely Related Persons. For this purpose, the Directors and Senior Executives shall complete the form appended in **Annex II** to this Code and send it to the Compliance Unit, for the attention of the Secretary. They shall also notify the Compliance Unit, through the Secretary, of any change in respect of the Closely Related Persons of which the Compliance Unit is aware from time to time, indicating the specific change and the reasons for it.

PART II**RULES OF CONDUCT FOR TRADING IN RELEVANT SECURITIES****Rule 4. DISCLOSURE OBLIGATIONS**

4.1. Directors, Senior Executives and their Closely Related Persons shall inform the Company, through the Compliance Unit, of all Trading in Relevant Securities made on their own account.

The Directors and Senior Executives shall notify their Closely Related Persons in writing of their consideration as such and their obligations under this Code. For this purpose, they shall send their Closely Related Persons the notification appended in **Annex III** hereto and obtain an acknowledgement of receipt thereof from the addressee.

The Directors and Senior Executives shall keep a copy of the notification sent to their Closely Related Persons and send it to the Compliance Unit if so required.

4.2. The notification obligation established in the preceding paragraph shall also be applicable in respect of:

- (i) The pledging or lending of Relevant Securities;
- (ii) Trading by any person who prepares or fills transactions or anyone acting on behalf of any of the persons contemplated in 4.1 above, even when they have discretionary powers;
- (iii) Trading in Relevant Securities within the framework of a life insurance policy when (i) the policyholder is one of the persons indicated in 4.1 above; (ii) the policyholder assumes the risk of the investment; and (iii) the policyholder has the power or discretionary power to make investment decisions in respect of specific instruments in that life insurance policy or effecting transactions in respect of specific instruments for that life insurance policy.

4.3. Trading in Relevant Securities shall be reported using the templates established by law for this purpose. To comply with this obligation, all Trading in Relevant Securities made by the Persons Closely Related to Directors and Senior Executives may be reported by the Director or Senior Executive to whom the person who made the transaction is considered a Closely Related Person.

4.4. Trading shall be reported promptly, no later than three business days after the date of each transaction.

4.5. The obligation to disclose the transactions contemplated above shall be applicable to all transactions made after reaching a threshold of 5,000 euros (or such higher threshold as may be established by the CNMV). That threshold shall be calculated in respect of all the transactions made within any one calendar year, adding together all Trading in Relevant Securities, without set-off.

- 4.6. Furthermore, immediately upon their appointment as such, Directors and Senior Executives shall disclose in writing all Relevant Securities they hold, as per the notification set out in **Annex I**.
- 4.7. The Compliance Unit may, should it so deem fit, request additional information from a Director or Senior Executive, or from one of their Closely Related Persons, on any transaction contemplated in this rule.
- 4.8. The reporting obligations established in the preceding paragraphs shall also include any transactions decided by portfolio managers or attorneys, even without any intervention by the Director, Senior Executive or their Closely Related Persons. Any Directors, Senior Executives or Closely Related Persons who have engaged third parties to manage their securities portfolios or granted powers of attorney to trade on the securities market shall either exclude the Relevant Securities from the scope of management or powers or establish such mechanisms as may be necessary to ensure that any Trading in Relevant Securities is promptly reported to the Compliance Unit.
- 4.9. The disclosure obligation established in this rule is independent of the disclosures that Directors, Senior Executives or other persons may be obliged to make to the CNMV under the laws and regulations in place from time to time.

Rule 5. PERIODS OF RESTRICTED ACTIVITY

- 5.1. Directors, Senior Executives and their Closely Related Persons shall not directly or indirectly do any trading in Relevant Securities for their own account or that of a third party during the 30 calendar days prior to the publication of a periodical public report (half-year or annual financial report and quarterly interim statements). The Compliance Unit shall inform Directors and Senior Executives through the Secretary of the commencement of each prohibition period.
- 5.2. This notwithstanding, the Company may authorise Directors and Senior Executives, within the prohibition period established in the preceding paragraph, to trade for their own or a third-party account for a limited period of time in any of the following cases:
 - (i) In exceptional circumstances such as serious financial difficulties requiring the immediate sale of shares; or
 - (ii) When transactions are negotiated within or in connection with an employee savings or stock option scheme or in connection with the rating or subscription of shares, and when transactions are negotiated in which there is no change in the ultimate owner of the security in question, since those transactions have special features.

