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**DETAILS OF ISSUER**

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Year Ended:

[ 31/12/2021 ]

Tax Registration Number:

[ A47412333 ]

Name:

[ **EBRO FOODS, S.A.** ]

Registered Office:

[ PASEO DE LA CASTELLANA 20 – 3rd & 4rd FLOORS - 28046 MADRID ]

**A. OWNERSHIP STRUCTURE**

A.1. Complete the following table on the capital of the company and voting rights including loyalty shares, if any, at year end:

State whether the articles of association contemplate loyalty shares:

Yes  
 No

Date latest modification	Capital (€)	Number of shares	Number of voting rights
27/02/2002	92,319,235.20	153,865,392	153,865,392

Indicate whether there are different classes of shares with different associated rights:

Yes  
 No

A.2. Give details on the direct and indirect holders of significant interests in your company at year-end, including directors with significant holdings:

Name of shareholder	% voting rights attributed to the shares		% voting rights through financial instruments		Interest / total voting rights (%)
	Direct	Indirect	Direct	Indirect	
CORPORACIÓN FINANCIERA ALBA, S.A.	14.44	0.00	0.00	0.00	14.44
CORPORACIÓN ECONÓMICA DELTA, S.A.	11.69	0.00	0.00	0.00	11.69
SOCIEDAD ANÓNIMA DAMM	0.00	11.69	0.00	0.00	11.69
ALIMENTOS Y ACEITES, S.A.	10.36	0.00	0.00	0.00	10.36
SOCIEDAD ESTATAL DE PARTICIPACIONES INDUSTRIALES	0.00	10.36	0.00	0.00	10.36
HERCALIANZ INVESTING GROUP, S.A.	8.62	0.00	0.00	0.00	8.62
GRUPO TRADIFÍN, S.L.	7.96	0.00	0.00	0.00	7.96
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	7.83	0.00	0.00	0.00	7.83
JOSÉ IGNACIO COMENGE SÁNCHEZ-REAL	0.00	5.20	0.00	0.00	5.20
MENDIBEA 2002, S.L.	5.20	0.00	0.00	0.00	5.20
ARTEMIS INVESTMENT MANAGEMENT, LLP	0.00	3.65	0.00	0.00	3.65

Details of indirect holdings:

Name of indirect holder	Name of direct holder	% voting rights attributed to the shares	% voting rights through financial instruments	Interest / total voting rights (%)
SOCIEDAD ANÓNIMA DAMM	CORPORACIÓN ECONÓMICA DELTA, S.A.	11.69	0.00	11.69
SOCIEDAD ESTATAL DE PARTICIPACIONES INDUSTRIALES	ALIMENTOS Y ACEITES, S.A.	10.36	0.00	10.36
JOSÉ IGNACIO COMENGE SÁNCHEZ-REAL	MENDIBEA 2002, S.L.	5.20	0.00	5.20
ARTEMIS INVESTMENT MANAGEMENT, LLP	ARTEMIS INVESTMENT MANAGEMENT, LLP	3.65	0.00	3.65

Indicate the principal movements in the shareholding structure during the year:

**A.3.** State, regardless of the percentage, the percentage of voting rights held by board members in the company attributed to shares or through financial instruments, excluding the directors named in section A.2 above:

Name of director	% voting rights attributed to shares		% voting rights through financial instruments		% total voting rights	% voting rights that may be transferred through financial instruments	
	Direct	Indirect	Direct	Indirect		Direct	Indirect
DEMETRIO CARCELLER ARCE	0.01	0.12	0.00	0.00	0.13	0.00	0.00
FERNANDO CASTELLÓ CLEMENTE	1.50	0.00	0.00	0.00	1.50	0.00	0.00
MARÍA CARCELLER ARCE	0.02	0.00	0.00	0.00	0.00	0.02	0.00
ANTONIO HERNÁNDEZ CALLEJAS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PEDRO ANTONIO ZORRERO CAMAS	0.00	0.00	0.00	0.00	0.00	0.00	0.00

<b>Total % of voting rights held by board members</b>	<b>56.06</b>
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On 15 December 2021, Pedro Antonio Zorrero Camas tendered his resignation from the board with effect from 31 December 2021, as explained elsewhere herein (see sections C.1.3, C.2 and Explanatory Note One in section H of this Report).

Details of indirect holdings:

Name of director	Name of direct holder	% voting rights attributed to shares	% voting rights through financial instruments	% total voting rights	% voting rights that may be transferred through financial instruments
DEMETRIO CARCELLER ARCE	INVERSIONES LAS PARRAS DE CASTELLOTE, S.L.	0.12	0.00	0.12	0.00
MARÍA CARCELLER ARCE	MAHOGANYSEPPL, S.L.	0.00	0.00	0.00	0.00

Total percentage of voting rights represented on the board:

Total % of voting rights represented on the board	67.75
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At the date of writing this report, the total percentage of voting rights held by board members is 56.19% and the total percentage of voting rights represented on the board is 67.88%.

**A.4.** Indicate family, commercial, contractual or corporate relationships among significant shareholders known to the company, if any, save any that are insignificant or deriving from ordinary commercial business, except those reported in A.6:

Name of related party	Type of relationship	Brief description
SOCIEDAD ANÓNIMA DAMM, CORPORACIÓN ECONÓMICA DELTA, S.A.	Corporate	Sociedad Anónima Damm holds a direct interest of 99.99% in Corporación Económica Delta, S.A.
SOCIEDAD ESTATAL DE PARTICIPACIONES INDUSTRIALES, ALIMENTOS Y ACEITES, S.A.	Corporate	Sociedad Estatal de Participaciones Industriales holds a direct interest of 91.96% in Alimentos y Aceites, S.A.

**A.5.** Describe the commercial, contractual or corporate relationships between significant shareholders and the company and/or its group, if any, except any that are insignificant and those deriving from ordinary commercial business:

Name of related party	Type of relationship	Brief description
SOCIEDAD ANÓNIMA DAMM	Commercial	During 2021, Herba Ricemills, S.L.U. (a subsidiary of the Ebro Foods Group) entered into different commercial transactions with subsidiaries of the significant shareholder Sociedad Anónima Damm, for the sale of rice and rice by-products and receipt of freight services on arm's length terms. See in this respect the information on related party transactions in section D.2 of this Report.

Name of related party	Type of relationship	Brief description
GRUPO TRADIFÍN, S.L.	Commercial	During 2021, several subsidiaries of the Ebro Foods Group entered into commercial transactions (mainly purchases and sales of rice) on arm's length terms with the significant shareholder and director Grupo Tradifín, S.L. and related parties. See in this respect the information on transactions and comments set out in section D.3 of this Report.
GRUPO TRADIFÍN, S.L.	Contractual	During 2021, several subsidiaries of the Ebro Foods Group entered into contractual transactions (mainly services rendered and received) on arm's length terms with the significant shareholder and director Grupo Tradifín, S.L. and related parties. See in this respect the information on transactions and comments set out in section D.3 of this Report.
HERCALIANZ INVESTING GROUP, S.L.	Commercial	During 2021, several subsidiaries of the Ebro Foods Group entered into commercial transactions (mainly purchases and sales of rice) on arm's length terms with the significant shareholder and director Grupo Heralianz Investing Group, S.L. and related parties. See in this respect the information on transactions and comments set out in section D.3 of this Report.
HERCALIANZ INVESTING GROUP, S.L.	Contractual	During 2021, several subsidiaries of the Ebro Foods Group entered into contractual transactions (mainly services rendered and received) on arm's length terms with the significant shareholder and director Grupo Heralianz Investing Group, S.L. and related parties. See in this respect the information on transactions and comments set out in section D.3 of this Report.

- A.6. Describe the relationships, save any that are insignificant for both parties, between the significant shareholders or those represented on the board and the directors, or their representatives in the case of corporate directors.

Explain how the significant shareholders are represented, where appropriate. Indicate specifically any directors appointed on behalf of significant shareholders, those whose appointments have been promoted by significant shareholders or who are related to significant shareholders and/or companies in their respective groups, specifying the nature of those relationships. In particular, indicate the existence, identity and office of board members or representatives of directors of the listed company, if any, who are also directors or representatives of directors in companies holding significant interests in the listed company or in companies of its group:

Name of related director or representative	Name of related significant shareholder	Name of company in the significant shareholder's group	Description of relationship/office
DEMETRIO CARCELLER ARCE	CORPORACIÓN ECONÓMICA DELTA, S.A.	SOCIEDAD ANÓNIMA DAMM	Demetrio Carceller Arce was appointed director of Ebro Foods, S.A. at the proposal of the significant shareholder Corporación Económica Delta, S.A., in which Sociedad Anónima Damm has a direct interest of 99.99%. Mr Carceller Arce has an indirect interest in Corporación Económica Delta, S.A. through Sociedad Anónima Damm, in which he has a 0.942% interest (0.056% direct and 0.886% indirect). He is Executive Chairman of the Board of Sociedad Anónima Damm, Chairman of the Board of Corporación Económica Delta, S.A. and also holds other positions in some companies related with Damm. See section C.1.11 of this Report.
JAVIER GÓMEZ-TRENOR VERGÉS	EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	Javier Gómez-Trenor Vergés has an indirect interest in the director Empresas Comerciales e Industriales Valencianas, S.L., which he represents on the Board of Directors of Ebro Foods, S.A. That indirect interest is held through the direct interest of 50.415% he has in Inversiones Caspatró, S.L., which in turn has a direct interest of 24.965% in Empresas Comerciales e Industriales Valencianas, S.L. Inversiones Caspatró, S.L. is a director of Empresas Comerciales e Industriales Valencianas, S.L. Javier Gómez-Trenor Vergés represents Cultivos Valencia, S.L. on the board of Empresas Comerciales e Industriales Valencianas, S.L., which is

Name of related director or representative	Name of related significant shareholder	Name of company in the significant shareholder's group	Description of relationship/office
			chaired by Cultivos Valencia, S.L. He also holds other positions in some companies related with Empresas Comerciales e Industriales Valencianas, S.L. See section C.1.11 of this Report.
MARÍA BLANCA HERNÁNDEZ RODRÍGUEZ	GRUPO TRADIFÍN, S.L.	GRUPO TRADIFÍN, S.L.	Blanca Hernández Rodríguez has a direct interest of 33.25% in Grupo Tradifín, S.L. She is Managing Director of that company and holds other positions in some of its subsidiaries. See section C.1.11 of this Report.
ANTONIO HERNÁNDEZ CALLEJAS	HERCALIANZ INVESTING GROUP, S.L.	HERCALIANZ INVESTING GROUP, S.L.	Antonio Hernández Callejas has a direct interest of 28.668% in Hercalianz Investing Group, S.L. He does not hold any office in that company.
FÉLIX HERNÁNDEZ CALLEJAS	HERCALIANZ INVESTING GROUP, S.L.	HERCALIANZ INVESTING GROUP, S.L.	Félix Hernández Callejas has a direct interest of 28.668% in Hercalianz Investing Group, S.L. He is Joint and Several Director of that company.
MARÍA CARCELLER ARCE	CORPORACIÓN ECONÓMICA DELTA, S.A.	SOCIEDAD ANÓNIMA DAMM	María Carceller Arce was appointed director of Ebro Foods, S.A. at the proposal of the significant shareholder Corporación Económica Delta, S.A., in which Sociedad Anónima Damm has a direct interest of 99.99%. Ms Carceller Arce has a 0.05% direct interest in Corporación Económica Delta, S.A. and represents the director Seegrund BV on the Board of Directors of Corporación Económica Delta, S.A. and Sociedad Anónima Damm.

Name of related director or representative	Name of related significant shareholder	Name of company in the significant shareholder's group	Description of relationship/office
JOSE IGNACIO COMENGE SÁNCHEZ-REAL	MENDIBEA 2002, S.L.	MENDIBEA 2002, S.L.	José Ignacio Comenge Sánchez-Real has an indirect interest of 73% in Mendibea 2002, S.L. which is the direct holder of the significant indirect interest held by Mr Comenge Sánchez-Real in Ebro Foods, S.A. He is the Sole Director of Mendibea 2002, S.L.
MARÍA JESÚS GARRIDO SOLÍS	ALIMENTOS Y ACEITES, S.A.	SOCIEDAD ESTATAL DE PARTICIPACIONES INDUSTRIALES	María Jesús Garrido Solís has an employment relationship with the significant shareholder Sociedad Estatal de Participaciones Industriales, in which she is Deputy Director of the Investees Department. She does not hold any office in Alimentos y Aceites, S.A.
JAVIER FERNÁNDEZ ALONSO	CORPORACIÓN FINANCIERA ALBA, S.A.	CORPORACIÓN FINANCIERA ALBA, S.A.	Javier Fernández Alonso was appointed director at the proposal of Corporación Financiera Alba, S.A., with which he has an employment relationship. He is General Manager of that company and holds other positions in other companies of the Corporación Financiera Alba S.A. Group. See section C.1.11 of this Report.
ALIMENTOS Y ACEITES, S.A.	SOCIEDAD ESTATAL DE PARTICIPACIONES INDUSTRIALES	SOCIEDAD ESTATAL DE PARTICIPACIONES INDUSTRIALES	Sociedad Estatal de Participaciones Industriales has a direct interest of 91.9625% in Alimentos y Aceites, S.A.
ALEJANDRA OLARRA ICAZA	CORPORACIÓN FINANCIERA ALBA, S.A.	CORPORACIÓN FINANCIERA ALBA, S.A.	Alejandra Olarra Icaza has an employment relationship with Corporación Financiera Alba, S.A.. She is a member of the Investment Department.

The directors Heralianz Investing Group, S.L., Grupo Tradifin, S.L., Corporación Financiera Alba, S.A., Alimentos y Aceites, S.A. and Empresas Comerciales e Industriales Valencianas, S.L. are significant shareholders of Ebro Foods, S.A. The director José Ignacio Comenge-Sánchez Real is also a significant shareholder through the company he controls, Mendibea 2002, S.L. See section A.2 of this report.



**A.7.** State whether the company has been notified of any shareholders' agreements that may affect it pursuant to sections 530 and 531 of the Corporate Enterprises Act. If any, describe them briefly and list the shareholders bound by the agreement:

Yes  
 No

Indicate and describe any concerted actions among company shareholders of which the company is aware:

Yes  
 No

Expressly indicate any change or break-up of those agreements or concerted actions, if any, that has taken place during the year:

N/A

**A.8.** Indicate any individuals or entities that exercise or may exercise control over the company in pursuance of section 5 of the Securities Market Act and identify it/them if appropriate:

Yes  
 No

**A.9.** Complete the following tables on the company's treasury stock:

At year-end:

Number of direct shares	Number of indirect shares (*)	Treasury stock/capital (%)
		0.00

(\*) Through:

Name of direct holder of the interest	Number of direct shares
No details	

**A.10.** Indicate the term and conditions of the authorisation granted by the general meeting to the board to issue, buy or sell own shares:

The Annual General Meeting of Shareholders held on first call on 29 July 2020, under item twelve on the agenda, resolved to authorise the Board of Directors to buy back own shares and reduce the Company's capital and to authorise subsidiaries to acquire shares in the parent company, by purchase or on any other payment basis, subject to the limits and other requisites stipulated in law.

a. Conditions of the authorisation

To authorise the Board of Directors, with the power to delegate, to buy back shares in Ebro Foods, S.A., directly or through its subsidiaries, by purchase, swap or under any other title and on one or several occasions, on the terms and conditions established in sections 146 et seq and sections 509 et seq of the Corporate Enterprises Act, and the following conditions:

- The par value of the shares purchased directly or indirectly, together with those already held by the Company or its subsidiaries, shall not exceed 10% of the subscribed capital.
- The buy-back, when added to the shares previously acquired by the Company, or any person acting in their own name but on behalf of the Company, and held as treasury stock, shall not have the effect of reducing equity to below the amount of the capital plus the legal or restricted statutory reserves. For this purpose, equity shall be the amount considered as such according to the principles for drawing up the annual accounts, less the amount of gains attributed directly thereto, plus the amount of uncalled subscribed capital and the par value and share premium of the subscribed capital recognised in liabilities.
- The shares thus acquired shall be fully paid up.
- The cap and floor values for buy-back shall be the market value of the shares on an official secondary market at the date of buy-back and a value equivalent to the par value of the own equity instruments acquired, respectively.

**b. Contents of the authorisation**

- To authorise the Board, by direct resolution or delegation to the Executive Committee, or by delegation to such person or persons as the Board of Directors may authorise for this purpose, to buy back own shares to hold them in its treasury stock, dispose of them or, as the case may be, put a motion to the General Meeting for their redemption, within the legal limits and complying with the conditions established in this resolution. This authorisation is also extended to the possibility of buying back own shares for delivery, on one or several occasions, to the Company or group employees, directly or following exercise of their stock option rights, pursuant to section 146.1(a), third paragraph, of the Corporate Enterprises Act.

The authorisation is also extended to acquisitions of shares in Ebro Foods, S.A. by its subsidiaries.

- To authorise the Board of Directors to reduce the capital in order to redeem the own equity instruments purchased by the Company or other companies in its group against the capital (for their par value) and unrestricted reserves (for the cost of the acquisition in excess of that par value), by such amounts as it may deem fit from time to time and up to the maximum own shares held at any time.
- To delegate to the board to implement the foregoing resolution to reduce the capital, which it may do on one or several occasions or declare it null and void, within a period not exceeding 5 years from the date of this General Meeting, taking such actions for this purpose as may be necessary or required by law.

The Board of Directors is especially authorised so that it may, within the times and limits indicated in this resolution, proceed to: (i) make or declare void the reduction of capital, naming if appropriate the specific date(s) of the transactions, taking account of any internal or external factors that may influence this decision; (ii) specify in each case the amount by which the capital is reduced; (iii) determine the destination of the amount of the reduction of capital; (iv) in each case adjust Articles 6 ("Capital") and 7 ("Shares") of the Articles of Association to reflect each new amount of capital and new number of shares; (v) apply in each case for delisting of the redeemed shares; and (vi) in general adopt such resolutions as may be considered necessary for redemption and the consequent reduction of capital, designating who is to put it on record.

**c. Term of the authorisation**

The authorisation contemplated in this resolution is granted for a maximum of five years from the date of the General Meeting (29 June 2020) and covers all transactions in own equity instrument made hereunder, without requiring reiteration for each acquisition made. It also covers any provisions or earmarking of reserves made in accordance with the Corporate Enterprise Act.

The resolutions adopted at the Annual General Meeting on 29 July 2020 on treasury stock, reduction of capital and delegation to the Board rendered void, to the extent that they had not been used, those adopted on the same issues at the General Meeting of 3 June 2015 and at the date of this report they are still in force, not having been revoked.

**A.11. Estimated free float:**

	%
Estimated free float	28.60

At the date of writing this Report the estimated free float is 28.47%.

**A.12.** Indicate any constraints (statutory, legal or other) on the transferability of shares and/or any restrictions on voting rights. In particular, indicate the existence of any constraint or limitation that may hamper takeover of the company through the acquisition of its shares on the market, and any authorisations or prior notifications of acquisitions or transfers of the company's financial instruments required by sector laws and regulations.

- Yes  
 No

A.13. Indicate whether the general meeting has resolved to apply the breakthrough rule against a takeover bid, under Act 6/2007.

Yes  
 No

If yes, explain the measures approved and the terms on which the restrictions will become ineffective:

A.14. State whether the company has issued any shares that are not traded on an EU regulated market:

Yes  
 No

If appropriate, indicate the different classes of shares and the rights and obligations conferred for each class.

## B. GENERAL MEETING

B.1. Indicate whether there are any differences between the quorums established for general meetings and the minimums stipulated in the Corporate Enterprises Act and, if any, explain:

Yes  
 No

B.2. Indicate whether there are any differences in respect of the system stipulated in the Corporate Enterprises Act for adopting corporate resolutions and, if any, explain:

Yes  
 No

B.3. Indicate the rules for alteration of the company's articles of association. In particular, indicate the majorities stipulated for altering the articles of association and the rules, if any, protecting shareholders' rights in any alteration of the articles.

Ebro Foods, S.A. has not established any requirements for altering the Articles of Association other than those stipulated in the Corporate Enterprises Act.

