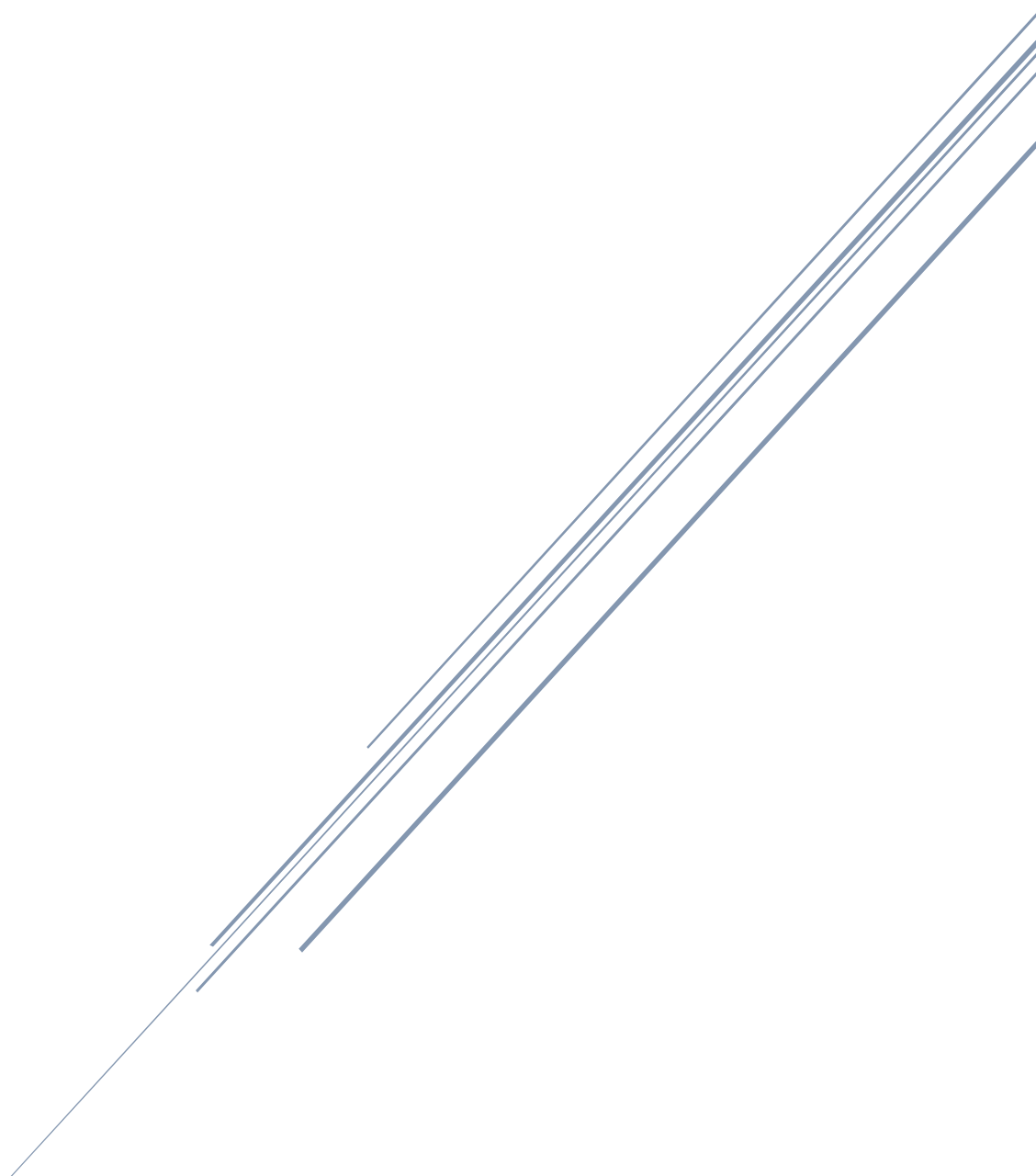


# NON-FINANCIAL STATEMENTS

EBRO FOODS, S.A.



2019

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## ANNEXES

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## 1. ABOUT THIS REPORT

This report (the “**Report**”) contains the Non-Financial Statements of Ebro Foods, S.A. (the “**Company**”) and is part of the Management Report in the Consolidated Annual Accounts of the Company, as parent of the Ebro multinational group (the “**Ebro Group**” or the “**Group**”).

### Reporting Period

2019

### Reporting Framework

In this statement we report on the social, environmental and/or economic aspects that are important for the Ebro Group. The report has been prepared, in all material aspects, in accordance with the stipulations of prevailing commercial law and following the criteria of the selected GRI standards, as well as other criteria described according to the relevant provisions in the “Index of contents required by Act 11/2018 of 28 December on non-financial information and diversity”.

### Scope and Coverage of the Report

The report presents on a consolidated level the non-financial indicators of all the companies and industrial sites operating the core businesses of the Ebro Group except for the Tilda Group, a rice business specialising mainly in the basmati variety, which was acquired on 28 August 2019 and its final consolidation on a non-financial level was not completed until practically the end of the year. Consequently, it will be included in the Non-Financial Report of the Consolidated Group as from 2020.

The offices of Ebro Foods, S.A. in Granada, Neofarms Bio (Argentina), Herba Ricemills Romania and Transimpex in Hamburg (all leased) and the three industrial plants of La Loma Alimentos, S.A. (Argentina) have also been excluded from the environmental report because their quantitative data had not been received by the closing date for this report (see Annex 1).

### Changes in the reporting perimeter in respect of 2018

The main changes in the perimeter for consolidated reporting are:

1. Exclusion of JILOCA, S.A., CELNAT, S.A.S., VEGETALIA, S.L. and HERBA EGYPT. The first three were sold and the fourth was shut down during 2019.
2. Inclusion of TRANSIMPEX, GMBH, LA LOMA ALIMENTOS, S.A. and NEOFARMS BIO, S.A., which were incorporated in the Ebro Group during the second half of 2018, so they are included in the consolidated report for the first time in 2019.

**Contact point for issues regarding the report or its contents**

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## 2. BUSINESS MODEL

The Ebro Group is the leading food group in Spain, global leader in the rice sector and the second fresh and dry pasta producer worldwide. Through a network of 30 subsidiaries, it operates in the principal rice and pasta markets in Europe, North America and South-East Asia, with a growing presence in other countries.

The main mission of the Ebro Group is to research, create, produce and put on the market high value-added foods that satisfy people's nutritional needs while improving their health and well-being, endeavouring at the same time to secure a transparent, efficient, sustainable business model.

The Group has a multi-company, multi-country and multi-brand business model. It has a decentralised culture in each of its subsidiaries for certain management areas, such as Commercial and Marketing, Logistics, Procurements, Human Resources and Environment, with a clear focus on the business while taking account of the specific idiosyncrasies, laws, etc. of each country. At a higher level, the parent company (Ebro Foods, S.A.), with a light, dynamic structure, is responsible for defining the Group's overall strategy and management guidelines. Decision-making is prompted by the parent's board of directors.

The Ebro Foods Group is managed by business areas that combine the type of activity they perform and their geographical location. Our core business areas are:

- Rice: This covers the production and distribution of different rice varieties and their by-products and culinary supplements. The industrial and brand business follows a multi-brand model. It is present throughout Europe, the Mediterranean Arc, India and Thailand through companies in the Herba Group, and in North and Central America, the Caribbean and the Middle East through the Riviana Group.
- Pasta: This includes the production and marketing of dry and fresh pasta, sauces, semolina and their by-products and culinary supplements, through the Riviana Group (North America), the Panzani Group (France) and Garofalo (rest of world).
- Healthy and organic food: This includes the activities related with health and organic products in all our subsidiaries.

### Global Presence

The Ebro Group operates worldwide through a portfolio of over 70 brands, in 84 countries, with industrial and commercial facilities in 15 of them. In the remaining 69 countries, we only engage in commercial activity. Our industrial park comprises some 74 sites, including production plants, offices and warehouses.

### List of countries with commercial and industrial presence

Germany	France
Belgium	Netherlands
Cambodia	India
Canada	Italy
Denmark	Morocco
Portugal	UK
Spain	Thailand
USA	

### List of countries with only commercial presence

Angola	Estonia	Lithuania	Senegal
Saudi Arabia	Finland	Madagascar	South Africa
Algeria	Gabon	Mauritius	Sweden
Austria	Ghana	Mauritania	Switzerland
Bahamas	Greece	Mexico	Taiwan
Bahrein	Guinea	Mozambique	Trinidad & Tobago
Barbados	Haiti	Niger	Tunisia
Belize	Hungary	Oman	Turkey
Benin	Indonesia	Panama	Ukraine
Brazil	Reunion Island	Peru	Yemen
Cambodia	Iceland	Poland	Djibouti
Chile	Israel	Qatar	
Colombia	Jamaica	DR Congo	
South Korea	Japan	Czech Republic	
Ivory Coast	Jordan	Romania	
Curazao	Kuwait	Russia	
United Arab Emirates	Lebanon	Saint Martin	
Slovakia	Libya	Saint Lucia	

### **Financial metrics**

In 2019, the Ebro Group's net turnover grew by 7.6% year on year to €2,813.3 million. Its adjusted EBITDA was €342.7 million, up 11.5% on 2018. Net profit totalled €141.7 million, more or less on a par with the previous year, while net debt rose by €295 million to €999.8 million.

At 31 December 2019, the company had a market capitalisation of €2,968 million.

## Environment and trends

The consumption patterns described in earlier reports continued throughout 2019 in the following areas:

### More personal consumer experience

Consumers now have greater decision-making capacity, more information and more shopping tools, and they are willing to pay more for products they can relate to. This is associated with:

- Demand for quality products that are easy to prepare and immediately satisfy their wishes.
- Preference for natural, healthy, organic products. The increased consumption of fresh products and the importance given to small companies and start-ups that make consumers feel in touch with nature are very much in tune with this sentiment.
- Search for sustainable products corresponding to the circular economy that include different players in their preparation and sale.
- Desire for a greater choice. Quality private label brands have broadened their customer base, spanning practically all social classes and segments of population.

### Social changes

- Ageing population, increased power of older generations. The baby boomers have transformed this segment of the population; their purchasing power has increased and their aspirations and needs (activity and health) differ from those traditionally associated with this social group.
- Smaller families, with a constant growth in the number of single-member households; new formats and customised goods and services.
- The younger generations are more concerned about social and environmental issues.
- Increased mobility and immigration in many developed countries, accompanied by new tastes and ways of preparing food.

### Connectivity

The relentless penetration of mobility in internet access (more than 4 billion people with access to internet at year-end 2018, a very large proportion of whom connect through their mobiles or tablets) makes shopping faster and more universal. This, together with growing automation (self-driving cars, drones, etc.) and interchange

platforms that put consumers in touch with the producers of goods and services, herald a change in food consumption and shopping habits (customised promotions, access to all sorts of food delivery services, crossing the last mile barrier in distribution, etc.).

#### New channels and services

- Growth of local supermarkets, with more frequent shopping and increased availability (24-hour opening, alliances with filling stations or other high-traffic points).
- Consolidation of virtual stores (such as Amazon) on the distribution market along with the new consumer trends and use of technology.
- New ways of cooking or consuming food (by order, through vending machines, snacks as meal substitutes, etc.).

All these changes have brought new challenges for distributors and producers, who are forced to use totally different marketing techniques from those prevailing up to a decade ago to reach consumers and achieve customer loyalty, and where the use of Big Data and the speed and customisation of marketing actions are becoming increasingly important.

Finally, at the date preparing this report the impact of the coronavirus pandemic on the economy in general and consumer behaviour is uncertain.

### **Strategy**

The Group's strategy focuses on becoming a major player in the rice, pasta and healthy grains markets, and in other cross categories defined as "meal solutions". Within that strategy, the Group has the following goals:

- ✚ Reach a global position open to the incorporation of related products (such as value-added pulses).
- ✚ Consolidate our status as a benchmark business group in our different business areas.
- ✚ Lead innovation in the geographical areas in which we are present.
- ✚ And establish ourselves as a responsible enterprise, committed to social well-being, environmental balance and economic progress.

To refine its strategy, the Group is underpinned by general principles of conduct and growth levers that are considered vital to raise the value of our business and step up our firm commitment to sustainable development.



## Principles of conduct

- ✚ Foster ethical management based on good governance practices and fair competition.
- ✚ Comply with the laws in place, acting at all times with a view to preventing and minimising economic risks, including tax risks, as well as social and environmental risks.
- ✚ Seek a return on investment while guaranteeing the operational and financial soundness of its business activities. Uphold business profit as one of the bases for the future sustainability of the business and the large groups of agents directly and indirectly related with the Group.
- ✚ Generate a framework of labour relations that favours training and personal and professional development, respects the principles of equal opportunities and diversity and promotes a safe, healthy working environment.
- ✚ Reject any form of abuse or violation of the fundamental and universal rights, in accordance with international law and practice.
- ✚ Promote a relationship of mutual benefit with the communities in which the Group is present, proving ourselves sensitive to their cultures, contexts and needs.
- ✚ Satisfy and anticipate the needs of our customers and end consumers, offering a broad array of products and healthy, differentiated food.
- ✚ Steer our processes, activities and decisions not only to generate profits, but also to protect the environment, prevent and minimise environmental impact, optimise the use of natural resources and preserve biodiversity.
- ✚ Develop a framework of responsible, true, transparent dialogue and communication with stakeholders, establishing stable communication channels and providing stakeholders regularly and transparently with rigorous, accurate, important information on the Group's activities.

## Growth levers

- ✚ Organic and inorganic growth in countries with high levels of consumption and expansion of business in developing countries with high growth potential.
  - Move into new territories or categories, paying special attention to new fresh products (snacks, crisps, omelettes, sandwiches, pizzas, ready-to-serve meals) and new ranges of ingredients with greater value added.
  - Develop products that offer a complete culinary experience, extending our catalogue with new formats (maxi cup, compact, etc.), flavours (dry pasta that tastes as good as fresh pasta, range of in-a-cup products, fresh-

quality sauces) and ready-to-serve meals (rice and pastas in the pan, “Banzai” cups, etc.).

- Achieve leadership in mature markets, opting for differentiation based on product quality. Expand and lead the premium category. Develop the enormous potential of the Garofalo brand and incorporate the new opportunities arising from the purchase of Bertagni.
- Broaden our geographical presence and complete our product/country matrix:
  - Seeking business opportunities in mature markets with a business profile similar to ours and in specialist market niches that allow us to shift our strategy from a generalist position to that of a multi-specialist (individual solutions).
  - Expanding into new business segments within markets in which we are already present: pasta in India, broadening the range of products in the Middle East or Eastern Europe, and developing the skillet gnocchi range in Canada.

✚ Significant positioning in the healthy and organic foods segment in all our brands, through new concepts based on ancient grains, organic, gluten free, quinoa, etc.

✚ Differentiation and innovation, investing in two aspects to enhance our product range:

- Research, development (R&D) and innovation through our five research, development and innovation centres and an investment policy that enables us to convert new ideas and needs into reality for our customers and end consumers.
- Focus on leading brands in their respective segments, together with a commitment to invest in advertising to promote their development.

✚ Low risk exposure. The Ebro Group deals with change in the consumer and financial markets and social change with a firm vocation to adaptation and permanence. To achieve this, it endeavours to secure: (i) balanced sources of recurring income (markets, currencies), (ii) low leverage so that it can grow without exposure to “financial turmoil”, (iii) new supply channels and (iv) long-term relations with its stakeholders (customers, suppliers, authorities, employees and society).

✚ Implementation of sustainability throughout the entire value chain (“from the field to the table”) with the ultimate aim of: (i) increasing and securing competitiveness and the financial, environmental and social sustainability of operations and (ii) offering healthy, differentiated food solutions that foster and seek the

preservation of natural resources and well-being of society, guaranteeing it for future generations.

### 3. CORPORATE SOCIAL RESPONSIBILITY MODEL

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

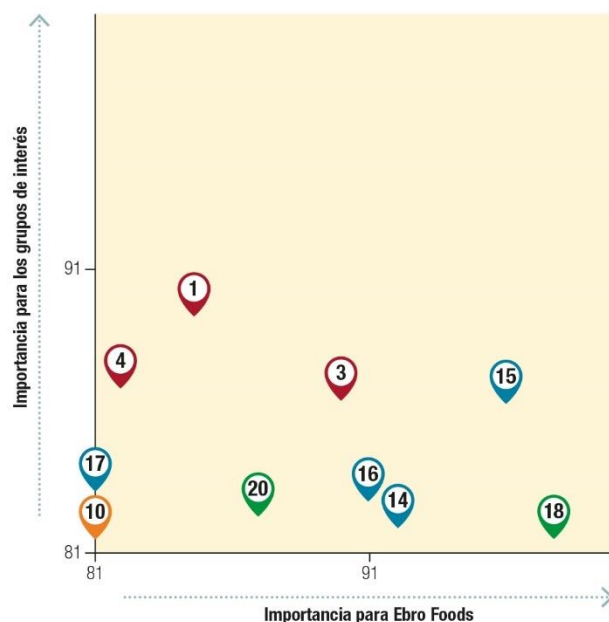
In this context, the Ebro Group views Corporate Social Responsibility (CSR) as the creation of a sustainable business model, which, as well as contributing value, profitability and competitiveness, contributes towards the progress of society, generates trust among our stakeholders and leads to the creation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

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

1. Diagnosis of the sustainability measures taken by the different companies in the Group.
2. Detailed analysis of our value chain with a view to identifying the potential risks and impacts, both positive and negative, of our operations. Within this process we have identified three key areas, in which we can make the most valuable contributions to society, as they are inherent in our core business and present throughout the entire chain: (i) nutrition and health, (ii) agricultural development, by promoting and implementing sustainable agricultural practices, and (iii) environmental management.
3. Constant dialogue with our internal and external stakeholders, which has enabled us to identify their main concerns and incorporate their suggestions in the design and implementation of the Group's action plans.
4. Materiality analysis: In 2017 we updated our materiality analysis, assisted by Forética. That analysis collected the expectations of our stakeholders (authorities, customers, employees, investors, media, NGOs and suppliers) in Spain, North America, France, Italy, Netherlands, India and Morocco, and from our own corporate management, represented by the Audit and Compliance Committee.

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

## Matriz global de materialidad



Tres aspectos destacan por su relevancia para la organización y sus grupos de interés:



Maximizar la calidad y la seguridad alimentaria a lo largo de la cadena de valor.