Rule 6. LIMITATION ON TRADING IN RELEVANT SECURITIES

- 6.1. Relevant Persons and, in general, anyone having Inside Information, shall abstain from performing any of the following, directly or indirectly, for their own or third-party account:
- (i) Trading or attempting to trade in Relevant Securities with Inside Information, that is, when they have Inside Information, buying, selling or transferring Relevant Securities, directly or indirectly, for their own or third party account, and cancel or modify an order regarding Relevant Securities when the order has been issued prior to having the Inside Information.
 - (ii) Recommending or inducing other persons to Trade in Relevant Securities with Inside Information.
 - (iii) Unlawfully disclosing Inside Information, which is deemed to occur when a person discloses the Inside Information they have to any other person save in the normal course of their work, profession or duties.
- 6.2. Relevant Persons who are not Directors may submit queries to the Compliance Unit regarding the application of this Rule 6. When the Relevant Persons are Directors, their queries may be submitted directly to the company Secretary.
- 6.3. Notwithstanding other cases contemplated in prevailing laws and regulations, the preparation and performance of transactions whose very existence is Inside Information are excepted. Furthermore, the mere fact that a Relevant Person has, or has had, Inside Information shall not mean that they have used it and, therefore, breached the prohibition established in this Rule 6, provided the Trading in Relevant Securities has been done in good faith in fulfilment of an obligation due and not to get round the prohibitions established in this Rule, and that:
- (i) the obligation derives from an order issued or an agreement made before the person in question became aware of the Inside Information; or
 - (ii) the transaction is made to comply with a legal provision or regulation prior to the date on which the person in question became aware of the Inside Information.
- 6.4. For the purposes of paragraph 6.1(iii) above, any disclosure of Inside Information made within market research on the terms of prevailing laws shall be considered disclosure made within the normal course of work, profession, office or duties.

Rule 7. LIMITATIONS ON MARKET MANIPULATION

- 7.1. Relevant Persons shall not take any personal or corporate action in respect of the Relevant Securities that may constitute market manipulation or an attempt to manipulate the market as contemplated in the applicable laws.

- 7.2. Accordingly, Relevant Persons shall not perform, and shall avoid and ensure that the Company avoids engaging in the following activities in respect of the Relevant Securities:
- a) Perform a transaction, issue a trading order or any other conduct that (i) gives or may give false or deceiving signs regarding the supply, demand or price of Relevant Securities; or (ii) fix an abnormal or artificial level of the price of the Relevant Securities, unless, in both cases, the Relevant Person who made the transaction or issued the order or performed the conduct proves that it was done for legitimate reasons and in accordance with legally accepted market practice.
 - b) Perform a transaction, issue a trading order or any other conduct that affects or may affect the price of the Relevant Securities through fictitious mechanism or any other form of deceit or manipulation.
 - c) Disclose information through the media, including internet, or any other means, in such a way that will or may give false or deceiving signs regarding the supply, demand or price of the Relevant Securities, including the spreading of rumours, when the person who disclosed it knew or should have known that the information was false or deceiving.
- 7.3. Transactions or orders in respect of treasury stock made within a buy-back scheme by the company or transactions, transactions made to stabilise a Relevant Security, and transactions or orders made in general in accordance with the prevailing applicable laws, will not be considered included in the preceding paragraphs, provided they are effected on the conditions established in the laws in place from time to time.

PART III

RULES OF CONDUCT ON INSIDE INFORMATION AND PUBLICATION OF THAT INFORMATION AS A REGULATORY ANNOUNCEMENT

Rule 8. OBLIGATIONS REGARDING THE TREATMENT OF INSIDE INFORMATION

- 8.1. All the Relevant Persons who have Inside Information or documents containing it (“**Confidential Documents**”) are obliged to keep them safe, without prejudice to their duty to inform and collaborate with the judicial and administrative authorities on the terms stipulated in law. They shall, therefore, take adequate measures to prevent that information or those documents from any abusive or unfair use and, if necessary, they shall act immediate to correct any consequences of such misuse.