B.4. Give details of attendance of general meetings held during the year of this report and the two previous years:

Date of general meeting	Details of attendance				
	% in person	% by proxy	% distance voting		Total
			Electronic vote	Others	
04/06/2019	29.12	51.48	0.01	0.10	80.71
Of which free float	0.17	15.37	0.01	0.10	15.65
29/07/2020	10.37	70.55	0.01	0.10	81.03
Of which free float	0.00	14.16	0.01	0.10	14.27
16/12/2020	0.00	69.58	0.01	10.36	79.95
Of which free float	0.00	2.73	0.01	10.36	13.10
30/06/2021	0.00	61.09	0.02	18.75	79.86

Date of general meeting	Details of attendance				Total
	% in person	% by proxy	% distance voting		
			Electronic vote	Others	
Of which free float	0.00	12.21	0.02	0.56	12.79
15/12/2021	1.53	66.45	0.00	10.75	78.73
Of which free float	0.00	10.61	0.00	0.39	11.00

General meetings were held exclusively online during 2021 in pursuance of: (i) Final Provision Eight of Royal Decree-Law 5/2021 of 12 March on extraordinary measures to support business solvency in response to the COVID-19 pandemic, amending Royal Decree-Law 34/2020 of 17 November on urgent measures to support business solvency and the energy sector, and on taxation issues; and (ii) the company's utmost interest in protecting the health of its shareholders, employees and other persons involved in the preparation and holding of general meetings, in view of the health situation prevailing at those times.

**B.5.** State whether there have been any items on the agenda for the general meetings held during the year that was not approved by the shareholders for any reason:

Yes  
 No

**B.6.** Are any restrictions established in the articles of association requiring a minimum number of shares to attend general meetings or for distance voting?

Yes  
 No

**B.7.** State whether certain decisions other than those established by law, involving an acquisition, disposal, transfer of essential assets to another company or other similar corporate operations must be laid before the general meeting of shareholders for approval:

Yes  
 No

**B.8.** Indicate the address and access to the company's website and where to find information on corporate governance and other information on general meetings that must be made available to shareholders through the company's website:

The corporate website of Ebro Foods (<http://www.ebrofoods.es/en/>) is set up as a vehicle of continuous, up-to-date information for shareholders, investors and markets in general.

In this respect, the home page includes a specific section called "Information for shareholders and investors", which contains all the information required under the applicable legal provisions.

Pursuant to current legislation, this section includes the chapter on Corporate Governance at the following address:  
<http://www.ebrofoods.es/en/information-for-shareholders-and-investors/corporate-governance/regulations-of-the-general-meeting/>

That section includes all the information that the Company makes available to shareholders for general meetings, specifically at the following URLs:

<http://www.ebrofoods.es/en/information-for-shareholders-and-investors/corporate-governance/general-meeting-of-shareholders-exercise-of-the-right-to-information/>

<https://www.ebrofoods.es/en/information-for-shareholders-and-investors/corporate-governance/extraordinary-general-shareholders-meeting-december-2021/>, which is the direct link to the Extraordinary General Meeting of Shareholders held on 15 December 2021; and

<https://www.ebrofoods.es/en/information-for-shareholders-and-investors/corporate-governance/general-shareholders-meeting/>, which is the link to the Annual General Meeting of Shareholders held on 30 June 2021.

Furthermore, since the general meetings held in 2021 were exclusively online, the company enabled the corresponding link on the corporate website to the live broadcast of those general meetings. The links to the live broadcast of each of the general meetings (annual and extraordinary) were maintained on the website throughout their duration.

The 'Corporate Governance' section is structured in the following sub-sections:

- Regulations of the General Meeting
- General Meeting of Shareholders: exercise of the right to information
- Extraordinary General Shareholders' Meeting - December 2021 (this sub-section always refers to the latest general meeting held, whether annual or extraordinary)
- Board of Directors
- Regulations of the Board
- Remuneration of Directors
- Board Committees
- Annual Corporate Governance Report
- Internal Code of Market Conduct
- Shareholders' Forum

The contents of this section are structured and hierarchical, with a concise, explanatory title, to permit rapid, direct access to each section in accordance with legal recommendations, at just two clicks from the home page.

All these sections have been designed and prepared according to the principle of easy access, aiming to enable fast location and download of the required information.

The corporate website offers all the information in this section in Spanish and English.

## **C. MANAGEMENT STRUCTURE OF THE COMPANY**

### **C.1. Board of Directors**

C.1.1 State the maximum and minimum numbers of directors stipulated in the articles of association and the number set by the general meeting:

Maximum number of directors	15
Minimum number of directors	7
Number of directors set by general meeting	14

C.1.2 Give details of the board members:

Name of director	Representative	Category of director	Position on Board	Date first appointment	Date latest appointment	Election procedure
BELÉN BARREIRO PÉREZ-PARDO		Independent	DIRECTOR	25/01/2017	30/06/2021	RESOLUTION PASSED AT AGM
DEMETRIO CARCELLER ARCE		Proprietary	VICE-CHAIRMAN	01/06/2010	16/12/2020	RESOLUTION PASSED AT AGM
ANTONIO HERNÁNDEZ CALLEJAS		Executive	CHAIRMAN	24/01/2002	05/06/2018	RESOLUTION PASSED AT AGM

Name of director	Representative	Category of director	Position on Board	Date first appointment	Date latest appointment	Election procedure
FERNANDO CASTELLÓ CLEMENTE		Independent	DIRECTOR	29/05/2012	05/06/2018	RESOLUTION PASSED AT AGM
MARÍA CARCELLER ARCE		Proprietary	DIRECTOR	21/03/2018	16/12/2020	RESOLUTION PASSED AT AGM
MERCEDES COSTA GARCÍA		Independent	LEAD INDEPENDENT DIRECTOR	27/07/2016	30/06/2021	RESOLUTION PASSED AT AGM
JOSE IGNACIO COMENGE SÁNCHEZ-REAL		Proprietary	DIRECTOR	29/05/2012	16/12/2020	RESOLUTION PASSED AT AGM
JAVIER FERNÁNDEZ ALONSO		Proprietary	DIRECTOR	29/07/2020	16/12/2020	RESOLUTION PASSED AT AGM
CORPORACIÓN FINANCIERA ALBA, S.A.	ALEJANDRA OLARRA ICAZA	Proprietary	DIRECTOR	31/01/2018	16/12/2020	RESOLUTION PASSED AT AGM
ALIMENTOS Y ACEITES, S.A.	MARÍA JESÚS GARRIDO SOLÍS	Proprietary	DIRECTOR	23/07/2004	16/12/2020	RESOLUTION PASSED AT AGM
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	JAVIER GÓMEZ-TRENOR VERGÉS	Proprietary	DIRECTOR	18/12/2013	16/12/2020	RESOLUTION PASSED AT AGM
GRUPO TRADIFÍN, S.L.	MARÍA BLANCA HERNÁNDEZ RODRÍGUEZ	Proprietary	DIRECTOR	21/12/2016	16/12/2020	RESOLUTION PASSED AT AGM
HERCALIANZ INVESTING GROUP, S.L.	FÉLIX HERNÁNDEZ CALLEJAS	Executive	DIRECTOR	21/12/2016	16/12/2020	RESOLUTION PASSED AT AGM
PEDRO ANTONIO ZORRERO CAMAS		Independent	DIRECTOR	13/12/2018	04/06/2019	RESOLUTION PASSED AT AGM

Total number of directors	14
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Indicate any retirements from the board during the reporting period, through resignation or by resolution of the general meeting:

Name of director	Category of director at time of retirement	Date of last appointment	Date of retirement	Specialist committees of which the director was a member	State whether retirement occurred before end of term of office
Pedro Antonio Zorrero Camas	Independent	04/06/2019	31/12/2021	Executive Committee and	YES

Name of director	Category of director at time of retirement	Date of last appointment	Date of retirement	Specialist committees of which the director was a member	State whether retirement occurred before end of term of office
				Audit & Compliance Committee	

Cause of retirement if produced prior to the end of the director's term of office and other comments; information on whether the director sent a letter to the other board members and, for retirements of non-executive directors, explanation or opinion of any director removed from office by the general meeting

On 15 December 2021, after conclusion of the board and extraordinary general shareholders' meetings held that day, Pedro Antonio Zorrero Camas tendered his resignation from the board for professional reasons, with effect as from 31 December 2021.

Mr Zorrero Camas communicated his decision to resign and the purely personal reasons for such resignation in letters sent to the company and each of the directors.

In pursuance of the CNMV Technical Guidelines 1/2019 on Nomination and Remuneration Committees, which recommends that when a director resigns the Committee should assess the contents of the notification sent thereof, at a meeting held on 26 January 2022 the Nomination and Remuneration Committee discussed the grounds stated for Mr Zorrero Camas' resignation and his reasons for doing so, concluding that the strictly professional grounds alleged by Mr Zorrero Camas for his resignation was not related with any discrepancies with the company's strategy, directors, executives or core shareholders.

To fill the vacancy generated by Mr Zorrero Camas' resignation (with effect from 31 December 2021), the Board resolved on 31 January 2022 to appoint by cooptation Marc Thomas Murtra Millar as independent director. See sections A.3 and C.2 and Explanatory Note One in section H below.

C.1.3 Complete the following tables with the details and types of the board members:

EXECUTIVE DIRECTORS		
Name of director	Position in company's organisation	Profile
ANTONIO HERNÁNDEZ CALLEJAS	Executive Chairman	Antonio Hernández Callejas was born in Tudela (Navarre). He has a degree in Economics from the University of Seville and studied Law. He began his career in 1979 in Arrocerías Herba, a rice producer founded by the Hernández family. In 2002 he was appointed Director, Vice-Chairman and member of the Executive Committee of Ebro Foods, S.A. and since then he has been a key figure in Ebro's transformation and international expansion. In 2004 he was appointed CEO of the Company and in 2005 he became Executive Chairman of the Ebro Group. Under his leadership, the Ebro Group has become number one in the rice sector and second world producer of pasta, operating in more than 70 countries in Europe, America, Africa and Asia, with a portfolio of over 70 brands. Over the course of his professional career, he has received numerous prizes and awards, such as the "Dinero" Business Awards for the best business management, Officer of the National Order of Merit of the Republic of France, Prize awarded by the Social Council of the University of Seville and the Seville Business Confederation (CES) for his Outstanding Business Career, the Gold Medal of the city of Seville, the Joly Group Farming Innovation Award, the Manuel Clavero Award, Business Sponsorship Award from the University of Seville and the Tiepolo Award. He speaks English, French and Italian.
HERCALIANZ INVESTING GROUP, S.L.	Executive and director in several Group companies	Félix Hernández Callejas (representative of the director Herculanz Investing Group, S.L.) was born in Tudela (Navarre). He has a Law degree and extensive experience in the rice and food industry in general. He has held several executive positions and directorships in different rice companies and is currently an executive of a subsidiary in the Ebro Group and director of several group companies. See the note in section C.1.10 of this report listing the Ebro Group companies in which Félix Hernández Callejas is a director.

Total number of executive directors	2
% of board	14.29

With regard to the classification of Herculanz Investing Group, S.L. as Executive Director, this director:

- (i) does not perform executive or management duties in Ebro Foods, S.A. or in any Group subsidiary, so receives no remuneration as such;
- (ii) has been classified as executive director on the grounds that its representative on the Board of Directors of Ebro Foods, S.A. is an executive and director of several Group subsidiaries;
- (iii) holds office as a director because it is a significant shareholder of the Company, with an interest of 8.621% at 31 December 2021 (8.695% at the date of writing this report, 21 March 2022).

Herculanz Investing Group, S.L. will continue to be a director of Ebro Foods, S.A. as long as it is a significant shareholder, regardless of who is its representative and the executive position that said representative may have within the Group.



NON-EXECUTIVE PROPRIETARY DIRECTORS		
Name of director	Name of significant shareholder represented or that proposed appointment	Profile
DEMETRIO CARCELLER ARCE	CORPORACIÓN ECONÓMICA DELTA, S.A.	Demetrio Carceller Arce was born in Madrid. He has a degree in Business Administration from the Private Financial Studies University 'Colegio Universitario de Estudios Financieros' (CUNEF) of Universidad Complutense de Madrid. He subsequently did an MBA at Duke University (Fuqua School of Business), an American business school in which he is on the Board of Visitors. He is Executive Chairman of Sociedad Anónima Damm and Chairman of Corporación Económica Delta, SA. and DISA Corporación Petrolífera, S.A. He is also Vice-Chairman of the Board and member of the Executive Committee of Sacyr, S.A. In 2019, he was elected Chairman of Cerveceros de España (Spanish Brewers Association). He also chairs the Board of Trustees of the Damm Foundation.
MARÍA CARCELLER ARCE	CORPORACIÓN ECONÓMICA DELTA, S.A.	María Carceller Arce was born in Madrid. She has a degree in Business Studies from the European Business School, specialising in marketing and international business, and has a postgraduate degree from IESE (Management Development Programme PDD-C). She has over 28 years' experience in national and international companies in the food and drink sector. She has been on the Food and Drink Advisory Board of the IESE Business School since 2001 and Managing Director of Grupo Rodilla since 2012. Before joining the company, she held different management positions in Pepsico and McDonald's, receiving the President Award, among others. She had previously been Manager of the Commercial and Marketing areas in different prestigious companies in the sector, such as Yoplait and Bodegas y Bebidas, S.A. She has received several awards for her career and business management: Executive of the Year by the journal Emprendedores in 2015, Award for Business Career in the IV Awards of the Young Entrepreneurs Association of Madrid in 2017, included within the Top 100 Leading Women in Spain published by Mujeres&Cía, and in the ranking of the 500 most influential Spanish women in 2020 published by Yo Dona, among others. She is bilingual in German and English.
JOSE IGNACIO COMENGE SÁNCHEZ-REAL	JOSE IGNACIO COMENGE SÁNCHEZ-REAL	José Ignacio Comenge Sánchez-Real was born in San Sebastián. He is an Economist and has a degree in International Banking. He has a lengthy track record in business management and administration in companies operating in different areas of the Spanish economy, including the financial, insurance, beverages and renewable energy sectors. He has been an executive and director in different financial and insurance entities, such as Banco Hispano Americano, Mutua Madrileña and Axa Winterthur, among others. He is Chairman of Ball Beverage Packaging Iberica S.L. and Arbitraje&Inversiones S.L. and Director of ENCE Energía y Celulosa, S.A., CVNE, S.A. (Compañía Vinícola Nacional de España), Olive Partners, S.A., Barbosa&Almeida, S.A. Grupo Apex (Aperitivos y Extrusionados, S.A.U.) and Coca-Cola European Partners.

NON-EXECUTIVE PROPRIETARY DIRECTORS		
Name of director	Name of significant shareholder represented or that proposed appointment	Profile
JAVIER FERNÁNDEZ ALONSO	CORPORACIÓN FINANCIERA ALBA, S.A.	Javier Fernández Alonso was born in Bilbao. He has a degree in Business Management and Administration from Deusto University (La Comercial), specialising in Finance and graduating Cum Laude. With extensive experience in business management and administration, he is Investment Manager in Corporación Financiera Alba, S.A. He is also on the Boards of Directors of Ebro Foods, S.A., Profand Fishing Holding, S.L., Rioja, S.à.r.L., Rioja Acquisition, S.à.r.L., Artá Capital S.G.E.I.C., S.A. and Deyá Capital IV S.C.R., S.A. and on the Investment Committee of Artá Capital, among other responsibilities. He was formerly on the boards of several other companies including, among others, Acerinox, S.A., Actividades de Construcción y Servicios, S.A., Euskaltel, S.A. and Parques Reunidos Servicios Centrales, S.A. He speaks English.
CORPORACIÓN FINANCIERA ALBA, S.A.	CORPORACIÓN FINANCIERA ALBA, S.A.	Alejandra Alarra Icaza (representative of the director Corporación Financiera Alba, S.A.) was born in Bilbao. She has a degree in Business Management & Administration from Comillas Pontifical University (Universidad Pontificia Comillas) in Madrid (ICAE-ICADE). She has a lengthy track record in the investment banking sector and considerable international experience in mergers & acquisitions and equity market transactions in all sectors. She is currently a member of the Investment Department of Corporación Financiera Alba, S.A.
ALIMENTOS Y ACEITES, S.A.	ALIMENTOS Y ACEITES, S.A.	María Jesús Garrido Solís (representative of the director Alimentos y Aceites, S.A.) was born in Madrid. She has a BA in Business Studies and Law E-3 ICADE, MBA-Business Administration, Master in Taxation from the Postgraduate Institute of Universidad Pontificia Comillas and 'Programa Promociona' organised by ESADE. She has extensive experience in business administration, management and control within the government institutions and as a lecturer of public management, financial management and management control in bilingual groups and tutor directing degree projects, among other positions, at Universidad Carlos III in Madrid. She is a proprietary director representing Sociedad Estatal de Participaciones Industriales (SEPI) on several boards of directors. At present, she is Deputy Director of the Investees Department at SEPI. She speaks English and French.
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	Javier Gómez-Trenor Vergés (representative of the director Empresas Comerciales e Industriales Valencianas, S.L.) was born in Barcelona. He has a degree in Economics and Business Studies from the University of Valencia. He has a lengthy track record in the business sector, as executive and director of numerous companies in the beverages, agricultural, livestock and concentrated juice sectors. He is currently the representative of the corporate Chairman of the Board of Empresas Comerciales e Industriales Valencianas, S.L. and the corporate Vice-Chairman of the Board of Olive Partners S.A., he is Chairman of the Board of Inversiones Caspatró, S.L. and is on the boards of several financial investment, real estate and agricultural companies.

NON-EXECUTIVE PROPRIETARY DIRECTORS		
Name of director	Name of significant shareholder represented or that proposed appointment	Profile
GRUPO TRADIFÍN, S.L.	GRUPO TRADIFÍN, S.L.	Blanca Hernández Rodríguez (representative of the director Grupo Tradifín, S.L.) was born in Seville. She has a degree in Economics and Business Studies from the University of Seville, a degree in Humanities from the European University of Madrid and a Master of Finance from CUNEF. She has extensive experience in the financial sector. She is Founder and Managing Director of Magallanes Value Investors, S.A., S.G.I.I.C. and Director of PharmaMar, S.A. She is on the Board of Trustees of Proyecto Hombre and the Capacis Foundation, and chairs the Ebro Foods Foundation.

Total number of proprietary directors	8
% of board	57.14

NON-EXECUTIVE INDEPENDENT DIRECTORS	
Name of director	Profile
BELÉN BARREIRO PÉREZ- PARDO	Belén Barreiro Pérez-Pardo was born in Madrid. She has a PhD in Political Science, Sociology and Social Anthropology from the Autonomous University of Madrid and a Master in Social Science from the Juan March Institute of Studies and Research. With over 20 years' experience, she is dedicated to the scientific analysis of society and counselling on public opinion research. She has published several books and academic articles and is a visiting lecturer for different university courses. She is on the Advisory Board of the Spanish Association of Foundations and on the Economic Affairs Advisory Board of the Ministry of Economic Affairs and Digital Transformation, and is CEO and founding member of 40dB., a social and market research agency.
PEDRO ANTONIO ZORRERO CAMAS	Pedro Antonio Zorrero Camas was born in Seville. He graduated as Agricultural Engineer from the University of Almería, and as Technical Agricultural Engineer from the University of Seville. Civil servant in the regional government of Andalusia, as a specialist Agricultural Engineer. He has a lengthy track record within the public sector in the fields of audit, control and management of European funds. In the private sector, he has extensive experience in agricultural engineering, having designed several technical projects in the agricultural sector and worked as engineering consultant and adviser at different farms to promote intensive farming and extensive stockbreeding.
FERNANDO CASTELLÓ CLEMENTE	Fernando Castelló Clemente was born in Mollerusa (Lleida). He is an Industrial Engineer and has an MBA from IESE. He has held several important executive and management positions in companies operating in the dairy sector and in distribution in the food sector. He is on the Boards of several companies in the wine sector and others engaged in alternative energies and construction.
MERCEDES COSTA GARCÍA	Mercedes Costa García was born in Lleida. She has a Law degree from the Central University of Barcelona, Master in Corporate Legal Counselling from IE Business School and PhD in Communication Science from IE University. On conclusion of her academic training, she worked for 10 years as a commercial lawyer in the law firm of José Mario Armero, and is currently Manager of the Negotiation and Mediation Centre of the IE Business School, where she is Negotiation lecturer in all the Masters programmes. She is also a member of the Advisory Board of Ribé Salat and Trustee of the "Fundación Contigo contra el Cáncer de la Mujer" and the "Quiero Trabajo" foundation. She wrote the manual "El Negociador efectivo" and directed and co-authored "Negociar para CON-vencer" and "Negociar para CON-seguir", as well as numerous technical notes, working papers and research cases on negotiation. In 2020 she received the award for "The most used learning material at IE".