Prevenir y evitar accidentes y daños mejorando la seguridad del empleo directo e indirecto (fabricación y distribución)



Implementar políticas ambientales (sobre todo aquellas relacionadas con el cambio climático y el agua)

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

- Maximising the sustainability, quality and safety of food throughout the value chain
- Preventing and avoiding accidents and damage by improving the safety of direct and indirect jobs (manufacturing and distribution)
- Implementing environmental policies (especially those related with climate change and water)

## Global materiality matrix

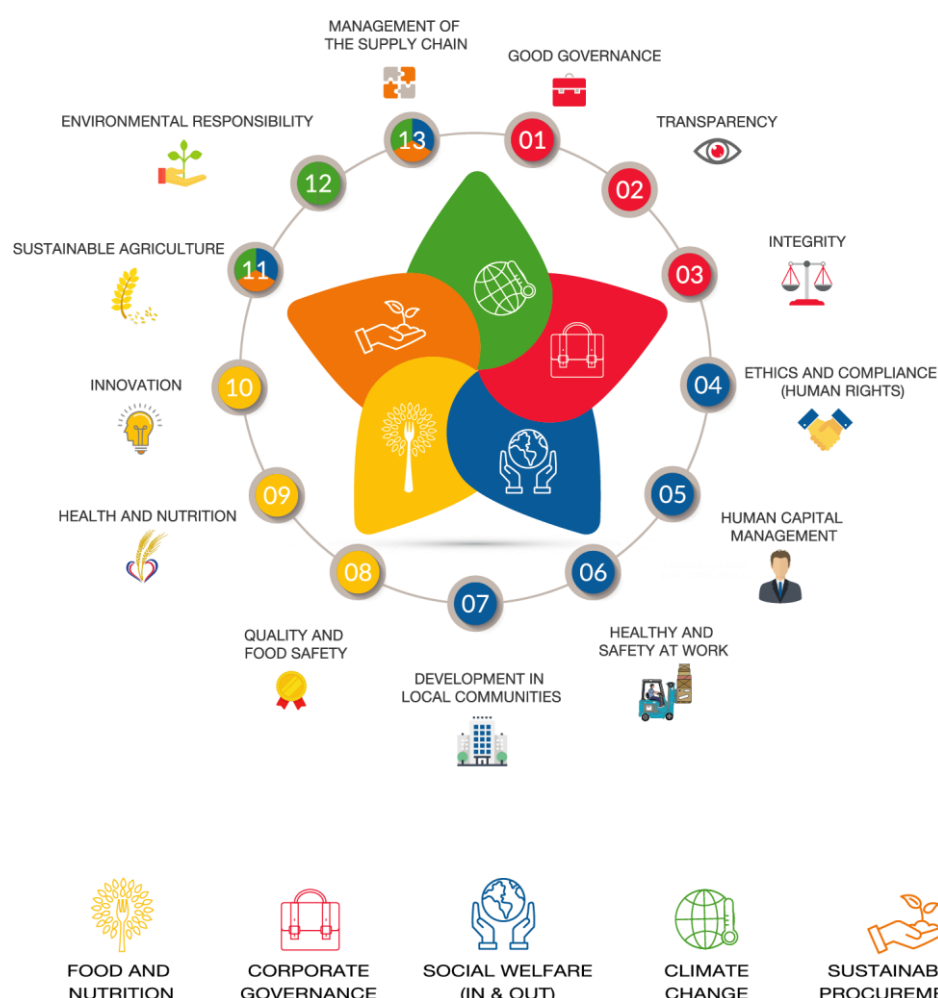
[Eje vertical: Importance for stakeholders  
Eje horizontal: Importance for Ebro Foods]

HEALTH AND SAFETY OF WORKERS (DIRECT AND INDIRECT)	
1	Prevent and avoid accidents and damage by improving the safety of direct and indirect jobs
3	Promote compliance with human rights throughout the supply chain
JOB QUALITY	
4	Manage human resources responsibly (equality, work-life balance, diversity)
DRIVING FORCE FOR INNOVATION	
10	Invest in developing better food solutions for society
PROMOTE HEALTHY, SUSTAINABLE FOOD	
14	Use raw materials based on environmental and social sustainable principles as ingredients for ready-to-serve dishes
15	Promote sustainable growing and production of the principal raw materials used
16	Foster sustainable good practices throughout the supply chain
MAXIMISE FOOD QUALITY AND SAFETY	

17	Promote the implementation of management systems and tools to maximise quality and information for consumers
<b>IMPLEMENT ENVIRONMENTAL POLICIES</b>	
18	Make the fight against climate change one of the organisation's focal points
20	Develop policies and make investments to reduce and optimise water consumption

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

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



To make these 13 priorities effective, during 2019 we embarked on the Global Sustainability Plan HEADING FOR 2030 [“RUMBO A 2030”], with the slogan **Caring for you and the Planet**. This Plan lays down the guidelines and action plans that the Ebro Group will implement from 2019 to 2030 to meet the demands and expectations expressed by our stakeholders in the materiality analysis, contribute towards achievement of the Agenda 2030 and minimise the negative impacts that our operations may have on the environment while maximising the positive effects of those activities.

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

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








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

As for the third pillar, with the aim of securing the health and well-being of our consumers, in addition to its heavy investment in R&D and innovation to guarantee a broad range of safe, healthy products, the Group will continue to oversee the quality and food safety of those products while actively promoting healthy eating habits and lifestyles.

2019 was the starting point for this Plan and the definition of part of the indicators that will monitor the progress achieved in each of the goals up to 2030. We will be able to report on the progress towards each goal as from 2020. During this year, 2020, we will also complete quantification of the goals yet to be determined within HEADING FOR 2030, essentially those referring to the environment. In addition, a specific microsite has been set up on the domain [caringforyouandtheplanet.com](http://caringforyouandtheplanet.com) as an information and monitoring tool for the Plan.

### **Alliances with environmental and social entities and initiatives**

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

 <p>UN GLOBAL COMPACT Network Spain WE SUPPORT</p>	<p>Signatory of the United Nations Global Compact</p> <p><a href="http://www.pactomundial.org">www.pactomundial.org</a></p>
	<p>Member of the Redistribution Committee of the Spanish Commercial Coding Association (AECOC) project against food waste "Don't waste food, use it"</p> <p><a href="http://www.alimentacionsindesperdicio.com/">http://www.alimentacionsindesperdicio.com/</a></p>
	<p>Member of the SERES Foundation</p> <p><a href="http://www.fundacionseres.org/Paginas/Inicio.aspx">http://www.fundacionseres.org/Paginas/Inicio.aspx</a></p>
	<p>Member of Forética</p> <p><a href="http://www.foretica.org/">http://www.foretica.org/</a></p>
	<p>Member of Fundación Lealtad</p> <p><a href="http://www.fundacionlealtad.org/">http://www.fundacionlealtad.org/</a></p>
	<p>Protector member of Fundación Secot</p> <p><a href="http://www.secot.org/">http://www.secot.org/</a></p>
	<p>Sustainable Agriculture Initiative (SAI) Platform</p> <p><a href="http://www.saiplatform.org/">http://www.saiplatform.org/</a></p>



	<p>Sustainable Rice Platform (SRP)</p> <p><a href="http://www.sustainablerice.org/">http://www.sustainablerice.org/</a></p>
	<p>Sedex</p> <p><a href="https://www.sedexglobal.com/es/">https://www.sedexglobal.com/es/</a></p>
	<p>Ecovadis</p> <p><a href="https://www.ecovadis.com/es/">https://www.ecovadis.com/es/</a></p>
	<p>Ceflex</p> <p><a href="https://ceflex.eu/">https://ceflex.eu/</a></p>

## External assessments

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

## Regulatory framework

In order to define the general guidelines of the Group and its associates, the Ebro Foods board approved in 2015 the following policies and principles of conduct:

1. Code of Conduct of the Ebro Group
2. Supplier Code of Conduct

3. Corporate Social Responsibility Policy
4. Social Policy
5. Risk Control and Management Policy
6. Corporate Governance Policy
7. Internal Code of Market Conduct
8. Policy for the Selection and Diversity of Directors
9. Senior Executive Remuneration Policy
10. Dividend Policy
11. Investment and Financing Policy
12. Treasury Stock Policy
13. Policy on Communication and Relations with Shareholders, Institutional Investors and Proxy Advisors

In addition to the foregoing, in 2019 the Board of Directors of Ebro approved the Group's Policy against Corruption and Bribery.

## 4. RISK MANAGEMENT

As one of the corporate policies approved by the board of directors, the Risk Control and Management Policy lays down the basic principles and general framework for control and management of our business risks, including tax risks, and internal control of financial reporting to which the Company and other companies in the Group are exposed.

Within this general framework, the integral, homogenous Risk Control and Management System is based on the preparation of a business risk map, where risks are identified and assessed and risk management capacity is graded to obtain a ranking of risks from greater to lesser impact for the Group and their probability of occurrence. The risk map also identifies the measures to mitigate or neutralise the risks identified. The risk universe is grouped into four main groups: compliance, operational, strategic and financial. The first three groups also include the principal non-financial risks related with the company's business:

### **Operational risks**

1. Food safety. Given the nature of the business, aspects regarding food safety are a critical point to which the Group pays special attention, being bound by a large number of laws and standards in each of the countries in which our products are produced and sold.

The Group's policy is based on the principles of compliance with the laws in force from time to time and guaranteeing food safety and quality.

The food safety programmes are based on following protocols to identify and control certain critical points (Hazard Analysis and Critical Control Points – HACCP-), so that the residual risk is minimal.

The main control points are grouped into:

- Physical points: controls to detect foreign bodies or the presence of metals
- Chemical points: detection of chemical elements or the presence of allergens
- Biological points: presence of elements such as salmonella or any other kind of pathogens

Most of our handling processes have obtained IFS (International Food Safety), SQF (Safe Quality Food) and/or BRC (British Retail Consortium) certificates, recognised by the Global Food Safety Initiative (GFSI) as food product certification standards, as well as local and special product certificates (Kosher, gluten-free or Halal foods).

The Group has also defined, developed and implemented a quality, environment and food safety management system compliant with the requirements of the standards UNE-EN-ISO 9001 (Quality management), UNE-EN-ISO 14001 (Environmental management) and ISO 22000 (Food safety management).

2. Technological (trailing behind) risk. One of the most important tools for standing up to competition is differentiation and product alignment, which is based on constant technological innovation and the endeavour to adapt to consumer desires. The R&D and innovation strategy is a fundamental part of the Group's general strategy. The R&D and innovation departments, in close collaboration with the Commercial and Marketing departments, work on reducing this risk.

This area also includes cyber security risks. The exponential growth of internet access exposes companies and users to different types of attack: identity theft, malware, attacks on websites, zero-day attacks, etc. Accordingly, the Group made an audit of its security and drew up an action plan that contemplated: (i) ongoing training of personnel on these threats, (ii) definition of an adequate network infrastructure (firewalls, Wi-Fi access, network electronics, browsing possibilities and design of connected industrial networks), (iii) correct definition of user points (antivirus, mobile device management systems, permissions, updates) and (iv) programme for data preservation and management (back-ups, use of the cloud, shared information).

## **Environmental and strategic risks**

1. Environment and natural risks. Drought and flooding in the commodity-producing countries can cause problems of availability and price instability. These natural risks can also affect consumers in the affected regions or even the Group's assets in those locations.

The best way of mitigating this type of risks is to diversify both the sourcing of raw materials and the countries in which our products are sold. The Group also makes sure it has flexible production capacity with plants in four continents, which minimises possible local problems. In addition, the Group has taken out insurance policies covering all its plants and sites, which would mitigate any disaster that could jeopardise their value.

2. Climate change. Global warming is a serious threat to the Group owing to our direct dependence and impact on natural resources such as land or water and their importance for the proper development of our business activities. Accordingly, we have set up a task force to study and classify the potential impacts that climate change may have on our organisation and assign to each one the appropriate mitigation and/or adaptation measures, based on a prior matrix of risks already identified\*. Our sustainability plan **HEADING FOR 2030** ([caringforyouandtheplanet.com](http://caringforyouandtheplanet.com)), started up in 2019, contemplates a number of actions and goals for these measures, such as: 1) making a more efficient consumption of water and energy; 2) reducing, recovering and re-using waste; 3)

recycling packaging; 4) optimising logistics; and 5) using new sustainable agriculture models and technologies.

\*Initial matrix of potential risks deriving from climate change

TYPES OF RISK	RISKS	IMPACTS	MEASURES
Financial Operational Strategic	Extreme weather events: droughts, torrential rain, hurricanes...	1. Changes in the quality and quantity of harvests  2. Raw material price volatility  3. Production shutdown due to damage to own and/or external infrastructures  4. Rise in consumer prices	1. Geographical diversification for sourcing  2. Diversification of product portfolio  3. Anticipation of possible risks of weather perils when choosing workplace locations  4. Permanent innovation
Strategic Operational	Rising temperatures	1. Smaller consumption of seasonal products  2. Changes in consumer habits  3. Greater energy consumption  4. Changes in crop yields	1. Diversification of product portfolio  2. Innovation  3. Improvement of energy efficiency  4. Innovation in agricultural technology and seed varieties  5. Sustainable agriculture
Financial	Higher taxes and rates for energy, water or transport	Smaller profits, new investments to adapt to changing market circumstances	1. Improvement of energy efficiency  2. Optimisation and sustainability of logistics  3. Promotion of and incentive to improve sustainability in the company
Financial Compliance	Laws or Regulations imposing limits on emissions and fines for exceeding them	Financial, need for additional investments to adapt to the new laws/regulations	1. Anticipation of new legal requirements, analysing trends, participating in forums, etc.

			2. Consistent internal regulation of the matter  3. Promotion of and incentive to improve sustainability in the company
Reputational Strategic	Negative reputation for lack or breach of commitments regarding climate change	1. Brand image, reputation  2. Loss of business	1. Publication of the company's good environmental practices  2. Participation in sectoral forums and entities related with the environment
Reputational Financial	Withdrawal of investment funds/shareholders due to non-compliance with required ESG criteria	1. Image, reputation  2. Market instability	1. Consistent internal regulation of the matter  2. Publication of the company's good practices  3. Proactive communication attitude

3. Reputational risk. This risk is associated with possible changes of opinion, giving rise to a negative perception of the Group, its brands or products by customers, shareholders, suppliers, market analysts, etc., which could have an adverse effect on the Group's ability to maintain relations (commercial, financial, labour, etc.) with its environment.

To deal with this risk, the Group has approved a Code of Conduct to guarantee ethical, responsible conduct by the organisation, its employees and all persons and institutions with which it interacts in the course of its business activities.

The Group's brands and employees are our most valuable intangible assets, so they are submitted to continuous assessment, considering different aspects, such as management, marketing, health and food safety, compliance and legal defence of intellectual property.

4. Changes in lifestyle. The proliferation of low carbohydrate diets and other food trends can have a bearing on consumers' perception of our products.

These risks can be mitigated by assessing consumption patterns and adapting the offer of products to the alternatives on the market, while participating actively in social forums to encourage healthy habits that are compatible with our products.

## Compliance risks

1. Sector regulation. The agro-industrial sector is subject to numerous regulations affecting export and import quotas, customs duties, intervention prices, etc., subject to the guidelines set down by the Common Agricultural Policy (CAP). The Group's activity may also be affected by changes in legislation in the countries where the Group sources raw material or sells its products.

The Group deals with this risk by participating in or echoing the different legal and/or regulatory forums through a number of prestigious professionals who endeavour to secure adequacy and compliance.

Within this group, the increasingly strict laws on the use of fungicides and pesticides on the basic crops for this industry, especially rice, are becoming more and more important and linked to other operational risks such as supply and food safety.

To mitigate this risk, the Group has stepped up its quality controls and checks to detect this type of product, working on a selection of protection providers, who are going to be asked to incorporate sustainability criteria in their policies, and providing more education for growers to seek natural alternatives for these products.

2. General regulation. This includes compliance risks concerning civil, mercantile, criminal and governance laws and regulations. To help deal with criminal risks, the Group has a Crime Prevention Model, which is monitored and controlled by the Compliance Unit.

One specific part concerns respect for and compliance with human rights and maintaining appropriate ethical standards, as contemplated in the Group's Sustainability Plan and Code of Conduct.

3. Tax laws. Any change in the tax laws or their interpretation or application by the competent authorities in the countries in which the Group operates could affect our earnings.

To mitigate this risk, the Group, directed by those responsible for taxation, monitors the tax laws and possible interpretations thereof, requesting specific reports from specialists to support its stand, guided at all times by a principle of prudence in this matter.

In the process of classifying risks, a dynamic assessment is made of both inherent risk and the residual risk after applying the internal controls and protocols established to mitigate them. Those controls include preventive measures together with adequate segregation of duties, clear levels of authorisation and the definition of policies and procedures. These controls can in turn be grouped into manual and automatic, the latter being implemented by computer applications.

This model is both qualitative and quantitative and can be measured in the Group's earnings, so the risk level is considered acceptable or tolerable on a corporate level.

The Risk Control and Management System is dynamic, so the risks to be considered vary with the circumstances in which the Group operates.

The Risk Control and Management System, including tax risks and control of financial reporting, is based on the following structure:

- ✚ The Board of Directors, as the body ultimately responsible, determines the risk control and management policy, including tax risks and control of financial reporting.
- ✚ The Audit and Compliance Committee, through the Risks Committee, supervises and monitors the financial reporting and risk control systems, regularly informing the Board of any material aspects occurring in these areas. It is also responsible for supervising and overseeing internal control of the Group and the risk management systems, and for proposing to the Board the risk control and management policy and any measures for enhancing these areas.
- ✚ The Risks Committee, based on the policy established by the Board and supervised by and answering to the Audit Committee, is specifically responsible for coordinating and monitoring the risk control and management system, including the Group's financial reporting and tax risks. The analysis and assessment of risks associated with new investors also falls within the remit of the Risks Committee.
- ✚ The Management Committees of the different units, on which the Chairman of the Board and the Chief Operating Officer (COO) sit, assess the risks and determine the measures to be implemented.
- ✚ Risk officers in the different units. The Risks Committee appoints officers in the major subsidiaries to monitor the risk control and management system, including tax risks and financial information, and reporting to the Committee.
- ✚ Internal Audit Department. Within the internal audits made of the different subsidiaries, the company's Internal Audit Department checks that the financial reporting and risk management testing and control have been conducted adequately, complying with the indications of the Risks Committee.

*NB: Further information on the description of risks and risk control and management system is available in section 4 of the Management Report and section E of the Annual Corporate Governance Report, both available on the corporate website.*



## 5. HUMAN RIGHTS

Ensuring respect for Human Rights throughout our supply chain is one of the Group's priorities in Social Responsibility. We base our criteria in this respect on the Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights and the Fundamental Principles and Rights at Work of the International Labour Organization (ILO).

This commitment is set out in: (i) our Code of Conduct, which establishes the principles and values that must underlie the actions of all persons and companies in the Ebro Foods Group, and (ii) our Supplier Code of Conduct, which establishes the principles, standards and business practices to be met by our suppliers and service providers in their relations with the Group and its professionals.

The Group's commitment to Human Rights is set out in Section IV, point 9 of our Code of Conduct. Points 9.1, 9.3, 9.4, 9.5 and 9.6 lay down the guidelines for eliminating discrimination in employment and occupation, eliminating forced or compulsory labour, effectively abolishing child labour and exercising the rights of freedom of association, to join unions and collective bargaining, in accordance with the laws currently in place. The same commitments are set out in points 3.2, 3.3, 3.4 and 3.7 of the Supplier Code of Conduct. Both Codes can be consulted on the Ebro Foods corporate website (<https://www.ebrofoods.es/rse/rse-en-ebro/codigos-y-politicas/>).

### **Grievance and follow-up mechanisms**

The main grievance mechanism is the reporting channel of the Code of Conduct ([canaldedenuncias@ebrofoods.es](mailto:canaldedenuncias@ebrofoods.es)), through which any persons bound by the Code may report any breach of the principles set out therein, under a guarantee of absolute confidentiality. Only the Chair of the Audit and Compliance Commission of the Group parent has access to that e-mail account, which is protected with IT security systems to prevent any unauthorised access. The Committee Chair is responsible for prioritising, processing, investigating and solving grievances according to their importance and nature, assisted by the Compliance Unit.

In addition to the confidential reporting channel, the Human Resources Departments of the different companies in the Group can also process, investigate and solve any incidents that may arise within their respective companies.

Four incidents of discrimination were reported in Riviana Foods (USA) during 2019. Three incidents have already been investigated and solved (two in favour of Riviana and one in favour of the employee) and the other one is pending solution.

2019					
Company	Men	Women	Addressed	Solved	Total grievances
Riviana	3	1	4	3	4

2018					
Company	Men	Women	Addressed	Solved	Total grievances
Riviana	3	2	5	1	5

External audits are conducted regularly in companies both within and outside the scope of consolidation of the Group as an additional tool for monitoring and control of human rights.