In particular, the following rules shall be followed in respect of Confidential Documents:

- (i) They shall be kept in places with measures of protection that guarantee controlled access.
- (ii) In general, no reproductions or copies shall be made of those documents.
- (iii) Under no circumstances shall they be sent to third parties outside the Ebro Group or its advisers.
- (iv) The documents and any copies thereof shall be destroyed by means that guarantee complete elimination of the information.

The recipients of the Confidential Documents shall comply with the obligations regarding their keeping and custody set out above and will be responsible for any consequences that may arise for the Ebro Group as a result of default thereof.

The provisions of the preceding paragraphs are without prejudice to the specific duties imposed on Directors in current legislation.

8.2. During the phases of study or negotiation of any legal or financial transaction that may be considered Insider Trading or entail access to Inside Information, the following rules will be applicable:

- (i) Knowledge of the information shall be strictly limited to those persons within or outside the Ebro Group for whom it is essential.
- (ii) A section will be opened for each transaction in the List of Insiders contemplated in Rule 9 of the Code, recording the identity of all persons having access to the Inside Information and the date as of which each person becomes aware of the information, as well as any other information required by prevailing laws.
- (iii) The persons included in each section of the List of Insiders shall be expressly advised of the price-sensitive nature of the information to which they have access and their duty of confidentiality.
- (iv) Security measures shall be taken for the custody, filing, access, reproduction and distribution of the information.
- (v) The Company shall monitor the evolution on the market of the Relevant Securities and any news published or broadcast by professional distributors of economic information and the media that could affect them.
- (vi) In the event of an abnormal evolution of the volumes of trading or negotiated prices with reasonable signs that said evolution may be due to the premature, partial or distorted publicising of the transaction, a regulatory announcement shall be published immediately informing clearly and precisely on the state of the transaction underway or containing a pre-release of the information to be supplied. This notwithstanding, the disclosure of price-sensitive information may be delayed in the cases contemplated in Rule 10 of this Code of Market Conduct.

- 8.3. The above notwithstanding, on inception of any legal or financial transaction that may be considered Insider Trading or entail access to Inside Information, a person responsible for the transaction (the “**Person Responsible for the Transaction**”) will be nominated, who shall:
- (i) Report to the Compliance Unit on the inception of the transaction and their assessment of its possible impact on the prices of the Relevant Securities, providing any additional information that may be requested by the Compliance Unit;
 - (ii) Inform the Compliance Unit of the identity of all persons who have or are going to have access to Inside Information;
 - (iii) Forward the notifications made by the Compliance Unit to the persons having access to the Inside Information on their inclusion in the List of Insiders;
 - (iv) Especially ensure compliance by the persons included in the List of Insiders with this Code and, in particular, any security measures established by the Compliance Unit in respect of the Inside Information.

Rule 9. LIST OF INSIDERS

- 9.1. The Company, through the Compliance Unit, shall draw up a list of all persons considered Insiders for the purpose of this Code of Market Conduct (the “**List of Insiders**”).
- 9.2. The List of Insiders shall have the contents and format stipulated in the legal provisions in place from time to time. The List shall be divided into separate sections corresponding to different Inside Information, adding new sections whenever a new type of Inside Information is known.
- 9.3. Each section of the List of Insiders shall include only the details of the persons with access to the Inside Information contemplated in that section.
- 9.4. This notwithstanding, the List of Insiders may include a section containing the details of persons with access at all times to all Inside Information (the “**Permanent Insiders**”). The details of the Permanent Insiders included in the specific section contemplated in this paragraph shall not be included in the other sections of the List of Insiders. Similarly, when all the Relevant Persons with access to certain Inside Information are included in the section of Permanent Insiders, no specific section will be needed for that Inside Information.
- 9.5. The List of Insiders shall be updated in the same cases as the Register of Generally Relevant Persons. The details recorded in the List of Insiders shall be kept for at least five years after its creation or last update.
- 9.6. The Company, through the Compliance Unit, shall inform the persons in the List of Insiders of their inclusion and their obligation to comply with this Code and

other legal provisions on market abuse, requiring them to declare in writing that they are aware of this, as per the model appended in **Annex IV**.