Total number of independent directors	4
% of board	28.57

It should be noted that Pedro Antonio Zorrero Camas stepped down as director with effect from 31 December 2021, so his professional description contained in this section is prior to that date. See sections A.3, C.1.2, C.2 and Explanatory Note One of section H below.

State whether any director qualified as independent receives from the company or any other company in its group any sum or gain other than directors' emoluments, or has or has had a business relationship with the company or any other company in its group during the past year, in their own name or as significant shareholder, director or senior executive of a company which has or has had such a relationship.

If appropriate, include a reasoned statement by the board explaining why it considers that the director in question can perform their duties as an independent director.

Name of director	Description of the relationship	Reasoned statement
BELÉN BARREIRO PÉREZ-PARDO	N/A	N/A
PEDRO ANTONIO ZORRERO CAMAS	N/A	N/A
FERNANDO CASTELLÓ CLEMENTE	N/A	N/A
MERCEDES COSTA GARCÍA	N/A	N/A

#### OTHER NON-EXECUTIVE DIRECTORS

Name any other non-executive directors and explain why they cannot be considered proprietary or independent directors and their relationships, with the company or its executives or with the shareholders:

Name of director	Reasons	Company, executive or shareholder with which it is related	Profile
No details			

Total number of other non-executive directors	N/A
% of board	N/A

Indicate any variations during the year in the type of each director:

Name of director	Date of change	Previous category	Current category
No details			

C.1.4 Complete the following table with details of the number of female directors over the past 4 years and the type of female directors:

	Number of female directors				Female directors / total directors of each type (%)			
	2021	2020	2019	2018	2021	2020	2019	2018
Executive					0.00	0.00	0.00	0.00
Proprietary	4	3	3	3	50.00	37.50	42.86	42.86
Independent	2	2	2	2	50.00	50.00	50.00	50.00
Other non-executive					0.00	0.00	0.00	0.00
<b>Total</b>	<b>6</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>42.86</b>	<b>35.71</b>	<b>38.46</b>	<b>38.46</b>

C.1.5 Indicate whether the company has diversity policies for the board of directors of the company regarding issues such as age, gender, disability, training and professional experience. In accordance with the definition set out in the Auditing Act, small and medium-sized enterprises must inform at least on the policy they have established with regard to gender diversity.

- Yes  
 No  
 Partial policies

If yes, describe those diversity policies, their goals the measures established, how they have been implemented and the results obtained during the year. Describe also the specific measures taken by the board of directors and the nomination and remuneration committee to achieve a balanced, diverse composition of directors.

If the company does not apply a diversity policy, explain why not.

#### Description of the policies, goals, measures and implementation and the results obtained

Ebro Foods, S.A. has implemented a Policy on the Selection of Directors and Diversity in the Composition of the Board of Directors, the scope of which is extended to the appointment, ratification and re-election of directors by the General Meeting of Shareholders and the appointments made directly by the Board of Directors by the procedure of cooptation. For candidate directors who are legal persons, the principles and criteria of the Policy must be observed in respect of the individuals who are to represent them on the Board.

According to that Policy, all proposals for candidates must be based on a prior analysis of the needs of the Board, the results of which will be set out in the corresponding report by the Nomination and Remuneration Committee, to be published when calling the General Meeting at which the ratification, appointment or re-election of each director is to be submitted for approval.

The following goals are established in the Policy:

- Avoid any implicit bias in the processes for selecting directors that may imply discrimination against any of the candidates on any grounds whatsoever.
- Under equal conditions, opt for the candidate whose gender is least represented on the Board at that time.
- Favour diversity of expertise, professional experience and gender within the composition of the Board.
- Achieve a composition where the gender least represented on the Board accounts for at least 40% of the total Board members by and beyond the end of 2022.

To achieve these goals set in the Policy, the Company has established the following measures to be applied in each appointment of directors:

- prior analysis of the composition of the Board of Directors in aspects regarding the categories of directors, presence of the least-represented gender, profile and professional experience of the directors and capital represented on the Board of Directors;
- analysis of the legal, statutory and regulatory requirements applicable to both the classification of director of the candidate and the procedure for their appointment;
- analysis of the experience, qualification and vocational training of the candidate and their availability for adequate performance of their duties;

- verification that the appointment of the candidate complies with the requirements of diversity, non-discrimination and equal treatment established in the Code of Conduct and the Policy for Selection of Directors and Diversity.

Through its implementation of the Policy on the Selection of Directors and Diversity in the Composition of the Board and correct monitoring of the measures described above, Ebro Foods, S.A. has a pluralistic, diverse Board of Directors in terms of gender, expertise, experience and professional profiles of its members.

With women representing 42.86% on the Board of Directors, the company has already reached (and exceeded) in 2021 its target for women, as the gender least represented on that body, to represent 40% of the total board members by 2022.

In addition, as Marc Thomas Murtra Millar has joined the board as an independent director, the diversity of expertise, experience and professional profiles within the composition of the board has been enriched, considering the knowledge Mr Murtra Millar brings on the impact of technology on the future of large organisations and markets. In this regard, during the assessment of the Board, its Committees and the Executive Chairman during 2020 (made in 2021 with assistance from an external consultant), it was considered convenient to have a director expert in new technologies.

See sections A.3, C.1.2, D.2 and Explanatory Note One of section H regarding Mr Murtra Millar's incorporation in the board. See section C.1.17 on the assessment made in 2021, with assistance from an external consultant, on the Board, Committees and Executive Chairman during 2020.

**C.1.6 Explain any measures agreed by the nomination committee to ensure that the selection procedures are not implicitly biased against the selection of female directors and that a conscious effort is made to include women with the target profile among the candidates so that a balance may be struck between male and female directors. State also whether these measures include encouraging a significant number of female senior executives in the company:**

**Explanation of the measures**

With regard to the procedures for selecting female directors, although the Nomination and Remuneration Committee has not adopted specific measures in this regard, in accordance with the gender diversity measures and the principles of non-discrimination and equal treatment applied by the Company when selecting candidate Directors, the Company will: (i) seek at all times a diversity of expertise, experience and gender in the composition of the Board; and (ii) under equal conditions, opt for the candidate whose gender is least represented on the Board at that time.

The main principle followed by the Company in this regard is that the selection procedure must avoid any implicit bias that might imply discrimination against any of the candidates on any grounds.

In addition, the aforesaid Policy on the Selection of Directors and Diversity in the Composition of the Board expressly includes the target that by and beyond 2022 the gender least represented on the Board of Directors of the Company must account for at least 40% of the total Board members, which target was met and even exceeded in 2021 (see section C.1.5 of this Report).

The Code of Conduct of the Ebro Foods Group promotes and defends the principle of equal treatment and equal opportunities for all professionals regardless of their gender or sexual orientation. This principle is behind the Human Resources policies applied in hiring, training, career opportunities, pay levels and all other aspects of the relationship between the company and its professionals of any category, including senior management.

The company's actions in respect of the selection, hiring, training and internal promotion of all its professionals (executives or otherwise, men or women) are based on clear criteria of capacity, competence and professional merit.

Therefore, there is no positive or negative discrimination of any nature in the procedures followed by the company for selecting and contracting its executive personnel, so it is not necessary to introduce any new measures to encourage the hiring of women for executive positions.

It is put on record in this regard that as established in the Senior Executive Remuneration and Incentives Policy of the Ebro Foods Group, "Senior Executive" means any employee of the Company or any other company in the Group holding the position of manager or head of a specific department or business (or similar position in foreign companies), regardless of whether they have a special senior management contract and even though they may not report directly to the directors or chief executive. The Vice-Secretary of the Board of Directors of the Company is also considered a Senior Executive.

If, despite the measures taken, if any, there are few or no female directors or executives, explain the reasons that justify this situation:

**Explanation of the measures**

N/A

**C.1.7 Explain the conclusions of the nomination committee on compliance with the policy intended to favour an appropriate composition of the board.**

During 2021, every time a possible appointment or re-appointment of a director has been contemplated, the Nomination and Remuneration Committee has analysed the composition of the Board of Directors from the point of view of director categories and the presence of women.

In this regard, the Nomination and Remuneration Committee has:

(i) Assessed the extent of compliance with Recommendation 16 of the Code of Good Governance.

Although the directors classified as proprietary (8) account for 66.67% of the total non-executive directors (12) and represent 57.63% of the capital (57.68% at the date of writing this Report), in the opinion of the Nomination and Remuneration Committee special circumstances exist that attenuate the principle of proportion recommended by the Code of Good Governance, since there are seven (7) significant shareholders, unrelated with one another, present or represented on the Board that represent 66.10% of the capital (66.23% at the date of writing this Report). The Nomination and Remuneration Committee has considered it necessary to take account of the fact that the director Heralianz Investing Group, S.L. is classified as an executive director, even though it is a significant shareholder, on the grounds that its representative on the Ebro Board is a directive of several subsidiaries in the Ebro Group.

Based on the foregoing, the Nomination and Remuneration Committee has considered that the principle behind Recommendation 16 is respected.

(ii) Assessed the extent of compliance with Recommendation 17 of the Code of Good Governance, which provides that: "in companies that are not large cap (as is the case of Ebro), the number of independent directors should represent at least one-third of the total directors."

Since the number of independent directors (4) is still somewhat less than one-third (4.66) of the total Board members (14) recommended for non-large cap companies, the Nomination and Remuneration Committee considers it necessary to continue working to increase the number of independent directors until it is at least equal to the recommended one-third.

(iii) Assessed, finally, the extent of compliance with Recommendation 15 of the Code of Good Governance, which provides that: "the number of female directors should represent at least 40% of the Board members by and beyond the end of 2022, and should previously not be less than 30%."

Since the percentage of women on the Board of Directors (6 women) is 42.86%, the company reached (and exceeded) in 2021 its target of achieving the recommended 50% before the end of 2022. See sections C.1.5, C.1.6 and G of this Report.

C.1.8 Explain, if appropriate, why proprietary directors have been appointed at the request of shareholders holding less than 3% of the capital:

Name of shareholder	Justification
No details	

State whether any formal requests for presence on the board have been rejected from shareholders holding interests equal to or greater than others at whose request proprietary directors have been appointed. If appropriate, explain why such requests were not met:

Yes

No

C.1.9 Indicate the powers, if any, delegated by the board to particular directors or committees, including the power to cast or repurchase shares:

Name of director or committee	Brief description
ANTONIO HERNÁNDEZ CALLEJAS	Antonio Hernández Callejas has no powers delegated by the Board of Directors. Mr Hernández Callejas is a class A general attorney of the Company by virtue of the power of attorney granted in deed no. 4802, executed on 4 December 2014 before the notary Andrés Domínguez Nafria and entered in the Madrid Trade Register, volume 29950, folio 202, section 8, page M-272855. In addition, in accordance with the rules on investments and divestments, strategic expenditure and corporate operations approved by the Board of Directors at its meeting on 21 March 2001, the following actions by Antonio Hernández Callejas shall require prior authorisation from the Board of Directors or notification to the Executive Committee: a) for investments/divestments or strategic expenditure, if exercise of the powers entails the acquisition of economic obligations or commitments in excess of two million euros, a resolution must previously be adopted by the Board of Directors; and for less than two million euros but more than three hundred thousand euros, the Executive Committee must be notified; b) for corporate operations, a prior resolution of the Board of Directors is required if they are for more than two

Name of director or committee	Brief description
	million euros, and the Executive Committee must be notified if they are for less than two million euros but more than three hundred thousand euros.
Executive Committee	The Board of Directors has delegated all its powers to the Executive Committee, save any, which may not legally be delegated. This notwithstanding, in accordance with the rules on investments and divestments, strategic expenditure and corporate operations approved by the Board of Directors at its meeting on 21 March 2001, the powers of the Executive Committee in these areas are internally limited to the sum of two million euros per investment/divestment, expenditure or corporate operation. See section C.2.1 of this Report for the duties attributed to the Executive Committee in the Articles of Association and applicable regulations.

C.1.10 Name Board members, if any, who are also directors, representatives of directors or executives of other companies in the same group as the listed company:

Name of director	Name of group company	Position	With executive duties?
ANTONIO HERNÁNDEZ CALLEJAS	VOGAN, LTD.	DIRECTOR	YES
ANTONIO HERNÁNDEZ CALLEJAS	GEOVITA FUNCTIONAL INGREDIENTS, S.R.L	CHAIRMAN	YES
ANTONIO HERNÁNDEZ CALLEJAS	JOSEPH HEAP PROPERTY, LTD.	DIRECTOR	YES
ANTONIO HERNÁNDEZ CALLEJAS	HERBA INGREDIENTS BELGIUM B, B.V.	DIRECTOR	YES
ANTONIO HERNÁNDEZ CALLEJAS	JOSEPH HEAP & SONS, LTD.	DIRECTOR	YES
ANTONIO HERNÁNDEZ CALLEJAS	A.W. MELLISH, LTD.	DIRECTOR	YES
ANTONIO HERNÁNDEZ CALLEJAS	ANGLO AUSTRALIAN RICE, LTD.	DIRECTOR	YES
ANTONIO HERNÁNDEZ CALLEJAS	HEAP COMET, LTD.	DIRECTOR	YES
ANTONIO HERNÁNDEZ CALLEJAS	PASTIFICIO LUCIO GAROFALO, S.P.A.	DIRECTOR	YES
ANTONIO HERNÁNDEZ CALLEJAS	BERTAGNI 1882, S.P.A	DIRECTOR	YES
ANTONIO HERNÁNDEZ CALLEJAS	RIVIANA FOODS, INC.	CHAIRMAN	YES
ANTONIO HERNÁNDEZ CALLEJAS	N&C BOOST, N.V.	DIRECTOR	YES
ANTONIO HERNÁNDEZ CALLEJAS	BOOST NUTRITION, CV	DIRECTOR	YES



Name of director	Name of group company	Position	With executive duties?
ANTONIO HERNÁNDEZ CALLEJAS	EBRO RICE HANDLING, BVBA	DIRECTOR	YES
ANTONIO HERNÁNDEZ CALLEJAS	EBRO FOODS, GMBH	JOINT AND SEVERAL DIRECTOR	YES
ANTONIO HERNÁNDEZ CALLEJAS	T.A.G. NAHRUNGSMITTEL, GMBH	JOINT AND SEVERAL DIRECTOR	YES
ANTONIO HERNÁNDEZ CALLEJAS	BERTOLINI IMPORT UND EXPORT, GMBH	JOINT AND SEVERAL DIRECTOR	YES
ANTONIO HERNÁNDEZ CALLEJAS	HERBA GERMANY, GMBH	JOINT AND SEVERAL DIRECTOR	YES
ANTONIO HERNÁNDEZ CALLEJAS	S&B HERBA FOODS, LTD.	DIRECTOR	YES
ANTONIO HERNÁNDEZ CALLEJAS	ARROZEIRAS MUNDIARRROZ, S.A.	CHAIRMAN	YES

Antonio Hernández Callejas is a director of Riso Scotti, S.p.A., an associate outside the Ebro Foods Group, in which Ebro Foods, S.A. holds a 40% interest. This investment is consolidated by the equity method. Riso Scotti, S.p.A. is an Italian company engaged in an activity similar to the objects of Ebro Foods, S.A. He is also a member of the Board of Trustees of the Ebro Foods Foundation.

Finally, the positions held by Félix Hernández Callejas in the subsidiaries of the Ebro Foods Group are listed below. In this regard, it should be remembered that, as mentioned elsewhere in this Report, Félix Hernández Callejas represents the director Herculanz Investing Group, S.L. on the Board of Directors of Ebro Foods, S.A. and that director is classified as an executive director by virtue of the fact that its representative is an executive and director of several Group subsidiaries.

- Anglo Australian Rice, Ltd. Director. With executive duties
- Arrozeiras Mundiarrroz, S.A. Director. With executive duties
- Boost Nutrition, CV. Director. With executive duties
- Española de I+D, S.A. Joint and Several Director. With executive duties
- Eurodairy, S.L.U. Joint and Several Director. With executive duties
- Formalac, S.L.U. Joint and Several Director. With executive duties
- Fallera Nutrición, S.L.U. Joint and Several Director. With executive duties
- Herba Foods, S.L.U. Joint and Several Director. With executive duties
- Herba Ingredients Belgium B, BV. Director. With executive duties
- Herba Nutrición, S.L.U. Joint and Several Director. With executive duties
- Herba Trading, S.L.U. Joint and Several Director. With executive duties
- Joseph Heap & Sons, Ltd. Director. With executive duties
- Nuratri, S.L.U. Joint and Several Director. With executive duties
- Nutramas, S.L.U. Joint and Several Director. With executive duties
- Nutrial, S.L.U. Joint and Several Director. With executive duties
- Pronatur, S.L.U. Joint and Several Director. With executive duties
- Risella, OY. Chairman and CEO. With executive duties
- Riviana Foods, Inc. Director. No executive duties
- S&B Herba Foods, Ltd. Director. With executive duties
- Santa Rita Harinas, S.L. Chairman. No executive duties
- Vitan, S.L.U. Joint and Several Director. With executive duties
- Vogan, Ltd. Director. With executive duties
- Yofres, S.L.U. Joint and Several Director. With executive duties
- Herba Ingredients Belgium F, BV. Director. With executive duties

C.1.11 Name the company directors or representatives of corporate directors who are board members or representatives of corporate directors in other companies, listed or otherwise:

Name of director or representative	Name of company, listed or otherwise	Position
ANTONIO HERNÁNDEZ CALLEJAS	Imirton, S.L.	SOLE DIRECTOR
ANTONIO HERNÁNDEZ CALLEJAS	Hacienda Las Casetas, S.L.	SOLE DIRECTOR

Name of director or representative	Name of company, listed or otherwise	Position
DEMETRIO CARCELLER ARCE	Disa Corporación Petrolífera, S.A.	CHAIRMAN
DEMETRIO CARCELLER ARCE	Sacyr, S.A.	VICE-CHAIRMAN
DEMETRIO CARCELLER ARCE	Font Salem, S.L.	CHAIRMAN
DEMETRIO CARCELLER ARCE	Damm Restauración, S.L.	CHAIRMAN
DEMETRIO CARCELLER ARCE	Setpoint Events, S.A.	CHAIRMAN
DEMETRIO CARCELLER ARCE	Inversiones Las Parras de Castellote, S.L.	SOLE DIRECTOR
DEMETRIO CARCELLER ARCE	Sociedad Anónima Damm	CHAIRMAN
DEMETRIO CARCELLER ARCE	Corporación Económica Delta, S.A.	CHAIRMAN
DEMETRIO CARCELLER ARCE	Compañía Inversora del Maestrazgo, S.L.	SOLE DIRECTOR
DEMETRIO CARCELLER ARCE	Rodilla Sánchez, S.L.	CHAIRMAN
DEMETRIO CARCELLER ARCE	Balear de Cervezas, S.L.	CHAIRMAN
BELÉN BARREIRO PÉREZ-PARDO	40DB Data, S.L.	SOLE DIRECTOR
MARÍA CARCELLER ARCE	Damm Restauración, S.L.	MANAGING DIRECTOR
MARÍA CARCELLER ARCE	Corporación Económica Delta, S.A.	REPRESENTATIVE OF DIRECTOR
MARÍA CARCELLER ARCE	Rodilla Sánchez, S.L.	MANAGING DIRECTOR
MARÍA CARCELLER ARCE	Artesanía de la Alimentación, S.L.	REPRESENTATIVE OF DIRECTOR
MARÍA CARCELLER ARCE	Sociedad Anónima Damm	REPRESENTATIVE OF DIRECTOR
MARÍA CARCELLER ARCE	El Obrador de Hamburguesa Nostra, S.L.	REPRESENTATIVE OF DIRECTOR
MARÍA CARCELLER ARCE	Nostra Restauración, S.L.	REPRESENTATIVE OF DIRECTOR
MARÍA CARCELLER ARCE	Hamburguesa Nostra, S.L.	REPRESENTATIVE OF DIRECTOR
MARÍA CARCELLER ARCE	Balear de Cervezas, S.L.	DIRECTOR
MARÍA CARCELLER ARCE	Renta Insular Canaria, S.A. SICAV	DIRECTOR
MARÍA CARCELLER ARCE	Hamburguesa Nostra Franquicia, S.L.	REPRESENTATIVE OF DIRECTOR
MARÍA CARCELLER ARCE	Japan Investment, BV	DIRECTOR
FERNANDO CASTELLÓ CLEMENTE	Claptos 2, S.L.	SOLE DIRECTOR
FERNANDO CASTELLÓ CLEMENTE	S.C.I. Clatos France	SOLE DIRECTOR
FERNANDO CASTELLÓ CLEMENTE	Eurodairy Farms, S.L.	SOLE DIRECTOR
FERNANDO CASTELLÓ CLEMENTE	Kilfenora, S.L.	SOLE DIRECTOR
FERNANDO CASTELLÓ CLEMENTE	Soc. Africaine Investissement	DIRECTOR
FERNANDO CASTELLÓ CLEMENTE	Tomás Cusiné, S.L.	DIRECTOR
JOSE IGNACIO COMENGE SÁNCHEZ-REAL	Ence Energía y Celulosa, S.A.	DIRECTOR
JOSE IGNACIO COMENGE SÁNCHEZ-REAL	Mendibea 2002, S.L.	SOLE DIRECTOR
JOSE IGNACIO COMENGE SÁNCHEZ-REAL	Blig 13-13, S.L.	SOLE DIRECTOR
JOSE IGNACIO COMENGE SÁNCHEZ-REAL	Arbitrajes e Inversiones, S.L.	DIRECTOR
JOSE IGNACIO COMENGE SÁNCHEZ-REAL	Globotrans, S.L.	SOLE DIRECTOR
JOSE IGNACIO COMENGE SÁNCHEZ-REAL	Dosval, S.L.	DIRECTOR
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	Fruvega, S.L.	JOINT AND SEVERAL DIRECTOR
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	Dosval, S.L.	CHAIRMAN
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	Olive Partners, S.A.	VICE-CHAIRMAN
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	Riegos El Pator, S.L.	SOLE DIRECTOR
JAVIER GÓMEZ-TRENOR VERGÉS	Inversiones Caspatró, S.L.	CHAIRMAN