#### Audits made at Ebro Group workplaces

Company	Site	Country	Date	Type of Audit	Audit Company
Geovita	Bruno (AT)	ITALY	14/02/2020	SMETA	SGS Italy
Herba Ingredients BV	Plants B, C, E, F	BELGIUM	20/12/2019	SMETA	SGS CBE Belgium
S&B Herba Foods	Regent Mill	UNITED KINGDOM	08/08/2019	SMETA	BVCERT 4 Pillar Audits
S&B Herba Foods	Fulbourn Mill	UNITED KINGDOM	16/05/2019	SMETA	BVCERT 4 Pillar Audits
Ebro India	Ebro India	INDIA	10/07/2019	SMETA	DNV GL
Herba Ricemills	La Rinconada	SPAIN	18/06/2019	SMETA	Intertek Spain
Herba Ricemills	San Juan de Aznalfarache	SPAIN	25/04/2019	WCA	Intertek
Bertagni	Vicenza	ITALY	27/02/2019	WCA	Intertek
Garofalo	Gragnano	ITALY	21/01/2019	SA8000	DNV GL
Garofalo	Gragnano	ITALY	30/07/2019	SA8000	DNV GL
Herba Bangkok	Nong Khae	THAILAND	16/11/2018	BSCI	BureauVeritas
Herba Bangkok	Nong Khae	THAILAND	13/09/2019	Fair Trade	Flocert

Lassie	Wormer	NETHERLANDS	06/12/2019	SMETA	SGS
Riviana (pasta business)	Winchester	USA	05/03/2019	SMETA	SGS North America, Inc.

## Training on human rights policies and procedures given during the year

Specific training on human rights has been given in the following Group companies during the year:

Company	2019				2018			
	No. employees trained	No. hours	Total employees	% of total employees	No. employees trained	No. hours	Total employees	% of total employees
Ebro India	151	302	151	100.00%	123	246	123	100.00%
Garofalo					134	1	193	69.43%
Herba Bangkok	124	1	227	54.63%	188	1	188	100.00%
Herba Cambodia	6	3	6	100.00%	6	3	6	100.00%
Lassie	71	71	71	100.00%				
S&B Herba Foods	4	1	106	3.77%	8	2	104	7.69%
Transimpex	64	1	64	100.00%				

The Ebro Group did not have any security personnel on its payroll during 2019.

## Human Rights due diligence

To support the Group's commitment to Human Rights, the Sustainability Plan HEADING FOR 2030 contemplates a specific working area in Human Rights for the coming years. Accordingly, the main actions that will be taken as from this year 2002 are: (i) a due diligence process to identify the possible impacts of our organisation on Human Rights and draw up a map of significant issues in this area, for both our businesses and the value chain; and (ii) further awareness and training programmes promoted by the parent in addition to those already in place.

## 6. ANTI-CORRUPTION AND BRIBERY MEASURES

### **CORRUPTION AND BRIBERY**

The Ebro Group has a global Code of Conduct, known to and binding on not only its workers and professionals, but also its customers, suppliers, shareholders and other stakeholders.

The Code of Conduct establishes the principal values that must underlie the Group's conduct, including those of transparency, honesty and strict compliance with the laws and regulations in place.

The Code of Conduct dedicates a specific section (29) to anti-corruption, bribery, illegal commissions, influence peddling and money laundering. It establishes the following general principles: (i) the obligation undertaken by the Group to eradicate any form of corruption and (ii) the absolute prohibition of any form of corruption or bribery. These principles are accompanied by specific rules of conduct designed to guarantee compliance with them.

All the Group's workers and professionals are informed of and accept the Code of Conduct as mandatory. They receive a copy of it when they join the Group (or after any amendment) and formally acknowledge receipt, knowledge thereof and their obligation to comply. This is backed up with a grievance channel through which any interested person may confidentially inform the parent company of any potential infringement of the Code.

The general regulation set out in the Code of Conduct is supplemented on a corporate level with the Policy against Corruption and Bribery approved by the parent's board of directors in April 2019. All the principles, values and rules for action established in the Code of Conduct for combating corruption and fraud are developed in the specific, verifiable terms of that Policy.

The global regulation of the Code of Conduct and the principles set out in the Policy against Corruption and Bribery are backed up locally in the different regions in which the Group operates.

- In the principal Spanish companies, the Ebro Group also has a crime prevention model that identifies the potential criminal risks deriving from its activities and the mitigation measures established to try to eliminate (or minimise as far as possible) the risk of committing criminal offences, which include corruption and bribery. The crime prevention model identifies the measures implemented to mitigate the risk of committing offences of corruption, bribery, influence peddling and money laundering. Its effectiveness and application are monitored and checked regularly by the Compliance Unit, within the reporting system of the current crime prevention model. During 2019, the existing criminal risk map was

reviewed and updated with counselling from external specialists. That work is expected to be completed during the first half of 2020. Within that review and updating process, a specific training plan is to be designed for employees, which will include training on the prevention of corruption and fraud, owing to its importance.

- In pursuance of local legislation (Legislative Decree of 8 June 2001) on companies' liability for certain types of offence (including corruption), the Italian companies in the Group have established organisation and management models that include measures to preclude the risk of committing those offences.
- In the Group's North American subsidiaries, which account for a very large proportion of its business, there are specific policies and measures to control and mitigate the risk of committing this type of offence. In particular, and in pursuance of the special requirements under local laws, the North American companies have the Anti-Corruption, Bribery and Compliance Policy, adapted to US (FCPA) and Canadian (CFPOA) laws on corruption. That policy establishes an Anti-Bribery Compliance Officer, who is responsible for ensuring compliance with the policy and making sure that all workers and executives are aware of and comply with it. Training and refresher courses are provided regularly for this purpose.
- The Group's Indian subsidiary has a Vigil Mechanism/Whistleblower Policy, adapted to the applicable local laws (section 177(9) of the Companies Act and Rule 7 of the Companies Rules), through which a communication channel is made available to all employees to report to the company any conduct that infringes the Code of Conduct (in addition to the Group's reporting channel). Through that channel, any possible indication of unlawful conduct (including, therefore, any that may be considered acts of corruption) must be reported to the Vigilance and Ethics Officer of the company for investigation and adoption of whatever measures may be necessary. All new hires in the Group's Indian subsidiary receive specific information within their inception training on combating corruption, including the general rules established in the Code of Conduct, the specific rules of the Vigil Mechanism and the hierarchical structure for reporting suspicious conduct. Also within that policy, due diligence is conducted on potential overseas customers and they are required to certify that they do not participate and have not participated in any acts of corruption or bribery.
- In France, in pursuance of the local laws (SAPIN 2 Act of 10 December 2016), the Panzani Group implemented a Code of Conduct to combat and prevent corruption as of 1 January 2020. The aim of that Code of Conduct is to make employees aware of the prohibited conduct and the best practices for dealing with potentially hazardous situations within their professional activity. The Code was defined and implemented based on the corruption risk map drawn up by Panzani with specialist external counselling. The regulation contained in that Code is supplemented with the Guide for Use of the "Ethical Alert device"

(*dispositif d'alerte Professionnelle "Alerte Ethique"*), an internal channel within Panzani through which any employee in that group can confidentially report any indication of infringement of the Code of Conduct, with guaranteed protection from reprisals.

In the same context, just as in 2018, the companies Riviana Foods, Catelli Foods Corporation and Ebro India provided anti-corruption training for their employees in 2019. That ongoing training is included in regular training plans, thus ensuring the constant updating of employee knowledge on the matter. Other subsidiaries that have also provided training in this area are Herba Bangkok (Thailand), Lassie (Netherlands) and S&B Herba Foods (UK).

Company	2019			2018		
	No. employees	No. employees receiving anti-corruption training	% of employees trained	No. employees	No. employees receiving anti-corruption training	% of employees trained
Catelli	369	369	100.00%	368	368	100.00%
Ebro India	151	151	100.00%	123	123	100.00%
Herba Bangkok	227	124	54.63%			0.00%
Lassie	71	71	100.00%			0.00%
Riviana	1214	1214	100.00%	1274	1274	100.00%
S&B Herba Foods	106	106	100.00%	104	0	0.00%

In France, employees are to receive tutorials and specific training in the prevention of corruption during 2020.

No cases of corruption have been reported in any companies of the Ebro Group. Nor have any of the Group's business partners reported any cases of this nature.

## MONEY LAUNDERING

The Ebro Group has established: (i) payment and collection processes and (ii) a structure of attorneys for bank transactions, through whom it guarantees adequate control and monitoring of money movements in all its transactions.

The Ebro Group uses bank transfers and nominative payment instruments for payments and collections as they guarantee full traceability of any money movement. It also has strict rules for cash management, which allow the different companies to hold only negligible amounts of cash and regulate in detail any drawings against the cash balances, requiring in all cases justification of cash requests and proof of use of those funds.

The reimbursement of expenses incurred by employees in the course of their work is also strictly controlled, requiring proof of the expense and the reason and justification for it prior to any reimbursement. Drawings made using a company bank card (by employees

who have a card, by virtue of their category) are subject to the same requirements of proof and justification of use, such that if any use of the card is not justified and proved, the corresponding sums are withheld from payments to be made by the relevant company to the employee.

According to the Group's power of attorney structure, in order to draw funds from bank accounts, a prior decision must be adopted by the competent corporate body and, as a rule, joint signatures are required, except for negligible amounts compared to the volume of transactions of the company in question.

## 7. VALUE CREATION MODEL

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

### SOCIAL CASH FLOW

(€ 000)

**2019**

**2018\***

#### Economic value generated

Net turnover	2,813,298	2,613,947
Other income	11,840	37,370
Interest income	24,954	22,862
Share of profits of associates		5,017
	<b>2,855,335</b>	<b>2,679,196</b>

#### Economic value distributed

Consumption & other external expenses	(1,518,029)	(1,443,203)
Employee benefits	(388,751)	(353,975)
Other operating expenses	(597,010)	(547,961)
Interest expense	(40,476)	(31,290)
Corporate income tax	(64,233)	(63,036)
Net income from discontinued operations	16,043	626
Contribution to not-for-profit entities	(2,734)	(2,280)
Dividends(**)	(98,588)	(95,566)
	<b>(2,693,778)</b>	<b>(2,536,685)</b>

#### Economic value retained

**161,557**

**142,511**

(\*) The information for 2018 does not include the businesses in which we divested during 2019

(\*\*) Dividends paid in the corresponding year



## TAX INFORMATION

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

The Ebro Group does not use opaque structures consisting of interposing base companies in low-tax or non-tax countries and/or territories not cooperating with the tax authorities. Nor does it engage in any business in any of the jurisdictions listed as tax havens in Supplementary Provision 1 of the Spanish Tax Fraud Prevention Measures Act 36/2006, as amended by Final Provision 2 of Act 26/2014 of 27 November.

In 2019, the Ebro Group directly paid €63.8 million to the tax authorities in the different countries in which it operates. This was more than the tax paid in the previous year, mainly due to the increase in taxable income in the USA and the smaller rebates in Spain for advance tax paid in earlier years.

### Breakdown of tax payments

(€ 000)

	2019	2018
Income Tax paid	53,506	31,490

### Taxes paid, by countries

	2019		2018	
	Net IT	Other Taxes	Net IT	Other Taxes
Spain	2,734	445	(17,323)	1,039
Rest of Europe	21,431	6,003	30,876	6,185
America	28,550	3,939	16,445	4,837
Asia	219	0	1,065	47
Africa	572	0	427	111
<b>Total</b>	<b>53,506</b>	<b>10,387</b>	<b>31,490</b>	<b>12,219</b>

<u>Most significant countries</u>	IT	Other Taxes
Spain	2,734	445
France	12,629	5,853
Italy	4,164	150
USA	26,502	3,371
UK	2,651	0

### Pre-tax profit, by countries

## 2019

(€ 000)	<b>Pre-tax profit</b>
Spain	(801)
Rest of Europe	91,333
America	106,682
Asia	2,133
Africa	(869)
<b>Total</b>	<b>198,478</b>

<u>Most significant countries</u>	<b>Pre-tax profit</b>
Spain	(801)
France	46,943
Italy	20,321
USA	103,891

## Public grants received

	<b>2019</b>	<b>2018</b>
(€ 000)		
Capital grants received	6,375	131
Operating grants received	427	537

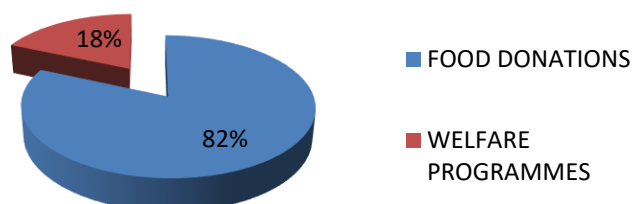
## COMMITMENT TO THE DEVELOPMENT OF LOCAL COMMUNITIES

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

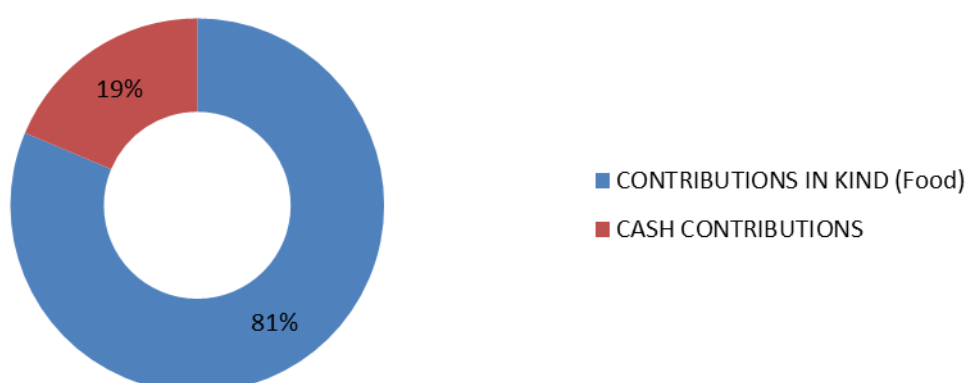
Through the Ebro Foundation and its different companies, the company allocated €2,734,272 to implementing this commitment in 2019. The Ebro Group and the Ebro Foundation have participated in projects created by different not-for-profit organisations and promoted and developed motu proprio initiatives of social and environmental interest.

The Ebro Group has not received any grievances or claims regarding possible negative impacts on the local communities in which it operates.

## SOCIAL CONTRIBUTIONS IN 2019



## TYPE OF CONTRIBUTIONS



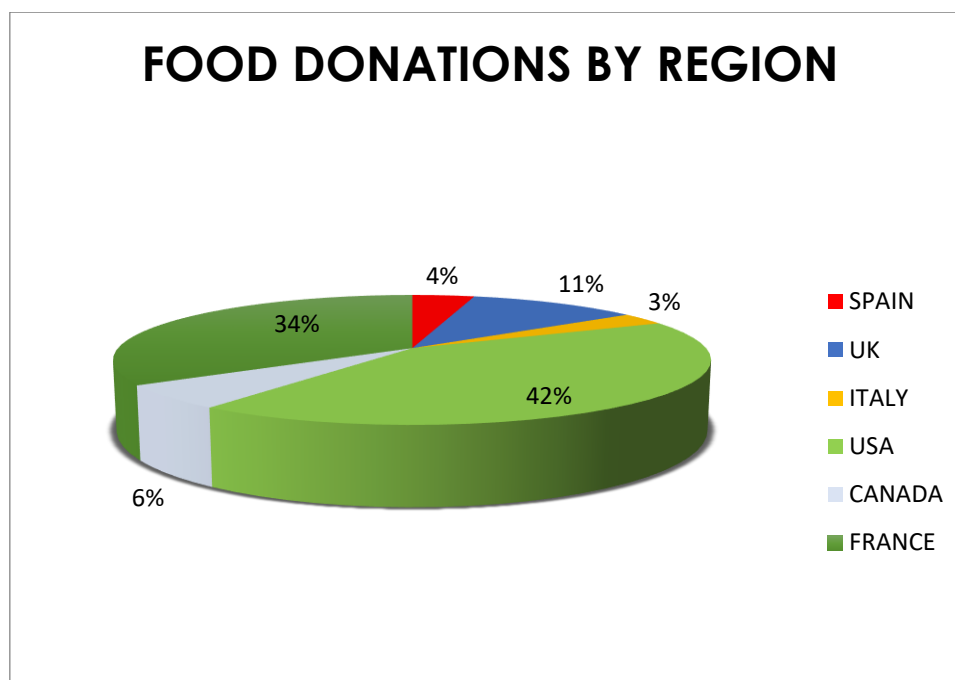
### DONATIONS OF FOOD

One of the Ebro Group's main lines of social action is the donation of food, either to the food banks in the principal countries in which it operates or to different welfare organisations and associations, mainly in Spain.

#### Donations to food banks

Total donations to food banks by Group companies in Spain, France, USA, Canada and Italy amounted to €2,177,067 in 2019, with almost 2,000 tonnes of food delivered.





COUNTRY	COMPANY	AMOUNT
Spain	Herba Ricemills	97,084.79 €
USA	Riviana Foods	1,034,684.00 €
Canada	Catelli Foods	147,330.00 €
Italy	Garofalo	74,259.67 €
France	Panzani	823,709.00 €
	<b>TOTAL</b>	<b>2,177,067.46 €</b>



In Spain, as well as food deliveries to different food banks by Herba Ricemills, the Ebro Foundation also contributed €100,000 in cash to the Spanish Federation of Food Banks (FESBAL) to buy the boxes used for the massive food collection organised at the end of November 2019.

### **WELFARE PROGRAMMES**

In its determination to contribute to sustainable development of the communities in which it operates, the commitment to society of the Ebro Group and the Foundation is also developed through social initiatives set up in the following areas:

-  Food and nutrition
-  Education and employment
-  Sustainable agriculture
-  Social welfare in regions of interest

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

\* Principal activities of the Ebro Foundation in 2019

**INVESTMENT:** €557,204

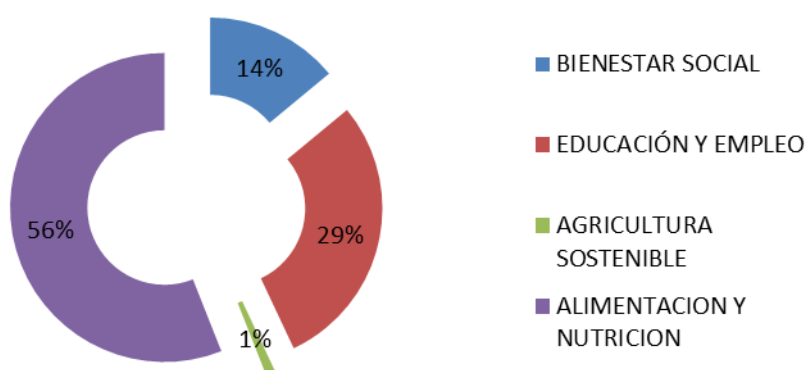
**ENTITIES SUPPORTED:** 52

**PROJECTS:** 59

**COUNTRIES:** 3

**BENEFICIARIES:** 15,241

## TEMÁTICA PROGRAMAS SOCIALES



## TYPES OF WELFARE PROGRAMMES

SOCIAL WELL-BEING  
 EDUCATION & EMPLOYMENT  
 SUSTAINABLE AGRICULTURE  
 FOOD & NUTRITION

## 1. Welfare programmes in food and nutrition

### Social assistance and school meal grants

Our collaboration in this area has focused not only on monetary contributions to soup kitchens and social assistance organisations to buy food, but also on paying school meal grants for children at risk of social exclusion.