- 9.7. The List of Insiders shall be delivered promptly to the competent authorities on request.

Rule 10. PUBLIC DISCLOSURE OF INSIDE INFORMATION

- 10.1. The Company shall publish the Inside Information directly concerning it as soon as it is able, as a regulatory announcement through the CNMV, on the terms and with the exceptions established in the applicable laws and regulations on the disclosure of Inside Information.

The Company shall ensure that the Inside Information is disclosed in a form that allows rapid access and a full, correct, timely assessment of the information by the public and, where appropriate, through the officially established means.

- 10.2. The degree of potential importance of any Inside Information and the possible reporting obligation through a Regulatory Announcement will be assessed taking account of the following criteria, among others: (i) the relative size of the event within the Issuer's activity; (ii) the importance of the information in relation to the factors determining the price of the Relevant Securities; (iii) the price conditions of the Relevant Securities; (iv) the fact of similar information having been considered important in the past and the effect produced on prices by the disclosure of the same type of information in the past; (v) the importance given to that type of information in external analyses on the Issuer; and (vi) the existence of reasonable signs, in the event of an abnormal change in the volumes traded or the prices during the stages of study or negotiation of any kind of transaction, that it may have a noticeable effect on the prices of the Relevant Securities.
- 10.3. For this purpose, any person who is aware of any Inside Information that should be disclosed shall inform the Chairman of the Board. The Directors and Senior Executives are especially obliged to ensure correct public disclosure of any Inside Information.
- 10.4. On receiving the notification, the Chairman, assisted by such persons as he may deem fit, shall decide on one of the following alternatives:

- (i) Immediate publication of the Inside Information through a Regulatory Announcement, issuing instructions to the Company's liaisons with the CNMV for such publication.

The content and format of the notification of Inside Information to the CNMV shall conform to the legal provisions in place from time to time.

Once the CNMV has been notified, the Company will include all the Inside Information it is obliged to publish on its website and keep it there for at least 5 years.

Inside Information may also be published through other media, although only after disclosure to the CNMV.

- (ii) On the Company's responsibility, postpone the publication and disclosure of the Inside Information whenever it is considered that: (i) said information may be detrimental to the Company's legitimate interests; (ii) the deferral is not liable to mislead or deceive the public; and (iii) the Company is able to guarantee the confidentiality of the information. If the Company defers disclosure of any Inside Information under this point, it shall inform the CNMV of its decision to do so on the terms stipulated in law, immediately after making the information public.

In the case of a process extended over time, which takes place in different stages resulting in or intended to generate certain circumstances or a specific fact, the Company may, on its own responsibility, defer public disclosure of the Inside Information on that process, provided the requirements established in the preceding paragraph are met.

- 10.5. Any rectification of an announcement of Inside Information shall be made in a new announcement, clearly identifying the original announcement and specifying what aspects are rectified. This shall by no means imply substitution of the new announcement for the original one.
- 10.6. The Company may request authorisation from the CNMV, in exceptional cases and stating its reasons, to delete an announcement of Inside Information. Such elimination may only be made, at the discretion of the CNMV, if the announcement published may lead to an error that cannot be remedied with a subsequent announcement or contains details that were disclosed unwittingly and are not Inside Information.
- 10.7. Any announcement that the Company may plan to publicise through the media shall be previously reported to and assessed by the Chairman of the Board to establish the need to previously send a formal announcement to the market of any Inside Information.

Those responsible for Communication shall comply with this protocol before issuing any press release or similar communications.

- 10.8. The Company shall monitor the volume of trading and price of the Relevant Securities and any news that may be published on them in the media and by professional distributors of economic information.
- 10.9. On detecting any news or rumours regarding the Company and/or its Relevant Securities referring to inside information that has not been previously published, the head of the Compliance Unit will analyse the truth and importance of the news or rumour and, as the case may be, publish a Regulatory Announcement to inform clearly and precisely on the facts mentioned in the news or rumour.

- 10.10. The Compliance Unit, together with the Chairman of the Board, shall respond to any requests received from the CNMV in connection with the news or rumour.