Name of director or representative	Name of company, listed or otherwise	Position
JAVIER GÓMEZ-TRENOR VERGÉS	Cultivos Valencia, S.L.	JOINT AND SEVERAL DIRECTOR
JAVIER GÓMEZ-TRENOR VERGÉS	Cultivos Capital, S.L.	JOINT AND SEVERAL DIRECTOR
JAVIER GÓMEZ-TRENOR VERGÉS	Cultivos Activo Inmobiliario, S.L.	JOINT AND SEVERAL DIRECTOR
JAVIER GÓMEZ-TRENOR VERGÉS	Las Colinas del Contador, S.A.	JOINT DIRECTOR
JAVIER GÓMEZ-TRENOR VERGÉS	Los Barrancos y el Hornillo, S.L.	JOINT AND SEVERAL DIRECTOR
JAVIER FERNÁNDEZ ALONSO	Artá Capital, S.G.I.C., S.A.	DIRECTOR
JAVIER FERNÁNDEZ ALONSO	Deyá Capital, S.C.R., S.A.	DIRECTOR
JAVIER FERNÁNDEZ ALONSO	Deyá Capital IV, S.C.R., S.A.	DIRECTOR
JAVIER FERNÁNDEZ ALONSO	Profand Fishing Holding, S.L.	DIRECTOR
JAVIER FERNÁNDEZ ALONSO	Rioja, S.a.r.l.	DIRECTOR
JAVIER FERNÁNDEZ ALONSO	Rioja Acquisition, S.a.r.l.	DIRECTOR
GRUPO TRADIFÍN, S.A.	Aldebarán Energía del Guadalquivir, S.L.	SOLE DIRECTOR
GRUPO TRADIFÍN, S.A.	Cabher 96, S.L.	SOLE DIRECTOR
GRUPO TRADIFÍN, S.A.	Golf Activities, S.L.	SOLE DIRECTOR
GRUPO TRADIFÍN, S.A.	Olivetum Recursos Biomásicos, S.L.	SOLE DIRECTOR
GRUPO TRADIFÍN, S.A.	Light Environment Control, S.L.	DIRECTOR
GRUPO TRADIFÍN, S.A.	Instituto Hispánico del Arroz, S.A.	DIRECTOR
MARÍA BLANCA HERNÁNDEZ RODRÍGUEZ	Real Club Sevilla Golf, S.L.	DIRECTOR
MARÍA BLANCA HERNÁNDEZ RODRÍGUEZ	Grupo Tradifín, S.L.	MANAGING DIRECTOR
MARÍA BLANCA HERNÁNDEZ RODRÍGUEZ	Tradifín, S.A.	DIRECTOR
MARÍA BLANCA HERNÁNDEZ RODRÍGUEZ	Pharma Mar, S.A.	DIRECTOR
MARÍA BLANCA HERNÁNDEZ RODRÍGUEZ	Light Environment Control, S.L.	REPRESENTATIVE OF DIRECTOR
MARÍA BLANCA HERNÁNDEZ RODRÍGUEZ	Magallanes Value Investors, S.A.	DIRECTOR
HERCALIANZ INVESTING GROUP, S.L.	Hersot Ventures, S.L.	SOLE DIRECTOR
HERCALIANZ INVESTING GROUP, S.L.	Instituto Hispánico del Arroz, S.A.	DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	Hercalanz Investing Group, S.L.	JOINT AND SEVERAL DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	Acebes Norte, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	Agrícola Mauriñas, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	Agrícola Villamarta, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	Agropecuaria Isla Mayor, SL.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	Arrizur 8, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	Arrozales Isla Menor, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	Australian Commodities, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	Campoarroz Sur, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	Conde-Guadaira, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	Cuquero Agro, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	Dehesa Casudis, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	Dehesa Guadalquivir, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	Dehesa Norte, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	El Cobujón, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	Entreguadal, S.L.	REPRESENTATIVE OF DIRECTOR

Name of director or representative	Name of company, listed or otherwise	Position
FÉLIX HERNÁNDEZ CALLEJAS	Entrerrios Norte, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	Esparragosilla 91 S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	Fitoplancton Marino, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	Greenveta 78, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	Hacienda Bocón, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	Hacienda Guadiagrán, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	Hacienda Las Pompas, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	Hersot Ventures, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	Hispamark Real State, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	Instituto Hispánico del Arroz, S.A.	DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	Isla Sur, S.A.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	Libeccio Agrícola, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	Llanos Rice, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	Matochal Sur, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	Mundirice Agro, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	Oryza Agrícola, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	Pesquerías Isla Mayor, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	Prorrío, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	Risoland Agro, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	Revercant Agrícola, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	Rivereta 12, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	Sirocco Agrícola, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	Vercelli Agrícola, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	Veta Grains, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	Vetarroz, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	Zudirroz, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	Hernández Barrera Servicios, S.A.	DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	Magallanes Value Investors, S.A.	DIRECTOR

- Demetrio Carceller Arce is also Chair of the Board of Trustees of Fundación Damm.

- Mercedes Costa García is also member of the Board of Trustees of Fundación Contigo contra el Cáncer de la Mujer and member of the Advisory Board of Fundación Quiero Trabajo.

- Blanca Hernández Rodríguez is also Chair of the Board of Trustees of Fundación Ebro Foods, member of the Board of Trustees of Fundación Proyecto Hombre Sevilla and member of the Board of Trustees of Fundación Capacis.

Indicate any other remunerated activities of the directors or representatives of corporate directors, regardless of their nature, other than those mentioned in the preceding table.

Name of director or representative	Other remunerated activities
BELÉN BARREIRO PÉREZ-PARDO	Lecturer and member of the Social Council of UNIR
CORPORACIÓN FINANCIERA ALBA, S.A.	Real estate and investment activities
MERCEDES COSTA GARCÍA	Management of IE Business School and member of the Advisory Board Ribé Salat

Name of director or representative	Other remunerated activities
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	Bookkeeping, administration and tax management for subsidiaries
JAVIER FERNÁNDEZ ALONSO	General Manager of Corporación Financiera Alba, S.A.
GRUPO TRADIFÍN, S.L.	Management activities for Club Deportivo Real Club Sevilla Golf and estate agencies
MARÍA JESÚS GARRIDO SOLÍS	Deputy Director of the Investees Department of Sociedad Estatal de Participaciones Industriales (SEPI)
ALEJANDRA OLARRA ICAZA	Member of the Investment Department of Corporación Financiera Alba, S.A.

C.1.12 Indicate and, where appropriate, explain whether the company has established rules on the maximum number of directorships its directors may hold, if so, indicating where those rules can be found:

Yes  
 No

Explanation of the rules and identification of the document in which they are regulated

Article 32.2 of the Regulations of the Board establishes, among the "General Duties of Directors", that the Directors shall dedicate such time and attention to the Company as may be necessary to guarantee the effective and adequate fulfilment of each and all of the duties corresponding to their position. Consequently, the maximum number of other directorships they may hold will be such as to ensure that they are able at all times to meet each and all of their obligations to the Company.

C.1.13 Indicate the amounts of the following items in the overall remuneration of the board:

Remuneration accrued during the year in favour of the board (thousand euros)	7,169
Amount of the funds accumulated by current directors in long-term savings schemes with vested economic rights (thousand euros)	
Amount of the funds accumulated by current directors in long-term savings schemes with non-vested economic rights (thousand euros)	
Amount of the funds accumulated by former directors in long-term savings schemes (thousand euros)	

The gross amount indicated in this section C.1.13 includes: (i) the remuneration of all the directors for their duties as such, and (ii) the remuneration of the Executive Chairman for his executive duties (including attendance fees as director received from a Group subsidiary, Pastificio Lucio Garofalo, S.p.A., in a sum of 5,000 euros.

The Executive Chairman of the Board also received 5,200 euros gross in attendance fees as director from the associate Riso Scotti, S.p.A.

C.1.14 Name the members of top management who are not executive directors and indicate the aggregate remuneration accrued in their favour during the year:

Name	Position(s)
ANA MARÍA ANTEQUERA PARDO	COMMUNICATIONS AND CSR MANAGER
LUIS PEÑA PAZOS	SECRETARY OF THE COMPANY AND BOARD
PABLO ALBENDEA SOLÍS	CHIEF OPERATING OFFICER (COO)
MARÍA JOSÉ GARRETA RODRÍGUEZ	PATENTS AND TRADEMARKS MANAGER
ALFONSO FUERTES BARRO	FINANCE MANAGER
GABRIEL SOLÍS PABLOS	TAX MANAGER

Name	Position(s)	
YOLANDA DE LA MORENA CEREZO	VICE-SECRETARY OF THE BOARD	
GLORIA RODRÍGUEZ PATA	CORPORATE ASSETS MANAGER	
JESÚS DE ZABALA BAZÁN	INTERNAL AUDIT MANAGER	
MANUEL GONZÁLEZ DE LUNA	INVESTOR RELATIONS AND FINANCIAL INSTITUTIONS MANAGER	
Number of women in top management positions		4
Percentage of total members of top management		40.00
Total remuneration top management (thousand euro)		2,400

The company executives named in this section C.1.14 include the Chief Operating Officer (COO), who is the highest-ranking executive of the Ebro Foods Group after the Executive Chairman, and the heads of the principal departments of Ebro Foods, S.A. even if they are not actually considered "top management".

C.1.15 State whether any modifications have been made during the year to the Regulations of the Board:

Yes  
 No

Description of modifications
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On 15 December 2021, after the Extraordinary General Meeting of Shareholders held that same day, the Board of Directors unanimously resolved to alter the Regulations of the Board, mainly to adjust them to the Corporate Enterprises Act ("LSC") following its amendment by Act 5/2021 of 12 April on encouraging the long-term involvement of shareholders in listed companies.

The alteration of the Regulations was previously assessed by the Audit and Compliance Committee, which submitted a favourable report, in pursuance of Articles 3.2 and 3.3 of the Regulations.

The alterations made to the Regulations of the Board are summarised below:

A. Alterations adapting to the Corporate Enterprises Act:

- Alteration of Article 8 (Powers) to adapt the power of the Board to approve the related party transactions within its remit to the provisions of section 529.ter.1(h) LSC.
- Alteration of Article 24 (Audit and Compliance Committee) to adapt the text to that of section 529 quaterdecies.4(g) LSC
- Alteration of Article 25 (Nomination and Remuneration Committee) to adapt the power regarding the report to be issued to the Board by the Nomination and Remuneration Committee on setting the individual remuneration of each director for their duties as such and regarding the individual determination of the remuneration of each director for the performance of any executive duties assigned to them, in pursuance of sections 529 septdecies.3 and 529 octodecies.3 LSC, respectively. All this shall be coordinated with the provisions of Article 22 of the Articles of Association (following their amendment as resolved at the Annual General Meeting held on 30 June 2021).
- Amendment of Article 32 (General duties of Directors) to supplement the provisions regarding the duty of loyalty, adding the words "subordinating their personal interests at all times to the interests of the company", pursuant to section 225.1 LSC.
- Amendment of Article 37 (Conflict of interest. Related party transactions) to adapt the rules on related party transactions to the provisions of Chapter VII bis of Title XIV LSC.
- Amendment of Article 41 (Remuneration) to adapt it to the provisions of sections 529 septdecies.3, novodecies.1 and octodecies.3 LSC and expressly include a reference to the directors' liability insurance. All this shall be coordinated with the wording of Article 22 of the current Articles of Association (following their amendment as resolved at the Annual General Meeting held on 30 June 2021).

B. Other alterations for technical enhancement and coordination:

- Alteration of Article 6 (Qualitative Criteria)
- Alteration of Article 7 (General Duties)
- Alteration of Article 8 (Powers)
- Alteration of Article 9 (Specific duties regarding certain matters)
- Alteration of Article 11 (Chairman of the Board)
- Alteration of Article 15 (Secretary of the Board and Vice-Secretary)

- Alteration of Article 17 (Board Meetings)
- Alteration of Article 18 (Notice of Call)
- Alteration of Article 20 (Proxies)
- Alteration of Article 22 (General Provisions)
- Alteration of Article 24 (Audit and Compliance Committee)

C. Finally, to remedy minor errata:

- Alteration of Article 3 (Modification)
- Alteration of Article 23 (Executive Committee)
- Alteration of Article 31 (Retirement of Directors)

The recast text of the Regulations of the Board was entered in the Madrid Trade Register on 24 February 2022. It has been published on the website of the National Securities Market Commission [www.cnmv.es](http://www.cnmv.es) and on the company's corporate website [www.ebrofoods.es](http://www.ebrofoods.es), and the shareholders will be duly informed at the Annual General Meeting held in 2022.

#### C.1.16 Describe the procedures for selection, appointment, re-election and removal of directors. Indicate the competent bodies, the formalities and the criteria to be followed in each of these procedures.

The procedures for selection, appointment, re-election and removal of the directors are regulated in the Articles of Association and the Regulations of the Board.

There is also a Policy for Selection of Directors and Diversity in the Composition of the Board of Directors, which specifically and verifiably establishes the basic criteria and principles to be followed in the selection of candidates.

The Policy is applicable in the appointment, ratification and re-election of directors by the General Meeting and any appointments made by the Board. For candidates who are legal persons, the principles and criteria of the Policy must also be observed in respect of the individuals representing them on the Board.

##### A. Procedure for selection, appointment and re-election of Directors

Procedures for selecting directors shall be designed to favour diversity of expertise, professional experience and gender within the Board, avoiding any implicit bias that may imply discrimination against any of the candidates on any grounds. Under equal conditions, the Company will opt for the candidate whose gender is least represented on the Board at that time.

The General Meeting is responsible for deciding on the number of directors the company is to have, within the minimum (7) and maximum (15) established in the Articles of Association, and for appointing or re-electing directors as proposed by the Board, subject to a favourable report by the Nomination and Remuneration Committee.

The Board may also appoint directors by cooptation, subject to a report by the Nomination and Remuneration Committee and by the Board of Directors on the terms stipulated in law.

In any case, the initiative of the Board regarding the incorporation of members by no means detracts from the sovereign power of the General Meeting to appoint and remove directors, or from any potential exercise by shareholders of their right to proportional representation.

The proposals for the appointment or re-election of directors made by the Board of Directors, or by the Nomination and Remuneration Committee in appointments or re-elections of Independent Directors, must be based on a prior analysis of the needs of the Board, the results of which are set out in the corresponding report by the Nomination and Remuneration Committee, published when calling the General Meeting at which the ratification, appointment or re-election of each director is submitted for approval.

##### B. Procedure for removal of Directors

The removal of directors is regulated in Article 31 of the Regulations of the Board. See section C.1.19 of this Report in this respect.

Without prejudice to the initiative of the Board regarding the inclusion of its members, the General Meeting has sovereign power to resolve on the removal of directors.

The Nomination and Remuneration Committee is competent to study, issue reports and prepare proposals for the removal of directors.

Following a report by the Nomination and Remuneration Committee, the Board of Directors shall table a motion at the General Meeting of Shareholders for removal of the director in question if the director in question fails to resign in the circumstances contemplated in Article 31.2 of the Regulations of the Board.

If a director retires from office before the end of their term, through resignation or by virtue of a resolution adopted by the General Meeting, they shall explain the reasons for their resignation or, in the case of non-executive directors, their opinion on the grounds for their removal by the General Meeting, in a letter sent out to all the Board members. Although the Annual Corporate Governance Report shall contain the appropriate information on the foregoing, to the extent that it is important for investors, the company shall publish news of the director's retirement as soon as possible, including a sufficient account of the reasons or circumstances indicated by the director.

If a director opts to resign following adoption by the Board of decisions on issues on which that director has expressed qualifications or reservations in the sense contemplated in Article 32.5 of the Regulations of the Board (".../...whenever they consider that some of the decisions proposed to the Board may go against the corporate interests and/or those of the shareholders not represented on the Board."), they shall explain the reasons as per the preceding paragraph.

The measures described in the preceding two paragraphs shall also be applicable to the Secretary of the Board, regardless of whether the secretary is a director.

C.1.17 Explain to what extent the annual assessment of the board has given rise to major changes in its internal organisation and the procedures applicable to its activities:

#### Description of changes

The assessment of the Board, Committees and Executive Chairman corresponding to 2020 (made in 2021 with assistance from an independent external consultant) did not reveal the need for any major changes in the Company's internal organisation or the procedures applicable to its activities.

Describe the process of assessment and the areas assessed by the board, assisted where necessary by an external consultant, on the performance and composition of the board and its committees and any other area or aspect that has been assessed.

#### Description of assessment process and areas assessed

##### A. ASSESSMENT PROCESS

An assessment is made every year on the Board, its Committees and the Executive Chairman of the Company.

The independent external consultant who assisted the company in the assessment corresponding to 2020 (made in 2021) based their process on: (i) the minutes of Board and Committee meetings that the company has provided; (ii) the Articles of Association, Regulations of the Board, Code of Conduct, Corporate Governance Reports, Audit and Compliance Committee reports, Nomination and Remuneration Committee reports and Policies of the Company published on the corporate website; (iii) examination of 156 items concerning the procedures of the Board, following the recommendations of the Code of Good Governance, the Technical Guidelines for Audit Committees and Nomination and Remuneration Committees and adaptation to the legal framework; and (iv) the interviews held through remote channels, owing to the health situation at that time, with the independent directors and most of the proprietary directors.

##### B. AREAS ASSESSED

Apart from assessing the composition, powers and procedures of the Board of Directors and its Committees, a specific assessment was made of those bodies with regard to the following matters:

-Board of Directors: specific assessment of: (i) the size, dimension and qualitative composition, (ii) the balance and diversity of expertise on the Board, (iii) the independence and dedication of the directors, (iv) the remuneration of the directors; (v) the adaptation of the Board procedures and powers to the provisions of law, articles and regulations applicable to the Board and to the applicable policies; and (vi) the procedure at meetings and how business is discussed and transacted.

-Executive Committee: specific assessment of reporting to the Board on the resolutions adopted by the Committee through access by all directors, through the Secretary, of the minutes of its meetings.

-Audit and Compliance Committee: specific assessment of its particular powers in matters concerning internal audit procedures, external auditors, whistleblowing channel, financial reporting, structural operations, risk control and annual accounts, as well as the specific powers of supervision in particular aspects of corporate government, internal codes of conduct and corporate social responsibility.

-Nomination and Remuneration Committee: specific assessment of its powers with regard to the selection of directors, basic terms of senior executive contracts, pay policies and the remuneration policy for directors and senior executives.