### Food and nutrition programmes

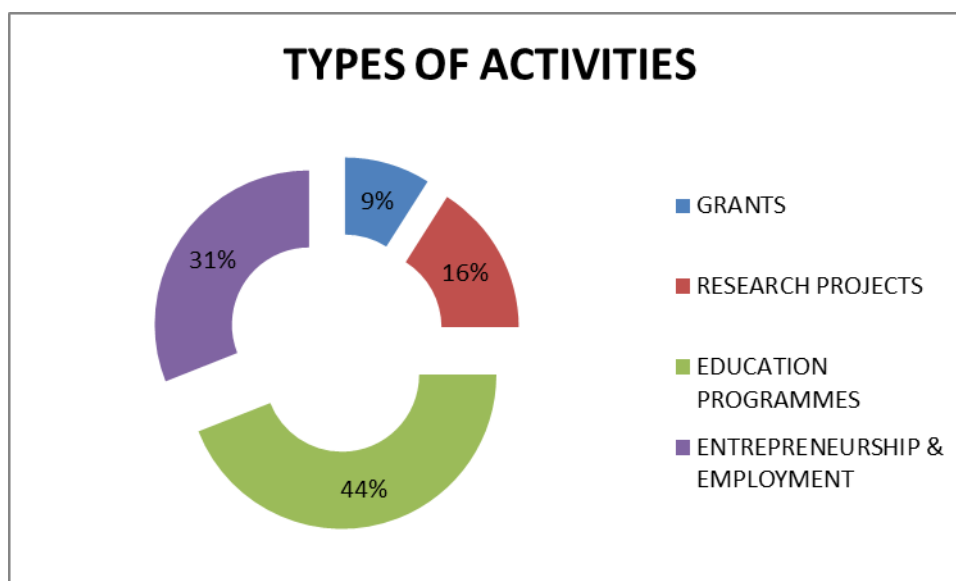
Participation in programmes that combine food and health, food and social development, and food and environmental sustainability.

The global investment made in this area in 2019 was €303,656.

## 2. Education and employment

This part of the Foundation's work comprises four activities: scholarships, research projects, educational programmes, and entrepreneurship and job promotion initiatives.

The overall investment in this area was €160,611, distributed as follows:



## 3. Sustainable agriculture

The Foundation also supports the sustainable agriculture strategy put into practice by the Ebro Group. It develops and promotes programmes for implementing crop standards that are sustainable from a social and environmental point of view in our principal raw material sourcing regions. The investment by the Foundation in this area in 2019 was €7,546, since most of the items were implemented directly by Group companies.

*NB: Information on all our sustainable agriculture projects is set out in the chapter "Commitment to the Environment" in this Report.*

#### **4. Welfare action in regions of interest**

Contributing towards the socio-economic development of the communities in which the Group operates is another important goal within Ebro's commitment to society. Therefore, the Foundation endeavours especially to support projects that are designed to improve the quality of life and equal opportunities of groups at risk of social exclusion who live around its plants.

This welfare action is implemented mainly through the financing of projects organised by local entities, which have a first-hand knowledge of the needs of each area and use all their resources to start up those initiatives.

During 2019, the Foundation allocated €75,381.11 to supporting different entities in Seville, Madrid, Valencia, India and Morocco.

## 8. OUR PROFESSIONALS

One of the main sources of value generation in the Ebro Group lies in its 7,304 professionals, 6,117 direct employees of the company and 1,187 contracted through different external agencies. A very close-knit team of professionals with enormous talent potential aligned with the organisation's strategy. Through the human resources departments of the different subsidiaries, the Ebro Group endeavours to motivate these professionals by offering a high quality job while at the same time strengthening their skills, powers and personal and professional leadership.

The Ebro Group's personnel management policy is designed to secure a high level of knowledge and contact with the workforce through a decentralised structure formed by the human resources managers in all the major companies of the Group and the implementation of bespoke policies in each one (in addition to the provisions of labour laws), taking account of the specific features of the countries in which they operate. These policies include not only general guidelines regulating company/employee relationships, but also specific guidelines on Occupational Health & Safety, Training & Education, Diversity and Equal Opportunities and Equal Pay for Men and Women. Companies with a small personnel structure (essentially commercial companies with fewer than 10 employees) are governed exclusively by the labour laws in place in the countries in which they operate.

Above all of them and without prejudice to the provisions of the specific policies mentioned above, the Ebro Group has a Code of Conduct, which not only secures ethical, responsible conduct by the professionals in all the Group companies in the performance of their duties, but also serves as a reference to define the minimum objectives of the employment policy and guarantees, namely:

1. Occupational health and safety
2. Training and career development of all employees
3. Non-discrimination, diversity and equal opportunities in access to employment (including gender equality, the integration of people with different abilities and promotion of a multi-cultural workforce)
4. Right to form and join unions
5. Compliance with collective rights

In view of the contents of the different programmes launched by the most important business units in the Ebro Group, the management of Human Resources of the Ebro Group can be grouped into five pillars, indicating the different working areas within each one, for each company of the Ebro Group.





[El texto lo tenéis del año pasado. Si lo necesitáis de nuevo me decís. Por favor, comprobad que en DIVERSIDAD pone en la segunda viñeta “persons with different abilities” (no capabilities)]

At present, only two companies in the Ebro Group have implemented policies on disconnection from work, Panzani and Lustucru, within their Work Life Quality Action.

## A. EMPLOYMENT

The employee numbers indicated in the following tables refer to the average workforce of the Ebro Group during 2019.

### Total number and distribution of employees by gender

Gender	2019		2018	
	Total employees	% of total Group headcount	Total employees	% of total Group headcount
Men	4,315	70.54%	4,323	71.56%
Women	1,802	29.46%	1,718	28.44%
Total employees	6,117		6,041	

NB: The large gap between men and women is largely due to the nature of the Group, which is predominantly factory-based. Generally speaking, factory work has traditionally been done mainly by men. In this context, over 70% of the personnel employed within the Ebro Group overall are men, 50% of whom are factory employees.

## Breakdown of employees by age group

Age Group	2019		2018	
	Total employees	% of total Group headcount	Total employees	% of total Group headcount
<=30	1,015	16.59%	953	15.78%
30 - 50	3,112	50.87%	3,192	52.84%
>= 50	1,990	32.53%	1,896	31.39%
Total employees	6,117		6,041	

## Breakdown of employees by country

Country	2019		2018	
	Total employees	% of total Group headcount	Total employees	% of total Group headcount
Argentina	93	1.52%	---	---
Belgium	97	1.61%	96	1.59%
Cambodia	6	0.10%	6	0.10%
Canada	369	6.13%	368	6.09%
Denmark	50	0.83%	47	0.78%
Egypt	---	---	53	0.88%
France	1,575	26.15%	1,647	27.26%
Germany	166	2.76%	88	1.46%
Hungary	5	0.08%	5	0.08%
India	151	2.51%	123	2.04%
Italy	649	10.77%	580	9.60%
Morocco	258	4.28%	266	4.40%
Netherlands	136	2.26%	127	2.10%
Portugal	67	1.11%	67	1.11%
Romania	11	0.18%	9	0.15%
Spain	920	15.27%	978	16.19%
Thailand	227	3.77%	188	3.11%
United Kingdom	123	2.04%	119	1.97%
USA	1,214	20.15%	1,274	21.09%
Total employees	6,117		6,041	

## Breakdown of employees by professional category

Professional category	2019		2018	
	Total employees	% of total Group headcount	Total employees	% of total Group headcount
Executives	157	2.57%	168	2.78%
Middle management	821	13.42%	843	13.95%
Administrative staff	727	11.88%	737	12.20%
Auxiliary staff	1,400	22.89%	1,256	20.79%
Sales representatives	270	4.41%	263	4.35%
Others	2,742	44.83%	2,774	45.92%
Total employees	6,117		6,041	

## Total number and breakdown of employees by type of contract

	Total number of contracts
Indefinite / permanent contracts	4,046
Fixed-term / temporary contracts	436
At Will contracts	1,598
Total number of contracts	6,080

NB:

- (i) This table does not include the temporary contracts of Herba Ricemills, because the final numbers were not available at the date of issuing this report.
- (ii) This table shows the total number of contracts as of 31/12/2019.

## Annual average contracts by gender

Average contracts by gender					
Permanent contract		Temporary contract		Part-time	
Men	Women	Men	Women	Men	Women
3,990	1,901	420	287	78	109

NB:

- (i) The average number of part-time contracts is also included in the average number of permanent and temporary contracts.
- (ii) The At Will contracts are included in permanent contracts.
- (iii) The average number of temporary contracts does not include the temporary contracts of Herba Ricemills, because the final numbers were not available at the date of issuing this report.

### Annual average contracts by age group

Age								
Permanent contract			Temporary contract			Part-time		
<= 30	30 - 50	>= 50	<= 30	30 - 50	>= 50	<= 30	30 - 50	>= 50
794	2,846	2,251	181	291	235	31	60	96

NB:

- (i) The average number of part-time contracts is also included in the average number of permanent and temporary contracts.
- (ii) The At Will contracts are included in permanent contracts.
- (iii) The average number of temporary contracts does not include the temporary contracts of Herba Ricemills, because the final numbers were not available at the date of issuing this report.

### Annual average contracts by professional category

	Average permanent contracts
Executives	166
Middle management	880
Administrative staff	767
Auxiliary staff	1,379
Sales representatives	285
Others	2,415
<b>TOTAL</b>	<b>5,892</b>

NB:

- (i) The At Will contracts are included in permanent contracts.
- (ii) This average includes both full-time and part-time permanent contracts.

	Average temporary contracts
Executives	27
Middle management	99
Administrative staff	27
Auxiliary staff	53
Sales representatives	49
Others	452
<b>TOTAL</b>	<b>707</b>

NB: This average includes both full-time and part-time temporary contracts.

	Average part-time contracts
Executives	7
Middle management	19
Administrative staff	50
Auxiliary staff	32
Sales representatives	10
Others	69
<b>TOTAL</b>	<b>187</b>

NB: This average includes both permanent and temporary part-time contracts.

## Number of dismissals by gender, age and professional category

Professional category	2019							2018						
	Men			Women			TOTAL	Men			Women			TOTAL
	< 30	>30<50	> 50	< 30	>30<50	> 50		<30	>30<50	>50	<30	>30<50	>50	
Executives	0	1	1	0	0	0	2	0	1	1	0	0	0	2
Middle management	0	8	7	0	3	0	18	1	3	7	2	3	3	19
Administrative staff	4	10	2	1	2	5	24	1	4	1	1	6	2	15
Auxiliary staff	22	26	9	6	12	4	79	43	52	27	10	16	4	152
Sales representatives	0	0	0	1	0	1	2	0	3	0	0	1	2	6
Others	13	17	5	3	8	1	47	10	7	8	0	1	0	26
<b>Total employees dismissed</b>	<b>39</b>	<b>62</b>	<b>24</b>	<b>11</b>	<b>25</b>	<b>11</b>	<b>172</b>	<b>55</b>	<b>70</b>	<b>44</b>	<b>13</b>	<b>27</b>	<b>11</b>	<b>220</b>

## B. ORGANISATION OF WORK

### Organisation of working time

The organisation of working time varies in the different countries in which the Group's subsidiaries operate. Working hours may thus vary between 35 and 48 hours a week, distributed over 5 or 6 days a week. The total weeks worked a year ranges between 47 (offices) and 52 (some production plants).

### Absenteeism

In the Group overall, absenteeism totalled 442,208 hours.

These hours of absenteeism correspond to the Group's own employees and include grounds such as injury, occupational disease, sick leave and doctor's appointments, etc., although they exclude authorised absence such as for parental, holiday or study leave.

### Welfare benefits for employees

The following table shows, by company, the benefits provided for employees:

COMPANY	WELFARE BENEFITS	TYPE OF EMPLOYEE
Arrozeiras Mundiarroz	Parental leave	All employees
	Disability/invalidity cover	All employees
	Medical insurance	Full-time employees
Bertagni	Parental leave	All employees
	Medical insurance	All employees
Boost Nutrition	Parental leave	All employees
	Disability/invalidity cover	All employees
	Pension fund	All employees
	Life insurance	All employees
	Medical insurance	All employees
Catelli Foods Corporation	Parental leave	Full-time employees
	Disability/invalidity cover	Full-time employees
	Pension fund	Full-time employees
	Life insurance	Full-time employees
	Medical insurance	Full-time employees
Ebro Foods Holding	Parental leave	All employees
	Disability/invalidity cover	All employees

COMPANY	WELFARE BENEFITS	TYPE OF EMPLOYEE
	Reimbursement children's education and medical expenses	All employees
Ebro India	Parental leave	All employees
	Pension fund	All employees
	Life insurance	All employees
	Medical insurance	All employees
Geovita	Fondo Assistenza Sanitaria Alimentaristi [Healthcare Fund for Food Industry]	Part-time employees
Herba Bangkok	Parental leave	All employees
	Disability/invalidity cover	Full-time employees
	Pension fund	Full-time employees
	Life insurance	Full-time employees
	Medical insurance	Full-time employees
Herba Ingredients	Parental leave	All employees
	Disability/invalidity cover	All employees
	Pension fund	All employees
	Life insurance	All employees
	Medical insurance	All employees
Herba Ricemills	Shares	All employees
	Parental leave	All employees
	Disability/invalidity cover	All employees
	Life insurance	All employees
	Medical insurance	All employees
Herba Ricemills Romania	Medical insurance	Full-time employees
La Loma Alimentos	Parental leave	All employees
	Disability/invalidity cover	All employees
	Pension fund	All employees
	Life insurance	All employees
	Medical insurance	All employees
Lassie	Parental leave	All employees
	Disability/invalidity cover	All employees
	Pension fund	All employees
	Life insurance	All employees

COMPANY	WELFARE BENEFITS	TYPE OF EMPLOYEE
	Medical insurance	All employees
Lustucru	Parental leave	All employees
	Disability/invalidity cover	All employees
	Pension fund	All employees
	Life insurance	All employees
	Medical insurance	All employees
Mundi Riso	Parental leave	All employees
	Disability/invalidity cover	All employees
	Pension fund	All employees
	Medical insurance	All employees
	Welfare Bit cover	All employees
Mundi Riz	Parental leave	All employees
	Disability/invalidity cover	All employees
	Medical insurance	Full-time employees
Panzani	Parental leave	All employees
	Disability/invalidity cover	All employees
	Pension fund	All employees
	Life insurance	All employees
	Medical insurance	All employees
Pastificio Lucio Garofalo	Parental leave	All employees
	Disability/invalidity cover	All employees
	Pension fund	All employees
	Life insurance	All employees
	Medical insurance	All employees
Rivera del Arroz	Parental leave	All employees
	Disability/invalidity cover	All employees
	Medical insurance	Full-time employees
Riviana Arroz	Parental leave	Full-time employees
	Disability/invalidity cover	Full-time employees
	Pension fund	All employees
	Life insurance	Full-time employees
	Medical insurance	Full-time employees
Roland Monterrat	Parental leave	Full-time employees
	Disability/invalidity cover	All employees



COMPANY	WELFARE BENEFITS	TYPE OF EMPLOYEE
	Pension fund	Full-time employees
	Life insurance	All employees
	Medical insurance	Full-time employees
S&B Herba Foods	Parental leave	All employees
	Disability/invalidity cover	All employees
	Pension fund	All employees
	Life insurance	All employees
	Medical insurance	All employees
Transimpex	Parental leave	All employees
	Medical insurance	All employees

NB: "All employees" includes both full-time and part-time employees.

## Work-life balance

The Group continues to seek ways of improving its employees' work-life balance, developing measures that give them greater flexibility to cope with their personal circumstances, such as parental leave or compassionate leave (to look after sick relatives, childcare, etc.).

One of the measures contemplated in the Sustainability Plan HEADING FOR 2030 in this regard is the progressive introduction of homeworking in the jobs in which this is possible. Although this option is already available for specific days in most of our companies, to enable employees to cope with certain needs, in some companies the first steps were taken in 2019 to implement this alternative as a regulated procedure.

## Employees with homeworking options

Professional category	2019		
	Men	Women	Total
Administrative staff	0	3	3
Sales representatives	6	4	10
Executives	5	4	9
Middle management	44	74	118
No. employees with homeworking options	55	85	140

## Parental leave

	2019			2018		
	Men	Women	Total	Men	Women	Total
Employees who took leave/employees entitled to leave (%)	92%	100%	96%	96%	100%	98%

## C. HEALTH AND SAFETY

All the Group companies and their respective plants have an occupational hazard prevention and management system in place. This system is implemented using both internal resources and external firms. In addition, 91% of the workforce is represented on the Health and Safety Committees in the different companies.

### Health and safety aspects covered in formal agreements with unions

The health and safety aspects covered by formal agreements with unions are:

- ✚ Global agreements: in accordance with ILO principles, organisational structures for problem-solving, commitments regarding target performance or the level of practice to apply.
- ✚ Local agreements: personal protection equipment, mixed health and safety committees, participation of workers' representatives in health and safety audits, inspections and investigations, training and education and right to refuse unsafe work.

Several investments have been made in health and safety over the year, mainly for the purchase of personal protection equipment, machinery protection, regular inspections of safety equipment, first aid training and materials, medical examinations, etc.

### Workplace safety

All our employees are covered by occupational hazard prevention measures, provided with both internal resources and through external firms.

The following figures correspond to employees on the Group's payroll:

	2019	
	Men	Women
Number of lost time injuries	162	36

	2019	
	Men	Women
Injury rate	22.88	13.43

	2019	
	Men	Women
Lost day rate	0.66	0.52

NB:

- (i) The 2018 figures are not shown because last year's report only included the figures for Herba Ricemills, Lustucru, Panzani, Riviana Foods, Pastificio Lucio Garofalo and Bertagni.
- (ii) The rates were calculated using the following formulas:
  - Injury rate = (total no. lost time injuries/total no. hours worked) x1000000
  - Lost day rate = (no. lost days due to lost time injuries/total no. hours worked) x1000

	2019	
	Men	Women
Number of employees with occupational disease	11	6

NB: "Occupational disease" is disease arising from work activities.

There are no jobs within the Group with a high risk of occupational disease.

There were no work-related fatalities within the Group in 2019.

## D. LABOUR RELATIONS

### Employees covered by collective bargaining agreements

70% of the employees of the Ebro Group are covered by the collective bargaining agreements of their respective business areas or another kind of collective agreement.

The remaining 30% are top executives of the Ebro Group, the professionals of the North American companies (since these agreements have not been used there for over 20 years), those of Herba Bangkok, Herba Cambodia, Mundiriz, Rivera del Arroz and Ebro India, where they are not used either, and those of Herba Ricemills Romania and Riceland Magyarorzag, since they have fewer employees than the number required by law for these collective agreements. In those cases, all the professionals are protected by the national labour laws in place in their respective countries, their respective personnel policies and the guidelines of the Ebro Group's Code of Conduct. External ethical audits are conducted regularly in all of them.

COUNTRY	% EMPLOYEES COVERED BY COLLECTIVE AGREEMENT OR OTHER ARRANGEMENTS
Argentina	100.00%
Belgium	100.00%
Canada	66.40%
Denmark	100.00%
France	100.00%
Germany	42.17%
India	0.00%
Italy	100.00%
Morocco	0.00%
Netherlands	100.00%
Portugal	100.00%
Spain	100.00%
Thailand	0.00%
UK	22.64%
USA	33.20%

## E. TRAINING

The Ebro Group encourages its employees to improve their skills and abilities, offering training to give them the technical qualifications they need to perform their duties while fostering the enhancement of attitudes and skills for their professional and personal development. This commitment is set out in section IV, point 11 of the company's Code of Conduct.

During 2019, 67% of our employees participated in the training schemes put in place in the different Group companies, 7% more than in the previous year.

A total of 145,092 hours of training were given, around 15% more than in 2018.