PART IV

RULES OF CONDUCT IN RESPECT OF TREASURY STOCK

Rule 11. GENERAL RULES CONCERNING TREASURY STOCK

- 11.1. For the purpose of this Code, trading in treasury stock shall include all trading by the Company, directly or indirectly, in Relevant Securities or other rights having the Relevant Securities as underlying.
- 11.2. In general, any dealing in the Company's own shares (i) shall always be kept within the scope of the authorisation granted to the Board by the General Meeting, (ii) shall not be made on the basis of Inside Information, and (iii) shall not be effected with the aim of intervening in the process of free price formation on the market or favouring certain shareholders or investors of the Company.
- 11.3. Dealings in treasury stock shall in all cases be made for legitimate purposes, such as:
- a) giving the stocks liquidity or curbing fluctuations in their market price;
 - b) executing previously contracted legitimate agreements; or
 - c) executing stock purchase or sale plans.

Under no circumstances shall dealings in treasury stock be made to distort free price formation. All transactions and activities contemplated in Rule 7 above shall be avoided.

- 11.4. Within its scope of competence, the Board shall decide on any plan to buy or sell shares in the Group or Company. The National Securities Market Commission (CNMV) shall be notified of any such plans in due form and pursuant to any applicable legal provisions.
- 11.5. The Chief Operating Officer shall, after consulting the Chairman of the Board, execute the specific plans and supervise the ordinary transactions contemplated herein, and shall, directly or through the Secretary of the Board, issue such official notifications as may be required by law.
- 11.6. In the execution of any specific plan, the volume and other terms and conditions of the transaction shall be as contemplated in that plan and any modification thereof shall require prior authorisation from the competent body, with prompt notification to the National Securities Market Commission

Rule 12. DISCRETIONARY TRADING IN TREASURY STOCK

12.1. As a rule and unless circumstances advise otherwise, the following criteria shall be applied for the discretionary trading in treasury stock:

- (i) Volume: The sum of the daily volume of trading in own shares in all the systems or markets in which treasury stock is traded, including purchases and sales, shall generally not exceed 15% of the average daily purchases in the previous 30 sessions of the orders market of the official secondary market on which the shares are traded. This threshold could be raised to 25% if the own shares bought are to be used as consideration in the acquisition of another company or exchanged for shares in another company within a merger. Any takeover bids or offers for sale made during this period will be excluded when calculating the average volume of trading.
- (ii) Price: Purchase orders shall not be made for a price higher than the greater of the price of the last transaction made in the market by independent parties and the highest price indicated in a purchase order in the order book. Selling orders shall not be made for a price below the lower of the price of the last transaction made in the market by independent parties and the lowest price indicated in a purchase order in the order book. Moreover, the Company shall endeavour to prevent the purchase or selling prices from setting a trend in the price of the security.
- (iii) Timing: No purchase or selling orders shall be issued during the opening or closing auctions, except in the following circumstances. (i) If the trading during those times is exceptional and made on justified grounds, taking every precaution to prevent this action from having a decisive impact on the evolution of the auction price. In any case, the cumulative volume of orders issued, including purchases and sales, shall not exceed 10% of the theoretical volume of trading in the auction when those orders are put into the system. Furthermore, save in exceptional, justified circumstances, no market orders or at-best orders should be introduced during these periods. (ii) If the shares issued by the issuer are traded for fixing. In this case, orders shall be introduced prior to the end of the auction to enable other participants to react to the orders introduced. Furthermore, save in exceptional, justified circumstances, no market orders or at-best orders should be introduced during these periods.

The Issuer or broker acting on behalf of the Issuer should not trade in own shares during the period of time from the date on which the Issuer decides, on its own responsibility and pursuant to current legislation, to postpone the publication and disclosure of information that ought to be reported in a Regulatory Announcement, to the date on which that information is published.

When trading of the shares is suspended, the Issuer or broker acting on behalf of the Issuer shall not introduce orders during the auction period prior to lifting of the suspension, until there has been cross trading of the security. Unfilled orders shall be withdrawn.

The Issuer or broker acting on behalf of the Issuer should not trade in own shares within 15 calendar days prior to publication of the regulated financial information.