C.1.18 In any years in which an external consultant has been called in to assist with assessment, describe any business relations between the consultant or any company in its group with the company or any other company in its group.

The external consultant has not entered into any business relationships with companies in the Ebro Group other than as regards the assessment, as explained in section C.1.17 of this Report.

C.1.19 State the events in which directors are obliged to step down.

The retirement and resignation of directors are regulated in Article 31 of the Regulations of the Board:

- Directors must step down at the end of the term for which they were appointed and in all other events stipulated in law, the Articles of Association and the Regulations of the Board.

- Directors must also tender their resignations and step down in the following cases:



a) When they are affected by one of the causes of incompatibility or disqualification established in law, the Articles of Association or the Regulations of the Board.

b) When they step down from the executive post to which their appointment as Director was linked, when the shareholder they represent on the Board disposes of all its shares in the Company or reduces its interest to an extent requiring a reduction in the number of Proprietary Directors and, in general, whenever the reasons for their appointment disappear.

c) When the Board of Directors, following a report by the Nomination and Remuneration Committee, considers that: (i) the Director is in a situation, related or not with their actions within the company, that could jeopardise the company's prestige and reputation, (ii) the Director has seriously defaulted their obligations, or (iii) there are reasons of corporate interest so requiring.

C.1.20 Are special majorities differing from those stipulated in law required for any type of decision?

Yes

No

If yes, describe the differences.

C.1.21 Are there any specific requirements, other than those established for directors, to be appointed chairman of the board?

Yes

No

C.1.22 Do the Articles of Association or Regulations of the Board establish an age limit for directors?

Yes

No

C.1.23 Do the Articles of Association or Regulations of the Board establish a limited term of office or other stricter requirements in addition to those provided by law for independent directors, other than as stipulated in law?

Yes

No

C.1.24 Do the Articles of Association or Regulations of the Board establish specific rules for the delegation of votes to other directors at board meetings, how they are to be delegated and, in particular, the maximum number of proxies that a director may hold, and whether any limitation has been established regarding the categories to which proxies may be granted, other than those established in law? If yes, include a brief description.

Both the Articles of Association (Article 24) and the Regulations of the Board (Article 20) contemplate the possibility of Directors attending Board meetings through a duly authorised proxy.

The proxy must be made in advance, in writing, specially for each Board meeting, in favour of another Director.

The represented Director may issue specific voting instructions for any or all of the items on the agenda.

Non-executive directors may only grant proxies to other non-executive directors.

No limit is established on the number of proxies any one Director may hold, nor is there any constraint on the categories to which proxies may be granted.

C.1.25 State the number of meetings held by the Board of Directors during the year, indicating, if appropriate, how many times the Board has met without the Chairman. Proxies made with specific instructions will be considered attendances.

Number of board meetings	13
Number of board meetings held without the chairman	0

Indicate the number of meetings held by the lead independent director with the other directors without the attendance or representation of any executive director:

Number of meetings	0
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Indicate the number of meetings held by the different Committees of the Board:

Number of meetings of the Nomination and Remuneration Committee	5
Number of meetings of the Strategy and Investment Committee	1
Number of meetings of the Audit and Compliance Committee	7
Number of meetings of the Executive Committee	6

The number of Board meetings (13) indicated in this section includes the adoption of written resolutions without a meeting, pursuant to Article 21.4 Regulations of the Board.

During 2021, when the Covid-related restrictions continued, the lead independent director did not hold any face-to-face meetings with the other non-executive directors, although she has proactively been in touch with them individually on several occasions to discuss matters within her remit.

C.1.26 State the number of meetings held by the Board during the period and details of attendance by its members:

Number of meetings attended in person by at least 80% of the directors	13
Attendance / total votes during the year (%)	96.15
Number of meetings attended by all the directors, in person or by proxies made with specific voting instructions	13
Votes cast with attendance in person or by proxies with specific instructions / total votes during the year (%)	100.00

Attendance in person includes all directors who attended personally, face-to-face or online.

C.1.27 Are the separate and consolidated annual accounts submitted to the Board for approval previously certified?

- Yes  
 No

If yes, name the person(s) who certify the separate or consolidated annual accounts of the company before they are approved by the Board:

C.1.28 Explain the mechanisms, if any, established by the Board to ensure that the annual accounts that the Board laid before the General Meeting are drawn up in accordance with the applicable accounting standards.

Article 24.4 of the Regulations of the Board gives the Audit and Compliance Committee the following powers, among others:

- Supervise and promote the policies, procedures and systems used for drawing up and controlling the company's financial information, checking the services performed in this regard by the Internal Audit Department, the Financial Department and the Management Committee and making sure they are correctly distributed throughout the Group.

- Ensure that (i) the systems used for preparing the separate and consolidated Annual Accounts and Directors' Report submitted to the Board to be authorised for issue in accordance with current legislation give a true and fair view of the equity, financial position and results of the Company and make sure that any interim financial statements are drawn up according to the same accounting principles as the annual accounts, considering the possibility of asking the external auditors to make a limited audit if necessary; and (ii) the Board of Directors endeavours to submit the annual accounts to the General Meeting with an unqualified auditors' report.

In this regard, it must also see that the internal control systems are adequate and effective in respect of the accounting practices and principles used for drawing up the company's annual accounts, supervising the policies and procedures established to ensure due compliance with applicable legal provisions and internal regulations. The Committee shall, through its Chairman, obtain information and collaboration from both the Internal Audit Manager and the External Auditors to perform these duties.

- Establish regular contact with the External Auditors to receive information on any issues that may jeopardise their independence, and any other issues relating to the auditing of accounts, receiving information from and exchanging communications with the External Auditors in accordance with prevailing auditing standards and legislation.

- Be informed of the decisions adopted by the senior management according to recommendations made by the External Auditors in connection with the audit.

In addition, the Group has a Risks Control and Management Policy, including tax risks, and internal control of financial reporting (ICFR), which lay down, among others, the basic principles and the general framework for internal control of the financial reporting by the company and the Ebro Group.

The Group has procedures in place for checking and authorising financial reporting and a description of the financial reporting internal control system (ICFR), for which the Economic Department is responsible, as described in section F.3.1 of this report.

Finally, the responsibility for the aforesaid procedures for checking and authorising financial reporting and the description of the financial reporting internal control system (ICFR) lies with the Group Economic Department, the Risks Committee, the economic and finance departments of the different business units, the Audit and Compliance Committee and the Board of Directors.

C.1.29 Is the Secretary of the Board a Director?

Yes

No

If the secretary is not a director, complete the following table:

Name of secretary	Representative
LUIS PEÑA PAZOS	

C.1.30 Describe the specific mechanisms established by the company to preserve the independence of the external auditors, if any; the mechanisms to preserve the independence of financial analysts, investment banks and rating agencies; and how the legal provisions are implemented.

A. With regard to the external auditors:

Both the Articles of Association and the Regulations of the Board vest in the Audit and Compliance Committee the power to contact the auditors and receive information on any issues that may jeopardise their independence, for examination by the Audit Committee, as well as any other issues relating to the auditing of accounts. The Committee shall also receive information from and exchange communications with the auditors in accordance with prevailing auditing standards and legislation, notwithstanding the ultimate responsibility of the Board of Directors, which, pursuant to Article 8.1.3.(a) of the Regulations of the Board, is responsible for ensuring the independence and professional suitability of the external auditor.

Article 24.4 of the Regulations of the Board establishes the following powers, among others, of the Audit and Compliance Committee in this respect:

- Ensure that (i) the systems used for preparing the separate and consolidated Annual Accounts and Directors' Report submitted to the Board to be authorised for issue in accordance with current legislation give a true and fair view of the equity, financial position and results of the Company and make sure that any interim financial statements are drawn up according to the same accounting principles as the annual accounts, considering the possibility of asking the external auditors to make a limited audit if necessary; and (ii) the Board of Directors endeavours to submit the annual accounts to the General Meeting with an unqualified auditors' report.

- See that the internal control systems are adequate and effective in respect of the accounting practices and principles used for drawing up the company's annual accounts, supervising the policies and procedures established to ensure due compliance with applicable legal provisions and internal regulations. To perform these duties it shall, through its Chair, obtain information and collaboration from both the Internal Audit Manager and the External Auditors.

- Establish regular contact with the external auditors to receive information on any issues that may jeopardise their independence, and any other issues relating to the auditing of accounts, receiving information from and exchanging communications with the external auditors in accordance with prevailing auditing standards and legislation.

- Submit to the Board, to be tabled at the General Meeting, proposals for the selection, appointment, re-appointment and replacement of the company's External Auditors and their terms of contract, the scope of their commission and the renewal or revocation of their engagement.

- Ensure the independence of the external auditors and the existence of a discussion procedure enabling the external auditors, the Internal Audit Department and any other expert to inform the company of any significant weaknesses in its internal control detected while checking the annual accounts or any other processes in which they have worked. The Committee shall issue an annual report, prior to issuance of the auditor's report, expressing an opinion on the independence of the external auditors and any supplementary services they may have provided. It shall also inform the Board on the proposed appointment of the Internal Audit Manager and approve each year the internal audit work plan and monitor its implementation.

In accordance with the foregoing and through the Audit and Compliance Committee, the Company keeps a strict, constant watch for any circumstances that might affect the independence of the external auditors. Accordingly:

(i) once a year, when the external auditors have provided the necessary information, the Audit and Compliance Committee issues an annual report on their independence, which is submitted to the Board of Directors and made available to shareholders as from the call to the General Meeting; and

(ii) constantly throughout the year, the Commission receives timely notification of any potential engagement of the external auditors to provide services in addition to auditing the annual accounts. In this regard, in February 2017 the Audit and Compliance Committee established a protocol for the notification, review and, if appropriate, authorisation of the potential contracting of the external auditors by any company in the Group for non-audit services. That protocol covers the "pre-approval" required for the events contemplated in Article 5(3) of Regulation EU 537/2014 and any other potential service.

Finally, Article 43 of the Regulations of the Board ("Relations with Auditors") provides that the Board shall establish an objective, professional, ongoing relationship with the external auditors of the company appointed by the General Meeting, guaranteeing their independence and putting at their disposal all the information they may require in order to perform their duties. This relationship with the external auditors is channelled through the Audit and Compliance Committee.

B. With regard to relations with analysts, investment banks and rating agencies:

In addition to the legal provisions and rules on corporate governance, the Regulations of the Board, Code of Conduct of the Ebro Group, the Policy on Communication and Relations with Shareholders, Institutional Investors and Proxy Advisors and the Policy on Communication of Financial, Non-Financial and Corporate Information are applicable in this area.

Article 42 of the Regulations of the Board regulates the Company's relations with shareholders and investors (particularly institutional investors).

The Code of Conduct establishes that relations with investors and financial analysts should be channelled through the unit responsible for the Company's relations with investors (Investor Relations Department), through which communications and information for investors in general are channelled.

The Company also has a Policy on Communication and Relations with Shareholders, Institutional Investors and Proxy Advisors, which upholds transparency as one of the fundamental values of the actions by the Company and its Group. This Policy contemplates the following general principles applicable in this matter:

- Communication and relations with institutional investors and proxy advisors are conducted in accordance with the principles of transparency, truth and permanent, adequate, timely reporting.
- The principle of non-discrimination and equal treatment is recognised for all shareholders and investors who are in the same conditions and not affected by conflicts of interest or competence.
- The rights and legitimate interests of all shareholders are protected.
- Continuous, permanent communication with shareholders and investors is encouraged.
- Reporting and communication channels are established with shareholders and investors to ensure compliance with these principles.

The company also has a Policy on Communication of Financial, Non-Financial and Corporate Information (supplementing the above-mentioned policy), which establishes the following principles and criteria governing the Company and its Group in respect of the communication of financial, non-financial and corporate information:

- The communication of financial, non-financial and corporate information through any available channels shall in all cases respect: (i) the legal provisions in place from time to time on market abuse and (ii) the principles of transparency, truth and permanent, adequate, timely reporting.
- The principles of non-discrimination and equal treatment shall be respected in all cases for all shareholders who are in the same conditions and not affected by conflicts of interest or competence.
- Continuous, permanent communication shall be encouraged with shareholders, investors and other stakeholders through all the channels considered appropriate for this purpose.

The Company's Audit and Compliance Committee is responsible for overseeing compliance with the rules and principles set out in the Policy on Communication and Relations with Shareholders, Institutional Investors and Proxy Advisors and the Policy on Communication of Financial, Non-Financial and Corporate Information.

C.1.31 Indicate whether the external auditors have changed during the year. If so, name the incoming and outgoing auditors:

- Yes  
 No

Explain any disagreements with the outgoing auditor:

- Yes  
 No

C.1.32 State whether the firm of auditors does any work for the company and/or its group other than standard audit work and if so, declare the amount of the fees received for such work and the percentage that amount represents in respect of the total fees invoiced to the company and/or its group for audit work:

- Yes  
 No

	Company	Group companies	Total
Charge for non-audit work (thousand euros)	208	140	348

Charge for non-audit work / Amount invoiced for audit work (%)	45.81	6.72	13.72
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C.1.33 Indicate whether the auditors' report on the annual accounts of the previous year was qualified. If so, state the reasons given by the Chairman of the Audit Committee to explain the content and scope of the qualifications.

Yes  
 No

C.1.34 State the number of years in succession that the current firm of auditors has been auditing the separate and/or consolidated annual accounts of the company. Indicate the ratio of the number of years audited by the current auditors to the total number of years that the annual accounts have been audited:

	Separate	Consolidated
Number of years in succession	8	8
	Separate	Consolidated
Number of years audited by current auditors / Number of years that the company has been audited (%)	25.81	25.81

C.1.35 Indicate, with details if appropriate, whether there is an established procedure for directors to obtain sufficiently in advance any information they may need to prepare the meetings of the governing bodies:

Yes  
 No

#### Details of procedure

According to the obligations and duties assigned by law, the Articles of Association and the Regulations of the Board, the Secretary of the Board is responsible for channelling the relations between the Company and the Directors in all matters concerning the procedures of the Board of Directors and the Board Committees in which he participates, following instructions received from the respective Chairman, and for implement and foster exercise by the Directors of their right to information (Article 15.2(c) and (d) of the Regulations of the Board).

At each year-end, the Secretary of the Board sends all the Directors an annual calendar of meetings previously agreed among all the Directors, setting the dates and times of the meetings of the Board of Directors, Committees, General Meetings and meetings with analysts for the following year. That calendar is also sent to the different professionals of the Company involved in preparing the documentation and information for the Directors for each meeting, to enable them to plan their work and make sure that the corresponding information and documentation are prepared sufficiently before each meeting.

When the documentation for each meeting is complete, it is sent to the Secretary of the Board, who sends it to the Directors, if possible together with the notice of call to the meeting, or in highly justified cases, as soon as possible after sending the notice of call.

C.1.36 Indicate, with details if appropriate, whether the company has established any rules obliging Directors to report and, if necessary, retire if any situation arises, related or not with their actions within the company, that could jeopardise the company's prestige and reputation:

Yes  
 No

#### Explain the rules

Article 31 of the Regulations of the Board provide that Directors must step down and tender their resignations, among other cases, if the Board, following a report by the Nomination and Remuneration Committee, considers that: (i) the Director is in a situation, related or not with their actions within the company, that could jeopardise the company's prestige and reputation, (ii) the Director has seriously defaulted their obligations, or (iii) there are reasons of corporate interest so requiring.

The Regulations further stipulate that if a Director fails to tender their resignation when so obliged, the Board of Directors shall, subject to a report by the Nomination and Remuneration Committee, tender a motion to the General Meeting of Shareholders for their removal.

C.1.37 Indicate, unless special circumstances have occurred and been put on record, whether the Board has been informed or has otherwise become aware of any situation affecting a director, related or not with their actions within the company, that could jeopardise the company's prestige and reputation:

- Yes  
 No

C.1.38 Describe any significant agreements entered into by the company that enter into force or are modified or terminated in the event of a takeover of the company following a takeover bid, and the effects thereof.

Most of the financing agreements signed by Ebro Foods, S.A. include takeover clauses on the usual terms for this type of contract. By virtue of those provisions, the lender reserves the right to terminate the financing agreement in the event of a takeover of the Company. Although there is no universal definition of "takeover" for this purpose, the lender's right is triggered if there is a substantial change in the Company's significant shareholders.

C.1.39 Indicate individually for directors and globally in other cases, and describe in detail any agreements made between the company and its directors, executives or employees contemplating golden handshake clauses or any other indemnities in the event of resignation or unfair dismissal or termination of employment following a takeover bid or any other type of transaction.

Number of beneficiaries	0
Type of beneficiary	Description of agreement
N/A	N/A

State whether, apart from the cases contemplated in law, these contracts have to be notified to and/or approved by the governing bodies of the company/group companies. If yes, specify the procedures, events contemplated and nature of the bodies responsible for approval and notification:

	Board of Directors	General Meeting
Body authorising the clauses	√	
	Yes	No
Is the general meeting informed of the clauses?	√	

## C.2. Committees of the Board

C.2.1 Give details of the different committees, their members and the proportion of executive, proprietary, independent and other non-executive directors in each committee:

Strategy and Investment Committee		
Name	Position	Category
DEMETRIO CARCELLER ARCE	CHAIR	Proprietary
ANTONIO HERNÁNDEZ CALLEJAS	MEMBER	Executive
JOSE IGNACIO COMENGE SÁNCHEZ-REAL	MEMBER	Proprietary
JAVIER FERNÁNDEZ ALONSO	MEMBER	Proprietary
HERCALIANZ INVESTING GROUP, S.L.	MEMBER	Executive

% executive directors	40.00
% proprietary directors	60.00
% independent directors	0.00
% other non-executive directors	0.00

Explain the duties delegated or attributed to this committee other than those described in section C.1.9 and describe the procedures and rules of its organisation and functioning. For each of these duties, indicate the committee's most important actions during the year and how it has performed in practice each of the duties attributed to it, by law, in the articles of association or by virtue of other corporate resolutions.

Article 28.4 of the Articles of Association stipulates that the Regulations of the Board shall also contemplate the existence of a Strategy and Investment Committee, on which any Directors may sit.

The composition, organisation and procedure of the Strategy and Investment Committee are governed by the provisions common to all the committees set out in Article 22 of the Regulations of the Board and the specific provisions established in Article 24 of the Articles of Association, its powers being regulated in Article 24.3.

This Committee will have a minimum of three and a maximum of five Directors, including the Chair, appointed by the Board of Directors subject to a report by the Nomination and Remuneration Committee.

Meetings will be held when called by its Chairman or at the request of two of its members, and in any case whenever the Board of Directors requests the issuance of reports, submission of proposals or adoption of resolutions within the scope of its duties.

The Committee is competent to study, issue reports, review and submit proposals for the Board on the following matters:

- setting of targets for growth, yield and market share;
- strategic development plans, new investments and restructuring processes;
- coordination with subsidiaries in the matters contemplated in paragraphs (a) and (b) above, for the common interests and benefit of the Company and its subsidiaries.

During 2021, the Strategy and Investment Committee began defining the principal guidelines for the new Strategic Plan of the Ebro Foods Group 2022-2024.

Executive Committee		
Name	Position	Category
DEMETRIO CARCELLER ARCE	MEMBER	Proprietary
ANTONIO HERNÁNDEZ CALLEJAS	CHAIR	Executive
PEDRO ANTONIO ZORRERO CAMAS	MEMBER	Independent
JAVIER FERNÁNDEZ ALONSO	MEMBER	Proprietary

% executive directors	25.00
% proprietary directors	50.00
% independent directors	25.00
% other non-executive directors	0.00

Explain the duties delegated or attributed to this committee other than those described in section C.1.9 and describe the procedures and rules of its organisation and functioning. For each of these duties, indicate the committee's most important actions during the year and how it has performed in practice each of the duties attributed to it, by law, in the articles of association or by virtue of other corporate resolutions.

Following the appointment of Marc Thomas Murtra Millar as independent director as of 31 January 2022, filling the vacancy produced upon the resignation of Pedro Antonio Zorrero Camas (with effect from 31 December 2021), the composition of the Executive Committee is as follows:

- Antonio Hernández Callejas, Chair (executive director)
- Demetrio Carceller Arce, Member (proprietary director)
- Javier Fernández Alonso, Member (proprietary director)
- Marc Thomas Murtra Millar, Member (independent director)

Articles 19 and 27 of the Articles of Association contemplate the delegation of powers of the Board of Directors to the Executive Committee.