## Total hours training of our employees by professional category

Professional category	2019		2018	
	Men	Women	Men	Women
Executives	1,186	350	1,029	826
Middle management	9,263	4,334	8,571	3,996
Administrative staff	4,239	5,285	4,430	6,915
Auxiliary staff	74,385	25,580	59,617	17,943
Sales representatives	1,627	745	1,219	593
Others	15,802	2,298	16,778	2,328
Total hours training	106,501	38,591	91,644	32,601

## F. EQUALITY

The Ebro Foods Code of Conduct specifies in section IV, point 9.5 that the Group promotes and upholds the principle of equal treatment and equal opportunities for all its professionals, regardless of their race, colour, nationality, ethnic origin, religion, sex, political or sexual inclination, civil status, age, disability or family responsibilities, as a principle behind all human resources policies and applicable in the recruitment of professionals, training, career opportunities, pay levels and all other aspects of relationships with professionals.

In addition and even though some of the companies in the Group have their own equality plans or guidelines, work began in 2019 on drafting the Corporate Equality Plan, which we expect to be completed during 2020.

## Diversity in governing bodies and workforce

	2019			
	Men	Women	Men / Total (%)	Women / Total (%)
Board of Directors	8	5	61.54%	38.46%

Gender	2019		2018	
	Total employees	% Total workforce Group	Total employees	% Total workforce Group
Men	4315	70.54%	4,323	71.56%
Women	1802	29.46%	1,718	28.44%
Total Employees	6,117		6,041	

## Employees with different abilities

	2019		2018	
	Men	Women	Men	Women
No. employees with different abilities	81	31	78	33

During 2019, the Ebro Group promoted several actions in Spain related with the socio-occupational integration of persons with different abilities, through the contracting of certain services with special employment centres (CEE).

ENTITY	ITEM	AMOUNT (€)
C.E.E. CADEMADRID	Printing work	1,591.22
FUNDACIÓN PRODIS	Sundry printing work	2,019.49
C.E.E. INSERCIÓN PERSONAL DISCAPACITADOS " IPD"	Cleaning head offices in Madrid	75,390.12
	Total	79,000.83

With regard to the universal accessibility and integration of persons with different abilities in physical environments, for example, we strive to eliminate any architectural barriers when searching for and opening new head offices or making alterations or refurbishments at existing offices. We also take into account other criteria such as ease of access by public transport to facilitate access by Ebro employees.

## Remuneration

The basic salary is identical for men and women in all the companies of the Ebro Group.

### Average remuneration by professional category

Since not all Group companies have the same professional categories, it is not possible to offer a consolidated average per category that accurately reflects the Group's remuneration policy. Therefore, we disclose the average remuneration by companies. We will endeavour to define a common set of professional categories for all our companies for 2020.

COMPANY	PROFESSIONAL CATEGORY	AVERAGE ANNUAL REMUNERATION (€)
Arotz Foods	Senior management	171,654
	Administrative staff	41,049
	Sales representatives	32,573
	Others	19,621
Arrozeiras Mundiarroz	Senior management	103,998
	Sales representatives	33,356
	Executives	30,361
	Administrative staff	18,279
	Auxiliary staff	15,564
	Others	13,801
Bertagni	Senior management	90,296
	Executives	86,030
	Office staff	30,902

COMPANY	PROFESSIONAL CATEGORY	AVERAGE ANNUAL REMUNERATION (€)
	Factory workers	26,436
Boost Nutrition	Senior management	103,708
	Executives	82,216
	Sales representatives	49,255
	Administrative staff	46,686
	Auxiliary staff	43,015
Catelli	Senior management	247,578
	Executives	96,924
	Professionals	70,373
	Administrative staff	45,470
	Artisans	42,902
	Skilled workers	32,700
	Factory workers	29,343
	Unskilled workers	25,546
Ebro Foods	Masters graduates	182,433
	Grade 1 skilled workers	89,527
	Bachelor graduates	69,494
	Drivers/Chauffeurs	49,292
	Senior managers	47,664
	Grade 2 skilled workers	18,492
	Cleaning staff	15,800
	Auxiliary administrative staff	12,600
Ebro Frost Denmark	Senior management	160,633
	Executives	74,962
	Office staff	61,442
	Factory workers	44,977
Ebro Frost Germany	Senior management	176,871
	Sales representatives	104,501
	Executives	103,391
	Administrative staff	37,160
	Others	36,047
	Auxiliary staff	4,767
Ebro Frost UK	General management	71,000
	Executives	38,088
Ebro India	General Manager	61,177

COMPANY	PROFESSIONAL CATEGORY	AVERAGE ANNUAL REMUNERATION (€)
	Executives	30,654
	Middle management	12,636
	Administrative staff	6,723
	Factory workers	5,142
Euryza	Senior management	250,004
	Sales representatives	208,718
	Executives	90,535
	Administrative staff	83,983
Garofalo	Senior management	166,221
	Executives	54,947
	Administrative staff	33,627
	Factory workers	56,776
Geovita	Executives	71,367
	Administrative staff	30,180
	Sales representatives	28,355
	Factory workers	21,770
Harinas Santa Rita	Senior management	130,482
	Accountant	57,016
	Drivers	27,323
	Foremen	21,720
	Administrative staff	21,174
	Warehouse workers	17,559
Herba Bangkok	General management	73,080
	Executives	34,220
	Sales representatives	12,705
	Administrative staff	8,114
	Auxiliary staff	7,629
Herba Cambodia	General management	81,282
	Executives	34,220
	Sales representatives	12,705
	Administrative staff	11,678
	Auxiliary staff	7,629
Herba Ingredients	Senior management	204,439
	Executives	118,817
	Sales representatives	58,985



COMPANY	PROFESSIONAL CATEGORY	AVERAGE ANNUAL REMUNERATION (€)
	Administrative staff	54,938
	Factory workers	43,594
Herba Ricemills	Senior and middle management	163,516
	Technical, admin. & commercial staff	30,879
	Production staff	27,828
	General services	25,959
	Maintenance staff	25,117
	Administrative staff	20,362
Herba Ricemills Romania	Senior management	108,669
	Executives	44,486
	Sales representatives	24,800
	Administrative staff	17,966
La Loma Alimentos	Middle management	10,988
	Skilled workers	10,361
	Administrative staff	7,429
	Factory workers	6,730
	Others	5,115
Lassie	Executives	77,280
	Plant managers	70,403
	Sales representatives	58,867
	Quality control	56,222
	Finance and Administration	54,847
	HR and services	54,630
	Technical staff	52,292
	Production staff	44,656
Lustucru	Senior management	121,539
	Executives	54,735
	Administrative staff	46,863
	Sales representatives	42,169
	Auxiliary staff	33,991
	Others	31,548
Mundi Riso	General management	86,203
	Executives	65,170
	Sales representatives	46,962
	Administrative staff	38,450

COMPANY	PROFESSIONAL CATEGORY	AVERAGE ANNUAL REMUNERATION (€)
	Factory workers	35,430
	Others	22,995
Mundi Riz	Executives	43,867
	Middle management	17,649
	Administrative staff	14,247
	Auxiliary staff	9,016
	Sales representatives	6,965
	Others	3,606
Neofarms Bio	General manager	76,664
	Executives	10,571
	Administrative staff	9,731
	Others	2,728
Panzani	Senior management	172,168
	Executives	58,767
	Sales representatives	44,954
	Administrative staff	37,968
	Others	36,788
	Auxiliary staff	35,853
Riceland Magyarorzag	General management	73,739
	Executives	25,074
Rivera del Arroz	Executives	29,001
	Middle management	15,713
	Administrative staff	8,775
	Others	3,138
Riviana	Senior management	295,950
	Executives	112,126
	Professionals	66,274
	Artisans	61,679
	Administrative staff	45,534
	Technical staff	43,330
	Factory workers	43,289
	Unskilled workers	38,610
Roland Monterritat	Executives	53,782
	Administrative staff	35,240
	Auxiliary staff	24,656

COMPANY	PROFESSIONAL CATEGORY	AVERAGE ANNUAL REMUNERATION (€)
	Others	23,940
S&B Herba Foods	Senior management	243,588
	Executives	66,921
	Middle management	43,025
	Factory workers	33,203
	Administrative staff	24,325
Transimpex	Sales representatives	68,833
	Administrative staff	41,537
	Others	28,480
	Auxiliary staff	5,620

NB:

(i) No comparison with 2018 is provided because this is the first year that this indicator has been reported.

(ii) The calculation of this average remuneration is based on the average annual gross salaries of the employees (men and women) in each category.

The gross salary includes the sum of the basic salary plus bonuses, such as seniority, cash bonuses and bonuses in kind (e.g. shares), overtime and any other work-related benefit, such as transport, housing benefits, child benefits, etc.

#### Average remuneration by age group

	Age group		
	<30	>30 and <50	>50
Annual average remuneration (€)	26,317	44,351	52,217

NB:

(i) No comparison with 2018 is provided because this is the first year that this indicator has been reported.

(ii) The calculation of this average remuneration is based on the average annual gross salaries of the employees (men and women) in each age group.

#### Average remuneration by gender and pay gap

	2019	
	Men	Women
Average annual remuneration (€)	47,341	34,244

NB: The calculation of this average remuneration is based on the average annual gross salaries of the employees, which include the basic salary plus bonuses, such as seniority, cash bonuses and any other welfare benefit.

	2019
Pay gap	0.28

NB: The pay gap was calculated using the following formula: (average remuneration men - average remuneration women) / average remuneration men.

#### Average remuneration of directors, by gender

	2019		2018	
	Men	Women	Men	Women
Average remuneration directors (€ thousand)	270	179	256	197

\* NB: The 2019 remuneration of directors for their duties as such was taken, excluding the remuneration received by the Executive Chairman for his executive duties. The Chairman is the only executive director who performs executive duties and receives remuneration for them. The directors' remuneration for their duties as such is stated individually for each one in the Annual Report on Directors' Remuneration 2019, published on the website of the CNMV ([www.cnmv.es](http://www.cnmv.es)) and the corporate website ([www.ebrofoods.es](http://www.ebrofoods.es)). The remuneration of directors for their duties as such is established with no consideration for the gender of the person holding office.

#### Average remuneration of executives, by gender

The following table shows the average annual remuneration of our professionals in Senior and Middle Management (Division Managers) in all Group companies in 2018 and 2019.

	2019		2018	
	Men	Women	Men	Women
Average annual remuneration directors (€)	90,714	73,698	85,503	66,525

NB: This average annual remuneration was calculated as the basic salary plus bonuses, such as seniority, cash bonuses and any other welfare benefit.

## 9. SUPPLIER MANAGEMENT

### Description of the supply chain

The suppliers of the Ebro Group are classified into four categories:

1. Rice or durum wheat suppliers
2. Other raw material suppliers
3. Packaging suppliers
4. Service providers

Approximately 70% of them are in Europe, 10% in North America and 20% distributed among Africa, India and south-east Asia, according to the locations of our companies Ebro India, Herba Bangkok, Herba Cambodia and Mundiriz.

### Supplier management model

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

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

We have another two corporate tools we can use to achieve this goal: on the one hand, the Procurement Departments of the different subsidiaries visit and hold meetings with their suppliers; and on the other hand, the Sedex Platform, to which the suppliers of the different Group companies are gradually signing up, and who are in turn audited by an independent external firm.

In this area, we made 11 SMETA audits in 2019 on suppliers in Greece, Italy, France, Thailand, Pakistan and Hungary.

COUNTRY	DATE	AUDIT FIRM
Greece	21/11/2019	Intertek Bulgaria
Greece	20/11/2019	Intertek Bulgaria
France	14/11/2019	BVCERT 4 Pillar Audits
Thailand	12/09/2019	SGS Thailand
Italy	06/06/2019	BVCERT 4 Pillar Audits
Italy	17/05/2019	Intertek Italy
Italy	04/04/2019	SGS Italy
Hungary	27/03/2019	BVCERT 4 Pillar Audits
Italy	27/03/2019	Intertek Italy
Italy	01/02/2019	SGS Italy
Pakistan	23/01/2019	Elevate Limited

In the area of agricultural raw materials, more specifically in rice production, Herba Bangkok, Herba Ricemills, Mundiriso and Riviana are developing programmes to assess and verify the sustainability of the crop using the FSA standard of the SAI Platform (Sustainable Agriculture Initiative) and the SRP standard of the Sustainable Rice Platform.

No adverse environmental impacts were detected in our supply chain during 2019.

## 10. CUSTOMERS AND CONSUMERS

Customers and consumers are two of the driving forces for development, evolution and growth of the company. The Ebro Group uses a wide variety of tools to:

1. Offer them a broad portfolio of healthy, differentiated products.
2. Anticipate and meet their needs for consumption.
3. Guarantee top quality in its products and services, meeting not only the quality standards and requirements stipulated in law, but also any stricter standards to guarantee that top quality.
4. Watch out for their health and safety, meeting the strictest food safety standards.

### Our main tools

#### 1. R&D and innovation

This is what distinguishes us from our rivals, enabling us to develop unique products and technologies to meet the needs of our customers and consumers and provide them with a differentiated range of products delivering value added.

Approximately one-third of the Ebro Group's total investment budget is set aside each year for innovation.

#### 2. Quality Control and Food Safety Systems

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

- 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.

In this context, all the Ebro Group plants have been certified for quality and food safety, having a total of 139 certifications between them (Annex 2).

The companies also make regular assessments of their products to promote their safety and improvement. During 2019, the subsidiaries Arrozeiras Mundiarroz (Portugal), Catelli Foods (Canada), Geovita (Italy), Lassie (Netherlands), Lustucru and Riviana Foods (USA) made such assessments.

### **Product and Service Labelling**

All our companies comply with the national laws and regulations applicable in each country.

### **Customer and consumer services**

Information on the nutritional properties of all Ebro Group products is provided on the packaging, 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. Grievances 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 grievances by telephone to check consumer satisfaction.

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

The communication channels used with consumers in the different companies are indicated below:



COMPANY	COUNTRY	COMMUNICATION CHANNELS WITH CUSTOMERS
Arrozeiras Mundiarroz	Portugal	Telephone, e-mail, post and social media
Bertagni	Italy	Telephone, e-mail, website and social media
Boost Nutrition	Belgium	Telephone, e-mail, website and social media
Catelli - Olivieri	Canada	Telephone, e-mail, website and social media
Euryza	Germany	Telephone, e-mail, website and social media
Garofalo	Italy	Telephone, e-mail, website and social media
Herba Ricemills	Spain	Telephone and e-mail
Lassie	Netherlands	Telephone, e-mail, website and social media
Lustucru	France	Telephone and post
Panzani	France	Telephone, e-mail, post and social media
Riceland	Hungary	Telephone, e-mail and website
Risella	Finland	Telephone
Riviana	USA	Telephone, e-mail, website and social media

## Incidents during the year

### Incidents registered with large customers

Overall, 6 incidents were registered in 2019, 3 of which corresponded to Geovita (Italy), 1 to Garofalo (Italy) and the remaining 2 to Roland Monterrat (France). Of those, 3 were related with labelling and product name issues, and the other 3 with voluntary product recalls.

### Claims from end consumers

The following table shows the number of claims (packaging defects, requests for information, sensory properties, etc.) handled during 2019, by company.

COMPANY	COUNTRY	NUMBER OF INCIDENTS 2019	NUMBER OF INCIDENTS 2018
Arrozeiras Mundiarroz	Portugal	109	104
Bertagni	Italy	245	270
Boost Nutrition	Belgium	219	164
Catelli - Olivieri	Canada	2,129	2,239
Euryza	Germany	457	408
Garofalo	Italy	617	518
Herba Ricemills	Spain	474	1.091
Lassie	Netherlands	264	328
Lustucru	France	1,443	1,448
Panzani	France	5,952	6,709
Riceland	Hungary	60	75
Risella	Finland	352	123
Riviana	USA	14,386 11,624	12,826 (rice) 17,508 (pasta)

None of the companies in the Ebro Group received any notification from customers during 2019 of incidents regarding privacy or data breaches.

### Promotion of healthy food and healthy lifestyles

The Ebro Group is investing heavily to complete all its brands on a global scale with a new category of products targeting health, putting new healthy products on the market based on concepts such as ancient grains, gluten free, quinoa, whole grain, high fibre, vitamins, minerals, etc., focusing increasingly on everything to do with organic and natural foods.

In addition, the Ebro Group has created the blog [Sentirsebiensenota.com](http://Sentirsebiensenota.com) (.es) [lit.: 'when you feel good, it shows'], an informative space in which nutritionists, researchers and professionals of the sector post articles, recipes and advice for the public promoting healthy eating habits and maintaining an active lifestyle.

## 11. COMMITMENT TO THE ENVIRONMENT

### Scope of Reporting

The information set out below corresponds to 67 of the 74 production plants and offices that the Ebro Group has through its different companies.

The comparison of 2019 and 2018 is distorted by the changes in the perimeter for consolidated reporting in respect of 2018, as mentioned at the beginning of this report.

REGION	NO. SITES REPORTING	COMPANIES
<b>Europe</b>	<b>49</b>	
Spain	14	Harinas Santa Rita (1), Herba Ricemills (10), Arotz Foods(1), Ebro Foods (2)
Portugal	1	Arrozeiras Mundiarroz
UK	4	Ebrofrost UK (1), S&B Herba Foods (3)
Italy	8	Bertagni (2), Pastificio Lucio Garofalo (1), Mundiriso (1), Geovita (4)
France	10	Lustucru (3), Panzani (6), Roland Monterrat (1)
Belgium	4	Boost Nutrition (1), Herba ngredients (3)
Netherlands	2	Lassie, Herba Ingredients
Germany	4	Ebrofrost Germany (1), Transimpex (2), Euryza (1)
Denmark	1	Ebrofrost Denmark
Hungary	1	Riceland Magyarorzag
<b>North America</b>	<b>14</b>	
USA	11	Riviana (10), Ebrofrost NA (1)
Canada	3	Catelli
<b>South America</b>	<b>0</b>	
Argentina		
<b>Africa</b>	<b>1</b>	
Morocco	1	Mundiriz
<b>Asia</b>	<b>3</b>	
Thailand	1	Herba Bangkok
India	1	Ebro India
Cambodia	1	Herba Camboya

NB: The following workplaces have been excluded from this environmental report because there were no quantitative data available when the Report was closed:

- The office of the parent, Ebro Foods, S.A., in Granada
- The sales office of Neofarms Bio (Argentina)
- The sales office of Transimpex in Hamburg
- The sales office of Herba Ricemills in Romania
- The 3 industrial plants of La Loma Alimentos, S.A.

## Environmental management

The processes used at Ebro Group's production plants in both the rice and pasta divisions are relatively simple agri-food processes that do not generate any major environmental impacts and entail a minimal risk of accidental pollution. The most significant environmental risks relating to the Ebro Group can be classified as follows:

- Air emissions: Mainly emissions of particles during the handling of cereals (rice and wheat) and greenhouse gas (GHG) emissions related to the consumption of fossil fuels and electricity. The most widely used fuel is natural gas.
- Production processes: Essentially mechanical and hydrothermal, requiring the use of very few chemical products and in very small quantities. Most of these products are used to clean the equipment and cleanse the raw materials and are relatively harmless for the environment.
- Water consumption: The amount of water used in our processes is negligible (the vast majority of our products are dry) so the volume of effluent generated is also small. Moreover, the little effluent produced has a low level of contamination since the water consumed is basically used to produce steam, for cooling or as an ingredient in the finished products.
- Waste generation and management: The Ebro Group generates minimal amounts of waste, both non-hazardous (mainly packaging of ingredients and ancillary materials) and hazardous (maintenance operations).