PART V

RULES OF CONDUCT IN CONFLICTS OF INTEREST

Rule 13. CONFLICT OF INTEREST

- 13.1. For the purpose of this Rule, a conflict of interest is (i) a situation in which the personal interests of the Relevant Person clash or may clash directly or indirectly with the interests of the Company or any of the companies in its Group and (ii) in any case, any situations defined as such in the applicable legislation.
- 13.2. Any Relevant Persons who are or may be in a conflict of interest shall:
- (i) Inform the Compliance Unit of their situation.
 - (ii) Abstain from participating in or influencing any decisions on the matters affected by the conflict.
 - (iii) Act with freedom of judgement, loyalty to the Company and its shareholders and independently of their own interests.
 - (iv) Abstain from requesting or having access to any information or documentation related with the conflict of interest.
- 13.3. In this regard, Directors shall be governed by the legal provisions in place from time to time and any development thereof in the Articles of Association and/or Regulations of the Board of Directors of the Company.
- 13.4. The Audit and Compliance Committee, assisted by the Compliance Unit, shall make such decisions as may be necessary in respect of any conflicts of interest that may arise.
- 13.5. Should circumstances so advise, the Compliance Unit may decide that specific persons who are not Relevant Persons for the purposes of this Code shall also be subject to the rules on conflicts of interest set out in this Rule. In that case, the Compliance Unit shall inform the person or persons in question and provide them with a copy of the Code.

PART VI

COMPLIANCE UNIT

Rule 14. APPOINTMENT, COMPOSITION, POSITIONS AND DUTIES

- 14.1. The Compliance Unit, reporting to the Audit Committee, shall perform the duties established in this Code pursuant to the laws and regulations in place from time to time, informing the Audit and Compliance Committee of its actions as frequently as may be deemed necessary.
- 14.2. The Compliance Unit shall consist of at least the Chief Operating Officer (as the highest authority in Human Resources), the Chief Legal Officer and the Head of Internal Audit. Such other persons as the Audit and Compliance Committee may deem fit may also be members of the Compliance Unit.
- 14.3. The Compliance Unit shall meet whenever any of its members may deem fit. The member calling the meeting shall notify the other members, indicating the time and date proposed for the meeting and the business to be transacted. The proposal shall be sent with as much notice as possible, taking account of the prevailing circumstances. The members of the Compliance Unit will be obliged to attend meetings and may only exceptionally grant proxies to another member.
- 14.4. Decisions of the Compliance Unit shall be adopted by majority vote of those members attending the meeting.
- 14.5. In addition to any others established in the Code and other governing provisions of the Company, the Compliance Unit shall have the following duties:
- (i) Ensure compliance with the Code.
 - (ii) Ensure knowledge of the Code by the Relevant Persons and any others to whom it may be applicable for whatsoever reason.
 - (iii) Interpret the rules of the Code and propose amendments, clarifications or updates.
- 14.6. The Compliance Unit may request any information, documents or background it may consider necessary to perform its duties. It may also request assistance from any Group employees or third parties to perform its duties.
- 14.7. The duties and powers attributed to the Compliance Unit in the Code shall by no means affect, limit or condition the powers of the Board of Directors and Audit and Compliance Committee of the Company, as established in prevailing laws and regulations, the Articles of Association and the Regulations of the Board.

PART VII

EFFECTIVE DATE AND PENALTIES

Rule 15. EFFECTIVE DATE

This Code shall enter into force as of the day after its approval by the Board of Directors, without prejudice to due notification to the CNMV pursuant to prevailing laws and regulations.

The Compliance Unit shall, through such persons as it may deem fit, inform the persons bound by this Code of its contents, both upon its entry into force and throughout its validity.

The provisions of this Code are purely internal in scope and content and establish obligations and effects exclusively between the Company and the Relevant Persons.

Rule 16. PENALTIES

The corresponding administrative penalties and any other consequences established in law may be applicable in the event of any breach of the rules of this Internal Code of Market Conduct, insofar as they develop the regulatory and disciplinary provisions governing the securities market.

When the Relevant Persons are employees of the Company or any of the companies in its Group, the breach may be considered a labour offence, the severity of which shall be determined in the corresponding proceedings.