The composition, organisation and procedure of the Executive Committee is governed by the provisions common to all the committees set out in Article 22 of the Regulations of the Board, and the specific regulations established in Article 28.1 of the Articles of Association and Article 23 of the Regulations of the Board.

The powers of this Committee are set out in Article 23.2 of the Regulations of the Board, without prejudice to what the Board may establish in its resolution to delegate powers.

The Executive Committee shall have no fewer than three nor more than seven members, including the Chairman and Vice-Chairman of the Board, who will form part of this Committee. At least two of the Executive Committee members shall be non-executive directors and one of them shall be independent.

The Committee shall be presided by the Chairman of the Board. In general, one Executive Committee meeting will be held a month. Its meetings may be attended by such members of the management, employees and advisers of the Company as the Committee may deem fit. Without prejudice to the autonomy of decision of the Executive Committee in respect of the delegated powers, its resolutions normally being fully valid and effective without ratification by the Board, if the Chairman or three members of the Committee consider this necessary in the circumstances, the resolutions adopted by the Executive Committee shall be submitted to the Board for ratification. This will also be applicable when the Board has delegated the Committee to study certain matters while reserving for itself the ultimate decision, in which case the Executive Committee shall merely submit the corresponding proposal to the Board.

During 2021, the Executive Committee assessed several investments, divestments and sales of assets, as well as the strategic decisions to be adopted in respect of the different business lines.

Audit and Compliance Committee		
Name	Position	Category
PEDRO ANTONIO ZORRERO CAMAS	MEMBER	Independent
FERNANDO CASTELLÓ CLEMENTE	MEMBER	Independent
MERCEDES COSTA GARCÍA	CHAIR	Independent
JAVIER FERNÁNDEZ ALONSO	MEMBER	Proprietary
GRUPO TRADIFÍN, S.L.	MEMBER	Proprietary

% executive directors	0.00
% proprietary directors	40.00
% independent directors	60.00
% other non-executive directors	0.00

Explain the duties attributed to this committee, including any duties additional to those stipulated in law, and describe the procedures and rules of organisation and procedure. For each of these duties, indicate the committee's most important actions during the year and how it has performed in practice each of the duties attributed to it, by law, in the articles of association or by virtue of other corporate resolutions.

Following the appointment of Marc Thomas Murtra Millar as independent director as of 31 January 2022, filling the vacancy produced upon the resignation of Pedro Antonio Zorrero Camas (with effect from 31 December 2021), the composition of the Audit and Compliance Committee is as follows:

- Mercedes Costa García, Chair (independent director)
- Fernando Castelló Clemente, Member (independent director)
- Javier Fernández Alonso, Member (proprietary director)
- Grupo Tradifín, S.L., Member (proprietary director)
- Marc Thomas Murtra Millar, Member (independent director)

Mr. Murtra Millar has been appointed member of the Audit and Compliance Committee by virtue of his expertise and experience in the matters falling within the remit of this Committee.



The Audit and Compliance Committee is governed by the applicable legal provisions, the specific rules on its composition, organisation, procedure and powers set out in Article 28.2 of the Articles of Association and Article 24 of the Regulations of the Board, and by the provisions on organisation and procedure common to all the Committees, set out in Article 22 of the Regulations of the Board.

This Committee will have a minimum of three directors and a maximum of five.

All the members must be Non-Executive Directors, at least most of whom must be Independent Directors and they will, as a whole, be appointed on the basis of their expertise and experience in accounting, auditing and the management of financial and non-financial risks, or any of these areas.

The Committee Chair shall be appointed by the Board, subject to a report by the Nomination and Remuneration Committee, from among the committee members who are Independent Directors, taking into account their expertise and experience in accounting, auditing and the management of financial and non-financial risks, or any of these areas. The Committee Chair shall be replaced every four years and will become eligible for re-election one year after their retirement as such.

The Audit and Compliance Committee shall meet as and when called by its Chairman, or at the request of two of its members and at least once every three months. It shall also meet whenever so required by law or when the Board requests the issuance of reports, submission of proposals or adoption of resolutions within the scope of its duties.

In addition to the powers and duties established by law, the articles of association and regulations, the Audit and Compliance Committee has the duties of supervision, assessment, oversight, control and reporting to the Board of Directors established in Article 24.4 of the Regulations of the Board in each of the following areas:

- Risk management and internal control
- Policies, procedures and systems for the preparation and checking of the company's financial and non-financial reporting
- Information sent regularly to the Stock Exchange Councils, issue prospectuses and any public financial information offered by the Company and, in general, all information prepared for distribution among shareholders.
- Internal systems used for control and preparation of the separate and consolidated Annual Accounts and Directors' Report submitted to the Board to be authorised for issue
- External auditors, in aspects concerning their selection, appointment, re-appointment and replacement, their terms of contract and the scope of their commission. Independence and the provision of supplementary services.
- Internal auditors, in respect of the appointment of the department manager and annual work plan.
- Intragroup transactions and related party transactions, and the Group company or subsidiaries that are going to be submitted for authorisation by the Board
- Whistleblowing channel
- Internal codes of conduct and corporate governance rules, including the policies falling within its remit.

During 2021, the Audit and Compliance Committee performed activities of supervision, control, monitoring and reporting to the Board of Directors in respect of the matters falling within its competence, including financial reporting, non-financial reporting, annual accounts, relations with the external and internal auditors, annual work plan of the internal audit department, risk management (including tax risks) and control systems, related party transactions, conflicts of interest, whistleblowing channel, review of and reporting on the corporate policies within its area of competence, and compliance.

During 2021 the Committee also approved its 2020 activity report, made available for shareholders for the Annual General Meeting held on 30 June 2021.

The Company will issue a detailed report of all the activities performed by the Audit and Compliance Committee during 2021, which will be made available to all shareholders prior to the forthcoming Annual General Meeting 2022.

Name the member(s) of the audit committee appointed on account of their expertise and experience in accounting, auditing or both and indicate the date of appointment of the committee chair.

Names of directors with experience	PEDRO ANTONIO ZORRERO CAMAS / FERNANDO CASTELLÓ CLEMENTE / MERCEDES COSTA GARCÍA / JAVIER FERNÁNDEZ ALONSO / GRUPO TRADIFÍN, S.L. /
Date of appointment to this office of the committee chair	22/11/2018

Nomination and Remuneration Committee		
Name	Position	Category
BELÉN BARREIRO PÉREZ-PARDO	MEMBER	Independent
DEMETRIO CARCELLER ARCE	MEMBER	Proprietary
FERNANDO CASTELLÓ CLEMENTE	CHAIR	Independent
MERCEDES COSTA GARCÍA	MEMBER	Independent
GRUPO TRADIFÍN, S.L.	MEMBER	Proprietary

% executive directors	0.00
% proprietary directors	40.00
% independent directors	60.00
% other non-executive directors	0.00

Explain the duties attributed to this committee, including any duties additional to those stipulated in law, and describe the procedures and rules of organisation and functioning. For each of these duties, indicate the committee's most important actions during the year and how it has performed in practice each of the duties attributed to it, by law, in the articles of association or by virtue of other corporate resolutions.

The Nomination and Remuneration Committee is governed by the applicable legal provisions, the specific rules on composition, organisation and procedure established in Article 28.3 of the Articles of Association and Article 25 of the Regulations of the Board and the provisions on organisation and procedure common to all the committees set out in Article 22 of the Regulations of the Board.

The powers of the Nomination and Remuneration Committee are regulated in Article 25.4 of the Regulations of the Board, without prejudice to any others that may be assigned to it by law, the Articles of Association or the Regulations of the Board.

The Nomination and Remuneration Committee will have a minimum of three and a maximum of five non-executive directors, at least two of which must be Independent Directors. The members are appointed by the Board of Directors.

The Board will appoint one of the Independent Directors who are members of the Nomination and Remuneration Committee to chair it, subject to a report by that Committee.

Meetings will be held when called by its Chairman or at the request of two of its members and at least once every three months. It shall also meet whenever so required by law or when the Board of Directors requests the issuance of reports, submission of proposals or adoption of resolutions within its remit.

Pursuant to Article 25.4 of the Regulations of the Board, the Nomination and Remuneration Committee is competent to study, issue reports and submit proposals to the Board on the following matters:

- selection of candidates to join the Board of Directors;
- appointment of the Chairman, and Vice-Chairman if any, of the Board, Managing Director(s), Lead Independent Director and the Secretary, and Vice-Secretary if any, of the Board;
- succession of the Chairman and chief executive;
- appointment of directors to the Committees of the Board of Directors;
- appointment and possible dismissal of senior executives and their termination benefit clauses;
- directors' emoluments, according to the system of remuneration established in the Articles of Association and the executive directors' relationship with the Company;
- remuneration of directors and executives indexed to the value of the shares in the Company or its subsidiaries or consisting of the delivery of shares in the Company or its subsidiaries or the granting of options thereover;
- selection policy for directors, targets for the representation of the least represented gender on the Board and issuance of guidelines on how to achieve them;
- remuneration policy for directors and senior management of the Company and Group subsidiaries;
- management training, promotion and selection policy in the Company and Group subsidiaries;
- Annual Report on Directors' Remuneration.

With regard to the activities of the Nomination and Remuneration Committee during 2021, following the appropriate studies and assessments, the Committee has drawn up the proposals and issued the corresponding favourable reports to the Board of Directors in respect of the following: (i) appointment and re-election of directors and their assignment to the different Committees of the Board of Directors, and assessment of the appointment of the representative of a corporate director; (ii) analysis of the composition of the Board with regard to the afore-mentioned appointments and re-elections; (iii) review of the Directors' Remuneration Policy 2019-2021 and other policies falling within its remit; (iv) new Directors' Remuneration Policy 2022-2024; (v) remuneration systems and remuneration of directors, including the Executive Chairman, and of the key executives of the Company and its Group; (vi) Corporate Governance Report and Directors' Remuneration Report for 2021; (vii) Share-Based Remuneration Plan for Group employees for 2021; and (viii) self-assessment procedure for the Board of Directors, Chairman and Committees for 2020, with assistance from an independent external consultant.

The Committee also approved during 2021 its 2020 activity report, made available for shareholders for the Annual General Meeting of 30 June 2021.

The Company will issue a detailed report of all the activities performed by the Nomination and Remuneration Committee during 2021, which will be made available to all shareholders for the forthcoming Annual General Meeting 2022.

C.2.2 Complete the following table with information on the number of female directors on the board committees over the past four years:

	Number of female directors							
	2021		2020		2019		2018	
	No.	%	No.	%	No.	%	No.	%
Strategy and Investment Committee	0	0.00	0	0.00	0	0.00	0	0.00
Executive Committee	0	0.00	0	0.00	0	0.00	0	0.00
Audit and Compliance Committee	2	40.00	2	40.00	3	60.00	2	40.00
Nomination and Remuneration Committee	3	60.00	3	60.00	2	50.00	1	25.00

C.2.3 Indicate the existence, if appropriate, of regulations of the board committees, where they are available for consultation and any modifications made during the year. State whether an annual report has been issued voluntarily on the activities of each committee.

In general, Article 28 of the Articles of Association establishes the basic regulation of the Committees of the Board, contemplating the existence and composition of: (i) the Executive Committee, (ii) the Audit and Compliance Committee and (iii) the Nomination and Remuneration Committee. It also refers to the Regulations of the Board regarding the possible existence of a Strategy and Investment Committee.

The Regulations of the Board regulate the Board committees in the following specific provisions:

- General provisions applicable to all the Committees: Article 22
- Executive Committee: Article 23
- Audit and Compliance Committee: Article 24
- Nomination and Remuneration Committee: Article 25
- Strategy and Investment Committee: Article 26

The Regulations of the Board also contemplate in different articles the powers of the different Committees of the Board in different areas (e.g. modification of the Regulations).

As a result of the amendment of the Regulations of the Board approved by the Board of Directors on 15 December 2021, changes have been made to the regulations of the Executive Committee, the Audit and Compliance Committee and the Nomination and Remuneration Committee in such aspects as have been deemed fit to adapt them to the Corporate Enterprises Act following the amendment thereto by virtue of Act 5/2021. See section C.1.15 in this respect.

Both the Articles of Association and the Regulations of the Board are available for consultation on the corporate website ([www.ebrofoods.es](http://www.ebrofoods.es)). The Regulations of the Board are also published and available for consultation on the website of the National Securities Market Commission ([www.cnmv.es](http://www.cnmv.es)). Both texts are delivered to the Directors when they are appointed, together with the Regulations of the General Meeting, the Internal Code of Market Conduct, the Internal Code of Conduct and the Policies of the Ebro Foods Group, among other documents.

Both the Audit and Compliance Committee and the Nomination and Remuneration Committee issue annual activity reports, which are submitted to the Board of Directors for its information and consideration within the assessment of the Board and its Committees. Those activity reports are made available for shareholders on the corporate website [www.ebrofoods.es](http://www.ebrofoods.es) coinciding with the call to the Annual General Meeting.

#### **D. RELATED PARTY AND INTER-COMPANY TRANSACTIONS**

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- D.1.** Explain the procedure, if any, and bodies competent to approve related party and inter-company transactions, indicating the internal criteria and general rules of the organisation regulating the obligations of affected directors or shareholders to abstain and defining the internal procedures on reporting and regular control established by the company in relation to the related party transactions whose approval has been delegated by the Board.

Article 24 of the Regulations of the Board vests in the Audit and Compliance Committee the power to: (i) oversee related party transactions and report to the Board or the General Meeting, as the case may be, prior to their approval, on the related party transactions to be submitted for its approval; and (ii) supervise the internal procedure, if any, established by the company for those transactions whose approval has been delegated.

In general, Article 37 of the Regulations of the Board establishes that other than in the cases in which this power is reserved by law to the General Meeting, related party transactions must be reported to and approved by the Board, subject to a report by the Audit and Compliance Committee.

Article 37 of the Regulations provides that:

- Related Party Transactions made for an amount or value equal to or greater than 10% of the total consolidated assets, as per the latest consolidated annual balance sheet approved by the company, require approval by the General Meeting.

- All other Related Party Transactions shall be approved by the Board, which may not delegate this power unless: (i) they are made with Group companies within the scope of ordinary business and on arm's length terms, or (ii) they are made under standard form contracts used generally with a large number of clients, at prices or rates established generally by the supplier of the goods or provider of the services in question and provided the amount of the transaction does not exceed 0.5% of the company's consolidated net turnover.

- Whenever, in accordance with the preceding paragraph, the Board delegates the approval of related party transactions, the Board shall establish an internal procedure for regular reporting and control in order to verify the fairness and transparency of those transactions and, as the case may be, compliance with the applicable legal provisions.

- The Audit and Compliance Committee shall issue a report prior to approval of any Related Party Transactions by the General Meeting or the Board. In that report, the Committee shall assess whether the transactions are fair and reasonable for the company and, where appropriate, for shareholders other than the related party involved in the transaction, explaining the assumptions on which its assessment is based and the methods employed. No members of the Audit and Compliance Committee affected by the Related Party Transactions may participate in the preparation of this report. This report will not be obligatory for Related Party Transactions whose approval has been delegated by the Board, whenever this is permitted by law and contemplated in the Regulations of the Board.

- The Board shall ensure publication of any Related Party Transactions made by the company or Group companies for a sum equal to or greater than 5% of the total value of consolidated assets or 2.5% of the annual consolidated turnover of the Company or its Group.

For this purpose, an announcement containing the details required by law shall be published in an easily accessible part of the company's website and sent to the National Securities Market Commission. The announcement shall be published and remitted no later than the date of the Related Party Transaction, and shall be accompanied by the report, if any, issued by the Audit and Compliance Committee.

- The amount of a Related Party Transaction shall be determined by adding up the value of all transactions made with the same counterparty within the past twelve months.

Finally, the company makes intragroup transactions on arm's length terms, documenting them according to the requirements of the laws (essentially tax laws) in place in each jurisdiction. This is one of the practices required by the Risk Management and Control Policy established in the Ebro Group.

- D.2.** Give the individual details of any transactions for a significant amount or object between the company and/or companies in its group and shareholders holding 10% or more of the voting rights or represented on the board of directors of the company, stating which body was responsible for approving them and whether any affected director or shareholder has abstained. If the General Meeting was competent, state whether the proposed resolution was passed by the board without votes against by the majority of independent directors:

	Name of shareholder or any of its subsidiaries	% Interest	Name of subsidiary	Amount (thousand euros)	Body that approved transaction	Identification of significant shareholder or director who abstained	The proposal to the General Meeting, if any, was approved by the Board without votes against by the majority of independent directors
(1)	CORPORACIÓN FINANCIERA ALBA, S.A.	14.44	---	25,040	General Meeting of Shareholders (annual and extraordinary)	---	YES
(2)	SOCIEDAD ANÓNIMA DAMM	11.69	Compañía Cervecera Damm, S.L.	5,262	Board of Directors without votes against by majority of independent directors	Demetrio Carceller Arce and María Carceller Arce	NO
(3)	SOCIEDAD ANÓNIMA DAMM	11.69	Estrella de Levante, S.A.	1,397	Board of Directors without votes against by majority of independent directors	Demetrio Carceller Arce and María Carceller Arce	NO
(4)	SOCIEDAD ANÓNIMA DAMM	11.69	Alfil Logistics, S.A.	7	Board of Directors without votes against by majority of independent directors	Demetrio Carceller Arce and María Carceller Arce	NO
(5)	CORPORACIÓN ECONÓMICA DELTA, S.A.	11.69	---	20,498	General Meeting of Shareholders (annual and extraordinary)	---	YES
(6)	ALIMENTOS Y ACEITES, S.A.	10.36	---	18,172	General Meeting of Shareholders (annual and extraordinary)	---	YES
(7)	HERCALIANZ INVESTING GROUP, S.L.	8.62	Instituto Hispánico del Arroz, S.A.	11,662	Board of Directors without votes against by majority of independent directors	Hercalianz Investing Group, S.L., Antonio Hernández Callejas y Grupo Tradifín, S.L.	NO
(8)	HERCALIANZ INVESTING GROUP, S.L.	8.62	---	14,984	General Meeting of Shareholders (annual and extraordinary)	---	YES
(9)	GRUPO TRADIFÍN, S.L.	7.96	Cabher 96, S.L.	28	Board of Directors without votes against by majority of independent directors	Grupo Tradifín, S.L., Antonio Hernández Callejas and Hercalianz Investing Group, S.L.	NO

	Name of shareholder or any of its subsidiaries	% Interest	Name of subsidiary	Amount (thousand euros)	Body that approved transaction	Identification of significant shareholder or director who abstained	The proposal to the General Meeting, if any, was approved by the Board without votes against by the majority of independent directors
(10)	GRUPO TRADIFÍN, S.L.	7.96	---	13,964	General Meeting of Shareholders (annual and extraordinary)	---	YES
(11)	EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	7.83	---	13,729	General Meeting of Shareholders (annual and extraordinary)	---	YES
(12)	JOSE IGNACIO COMENGE SÁNCHEZ-REAL	5.20	Mendibea 2002, S.L.	9,120	General Meeting of Shareholders (annual and extraordinary)	---	YES
(13)	JOSE IGNACIO COMENGE SÁNCHEZ-REAL	5.20	---	3	General Meeting of Shareholders (annual and extraordinary)	---	YES
(14)	ANTONIO HERNÁNDEZ CALLEJAS	0.00	Luis Hernández González	42	Board of Directors without votes against by majority of independent directors	Antonio Hernández González, Herculanz Investing Group, S.L. and Grupo Tradifín, S.L.	NO

	Name of shareholder or any of its subsidiaries	Nature of relationship	Type of transaction and other information necessary for evaluation
(1)	CORPORACIÓN FINANCIERA ALBA, S.A.	Corporate	Dividends paid
(2)	SOCIEDAD ANÓNIMA DAMM	Commercial	Sale of rice and rice by-products on arm's length terms
(3)	SOCIEDAD ANÓNIMA DAMM	Commercial	Sale of rice and rice by-products on arm's length terms
(4)	SOCIEDAD ANÓNIMA DAMM	Commercial	Freight services received on arm's length terms
(5)	CORPORACIÓN ECONÓMICA DELTA, S.A.	Corporate	Dividends paid

	Name of shareholder or any of its subsidiaries	Nature of relationship	Type of transaction and other information necessary for evaluation
(6)	ALIMENTOS Y ACEITES, S.A.	Corporate	Dividends paid
(7)	HERCALIANZ INVESTING GROUP, S.L.	Commercial	See information on and breakdown of transactions in "COMMENTS"
(8)	HERCALIANZ INVESTING GROUP, S.L.	Corporate	Dividends paid
(9)	GRUPO TRADIFÍN, S.L.	Commercial	Purchase of rice harvest at price and on terms applied in comparable transactions
(10)	GRUPO TRADIFÍN, S.L.	Corporate	Dividends paid
(11)	EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	Corporate	Dividends paid
(12)	ON JOSE IGNACIO COMENGE SÁNCHEZ-REAL	Corporate	Dividends paid
(13)	JOSE IGNACIO COMENGE SÁNCHEZ-REAL	Corporate	Dividends paid
(14)	ANTONIO HERNÁNDEZ CALLEJAS	Contractual	Real estate lease (expense) on arm's length terms

1. The related party transactions made with shareholders (or their related parties) which, in their capacity as such, are represented or hold a position on the Board are indicated in this section.