To minimise these impacts, Ebro Foods upholds protection of the environment as one of the basic principles of our activities and implements the necessary tools, measures and means in its companies to guarantee that protection. The Ebro Group takes measures to:

- Ensure that its companies comply with the environmental laws applicable to their respective activities by implementing internal management systems and monitoring the applicable laws and regulations.
- Minimise the environmental impact of its activity by seeking eco-friendly solutions and continually embarking on initiatives to reduce its emissions and waste generation and optimise its consumption of water, energy and packaging material.
- Manage all its waste adequately and safely, encouraging recycling and reuse. Use recycled raw materials and/or those respectful of the environment, whenever possible.
- Organise environmental awareness and training programmes for employees.

### Resources dedicated to environmental risk prevention

Thirteen of the 28 companies covered by this report have reported investments in measures to reduce / optimise energy consumption, water consumption and GHG emissions:

- Herba Ricemills
- Panzani
- Lustucru
- Mundiriso
- Catelli
- Arrozeiras Mundiarroz
- Boost Nutrition
- Pastificio Lucio Garofalo
- Lassie
- Ebro Frost UK
- Herba Bangkok
- Roland Monterrat
- Riviana Pasta (pasta business)

	2019	2018
Expenditure in management and control	€ 785,390	€ 307,519
Investment to minimise impact	€ 740,748	€ 2,740,761
Total	€ 1,526,138	€ 3,147,106

The investments reported here include measures to reduce particle emissions, reduce water consumption, improve heat insulation, reduce noise, improve effluent treatment facilities, install LED lighting, and improve waste management, inspection of equipment, measurements and analyses. They also include initiatives to adapt to climate change, such as the Oryzonte project, which aims to reduce water consumption and GHG emissions.

### Provisions and guarantees for environmental risks

All the Group companies have taken out third party liability insurance covering any damage caused by sudden, unintentional, accidental pollution; that insurance is considered to cover any possible risks of this nature. To date there have been no significant claims for environmental issues, favourable outcomes of audits and inspections, and no allegations in the processing of Integrated Environmental Authorisations, etc.

### Environmental assessment and certification procedures

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

### Non-compliance, fines and sanctions

In 2019, 3 plants reported mild breaches of environmental laws and regulations. One of them incurred a small fine.

COMPANY	PLANT	NON-COMPLIANCE	FINE/SANCTION
Boost Nutrition	Plant A	PH3 aeration procedure	Modification of the procedure and improvement of ventilation in silos
Riviana Foods	Freeport	Exceeding the annual assignment for use of solvents Over-performance in loading on trains and trucks	Notice of enforcement
Herba Ricemills	Algemesi	Incorrect effluent due to breakage of settling cone in the wastewater treatment plant	€ 1,384

The following production plants have environmental management systems certified under UNE-EN-ISO 14.001:

YEAR	COMPANY	COUNTRY	PLANT	CERTIFICATION
2018	GAROFALO	ITALY	GRAGNANO	ISO 14001
2018	PANZANI	FRANCE	LITTORAL	ISO 14001
2018	PANZANI	FRANCE	GENNEVILLIERS	ISO 14001
2018	PANZANI	FRANCE	SAINT JUST	ISO 14001

### Precautionary principle

The guidelines on which the precautionary principle are set out in the Group's Code of Conduct and CSR Policy:

- The Group declares its firm commitment to respect and preserve the environment.
- It sees that its companies comply with the environmental laws applicable to their operations and any additional commitments assumed voluntarily.
- Environmental sustainability programmes are applied in specific matters.

## **Circular economy and waste management and prevention**

In Spain, to guarantee meeting the reduction, recycling and re-use targets defined in the Packaging and Packaging Waste Act 11/97 of 24 April, the Spanish subsidiary Herba has joined Ecoembalajes España, S.A. (Ecoembes), which has the mission of designing and developing systems for selective collection and recovery of used packaging and packaging waste. Ecoembes uses the “Green Dot” (symbol that appears on the packaging) to show that the packager of the product has paid a sum of money for each package put on the market.

Both the rice companies and the head offices of Ebro Foods have signed agreements with companies similar to Ecoembes for the destruction of paper and other data carriers. With these agreements, apart from complying with the Data Protection Act, they guarantee a sustainable management of the documentation through the undertaking by these companies to recycle the material.

In early 2019, seeking sustainable alternatives for our flexible packaging, we formally joined CEFLEX (<https://ceflex.eu/>), a European consortium of companies, associations and organisations representing the entire value chain of flexible packaging that join forces to enhance the contribution of flexible packaging to the circular economy in Europe by designing innovative solutions.

The CEFLEX Vision is that by 2020, there will be a comprehensive sustainability and circular economy roadmap for flexible packaging in Europe. This includes widely recognised design guidelines and a robust approach to measure, demonstrate and communicate the significant value flexible packaging adds to the circular economy. Moreover, by 2025 there will be an established collection, sorting and reprocessing infrastructure/economy across Europe, based on end of life technologies and processes which deliver the best economic and environmental outcome for a circular economy.

In the second half of the year, we put two initiatives in place to change our packaging material from plastic to paper for two of our dry rice brands, La Fallera (Spain) and Risella (Finland), thus reducing the use of polypropylene by 40%. The total saving achieved through these initiatives will be known in 2020.

In addition, we have optimised the thickness of the plastic wrap used in our packaging, thus reducing its weight by 10% in comparison with 2016.

### Actions to combat food waste

The main internal policy for food surplus within the Group (defining surplus as products suitable for consumption but which, for different reasons -such as packaging defects, being close to their use-by date, etc.- are not suitable for sale to consumers) is donation to food banks.

The Ebro Group also participates actively in the programme “Don’t waste food”, a collaborative initiative to reduce food waste, led by AECOC, the association of large consumer companies.

The three principal objectives of the project are to:

- Establish prevention and efficiency practices throughout the food chain to reduce waste
- Maximise use of the surplus produced in different stages of the value chain (redistribution, reuse and recycling)
- Make society aware of this problem and the need to reduce food waste.

The initiative is supported by over 350 manufacturers and distributors in the large consumer sector, logistics and haulage operators, business associations, consumer organisations and institutions and is coordinated by AECOC.

The programme aims to inform people about the efforts being made by companies to prevent food waste and promote enhanced collaboration to gradually reduce the problem. Every year some 7.7 million tonnes of food is wasted in Spain. Therefore, the “*Don’t waste food*” programme aims to make consumers throughout the world aware of the problems of food waste and get them to participate in the initiative, encouraging them to collaborate in order to reduce the waste generated by each person.

In this context, the Group runs consumer awareness campaigns through its corporate blog and social networks.

#### Measures for waste prevention, recycling, reuse and other forms of recovery and elimination

All the companies in our Group have contracted the management of hazardous and non-hazardous waste to authorised waste disposal contractors.

Some of the Group’s rice companies use the husk from their manufacturing processes as a source of renewable energy. During 2019, Ebro India, Mundi Riso and Herba Ricemills reported husk consumption, or wood consumption in the case of Ebro Frost, as a source of energy for generating heat.

In 2019 Herba Ricemills, in alliance with other companies, presented a circular economy project in the 2019 LIFE Programme to create a new fireproof material with heat and sound insulating properties from rice husk and straw. This project was not selected, so we will study other alternatives for the use of rice straw.



## Water discharge

Water discharge (m3)	2019	2018
Sewage	159,350	76,598
Process water	2,039,680	2,385,391
Total water discharge	2,199,031	2,461,989

Destination industrial effluent (m3)	2019	2018
Sewerage system or treatment facility	2,012,624	2,311,010
Inland waters	27,056	15,889
Marine waters	0	58,492
	2,039,680	2,385,391

## Waste generation

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

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

Waste (t)	2019	2018
Hazardous	45	7,238
Non-hazardous	28,267	37,240
Total Waste	28,312	44,477

Non-Hazardous Waste (t)	2019	2018
Recycling	4,889	11,650
Reuse	730	3,567
Landfill	10,876	9,953
Composting	3,252	1,954
Incineration	900	3,696
Other	7,619	3,318
Total Non-Hazardous Waste	28,267	34,137

Hazardous Waste (t)	2019	2018
Recycling	16	7,035
Solidification & stabilization	0	5
Incineration	10	78
Pyrolysis	0	0
Landfill	1	1
Other	18	106
<b>Total Hazardous Waste</b>	<b>45</b>	<b>7,225</b>

NB: The information on the destination of waste was incomplete in 2018, accounting for slight variations in the figures.

## Significant spills

There were no spills in 2019.

## Sustainable use of resources

### Raw Materials

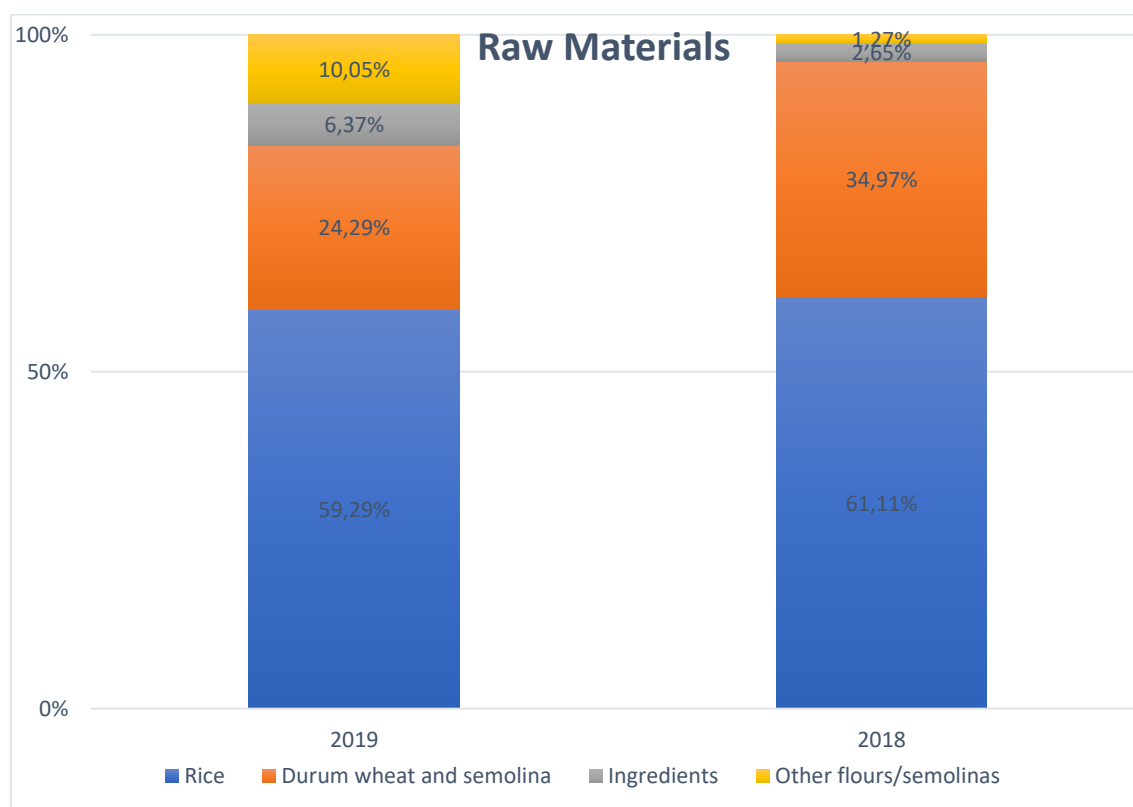
The raw materials used are divided into two major categories, those used in the preparation of finished goods and the packaging materials

The raw materials used in finished goods are divided into two categories.

- Agricultural: rice, durum wheat and quinoa
- Processed: flours or semolinas and other ingredients (ready-to-serve)

Raw Materials (t)	2019	2018
Rice	2,015,838	1,774,534
Durum wheat and semolina	825,858	1,015,509
Quinoa	6,311	4,164
Ingredients	210,090	72,715
Other flours/semolinas	341,707	36,830
<b>Total</b>	<b>3,399,804</b>	<b>2,903,752</b>

NB: We discovered a mistake in the 2018 calculations for "durum wheat and semolina" (799,956 t), which is corrected in this report.



NB: Considering the negligible amount of quinoa within the total quantity of raw materials, we have included it in "Ingredients" to improve the visibility of the graph

Although only minimal quantities of raw materials of animal origin (eggs, meat, dairy) are used in our products, the Ebro Group has undertaken to use exclusively ingredients from cage-free eggs in the production of any foods requiring that raw material as from 2025. This undertaking is extended to all the Group's companies in Spain and has also been adopted by Panzani in France. In Spain, the use of ingredients from cage-free eggs was already up to 50% in 2019.

The packaging materials for finished products are mainly paper, cardboard and plastic.

Input materials for packaging (t)	2019	2018
Paper	20,938	17,825
Cardboard	44,099	44,661
Plastic	45,641	46,144
Glass	54,390	0
Metal	7,769	0
Others	1,469	2,321
<b>Total</b>	<b>112,209</b>	<b>110,951</b>

### Recycled input materials

Based on the information received from the suppliers of packaging materials regarding the composition of their materials, we have calculated the recycled fibre content of the different types of packaging we use.

Recycled fibre content in packaging materials (t)	2019	2018
Recycled paper	3,201	2,212
Recycled cardboard	31,280	16,820
Recycled plastic	100	216
Recycled glass	0	0
Recycled metal	0	0
<b>Total</b>	<b>34,581</b>	<b>19,248</b>

### **Energy consumption**

The total energy consumption for the Ebro Group is shown below:

#### Direct consumption

Consumption non-renewable energy sources (GJ)	2019	2018
Natural Gas	3,514,700	3,268,551
Others	40,419	53,460
<b>Total direct consumption non-renewables</b>	<b>3,555,119</b>	<b>3,322,011</b>

Consumption renewable energy sources (GJ)	2019	2018
Biomass	100,468	93,146
<b>Total direct consumption renewables</b>	<b>100,468</b>	<b>93,146</b>

<b>Total direct consumption</b>	<b>3,655,587</b>	<b>3,415,157</b>
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The energy consumption was calculated with the consumption of each fuel, normally provided by suppliers in their invoices, and the NCV of the respective fuels (see Annex 3).

Biomass includes rice husk, a by-product of our industrial processes, and wood in the case of Ebro Frost.

- Indirect consumption

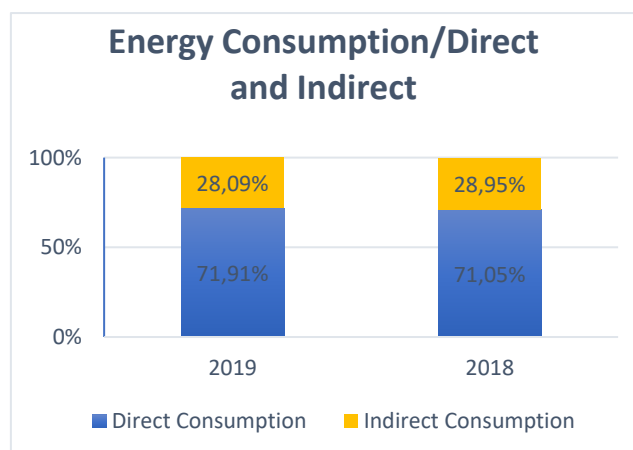
In 2019, 12% of the electricity consumed was green energy, i.e. generated from 100% renewable sources.

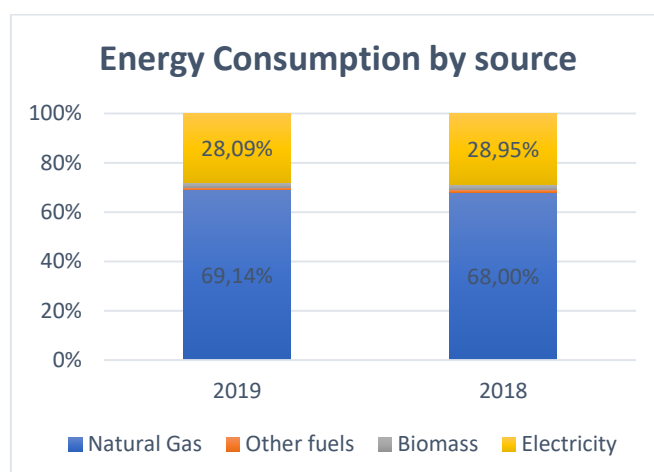
Three of the Group companies –Garofalo, Geovita and Mundiriso– also have renewable energy generation facilities, with a total output of 20,470 GWh in 2019.

Intermediate energy acquired and consumed (GJ)	2019	2018
Electricity	1,427,637	1,391,809
<b>Total indirect consumption (electricity)</b>	<b>1,427,637</b>	<b>1,391,809</b>

Of which green energy	176,827
	<b>12.39%</b>

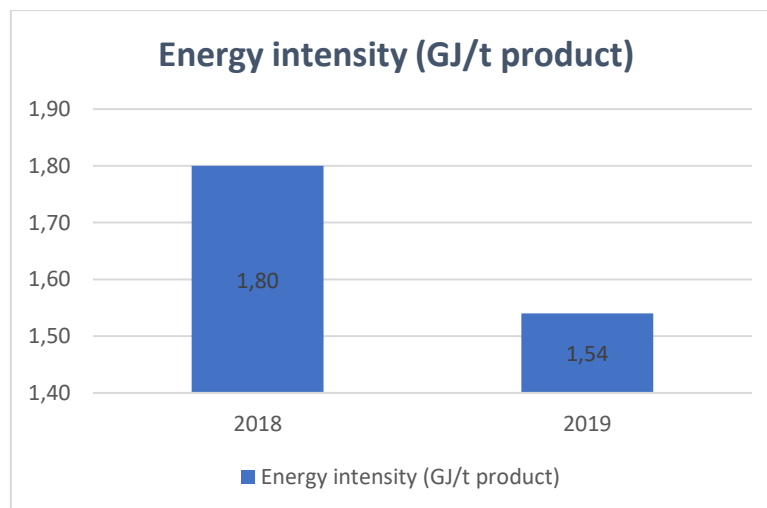
	2019	2018
<b>Total energy consumption Direct + Indirect (GJ)</b>	<b>5,083,224</b>	<b>4,806,966</b>





### Energy intensity

Energy intensity (GJ/t product)	2019	2018
Total produced (t)	3,290,565	2,671,856
Total energy consumed (GJ)	5,083,224	4,806,966
Energy intensity (GJ/t product)	1.54	1.80



### Reduction of energy consumption

Seven group companies have reported different initiatives to reduce their energy consumption, by a total of €227,262.