* * * * *

Annex I

**Acknowledgement of receipt, declaration of knowledge of the contents of the Code
and initial statement of holding of Relevant Securities**

**Compliance Unit
Ebro Foods, S.A.**

In _____, on _____

Dear Sirs,

In pursuance of Rule 3.5. of the Internal Code of Market Conduct of Ebro Foods, S.A. (the “Code”), I, _____, with ID number _____, as a Generally Relevant Person, expressly declare that I have received a copy of the Code and that I am familiar with and accept its contents, with which I formally pledge compliance.

As stipulated in the Code, I declare below the balance of the Relevant Securities that I hold, directly and indirectly, as at the date hereof:

- a) Directly: _____ [specify financial instrument].
- b) Indirectly: _____ [specify financial instrument].

I also acknowledge receipt of my inclusion in the Register of Generally Relevant Persons, as defined in the Code.

Finally, pursuant to the *Personal Data Protection Act, Organic Law 15/1999 of 13 December*, I declare that I have been informed that my personal data set out in this declaration or subsequently provided in communications made in fulfilment of the Code will be processed and incorporated in a file controlled by Ebro Foods, S.A. for the purpose of the fulfilment and control of the provisions of the Code, to which I express my acceptance.

Signed: _____

Annex II

Model Notification by Directors and Senior Executives of Closely Related Persons

**Compliance Unit
Ebro Foods, S.A.**

In _____, on ____ _____

Dear Sirs,

In pursuance of Rule 3.6 of the Internal Code of Market Conduct of Ebro Foods, S.A. (the “**Code**”), I, _____, with ID number _____, in my capacity as Director/Senior Executive, hereby expressly declare that the following persons are Persons Closely Related¹ to me:

- [Full name, nationality, ID/Passport no. and relationship]
- ...

Yours faithfully,

Signed: _____

¹ Closely Related Persons include: (a) the spouse or any person with an equivalent relationship under domestic laws, (b) dependent children as defined in domestic law (c) any other relative who has lived with the Director/Senior Executive for at least one year prior to the date of the relevant transaction, (d) any legal person, trust or association in which the Director or Senior Executive or the persons contemplated in the preceding points hold an executive position or are responsible for management; or that is directly or indirectly controlled by the Director or Senior Executive; or created for their benefit; or whose economic interests largely coincide with those of the Director or Senior Executive.

Annex III

Notification to be given by Directors and Senior Executives to their Closely Related Persons

Mr/Ms
[Address]

In _____, on _____

Dear Sir/Madam,

As Director/Senior Executive of Ebro Foods, S.A. and in pursuance of Rule 4.1 of the Internal Code of Market Conduct of Ebro Foods, S.A. (the “**Code**”), I hereby inform you of the obligations imposed by that Code on you, as a Person Closely Related to me, with regard to any trading in shares of Ebro Foods, S.A.

For this purpose, I enclose a copy of the Code, drawing your attention particularly to Rules 4 (notification of transactions) and 5 (on periods of restricted activity).

In order to be able to meet my obligations under Regulation No 596/2014 of 16 April 2014 of the European Parliament and of the Council on market abuse, kindly send me a copy of this letter, duly signed in the appropriate space, as proof that you have received it and are aware of your obligations under the Code.

Yours faithfully,

Signed [name of sender]

Received:

Signed [name of addressee]

Annex IV

Declaration to be made by the Insiders

**Compliance Unit
Ebro Foods, S.A.**

In _____, on _____

Dear Sirs,

In pursuance of Rule 9.6 of the In pursuance of Rule 3.6 of the Internal Code of Market Conduct of Ebro Foods, S.A. (the “**Code**”), I, _____, with ID number _____, in my capacity as Insider, hereby expressly declare that I am familiar with my legal and regulatory obligations as such and aware of the penalties applicable to transactions with inside information and the unlawful disclosure of inside information.

Finally, pursuant to the *Personal Data Protection Act, Organic Law 15/1999 of 13 December*, I declare that I have been informed that my personal data set out in this declaration or subsequently provided in communications made in fulfilment of the Code will be processed and incorporated in a file controlled by Ebro Foods, S.A. for the purpose of the fulfilment and control of the provisions of the Code, to which I express my acceptance.

Yours faithfully,

Signed: _____