2. Information and breakdown of transactions with Instituto Hispánico del Arroz, S.A.:

With regard to the transactions made with Instituto Hispánico del Arroz, S.A. indicated in this section D.2, it should be noted that the directors and significant shareholders Grupo Tradifin, S.L. and Heralianz Investing Group, S.L. each own 50% of Instituto Hispánico del Arroz, S.A., with which the Ebro Group frequently enters into commercial transactions on arm's length terms. The transactions made by the Ebro Group with that company and its subsidiaries during 2021 have been set down in this section as related to the director Heralianz Investing Group, S.L., although they should also be considered related to the director Grupo Tradifin, S.L. by virtue of the 50% interest that this director has in Instituto Hispánico del Arroz, S.A.

The breakdown of transactions made by the Ebro Group with Instituto Hispánico del Arroz, S.A. (related to the directors Grupo Tradifin, S.L. and Heralianz Investing Group, S.L.) declared in this section is as follows:

- national and international commodity purchases: quinoa and different varieties of rice, for 9,521 thousand euros;
- national and international commodity sales: quinoa and different varieties of rice (harvest and grain), marine plankton and crop protection products, for 1,360 thousand euros;
- services rendered, essentially royalties and import licences, for 50 thousand euros;
- services received, essentially royalties and import licences, for 289 thousand euros;
- leases (expense) of offices, raw material warehouses and extended rice storage, for 442 thousand euros.

The Board of Directors took the following criteria in account when approving the above transactions:

- internal comparables: price and terms applied in purchase and sale transactions and services rendered and received comparable with unrelated third parties;

- external comparables: when there are no internal comparables, the price and terms of similar products on the national or international market has been taken (based on information obtained from stock markets and other public information); and

- other comparables: when there are no internal or external comparables, other aspects have been analysed, such as the return obtained on resale.

**D.3.** Give the individual details of any transactions for a significant amount or object between the company and/or companies in its group and the directors or executives of the company, including any transactions made with companies that the director or executive controls or jointly controls, stating which body was responsible for approving them and whether any affected director or shareholder has abstained. If the General Meeting was competent, state whether the proposed resolution was passed by the board without votes against by the majority of independent directors:

	Name of directors or executives or companies under their control or joint control	Name of company or subsidiary	Relationship	Amount (thousand euros)	Body that approved transaction	Identification of significant shareholder or director who abstained	The proposal to the general meeting, if any, was approved by the board without votes against of the majority of independent directors
(1)	FERNANDO CASTELLÓ CLEMENTE	---	---	2,631	General Meeting of Shareholders (annual and extraordinary)	---	YES
(2)	DEMETRIO CARCELLER ARCE	Inversiones Las Parras de Castellote, S.L.	Corporate	188	General Meeting of Shareholders (annual and extraordinary)	---	YES
(3)	DEMETRIO CARCELLER ARCE	---	---	11	General Meeting of Shareholders (annual and extraordinary)	---	YES
(4)	MARÍA CARCELLER ARCE	Mahoganyseppl, S.L.	Corporate	5	General Meeting of Shareholders (annual and extraordinary)	---	YES
(5)	MARÍA CARCELLER ARCE	---	---	23	General Meeting of Shareholders (annual and extraordinary)	---	YES

	Name of directors or executives or companies under their control or joint control	Nature of the transaction and other information necessary for its evaluation
(1)	FERNANDO CASTELLÓ CLEMENTE	Dividends paid



	Name of directors or executives or companies under their control or joint control	Nature of the transaction and other information necessary for its evaluation
(2)	DEMETRIO CARCELLER ARCE	Dividends paid
(3)	DEMETRIO CARCELLER ARCE	Dividends paid
(4)	MARÍA CARCELLER ARCE	Dividends paid
(5)	MARÍA CARCELLER ARCE	Dividends paid

It should also be noted that during 2021 Ebro Foods, S.A. distributed a sum of 54 thousand euros as dividends to the executives listed in section C.1.14 of this Report.

- D.4.** Give the individual details of any inter-company transactions for a significant amount or object between the company and its parent or other companies in the parent's group, including the subsidiaries of the listed company, unless any other related party of the listed company has interests in those subsidiaries or the latter are fully owned, directly or indirectly, by the listed company.

In any case, inform on any inter-company transactions with companies established in countries or territories considered tax havens:

Name of group company	Brief description of the transaction	Amount (thousand euros)
No details		

Ebro Foods, S.A. has a 40% interest in Riso Scotti S.p.A., an associate consolidated by the equity method.

Riso Scotti S.p.A. is an Italian company with business activities similar to the objects of Ebro Foods, S.A.

The transactions made from 1 January to 31 December 2021 between companies in the Ebro Group and Riso Scotti (an associate that is not part of the Ebro Group) are indicated below:

- Ebro Foods, S.A.: Dividends received 1,000 thousand euros;
- Arotz Foods, S.A.: Purchase of goods (finished or otherwise) 34 thousand euros;
- Herba Ricemills, S.L.U.: Purchase of goods (finished or otherwise) 389 thousand euros;
- Herba Ricemills, S.L.U.: Sale of goods (finished or otherwise) 6,050 thousand euros;
- Mundiriso, S.R.L.: Purchase of goods (finished or otherwise) 842 thousand euros;
- Mundiriso, S.R.L.: Sale of goods (finished or otherwise) 1,180 thousand euros;
- Arrozeiras Mundiarroz, S.A.: Purchase of goods (finished or otherwise) 122 thousand euros;
- Geovita Functional Ingredients, S.R.L.: Purchase of goods (finished or otherwise) 224 thousand euros;
- Geovita Functional Ingredients, S.R.L.: Sale of goods (finished or otherwise) 613 thousand euros;
- Herba Bangkok, S.L.: Sale of goods (finished or otherwise) 704 thousand euros;
- Herba Ingredients Group: Sale of goods (finished or otherwise) 110 thousand euros.

- D.5.** Give the individual details of any transactions for a significant amount or object between the company or group companies and other related parties that are so pursuant to the International Accounting Standards adopted by the EU and that have not been reported in the preceding sections.

Name of related party	Brief description of the transaction and other information necessary for its evaluation	Amount (thousand euros)
FÉLIX HERNÁNDEZ CALLEJAS	IT services rendered (income) between a subsidiary of the Ebro Foods Group and Hernández Barrera Servicios, S.A.	4
FÉLIX HERNÁNDEZ CALLEJAS	Legal and tax counselling services received (expense) between a subsidiary of the Ebro Foods Group and Hernández Barrera Servicios, S.A.	300

Hernández Barrera Servicios, S.A. is related to Félix Hernández Callejas, who represents the corporate director Heralianz Investing Group, S.L. on the Board of Directors of Ebro Foods, S.A.

**D.6.** Describe the mechanisms established to detect, define and resolve possible conflicts of interest between the company and/or its group, and its directors, executives, significant shareholders or other related parties.

Apart from the powers of the General Meeting and the Board of Directors on conflicts of interest of the Directors, under Article 24 of the Regulations of the Board, the Audit and Compliance Committee has the power to settle any conflicts of interest that may arise between the company or the group and its Directors, executives, significant shareholders and listed subsidiaries, if any (which is not the case).

With regard to the Directors, Article 36 of the Regulations of the Board provides that Directors may not perform activities for their own or third party account that effectively or potentially compete with the Company or which otherwise puts them in a permanent conflict of interest with the company; and Article 37.1 establishes the obligation of Directors to take such measures as may be necessary to avoid situations in which their interests, for their own or third party account, may conflict with the corporate interests and their duties to the Company.

For this purpose, Article 38 of the Regulations of the Board stipulates that Directors shall inform the Board of any direct or indirect conflict of interest that they or any of their related parties may have with the Company. Furthermore, pursuant to Article 32.4 of the Regulations of the Board, Directors shall abstain from participating in the corresponding debates and voting on resolutions or decisions in which they or any person related to them has a direct or indirect conflict of interest, except in the cases in which they are authorised by law to participate in the discussion and voting.

The current Internal Code of Market Conduct establishes for Relevant Persons (Directors, senior executives and their closely related parties) certain prohibitions and limitations on trading in the Company's shares and disclosure of information, and also a penalty system for any breaches thereof.

It also stipulates that Relevant Persons other than directors may submit queries to the Compliance Unit regarding the application of the prohibited actions contemplated in Rule 6. Directors may submit any queries they may have directly to the Company Secretary.

Every year, when preparing the Financial Reporting, annual accounts and Annual Corporate Governance Report, the Directors (and representatives of corporate directors) are asked for information on: (i) any transactions that they or their related parties may have made with the Company and/or subsidiaries of the Group (the same information is also requested of the significant shareholders of the company); (ii) possible conflicts of interest as per section 229 of the Corporate Enterprises Act directly or indirectly involving the director, its representative or related parties; and (iii) any other possible conflicts of interest.

Finally, it should be noted that during 2022 the company has approved and implemented a Protocol on Related Party Transactions (the "Protocol"), to enable the detection and treatment of related party transactions in the terms stipulated in the new provisions on related party transactions in the Corporate Enterprises Act, following its amendment by virtue of Act 5/2021 of 12 April.

The Protocol was approved by the Board on 28 February 2022, following a favourable report by the Audit and Compliance Committee.

Based on that Protocol, the company has established the following procedures:

- for communication between the company and its related parties to identify in advance any transactions to be made with the latter;
- for controlling potential transactions identified that are going to be made;
- for analysing the transactions identified with a view to determining: (i) whether the prerequisites exist to consider it a "related party" transaction; (ii) whether, according to the applicable legal provisions, the related party transaction should be announced; and (iii) which body is responsible for approving it, depending on the transaction;
- for subsequent monitoring of third party transactions to check that the transactions declared in the Periodical Public Reporting, Annual Accounts and Annual Corporate Governance Report: (i) correspond to the ones recorded in the corporate accounts; and (ii) are in keeping with those previously identified.

The Protocol is also applicable to the transactions made between the company and its subsidiaries or investees, in which a party related to the company has an interest.

**D.7.** Indicate whether the Company is controlled by another entity, listed or otherwise, in the sense of Article 42 of the Commercial Code and has business relations, directly or through its subsidiaries, with that entity or any of its subsidiaries (other than those of the listed company) or performs activities related with those of any of the latter.

[ ] Yes  
[ v ] No

## **E. RISK MANAGEMENT AND CONTROL SYSTEMS**

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**E.1.** Explain the scope of the company's financial and non-financial Risk Management and Control System, including tax risks.

As an integral part of the corporate policies passed by the Board, the Risk Management and Control Policy lays down the basic principles and the general framework for control and management of the business risks, including tax risks, and internal control of financial reporting to which Ebro Foods, S.A. and other companies in its Group are exposed.

Within this general framework, the integral, homogenous Risk Management and Control System is based on the preparation of a business risk map, through which, by pinpointing, assessing and grading of the risk management capacity, the risks are ranked from greater to lesser impact for the Group and by probability of occurrence. The risk map also identifies methods for mitigating or neutralising the risks detected.

The risk universe is structured in four main groups: compliance, operational, strategic and financial, and they are all subdivided into a large number of categories.

The risk classification process dynamically assesses both the inherent risk and the residual risk after application of the internal controls and action protocols established to mitigate them. These controls include preventive controls, adequate separation of duties, clear levels of authorisation and definition of policies and procedures. These controls can in turn be grouped into manual and automatic, made by data processing applications. This model is both qualitative and quantitative and can be measured in the Group's results, for which purpose the risk level is considered acceptable or tolerable on a corporate level.

The Risk Management and Control System is dynamic, so the risks to be considered vary according to the circumstances in which the Group is operating. The risks associated with the COVID 19 pandemic, those related with the supply and cost of raw materials and those related with cybersecurity were especially important during 2021.

**E.2.** Name the corporate bodies responsible for preparing and implementing the financial and non-financial Risk Management and Control System, including tax risks.

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

- The Board of Directors, as ultimately responsible, defines the policy for control and management of risks, including tax risks, and control of financial reporting. Article 17.3 of the Regulations of the Board provides that the Board shall receive information on the most important aspects of business management and any foreseeable risk situations for the Company and its subsidiaries, together with the actions proposed by the senior management in respect thereof.
- The Audit and Compliance Committee, through the Risks Committee, performs the duties of oversight and monitoring of the financial reporting and risk control systems, reporting regularly to the Board on any significant aspects arising in these areas. It is responsible for supervising and promoting internal control of the Group and the risk management systems and submitting recommendations to the Board on the risk control and management policy and possible mitigation measures in those areas.
- The Risks Committee, based on the policy established by the Board of Directors and under the supervision of and reporting to the Audit and Compliance Committee, is specifically responsible for coordinating and monitoring the system for management and control of risks, including tax risks, and control of the Group's financial reporting. The Risks Committee also analyses and assesses the risks associated with new investments.
- The Management Committees of the core business units of the Group, on which the Chairman of the Board and the Chief Operating Officer (COO) sit, assess the risks and decide on mitigation measures.
- Risk officers of the core business units of the Group. The major subsidiaries of the Group have officers responsible for monitoring the financial reporting risk (including tax risks) control and management systems and reporting to the Risks Committee.
- Internal Audit Department. Within the internal audits of the different subsidiaries, the Company's Internal Audit Department checks that the testing and control of the financial reporting and risk management systems have been performed adequately in accordance with the indications by the Risks Committee and Audit and Compliance Committee.

- E.3.** Define the main financial and non-financial risks, including tax risks and, to the extent that they may be significant, those deriving from corruption (the latter within the scope of Royal Decree Law 18/2017), that could have a bearing on achievement of the company's business goals.

The main risks that might have a bearing on achievement of the business goals set by the Ebro Foods Group are listed below and explained in greater detail in Explanatory Note Three in section H of this Report.

**A. OPERATIONAL RISKS:**

- Food safety risk
- Commodity supply risk
- Market (prices) risk
- Customer concentration risk
- Technological risk
- Cybersecurity

**B. RISKS RELATED WITH THE ENVIRONMENT AND STRATEGY:**

- Environmental risk
- Climate risk
- Competition risk
- Reputational risk
- Social network exposure
- Changes in lifestyle
- Country or market risk
- Natural disasters, fires
- Strategic planning and assessment of strategic opportunities for investment or divestment

**C. COMPLIANCE RISKS:**

- Sectoral regulatory risk
- General regulatory risk
- Tax risks

**D. FINANCIAL RISKS:**

- Foreign exchange risk
- Interest rate risk
- Liquidity risk
- Credit risk

- E.4.** State whether the company has a risk tolerance level, including one for tax risks.

Risks are measured by both inherent and residual risk.

A scorecard is made each year of the principal ten risks to which the Group may be exposed (the TOP TEN), which are rated and measured as far as possible. If the economic consequences of a risk could cause a loss (or a loss of profit) of more than 5% of the consolidated EBITDA budgeted, or over 20% of the individual EBITDA of a business, it is considered a threat requiring corporate action.

In general, the heads of the different business units and the Management Committee of each unit define the risks affecting their respective businesses, assess the possible economic impact of those risks and, in view of the specific prevailing circumstances, establish whatever mitigation measures they deem fit.

Without prejudice to the supervision by the Risks Committee and Audit and Compliance Committee, the Management Committee of each unit implements and monitors the mitigation measures taken and assesses the results thereof.

This notwithstanding, when a threat is identified that requires action on a corporate level (as mentioned in the first paragraph above), the persons responsible for risk management and control in the corresponding unit inform the Risks Committee of the situation, proposing such mitigation measures as they may consider adequate. The Risks Committee assesses the situation and the sufficiency and suitability of the proposed mitigation measures, supplementing them with additional measures should it deem fit, reporting to the Audit and Compliance Committee.

The Board of Directors is promptly informed on the risks that have materialised and the mitigation measures adopted, both through the report submitted regularly on the matter by the Audit and Compliance Committee and through the information given at all Board meetings on the development of business. In addition, the Board receives every year the minutes of the Risks Committee meetings held in the previous year to supplement the information provided regularly by the Audit and Compliance Committee throughout the year. This reinforces the most direct monitoring of risk control by the Board and, should they deem fit in the light of the Risks Committee minutes, the directors may request further information on any risk reported or the mitigation measures implemented.

**E.5. What financial and non-financial risks, including tax risks, have occurred during the year?**

The financial and non-financial risks, including tax risks, that have occurred during 2021 and the first few months of 2022 (up to the date of writing this report) are listed below and explained in further detail in Explanatory Note Four in section H of this report:

**A. COVID 19**

**B. SUPPLY RISKS**

- Transport
- Rice sources
- Durum wheat harvest
- Other materials and energy

**C. CYBERSECURITY**

**D. COUNTRY RISK**

- Brexit
- Ukraine crisis

**E.6. Explain the response and supervision plans for the main risks, including tax risks, to which the company is exposed and the procedures followed to ensure that the board of directors provides solutions for any new challenges that may arise.**

The Management Committees of each business unit are responsible for monitoring its risk supervision system. Management committees usually meet monthly to analyse any risks that may have materialised and design and monitor the contingency plans and actions taken to mitigate them. Control and monitoring of the economic variables in each subsidiary against the corresponding budget also ensures the immediate detection of unforeseen risk situations. The subsidiaries with greatest weight within the Group, such as the North American subsidiaries, have "Crisis Management Plans" (CMP), which specify the main risks to which the company is exposed, the protocols for responding to them and the company officers responsible for implementation.

This notwithstanding, when a threat is identified that requires action on a corporate level (see section E.4), the persons responsible for risk management and control in the corresponding unit must inform the Risks Committee of the situation, proposing such mitigation measures as may be considered adequate. The Risks Committee assesses the situation and the sufficiency and suitability of the proposed mitigation measures, supplementing them with additional measures should it deem fit. The Risks Committee reports regularly to the Audit and Compliance Committee on the actions taken and plans proposed and the latter in turn reports on all this to the Board of Directors (without prejudice to the Board's knowledge of the most important situations through its thorough monitoring of business at each Board meeting and the annual remittance to the Board of the minutes of all the Risks Committee meetings held during the preceding year).

The measures to control, reduce and, as the case may be, mitigate the risks are established according to the following basic criteria:

- They shall seek to neutralise the risk detected, maintaining coherence between the importance of the risk and the cost and means required to neutralise it.
- If neutralisation is not feasible, measures shall be designed to reduce the potential economic consequences, if possible to within tolerance levels.
- The management and control shall, as far as possible, forestall rather than remedy.
- The control mechanisms shall adequately separate management and oversight.
- The different people responsible for risk management shall coordinate their actions to be efficient, seeking the utmost integration between control systems.

- Maximum transparency shall be ensured in the identification and assessment of risks, specification and implementation of mitigation measures and assessment of the results of those measures.
- Compliance must be guaranteed with the requirements of internal reporting to the bodies responsible for supervision and control.

## **F. INTERNAL RISK MANAGEMENT AND CONTROL SYSTEMS FOR FINANCIAL REPORTING (ICFR)**

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Describe the mechanisms comprising the internal control over financial reporting (ICFR) of your company.

### **F.1. Control environment**

Report on at least the following, describing their principal features:

**F.1.1** What bodies and/or units are responsible for: (i) the existence and maintenance of an adequate and effective ICFR, (ii) its implementation and (iii) its oversight?

As established in its Regulations, the Board of Directors is ultimately responsible for the existence, maintenance and oversight of an adequate, effective internal control system for the company's financial reporting (ICFR).

The Audit and Compliance Committee is responsible for: (i) supervising and promoting the procedures and systems used to prepare and control the company's financial reporting; (ii) checking any public financial information; and (iii) ensuring implementation of and compliance with the internal regulations and codes applicable to the risk management and control systems in relation to the financial reporting process.