COMPANY	INITIATIVE	COST
Arrozeiras Mundiarroz	Replacement of luminaires with LED lighting	€ 2,051
Boost Nutrition	Modification of milling process, installation of inverters	€ 15,400
Catelli	Replacement of luminaires with LED lighting	€ 25,870
Lassie	Replacement of luminaires with LED lighting	€ 30,000
Lustucru	Replacement of luminaires with LED lighting	€ 70,217
Panzani	Replacement of luminaires with LED lighting	€ 27,000
	Waterproofing of roofs	€ 35,644
	Installation of vacuum pumps	€ 21,000
Roland Monterrat	Installation of heat pumps	€ 80
	Total	€ 227,262

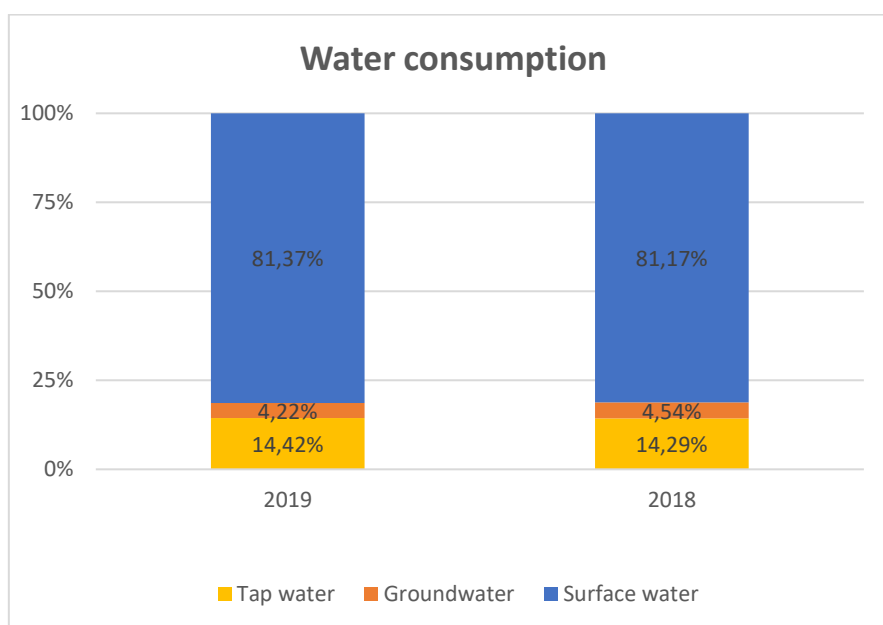
NB: This amount is included in Resources allocated to environmental risk prevention

## Water consumption

Total volume of water withdrawn (m3)	2019	2018
Tap water	2,981,480	2,843,088
Groundwater	871,575	902,660
<b>Total industrial processes</b>	<b>3,853,055</b>	<b>3,745,748</b>
Surface water	16,824,000	16,150,000
<b>Total water withdrawn</b>	<b>20,677,055</b>	<b>19,895,748</b>

NB: Surface water is not consumed in our industrial processes, but in the agricultural activity performed by the Mundiriz Group in Morocco.

Total water withdrawn (m3) / Total (%)	2019	2018
Tap water	14.42%	14.29%
Groundwater	4.22%	4.54%
Surface water	81.37%	81.17%



#### Water recycled and reused

Total volume of water recycled and reused (m3)	2019	2018
Recycled water	69,804	400,054
Reused water	51,281	0
Total	121,085	400,054

Water recycled and reused / global consumption (%)	2019	2018
Recycled water	1.81%	10.68%
Reused water	1.33%	0.00%
Total	3.14%	10.68%

We highlight the initiative taken by Catelli, which has installed a system at its Montreal plant that will enable it to reduce its annual water consumption by 50,000 m<sup>3</sup>.



## Climate Change and protection of Biodiversity

The Ebro Group takes an active approach to the promotion and investigation of environmentally sustainable growing techniques for application in the production of its principal agricultural raw materials (rice, durum wheat and tomatoes) and to contribute towards greater preservation of the environment, biodiversity and mitigation of climate change by applying growing techniques to reduce crop emissions. This work is done through own initiatives and specific collaborations with stakeholders and sectoral associations, particularly the Sustainable Agriculture Initiative Platform (SAI Platform) and the Sustainable Rice Platform.

In this context, with regard to durum wheat and tomatoes, the French subsidiary Panzani continues its “Nature” programme with a view to changing the growing practices of the suppliers in its supply chain so that their raw materials are free from pesticide residues by 2025.

With regard to rice, the Group has continued working in collaboration with other stakeholders on the development of projects to enhance environmental sustainability and preserve biodiversity in different production areas. The most representative examples of this work are:

- Thailand: Sustainable Aromatic Rice Initiative of Thailand (SARI-T):

Joint project with Mars, GIZ and the Thai Rice Department to enhance the economic viability of 1,200 rice growers in the province of Roi Et and the sustainable production of high quality Hom Mali aromatic rice.

The project organises numerous activities, such as teaching farmers about the Sustainable Rice Platform (SRP) standard and agronomic technologies, providing access to high quality seeds, improving growers' skills and enhancing gender equity for reasons of food security and quality.

The programme completed its second year of rice production in 2019, with a massive impact and widespread adoption of the SRP standard by farmers, who have obtained an average verified score of 95/100.

- Spain: Oryzonte Programme: developed at the Guadalquivir Marshes (Seville) together with Mars Food and Danone.

This project, which began in 2018, seeks to improve the sustainability of the rice crop in the province of Seville (Andalusia, Spain). During 2018 and 2019 the project ran a specific training programme on Sustainability in the Rice Crop, in which the principal rice-growers in the region participated. The training was given by specialists from both research facilities and the private sector, and covered areas such as optimising fertilization, sustainable use of plant protection products, sustainability standard requirements applicable to the rice crop and

strategies for reducing water consumption and greenhouse gas emissions, among others.

During 2018 and 2019, the project ran tests on commercial rice fields, confirming the feasibility of using different techniques to reduce water consumption and GHG emissions. Oryzonte is also sampling GHG emissions from rice fields where different water management practices are implemented, with a view to checking that those practices do actually reduce emissions, as anticipated by the models developed by universities and international organisations. The practices giving the best results are now being implemented as pilot projects in commercial fields managed by different producers in an effort to confirm their viability in different agronomic conditions and foster their implementation by local farmers. The project is also developing models to assess the benefits of using those techniques on larger scales, rather than individual fields (entire farms, irrigation communities...).

Finally, during 2019 Oryzonte identified and analysed practices that could potentially favour biodiversity in the Sevillian rice fields, seeking to implement specific actions in 2020 to improve the rice-growing area.

- Italy: SAIRISI Project:

This project began in 2016 with the intention of bringing Italian rice growers together to share sustainable practices in water management and soil quality.

Thanks to the collaboration of a group of members throughout the supply chain –including Ebro– with the SAI Platform, the project has had an impact on more than 600 growers up to the end of 2019.

Some of the activities developed by SAIRISI are:

- Field visits and 8 training classes on all aspects of sustainable rice growing: conservation agriculture, biodiversity and economic sustainability of growers.
- Preparation of a document explaining the 12 best practices for sustainable rice growing in Italy. These best practices are directly linked to questions in the Farm Sustainability Assessment (FSA) of the SAI Platform, forcing farmers to think about management of their crops in terms of sustainability.
- Development of a growers' group through the National Rice Board (ENR), with numerous newssheets for the community, a WhatsApp group and a specific website for resources.
- In order to develop local capacity to advance further in Italian rice sustainability, SAIRISI has trained two agronomists to implement the FSA standard effectively.

- India: During 2019, our subsidiary Ebro India continued developing three projects providing training for growers and technical assistance for the entire process, from sowing to harvesting.
  - EKTA: A training programme for growers in their everyday farming activities, educating them in the latest agricultural practices and the optimum use of pesticides and fertilizers, and helping them to increase the yield from their crops and lower costs.
  - Control Farming: One of the greatest challenges in India is compliance with the MRL (maximum residue limits) permitted in the European Union. Through the control farming programme we work closely with the growers, monitoring all the agricultural practices they use from sowing to harvesting and educating them in the correct use of pesticides and fungicides in terms of quantity, quality and timing.
  - Organic farming: We work with around 1500 growers for the production of organic basmati and non-basmati rice.

The Ebro Group is also a member of the Climate Change Cluster promoted by Forética ([www.foretica.org](http://www.foretica.org)). In that Cluster, a group of large companies work together to lead the strategic positioning addressing climate change in the business agenda, discuss and exchange views and good practices, be part of the global debate and become key players in the decisions made at the administrative level.

### **Operational sites in, or adjacent to, protected areas or areas of high biodiversity value outside protected areas**

Only the Riviana plant in Freeport, Texas is adjacent to a wetland with protected area status, Brazos River.

#### Significant impacts of activities, products, and services on biodiversity

There have been no impacts in any areas considered of high biodiversity value.

#### Habitats protected or restored

No restoration measures have been implemented in protected habitats.

#### Water sources significantly affected by water withdrawal

There has been no impact on water bodies or habitats of high biodiversity value.

#### Significant spills and water bodies affected by water discharges and/or runoff

There have been no significant spills or any impact on habitats of high biodiversity value.

## Pollution

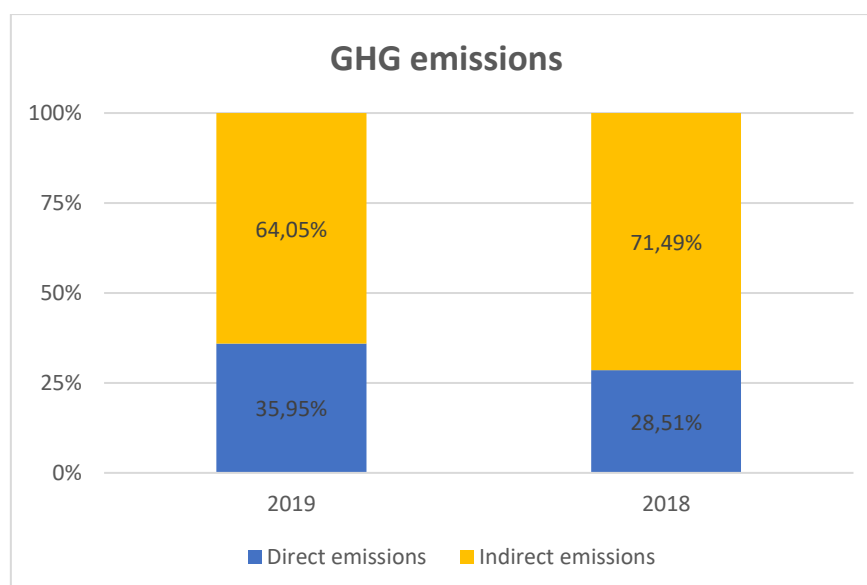
### Direct and indirect GHG emissions (Scopes 1 and 2)

The direct emissions were calculated according to *Tier 1 of the 2006 IPCC Guidelines for National Greenhouse Gas Inventories*, with average values of the Emission Factors for each fuel.

The indirect emissions were calculated with the Emission Factors of electricity indicated by the supply undertakings or, failing this, with the Emission Factors published by an official organisation.

The Emission Factors used and the source are set out in Annex 3.

GHG emissions (t CO <sub>2</sub> -eq)	2019	2018
Direct emissions	199,893	186,993
Indirect emissions	356,092	468,782
<b>Total emissions</b>	<b>554,985</b>	<b>655,775</b>



### Other indirect GHG emissions (Scope 3)

In 2015, the Group's rice division contracted its main shipping logistics provider, EccoFreight, to calculate the carbon footprint of shipping our raw materials and other products.

This is calculated with the Eccoprint tool developed by EccoFreight and has a gate-to-gate scope, including the transport (by rail and/or road) from the source plant to the port of departure and from the port of arrival to our plants.

In 2019, EccoFreight handled approximately 56% of the shipments of the entire rice division, with 247,672 tonnes shipped (13,548 TEUs) and GHG emissions of 57,246 tonnes of CO<sub>2</sub>eq.

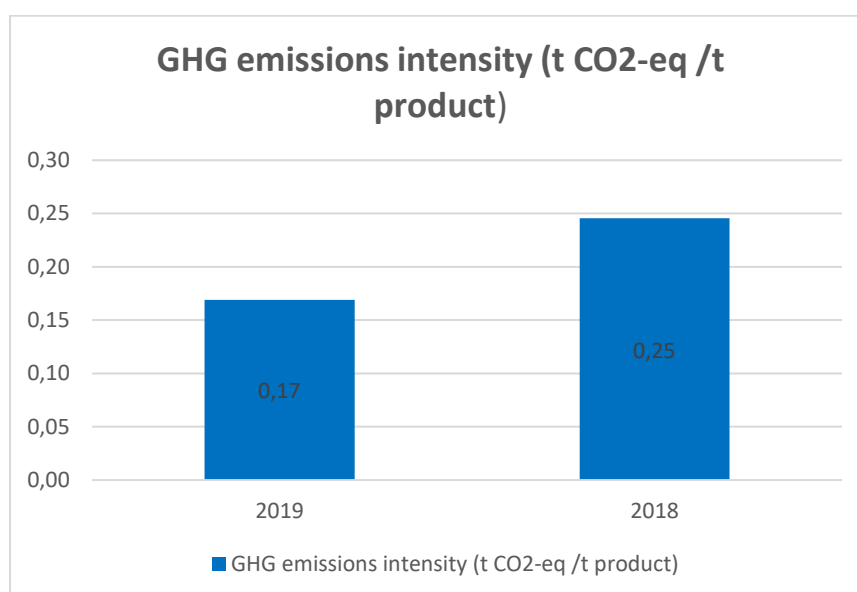
By choosing more efficient routes instead of other alternative routes available with larger carbon footprints, we avoided the emission of 9,044 t CO<sub>2</sub>eq, with is a 13.64% reduction of our Scope 3 emissions.

In 2019, Ebro Foods confirmed its participation in the AECOC Lean & Green Programme to calculate the carbon footprint of its domestic overland logistics and we will begin this work next year.

The company also signed a collaboration agreement during the year with the Spanish Royal Academy of Engineering to study “GHG emissions in the Spanish and European agri-food sector”, in which the carbon footprint will be calculated for the sector as a whole and, in particular, for rice and other cereals in which the Group has an interest.

#### GHG emissions intensity

	2019	2018
Total produced (t)	3,290,565	2,671,856
Total GHG emissions (t CO <sub>2</sub> -eq )	555,985	655,775
<b>GHG emissions intensity (t CO<sub>2</sub>-eq /t product)</b>	<b>0.17</b>	<b>0.25</b>



#### Emissions of ozone-depleting substances

The figure reported is only partial, as only 11 of the 28 companies included in this report have provided details of their consumption of refrigerants.

The refrigerants included in this calculation are the gases and mixes regulated in the Kyoto Protocol. The emission factors used (GWP) are those set out in the report *UK Government Conversion Factors for greenhouse gas (GHG) reporting (DEFRA) v.1.2, 2019*.

The CO<sub>2</sub>-equivalent emissions total 3,349 tonnes. This quantity is not included in the Scope 1 emissions.

#### NOx, SOx and other significant air emissions

In accordance with the applicable environmental laws and regulations, regular inspections and measurements are made by an external company to check compliance. No non-compliance was detected during the year.

We continue analysing the materiality of this indicator. Since we have no continuous measurements of these parameters, we can only give an estimate.

### **Greenhouse gas reduction goals**

One of the areas of action contemplated in our Sustainability Plan **HEADING FOR 2030** launched during 2019 is minimising our environmental impact and, accordingly, reducing our GHG emissions. No global target for reducing our GHG emissions had yet been quantified by the date of issuing this report. We are studying the possibility of using Science Based Targets for this, which we plan to do in 2020.

## ANNEX 1

### List of Group subsidiaries

COMPANY	COUNTRY	BUSINESS AREA
Arrozeiras Mundiarroz, S.A.	Portugal	Rice
Arotz Foods, S.A.	Spain	Others
Bertagni 1882, S.p.A.	Italy	Pasta
Boost Nutrition, C.V.	Belgium	Rice
Catelli Foods Corporation	Canada	Pasta
Ebro Foods, S.A.	Spain	Parent (Holding)
Ebrofrost Holding, GmbH	Germany, Denmark and UK	Rice, pasta and frozen food
Ebro India, Private Ltd.	India	Rice
Euryza, GmbH	Germany	Rice
Geovita Functional Ingredients, S.R.L.	Italy	Ingredients
Herba Bangkok, S.L.	Thailand	Rice
Herba Cambodia Co. Ltd	Cambodia	Rice
Herba Ingredients, B.V.	Netherlands and Belgium	Ingredients
Herba Ricemills, S.L.U.	Spain	Rice
Herba Ricemills Rom, S.R.L.	Romania	Rice
Lassie, B.V.	Netherlands	Rice
La Loma Alimentos, S.A.	Argentina	Rice
Lustucru Frais, S.A.S.	France	Rice and pasta
Mundi Riso, S.R.L.	Italy	Rice

Mundi Riz, S.A.	Morocco	Rice
Neofarms BIO, S.A.	Argentina	Rice
Panzani, S.A.S.	France	Pasta
Pastificio Lucio Garofalo, S.p.A.	Italy	Pasta
Riceland Magyarorzag, KFT	Hungary	Rice
Riviana Foods, Inc.	USA	Rice and pasta
Roland Monterrat, S.A.S	France	Fresh food
Santa Rita Harinas, S.L.U.	Spain	Others
Stevens&Brotherton Herba Foods, Ltd.	UK	Rice
Transimpex, GMBH	Germany	Rice

**List of industrial facilities (production plants and warehouses) and offices of the Ebro Group**

COMPANY	COUNTRY	WORKPLACE
Arrozeiras Mundiarroz	Portugal	Coruche
Arotz	Spain	Navaleno
Bertagni	Italy	Avio
		Vicenza
Boost Nutrition	Belgium	Merksem
Catelli Foods Corporation	Canada	Montreal
		Delta
		Hamilton
Ebro Foods Holding	Spain	Madrid
		Granada
		Barcelona
Ebro India	India	Taraori
Ebrofrost Denmark	Denmark	Orbaek
Ebrofrost Germany	Germany	Offingen
Ebrofrost UK	UK	Beckley



Euryza	Germany	Sales office
Geovita	Italy	Bruno
		Nizza Monferrato
		Verona
		Villanova Monferrato
Herba Bangkok	Thailand	Nong Khae
Herba Cambodia	Cambodia	Phnom Penh
Herba Ingredients	Belgium	Schoten
	Netherlands	Wormer
Herba Ricemills	Spain	Coria del Río
		San Juan de Aznalfarache
		Jerez de la Frontera
		Silla
		Algemesí
		La Rinconada
		Los Palacios
		Isla Mayor
		L'Aldea
		Cotemsa
		La Raza
Lassie	Netherlands	Wormer
La Loma Alimentos	Argentina	Los Charrúas
		Chajarí
		Los Conquistadores
Lustucru	France	Saint Genis Laval
		Lorette
		Communay
Mundi Riz	Morocco	Larache
Mundiriso	Italy	Vercelli
64Panzani	France	La Montre
		Gennevilliers
		Nanterre
		Littoral
		Saint Just
		Vitrolles
Pastificio Lucio Garofalo	Italy	Gragnano
Riceland	Hungary	Sales office
Riviana	USA	Memphis
		Brinkley
		Clearbrook
		Alvin
		Carlisle

		Freeport
		Hazen
		Saint Louis
		Winchester
		Fresno
Roland Monterrat	France	Feillens
S&B Herba Foods	UK	Cambridge
		Liverpool
		Orpington
Santa Rita Harinas	Spain	Loranca de Tajuña
Transimpex	Germany	Lambsheim (office)
		Lambsheim (plant)
		Hamburg (office)

## ANNEX 2

### List of Food Safety and Quality certifications of the Group's subsidiaries

COMPANY	COUNTRY	WORKPLACE	CERTIFICATIONS
ARROZEIRAS MUNDIARROZ	PORTUGAL	CORUCHE	ISO 9001
			ISO 22000
			FOOD PRODUCT CERTIFICATION
			IFS
AROTZ	SPAIN	NAVALENO	IFS
BERTAGNI	ITALY	AVIO	BRC
			IFS
		VICENZA	BIOS - ORGANIC CERTIFICATION
			BRC
BOOST NUTRITION	BELGIUM	MERKSEM	IFS
			KOSHER
			FCA
			ORGANIC CERTIFICATION
CATELLI FOODS CORPORATION	CANADA	MONTREAL	SQF
		DELTA	BRC
		HAMILTON	BRC
EBRO INDIA	INDIA	TARAORI	ISO 22000
			ORGANIC CERTIFICATION
			BRC
			IPQC
			PPQS
			KOSHER
			ISO-17025 (LAB.)
EBROFROST DENMARK	DENMARK	ORBAEK	BRC
			KOSHER
			ORGANIC CERTIFICATION
EBROFROST UK	UK	BECKLEY	BRC

EBROFROST NORTHAMERICA	USA	MEMPHIS	SQF
FALLERA NUTRICIÓN	SPAIN	SILLA	ISO 9001
GEOVITA	ITALY	BRUNO	ISO 9001
		NIZZA MONFERRATO	ISO 9001
		VERONA	ISO 9001
		VILLANOVA MONFERRATO	ISO 9001
HERBA BANGKOK	THAILAND	SARABURI	ISO 9001
			BRC
			ORGANIC CERTIFICATION
			HALAL
			KOSHER
			GMP & HACCP
			GLUTEN FREE CERTIFICATION
			FAIR TRADE&FLOCERT CERTIFICATION
			FAIR TRADE-ECO SOCIAL STANDARD CERTIFICATION
HERBA CAMBODIA	CAMBODIA	PHNOM PENH	ISO 9001
			ORGANIC CERTIFICATION (EU)
			ORGANIC CERTIFICATION (NOP)
			GMP & HACCP
HERBA INGREDIENTS	BELGIUM	SCHOTEN	ORGANIC CERTIFICATION
	BELGIUM	SCHOTEN	IFS
			GMP
			KOSHER
	BELGIUM	SCHOTEN	IFS
			GMP
			KOSHER
			ECOLOGICAL CERTIFICATION
	NETHERLANDS	WORMER	IFS
			GMP
			KOSHER
			HALAL
			ORGANIC CERTIFICATION

			CHINESE ORGANIC
HERBA RICEMILLS	SPAIN	CORIA DEL RÍO	ISO 9001
			ECOLOGICAL CERTIFICATION
			KOSHER
		SAN JUAN DE AZNALFARACHE (Ready foods plant and Rice plant)	ISO 9001
			BRC
			IFS
			ECOLOGICAL CERTIFICATION
			KOSHER (rice)
		JEREZ DE LA FRONTERA (Ready foods plant)	ISO 9001
			BRC
			IFS
		SILLA	ISO 9001
			BRC
			IFS
		ALGEMESÍ (Ready foods plant)	ISO 9001
			IFS
			BRC
		ALGEMESÍ (Rice plant)	ISO 9001
			KOSHER
		ALGEMESÍ (Flour mill)	IFS
			KOSHER
		LA RINCONADA	IFS
			ECOLOGICAL CERTIFICATION
			KOSHER
		LOS PALACIOS	ISO 9001
			ECOLOGICAL CERTIFICATION
			KOSHER
LASSIE	NETHERLANDS	WORMER	ORGANIC CERTIFICATION
			IFS
			GMP FEED
LUSTUCRU	FRANCE	SAINT GENIS LAVAL (Fresh pasta plant)	IFS
		LORETTE (Fresh pasta plant)	IFS
		COMMUNAY (Fresh pasta plant)	IFS

MUNDI RIZ	MOROCCO	LARACHE	ISO 22000
MUNDIRISO	ITALY	VERCELLI	IFS
			BRC
			ISO 22000
			ORGANIC CERTIFICATION
			KOSHER
PANZANI	FRANCE	LA MONTRE	FSSC 22000
			IFS
		GENNEVILLIERS	IFS
			ISO14001
		NANTERRE	IFS
			FSSC 22000
		LITTORAL	IFS
			ISO 14001
		SAINT JUST	IFS
		VITROLLES	IFS
			ORGANIC CERTIFICATION
		LYON	ORGANIC CERTIFICATION
PASTIFICIO LUCIO GAROFALO	ITALY	GRAGNANO	KOSHER
			HALAL
			PASTA DI GRAGNANO IGP
			ORGANIC (reg CE 834/07)
			ORGANIC (JAS)
			BRC
			IFS
			NO GMO VERIFIED
			VEGAN
RIVIANA (RICE BUSINESS)	USA	MEMPHIS	SQF
		BRINKLEY	SQF
		CLEARBROOK	SQF
		ALVIN	SQF
		CARLISLE	SQF
		FREEPORT	SQF
RIVIANA (PASTA BUSINESS)	USA	SAINT LOUIS	SQF
		WINCHESTER	SQF
		FRESNO	SQF

ROLAND MONTERRAT	FRANCE	FEILLENS	IFS
S&B HERBA FOODS	UK	CAMBRIDGE	BRC
			KOSHER
		LIVERPOOL	BRC
			KOSHER
TRANSIMPEX	GERMANY	LAMBSHEIM	IFS FOOD
			IFS BROKER
			ORGANIC
			ORGANIC NATURLAND

## ANNEX 3

### Electricity and fuels emission factors

Table 1. Emission Factors - Electricity

Company	Plant	Country	EF Electricity (t CO <sub>2</sub> /kWh)	Source of EF
Arotz	Arotz	Spain	0,0000380	Supplier
Arrozeiras Mundiarroz	Coruche	Portugal	0,0004780	Supplier
Bertagni	Vicenza Avio	Italy Italy	0,0003120 0,0003120	ISPRA 2018 ISPRA 2019
Boost Nutrition	Plant A	Belgium	0,0002100	Supplier
Catelli	Montreal Delta Hamilton	Canada Canada Canada	0,0000060 0,0000093 0,0030000	www.HydroQuebec.com www.carbonfootprint.com Supplier
EbroFrost Denmark	Orbaek	Denmark	0,0003830	Supplier
Ebro Frost Germany	Offingen	Germany	0,0004280	Supplier
EbroFrost UK	Beckley	UK	0,0002556	DEFRA UK 2019 Emission Factors
Ebro Foods	Madrid Barcelona	Spain Spain	0,0000000 0,0003800	Miteco - Emission Factors April 2019 v.12 Miteco - Emission Factors April 2019 v.12
Ebro India	Taraori	India	0,0010000	CO <sub>2</sub> baseline database for Indian power sector
Euryza	Euryza	Germany	0,0003240	Supplier
Garofalo	Gragnano	Italy	0,0003683	ISPRA
Geovita	Bruno Nizza Monferrato Verona Villanova Monferrato	Italy Italy Italy Italy Italy	0,0003000 0,0003000 0,0003000 0,0003000 0,0003000	carbonfootprint.com carbonfootprint.com carbonfootprint.com carbonfootprint.com carbonfootprint.com
Harinas Sta Rita	Plant A	Spain	0,0003500	Supplier
Herba Bangkok	Nong Khae	Thailand	0,0006933	Carbon Label & Carbon Footprint for Organization, Thailand
Herba Cambodia	Phnom Phen	Cambodia	0,5990000	see factor document
Herba Ingredients	Plant B Plant C	Belgium Belgium	0,0002570 0,0002570	Government Government
Herba Ricemills	San Juan Jerez Coria Isla Mayor Silla Algemesi/Saladar Aldea La Rinconada Los Palacios Warehouses (Cotemsa & Raza)	Spain Spain Spain Spain Spain Spain Spain Spain Spain Spain Spain	0,0003800 0,0003800 0,0003800 0,0003800 0,0003800 0,0003800 0,0003800 0,0003800 0,0003800 0,0003800 0,0003800	Ministry Environment, April 2019 v.12 Ministry Environment, April 2019 v.12 Ministry Environment, April 2019 v.12 Ministry Environment, April 2019 v.12 Ministry Environment, April 2019 v.12 Ministry Environment, April 2019 v.12 Ministry Environment, April 2019 v.12 Ministry Environment, April 2019 v.12 Ministry Environment, April 2019 v.12 Ministry Environment, April 2019 v.12 Ministry Environment, April 2019 v.12
Lassie	Wormer	Netherlands	0,0004854	Supplier
Lustucru	St Genis Laval (Lus.) Lorette (Lus.) Communay (Lus.)	France France France	0,0000178 0,0000178 0,0000178	Supplier Supplier Supplier
Mundi Riso	Vercelli	Italy	0,0003900	Supplier
MundiRiz	Larache	Morocco	0,0800000	Supplier
Panzani	Saint Just Littoral Gennevilliers Nanterre La Montre Vitrolles	France France France France France France	0,0000164 0,0000164 0,0000178 0,0000178 0,0000164 0,0000164	Supplier Supplier Supplier Supplier Supplier Supplier



Riceland Magyarorzag	Riceland Magyarorzag	Hungary	0,0003750	official study
Riviana Arroz	Memphis (MPH)	USA	0,0007070	epa.gov
	Carlisle (CAR)	USA	0,0007793	epa.gov
	Brinkley (BRI)	USA	0,0007793	epa.gov
	Hazen (HZN)	USA	0,0007793	epa.gov
	Clearbrook (CBK)	USA	0,0004645	epa.gov
	Freeport (FPT) - AmRi	USA	0,0007794	epa.gov
	Alvin (AL)	USA	0,0007794	epa.gov
Riviana Pasta	Winchester	USA	0,0003653	EPA
	Fresno	USA	0,0002398	EPA
	St Louis	USA	0,0007331	EPA
Roland Monerrat	Feillens (RM)	France	0,0000470	www.carbonfootprint.com (EF 2019)
S&B Herba Foods	Cambridge	UK	0,0000240	Supplier
	Liverpool	UK	0,0000240	Supplier
	Orpington	UK	0,0003240	Supplier
Transimpex	Lambsheim Plant	Germany	0,0002800	Supplier
	Lambsheim Office	Germany	0,0002800	Supplier

[Spain's Ministry of the Environment: Full name is currently Ministry for Ecological Transition and Demographic Challenge (MITECO)]

**Table 2. Emission Factors - Fuels**

Fuel	NCV	Units	Source
Natural gas	0.038	GJ/Nm3	Table 1.2 Ch.1- 2006 IPCC Guidelines
LPG	47.3	GJ/t	Table 1.2 Ch.1- 2006 IPCC Guidelines
Coal	29.5	GJ/t	Table 1.2 Ch.1- 2006 IPCC Guidelines
Butane	44.2	GJ/t	Table 1.2 Ch.1- 2006 IPCC Guidelines
Biomass (husk)	11.6	GJ/t	Table 1.2 Ch.1- 2006 IPCC Guidelines
Biomass (wood)	15.6	GJ/t	Table 1.2 Ch.1- 2006 IPCC Guidelines
Propane	25.25	GJ/Nm3	
Diesel	35.28	GJ/Nm3	
Gasoline	33.67	GJ/Nm3	

## ANNEX 4

Index of contents required by Act 11/2018 of 28 December amending the Commercial Code, the recast Corporate Enterprises Act approved by Legislative Royal Decree 1/2010 of 2 July, and the Audit Act 22/2015 of 20 July, regarding the disclosure of non-financial and diversity information

### General areas

Area		Reporting framework	Reference	Comments / Reason for omission
Business model	Description of the business model: – Business environment – Organisation and structure – Markets in which it operates – Objectives and strategies – Principal factors and trends that may affect its future evolution	102-2, 102-7, 102-3, 102-4, 102-6, 102-15	P.4-10	
General	Mention in the report of the national, European or international <b>reporting framework</b> used to select the key non-financial performance indicators included in each section. If the company complies with the non-financial reporting act by issuing a <b>separate report</b> , it must expressly state that said information forms part of the management report.	102-54	P.2	
Management focus	<b>Description of the policies</b> applied by the group in respect of these matters, including the due diligence procedures applied for the identification, assessment, prevention and mitigation of material risks and impacts and those of verification and control, including the measures implemented.	103-1 103-2	P.11-17	
	The <b>results of those policies</b> , including the relevant key non-financial performance indicators enabling the monitoring and assessment of progress and favouring comparison between companies and sectors, according to the national, European or international frameworks used.	103-2 103-3	P.13-14	
	The main risks related with those issues linked to the group's activities, including, where necessary and proportional, its commercial relations, products or services that may have an adverse effect on those areas and how the company manages those risks, explaining the procedures followed to detect and assess them in accordance	102-15	P.18-24	

	with the national, European or international frameworks for each area. This should include information on the impacts detected, giving a breakdown, particularly regarding the main risks in the short, medium and long term.			
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## Environmental aspects

Area		Reporting framework	Reference	Comments / Reason for omission
<b>Management focus</b>				
Environmental management	<b>Existing and foreseeable effects</b> of the company's activities	Internal framework: internal procedures, Code of Conduct, GRI 307-1	P.71-73	
	Environmental <b>certification or assessment procedures</b>	ISO 14001	P.73	
	<b>Resources employed</b> for preventing environmental risks	Internal framework: Accounting	P.72	
	Application of the <b>precautionary principle</b>	GRI 102-11	P.73-74	
	Quantity of <b>provisions and guarantees</b> for environmental risks	Internal framework: Insurance policy for third-party liability and accidental pollution damage	P.72-73	
Pollution	<b>Measures</b> to prevent, reduce or remedy carbon emissions (including noise and light pollution)	Internal framework: CSR internal reporting tool	P.84-87	
Circular economy and waste management and prevention	<b>Measures</b> for waste prevention, recycling, reuse and other forms of recovery and elimination	GRI 301-2, 301-3, 306-1, 306-2	P.74-75	
	<b>Actions</b> to combat food waste	Internal framework: 1) CSR internal reporting tool 2) Donations to food banks	P.75-76	
Sustainable use of resources	<b>Water consumption</b> and water supply within local limits	GRI 303-1	P.83-84	
	<b>Consumption</b> of raw materials	GRI 301-1, 301-2	P.77-79	
	<b>Measures</b> taken to make the use of water more efficient	GRI 302-4	P.79	
	Direct and indirect energy <b>consumption</b>	GRI 302-1, 302-2, 302-3	P.79-81 ANNEX 3	
	<b>Measures</b> implemented to enhance energy efficiency	GRI 302-4	P.82	
	<b>Use</b> of renewable energies	GRI 302-1	P.80	
Climate change	Important <b>elements</b> of the GHG emissions generated	GRI 305-1, 305-2, 305-3	P.87-90	
	<b>Measures</b> taken to adapt to the consequences of climate change	Internal framework: 1) Sustainable agriculture projects 2) Climate change risk matrix	P. 84-87	

	Reduction <b>goals</b> established voluntarily	GRI 305-5, 301-1	P.90	
Protection of biodiversity	<b>Measures</b> taken to preserve or restore biodiversity	Internal framework: CSR internal reporting tool	P.84-87	
	<b>Impacts</b> caused by activities or operations in protected areas	Internal framework: CSR internal reporting tool	P.87	

## Social and labour aspects

Area		Reporting framework	Reference	Comments / Reason for omission
Management focus				
Employment	Total <b>number</b> and distribution of employees by gender, age, country and professional category	GRI 405-1	P.41-43	
	Total <b>number</b> and distribution of types of employment contract	GRI 401-1	P.43	
	Annual <b>average</b> of permanent, temporary and part-time contracts by gender, age and professional category	GRI 401-1, 405-1	P.43-45	
	<b>Number</b> of dismissals by gender, age and professional category	GRI 401-1	P.45	
	Pay gap	GRI 405-2	P.61	
	Average <b>remuneration</b> by gender, age and professional category	GRI 405-2	P.55-61	
	Average <b>remuneration</b> of directors by gender	GRI 102-35	P.61	
	Average <b>remuneration</b> of executives by gender	GRI 102-35	P.62	
	Implementation of <b>policies</b> on disconnection from work	Internal framework: CSR internal reporting tool	P.41	
	<b>Employees</b> with disability	GRI 405-1	P.55	
Organisation of work	<b>Organisation</b> of working time	Internal framework: CSR internal reporting tool	P.46	
	<b>Number</b> of hours absenteeism	GRI 403-2	P.46	
	<b>Measures</b> to facilitate work-life balance and responsible joint exercise of those measures by both parents	GRI 401-2, 401-3	P.50	
Health and safety	<b>Conditions</b> of health and safety at work	Internal framework: CSR internal reporting tool	P.51	
	<b>Number</b> of occupational injuries and disease by gender, frequency rate and severity by gender	Internal framework: CSR internal reporting tool	P.51-52	
Labour relations	<b>Organisation</b> of social dialogue	GRI 402-1, 403-1, 403-4	P.52	
	<b>Percentage</b> of employees covered by collective agreements by country	GRI 102-41	P.52-53	
	<b>Balance</b> of collective agreements, particularly in the area of health and safety at work	GRI 102-41, 403-4	P.47-50	
Training	<b>Policies</b> implemented in the training area	Internal framework:	P.53	

		1) Corporate Code of Conduct 2) CSR internal reporting tool		
	Total <b>hours</b> training by professional category	GRI 404-1	P.53-54	
Universal accessibility by persons with disability		Universal accessibility by persons with disability	P.55	
Equality	<b>Measures</b> implemented to promote equal treatment and opportunities between women and men	Internal framework: 1) Corporate Code of Conduct 2) CSR internal reporting tool	P.54	
	<b>Equality plans</b> Measures taken to promote employment, protocols against sexual and gender-related harassment	Internal framework: 1) Corporate Code of Conduct 2) CSR internal reporting tool	P.54	
	<b>Integration and universal accessibility</b> of persons with different abilities	GRI 405-1	P.55	
	<b>Policy</b> against all forms of discrimination and, where appropriate, diversity management	Internal framework: 1) Corporate Code of Conduct 2) CSR internal reporting tool	P.54-55	

### Information on respect for human rights

Area	Reporting framework	Reference	Comments / Reason for omission
<b>Management focus</b>			
<b>Application</b> of due diligence procedures in respect of human rights	GRI 103-2, 412-2	P.28	
Prevention of the risks of violating human rights and, where necessary, <b>measures</b> to mitigate, manage and redress possible abuse committed	GRI 412-2	P.25-28	
<b>Complaints</b> of violation of human rights	GRI 406-1	P.26	
<b>Promotion and compliance with the ILO fundamental conventions</b> related with respect for the freedom of association and right to collective bargaining, elimination of discrimination in employment and occupation, elimination of forced or mandatory labour and effective abolition of child labour	Internal framework: Corporate Code of Conduct	P.25	

## Information on anti-corruption and bribery

Area	Reporting framework	Reference	Comments / Reason for omission
<b>Management focus</b>			
Anti-corruption and bribery <b>measures</b>	GRI 205-1, 205-2, 419-1	P.28-30	
Anti-money laundering <b>measures</b>	GRI 205-2, 419-1	P.31	
<b>Contributions</b> to foundations and not-for-profit entities	GRI 201-1, 413-1	P.32-33	

## Information on the company

Area	Reporting framework	Reference	Comments / Reason for omission
<b>Management focus</b>			
Company's commitments to sustainable development	<b>Impact</b> of the company's activities on local development and employment	GRI 102-42, 102-43	P.35-40
	<b>Impact</b> of the company's activities on local populations and region	Internal framework: CSR internal reporting tool	P.35-40
	<b>Relations</b> with local communities and forms of dialogue with them	GRI 102-43	P.35-40
	Association or sponsorship <b>actions</b>	GRI 203-1, 102-12, 102-16, 102-13	P.35-40
Outsourcing and suppliers	<b>Inclusion</b> in the procurement policy of social, gender equality and environmental issues	Internal framework: Supplier Code of Conduct CSR internal reporting tool	P.63-64
	<b>Consideration</b> in relations with suppliers and subcontractors of their social and environmental responsibility	Internal framework: Supplier Code of Conduct CSR internal reporting tool	P.63-64
	Supervision and audit <b>systems</b> and results	Internal framework: CSR internal reporting tool	P.64
Consumers	<b>Measures</b> to guarantee consumer health and safety	GRI 416-1	P.65-66 ANNEX 4
	Grievance <b>systems</b>	GRI 416-2, 418-1	P.66-67
	<b>Complaints</b> received and solution provided	GRI 103-2, 416-2, 417-2	P.67-68
Tax information	<b>Profit</b> obtained, country by country	Internal framework: Tax and Finance Departments	P.35
	Corporate income <b>tax</b> paid	Internal framework: Tax and Finance Departments	P.34
	Government <b>grants</b> received	Internal framework: Tax and Finance Departments	P.35