The Management Committee is responsible for the design, implementation and functioning of the ICFR through the Group Finance Department and the Finance Departments of the different business units. The different general managements are responsible for effective implementation of these systems within their respective areas of activity. There are also officers responsible for the different processes documented within the ICFR, who must ensure that those processes are kept up to date, informing the Risks Committee, through the finance department and general management of the corresponding business unit, of any modifications or adaptations required.

The Risks Committee, reporting to the Audit and Compliance Committee, is specifically responsible for coordinating and monitoring the system for management and control of risks, including tax risks, and controlling the Group's financial reporting.

**F.1.2** State whether the following elements exist, especially in respect of the financial reporting process:

- Departments and/or mechanisms responsible for: (i) designing and reviewing the organisational structure; (ii) clearly defining the lines of responsibility and authority, with an adequate distribution of tasks and duties; and (iii) ensuring that there are sufficient procedures for adequately informing the company:

As established in its Regulations, the Board of Directors is responsible for defining the general strategy and guidelines for management of the Company and its Group and encouraging and supervising the actions taken by the senior officers, establishing an organisational structure that will guarantee the utmost efficiency of the senior management and the management team in general.

According to the Regulations of the Board, the Nomination and Remuneration Committee is responsible for checking the criteria followed regarding the composition and structure of the Board and for selecting candidates for the Board. It also nominates the Chairman, CEO or managing director(s) and Secretary of the Board and proposes the assignment of Directors to the different Board Committees.

In turn, under the policies approved by the Board, the Nomination and Remuneration Committee supervises the senior executive remuneration and incentives policy.

Within each group company, the organisational structure of the units participating in the preparation of financial reporting depends on several factors, such as the volume of operations or type of business, but in all cases it corresponds to the need to cover the main duties of recording, preparing, checking and reporting the operations performed and the economic and financial position of the company. The Executive Chairman, Chief Operating Officer (COO) and executives of the different business units of the Ebro Foods Group participate actively in the management committees of the Group's subsidiaries, thereby ensuring direct communication through the lines of responsibility and authority.

The senior management and the human resources departments of the Group and each of the Group subsidiaries are responsible for designing the organisational structure according to local needs. The most important subsidiaries have organisation charts that include a description of the duties and responsibilities of the main areas participating in the internal control of financial reporting.

The different job descriptions of positions and responsibilities are maintained by the Human Resources Department of each subsidiary and the management of all the subsidiaries, especially the financial management, are informed of any new member of a subsidiary.

- Code of conduct, body responsible for its approval, degree of publicity and instruction, principles and values included (stating whether there is any specific mention of the recording of transactions and preparation of financial reporting), body responsible for analysing default and proposing corrective measures and penalties:

The Code of Conduct of the Ebro Group, an update of the earlier Codes of Ethics and Conduct drawn up by the Ebro Foods Group in 2003, 2008 and 2012, was approved by the board on 25 November 2015 and all levels of the organisation were notified.

The Code of Conduct provides guidance on how to act in the Group's internal and external relationships, strengthening the values that distinguish us and establishing a basic reference to be followed by the Group.

The Code aims to:

- Be a formal, institutional reference for personal and professional conduct
- Guarantee the responsible, ethical behaviour of all the Group's professionals in their work
- Reduce the element of subjectivity in personal interpretations of moral and ethical principles
- Create a standardisation tool to guarantee progressive implementation throughout the Group of the ten principles of the UN Global Compact
- Grow responsibly and committed to all our stakeholders.

As established in the Code of Conduct, the Group assumes a principle of conduct based on transparent reporting, consisting of an undertaking to report reliable financial, accounting or other information to the markets. Accordingly, the company's internal and external financial reporting will give a true and fair view of its real economic, financial and equity situation according to generally accepted accounting principles.

Employees formally sign the Code of Conduct when they join the workforce of most Group companies and all new Group employees during the year were informed and given a copy of the Code.

The Code of Conduct is published in the Intranet, where it can be consulted by any employee, and on the Group's website.

The Audit and Compliance Committee is responsible for monitoring and controlling application of the Code. The Compliance Unit, which has sufficient initiative, autonomy and resources, is responsible, among other duties, for assisting the Audit and Compliance Committee in the supervision of compliance, publication and interpretation of the Code of Conduct.

Ebro Foods, through its Secretary, has an e-mail address to which any Group employee may send queries and suggestions regarding the interpretation of the Code of Conduct.

The Audit and Compliance Committee reports regularly to the Group's Board of Directors on any queries raised in respect of the interpretation and application of the Code of Conduct, how they have been solved and, where appropriate, the interpretation criteria followed.

The Code of Conduct provides that any violation or breach of the Code that is classified as a labour offence shall be penalised according to the labour laws, without prejudice to any other liability that the infringer may incur and the remedial measures that may be established by the different Group companies in pursuance of prevailing laws. On a Group level, the Audit and Compliance Committee, assisted by the Compliance Unit, shall receive reports of any violation of the Code of Conduct and act accordingly.

- Whistleblowing channel, through which the audit committee can be informed of any financial or accounting irregularities, any breaches of the code of conduct and any irregular activities within the organisation, indicating whether this channel is confidential and whether it allows anonymous communications respecting the rights of the reporting person and the person concerned:

As established in the Regulations of the Board, the Audit and Compliance Committee is formally responsible for implementing a confidential whistleblowing channel accessible to all Group employees and defining a protocol for prioritising, processing, investigating and settling reports according to their importance and nature, especially any concerning possible financial or accounting misrepresentations.

For this purpose, in its Code of Conduct the Ebro Group has established a whistleblowing channel, through which any irregular conduct in financial, accounting or other areas and any breach of the code of conduct can be reported confidentially.

Through that whistleblowing channel, therefore, any employees may report whatever conduct they may consider necessary and contact the Chairman of the Audit and Compliance Committee directly to inform on potential breaches. Access to that e-mail account, technologically protected to prevent any unauthorised access, is limited exclusively to the Chairman of the Audit and Compliance Committee who, as an Independent Director, has no relationship with the management structure of the Group.

The Audit and Compliance Committee guarantees the confidentiality of the reports handled, according to a confidentiality commitment signed by all those involved in handling the reports, and other precautions included in the "Report Handling Protocol". That protocol, approved by the Audit and Compliance Committee in 2012, establishes the procedure to be followed on receiving reports, regarding their processing, prioritising, solving and notification.

The whistleblowing channel guarantees confidentiality and is accessible to all Group employees but does not expressly establish (nor does it rule out) the possibility of making anonymous reports.

- Training programmes and regular refresher courses for employees involved in the preparation and checking of financial information and evaluation by the ICFR, covering at least accounting and auditing standards, internal control and risk management:

The Ebro Group has a policy of making sure it has personnel with sufficient training and experience to perform the duties and responsibilities assigned to them. The Ebro employees involved in the preparation and checking of the financial information and ICFR appraisal participate in training and refresher courses regarding the laws and standards in place from time to time and good practices to guarantee the reliability of the financial information generated.

The Ebro Group also encourages and provides means and resources for its employees to keep their accounting knowledge up to date through the attendance of seminars, on-line information and other means, and regular meetings are held with the external auditors to assess in advance the standards in place or those about to enter into force.

During the year the Ebro Group has focused its training for personnel involved in the preparation and checking of financial information and in the ICFR appraisal on the following aspects:

- Accounting updates
- Management and control of costs for business decision-making
- Training in the tax laws in different countries
- Financial Reporting Internal Control System Manual

In addition, the external auditors of the Company and its Group regularly attend the meetings of the Audit and Compliance Committee to give training on the principal novelties in accounting and auditing, especially those that have or may have a greater effect on the Group's accounts.

## **F.2. Measurement of risks in financial reporting**

Report at least on:

F.2.1 The main features of the risk identification process, including risks of error or fraud, in respect of:

- Whether the process exists and is documented:

Within the risk management and control policy approved by the Board, the financial reporting internal control system is supervised by the Audit and Compliance Committee, assisted by the Risks Committee and the Group Finance Department.

The potential risk events that could affect the organisation are identified and assessed through the financial reporting internal control system, pinpointing and assessing the risks corresponding to each line of business. Through this risk control and management system, the Ebro Group has drawn up a consolidated risk map by compiling and combining the risk maps of its major subsidiaries.

This process is coordinated by the Risks Committee, which manages and establishes the permitted tolerance to the risk and coordinates actions to align the measures addressing risks with the Group's global risk policy so that the exposure to risk assumed by the Ebro Group overall is known at all times.

Based on the results obtained, systems are devised for addressing risks and internal control, to keep the likelihood and impact of those risks on financial reporting within the tolerance levels, thereby providing reasonable certainty regarding achievement of the strategic business goals.

- Whether the process covers all the financial reporting objectives (existence and occurrence; integrity; measurement; presentation, breakdown and comparison; and rights and obligations), whether it is updated and how often:

The Ebro Group has established a continuous improvement process to minimise the risks related with financial reporting by improving the design and effectiveness of existing controls.

For this purpose, it has a process identifying the risks affecting the reliability of financial reporting, based on and beginning with a definition of the scope, according to quantitative criteria of materiality in respect of the consolidated amounts and other qualitative criteria (error, fraud, uncommon transactions, etc.). Companies in the major business units or divisions that meet any of the afore-mentioned criteria and the material accounting items of each one are defined according to those criteria.

Once the material items have been defined on a company level, the processes and sub-processes they affect are established, according to a relationship matrix.

For each of the sub-processes included within the scope, the inherent risks and the checks made by the responsible persons to mitigate those risks are identified, setting this information down in a Risks-Controls Matrix. Those risks take account of all the financial reporting objectives (existence and occurrence; integrity; measurement; presentation, breakdown and comparison; and rights and obligations).



The financial reporting risks are identified in the Ebro Group's Risks-Controls Matrix and updated to take account of any changes in the scope of consolidation of the Group or development of its business and their reflection in the financial statements, making a comparative analysis every year of the variations in material processes and sub-processes to establish any risks that have not been previously identified.

- The existence of a process for defining the scope of consolidation, taking into account, among other aspects, the possible existence of complex corporate structures, base companies or special purpose vehicles:

The Ebro Group has a process based on internal regulations that guarantees the correct identification of the scope of consolidation through an adequate separation of duties in the requesting, authorising, reporting and recording of any operation entailing the incorporation, merger, division, acquisition or sale of companies and any other corporate operation, directly involving the Legal Department and the Board of Directors.

This process considers the possible existence of complex corporate structures, base companies or special purpose vehicles, among other means by establishing an adequate structure to separate the duties of requesting, authorising and reporting for any corporate operation within the Group. No transactions or complex corporate structures that might entail off-balance sheet transactions that should be recorded within the reporting period were identified this year.

- Whether the process takes into account the effects of other types of risk (operational, technological, financial, legal, tax, reputational, environmental, etc.) insofar as they affect the financial statements:

The Risk Management and Control System of the Ebro Group is designed to identify potential risk events that might affect the organisation. At present there are four types of risks: Operating, Compliance, Strategic and Financial, and the conclusions are taken into account insofar as the risks may affect financial reporting.

For this purpose, the Risks Committee acts as a unit of coordination and interrelation of the effect of the risks detected on the different areas (management, business, financial reporting, legal, reputational etc. risks).

- Which governing body of the company supervises the process:

While the Board has the power, which it may not delegate, to determine the policy for control and management of risks, including tax risks, and supervision of the internal control and reporting systems, the Audit and Compliance Committee is responsible for supervising and promoting the procedures and systems used to prepare and control the Company and Group financial reporting, and controlling the implementation of and compliance with the risk management and control systems, both in general and in respect of the financial reporting process.

### **F.3. Control activities**

Inform whether the company has at least the following, describing their main features:

- F.3.1** Procedures for checking and authorising financial information to be published on the stock markets and description of the ICFR, indicating who is responsible for these tasks, and documentation describing the flows of activities and controls (including those checking for the risk of fraud) in the different types of transactions that may have a material effect on the financial statements, including the procedure for closing of accounts and the specific review of judgements, estimates, valuations and significant projections

The priorities established within the Ebro Group include the quality and reliability of the financial information, both internal information for decision-making and external information published for the markets. The information to be provided by the different units is requested by the Group financial department, paying special attention to the processes of closing the accounts, consolidation, measurement of intangibles and areas subject to judgement and estimates.

The Ebro Group has procedures for checking and authorising the financial information and description of the ICFR, responsibility for which corresponds to the Financial Department, the Risks Committee, the Audit and Compliance Committee and the Board of Directors.

The Audit and Compliance Committee checks and analyses the financial statements and any other important financial information, as well as the principal judgements, estimates and projections included and discusses them with the corporate financial department and the internal and external auditors to confirm that the information is complete and the principles applied are consistent with those of the previous full-year accounts.

The procedure for checking and authorising the financial information corresponds to the Group financial department, based on the information checked and validated by the different units. The Audit and Compliance Committee supervises this information to be published on the market and it is approved by the Board of Directors.

The Group has implemented a process to enhance the quality and quantity of documentation and make the generation of financial information and its subsequent supervision more effective and efficient.

The significant processes involved in the generation of the Group financial reporting are documented based on the COSO internal control model. The main processes documented are:

Closing of Financial Statements and Reporting

Consolidation

Sales and Receivables

Purchases and Payables

Fixed Assets

Inventories

Payroll

The documentation outline is extended progressively, according to the materiality and the general criteria established in the Group's financial reporting internal control system.

The persons responsible for each of the documented processes in each subsidiary have been identified. They are responsible for keeping those processes up to date on an annual basis, reporting any modifications or adaptations to the Risks Committee through the Group's financial department.

Process documentation includes details of the flows and transactions and the financial reporting objectives and controls established to ensure they are met. It also contemplates the risks of error and/or fraud that might affect the financial reporting objectives. The documentation of flows of activities and controls that may have a material effect on the financial statements, including the accounts closing procedure, includes the preparation of narratives on the processes, flow charts and risk and control matrices. The controls identified are both preventive and detective, manual or automatic, describing also their frequency and associated information systems.

### F.3.2 Internal control procedures and policies for the IT systems (including access security, track changes, operation, operating continuity and separation of duties) used for the significant processes of the company in the preparation and publication of financial information

The Group has rules for managing financial information security. Those rules are applicable to the systems used to generate financial information and the IT Department is responsible for defining and proposing the security policies.

Within its policies and infrastructure management the Ebro Group has procedures to secure each of the following:

Both physical and logical access are controlled to ensure that only authorised internal and external personnel can access the Ebro centres and systems. Ebro has several Data Centres, the main one in Spain where the company's critical systems are housed. The major subsidiaries also have local data centres. They all have their own infrastructure to guarantee adequate control of access to the installations. In small subsidiaries, the general rule is to have external service providers to provide that security. When external service providers are used, the Ebro Group makes internal audits of the information systems and their architecture, including the security aspect.

Logical access control is secured with: (i) efficient management of access to our systems, whether internal or external, and (ii) user management coordinated with the human resources department and the company's group of managers. Ebro has user access control systems and workflow tools to guarantee inter-departmental integration and efficient updating of user status, regularly identifying those who no longer access the systems.

Ebro Foods has implemented a system to control the separation of duties and access to critical functions of the SAP GRC SoD system in certain subsidiaries – currently in place in Riviana Foods Inc and Riviana Foods Canada Corporation and in progress in Herba Ricemills – and there is a plan to extend this implementation to the other major subsidiaries. Its implementation programme contemplates extension to all the major subsidiaries of the Ebro Foods Group.

To compile its non-financial information, Ebro has developed a tool that manages the information required to guarantee its integrity, and workflows for approval to guarantee its reliability. All the subsidiaries included in the SAP-based corporate ERP have implemented a procedure to separate duties within IT and the use of privileged users (Firefighter) subject to request, approval and control.

External access is guaranteed through specific users and controlled management. The necessary elements have also been provided on a network level to ensure that only authorised users and processes have access from outside.

i) The larger subsidiaries mainly use the ERP SAP system. In all those cases, Ebro has procedures underpinned by systems that systematically filter, assess, manage the life cycle and inform on production changes after acceptance by specific users and impact analysis in the systems currently used in production.

ii) The separation of duties is underpinned by the use of roles by groups of users, which allow access only to the information and transactions previously approved by the organisation. The modification or creation of new roles is backed by the same procedure that guarantees management of the user life cycle and is applicable to the major companies of the Ebro Group. Special attention is paid to separation in IT support processes to make sure that the tasks of development, sending to production and administration of the system are duly separated. In addition, as mentioned above, Ebro Foods has implemented the SAP GRC SoD system throughout the Group for the IT Department and is in the process of rolling it out in all subsidiaries. This is designed to ensure adequate access control, separation of duties, anti-fraud elements within ERP and mitigating measures where necessary.

iii) Ebro has internal tools which, combined with the user support departments and systems (Help Desks), guarantee the management and traceability of any incidents in the IT systems. Programme changes are managed within that system, which is based on best practices and management following the ITIL methods.

The critical information systems are always housed in our data centres and there are individuals assigned to each one who are responsible for proactive monitoring of the automatic processes and proactive assessment of the yield and functioning of the systems.

Ebro has global contracts with security control tool providers, which guarantee the installation of such tools in all the computer and data processing equipment used in the company.

iv) Ebro Foods has a cybersecurity policy based on several fundamental pillars for the security of our systems. This includes endpoint security, of both users and servers, identity security -especially important in view of the increasingly more common cloud migration strategies-, perimeter security for access to our network and data security.

Ebro Foods uses the leading tools available on the market and procedures based on best practices to minimise the risk in each of these areas, and it has continued implementing new tools and utilities to monitor unauthorised access through cloud profiles.

The Group continues working on perimeter security, especially in respect of its most important plants. Processes have been defined and advanced security systems have been implemented. They have been established first in the subsidiaries in the USA and Canada and will be extended to the other major subsidiaries of the Ebro Group during 2022.

v) Ebro has tools to guarantee the continuity of business support by its IT systems in the event of a fatal error or system crash. There are backup systems and policies in its data centres that guarantee access to information and systems in case of a crash. The use of tape or disk backups and replicating the information in several computers with subsequent triangular distribution are habitual procedures for making incremental or complete backup copies. The current systems allow recovery of the information up to the specific time of the fatal error or system crash.

### F.3.3 Internal control procedures and policies to oversee the management of outsourced activities and any aspects of valuation, calculation or measurement commissioned to independent experts, which may have a material impact on the financial statements

In general, the Ebro Group manages all activities that may have a material impact on the reliability of the financial statements, using internal resources to avoid outsourcing.

There are very few outsourced activities and the procedures and controls of those activities are regulated in the contracts signed with the service providers in question.

The valuation, calculation or measurement activities commissioned by the Ebro Group to independent experts are mainly concerned with the appraisal of properties, actuarial studies of employee benefits and impairment testing of intangibles.

Only service providers of internationally recognised standing are used for these valuation reports, making sure that they are not affected by any circumstance or event that could compromise their independence.

The reports obtained from these firms are submitted to internal review to check that the most significant assumptions and hypotheses used are correct and that they comply with the International Valuation Standards (IVS) and International Financial Reporting Standards (IFRS). Furthermore, the valuation processes and the hypotheses and assumptions used by independent experts are reported to and considered by the external auditors of the Company and its Group.

## F.4. Information and communication

Inform whether the company has at least the following, describing their main features:

F.4.1 A specific department responsible for defining the accounting policies and keeping them up to date (accounting policy department or division) and solving queries or conflicts deriving from their interpretation, maintaining fluent communication with those responsible for operations in the organisation, as well as an updated accounting policy manual distributed among the units through which the company operates

The Ebro Group has adequate procedures and mechanisms to inform the employees involved in the preparation of financial information on the applicable criteria and the IT systems used in that preparation. This is done through the Management Control Unit and the Corporate Financial Department, whose powers include the following, among others:

- Define, administer, update and report on the Group's accounting policies, in compliance with the applicable accounting standards and rules of consolidation for the preparation and presentation of financial information to be disclosed.
- Prepare, update and report on the Accounting Policy Manual to be applied by all financial units in the Group. This manual is updated regularly.
- Settle any queries or conflicts regarding the interpretation and application of the accounting policies, maintaining fluent communication with those responsible for these operations in the organisation.
- Define and create templates, formats and criteria to be used for preparing and reporting the financial information. All financial information distributed on the markets is prepared by consolidating the reports of the different business units, prepared using mechanisms for data input, preparation and presentation that are homogenous for the entire Group. These mechanisms are designed to enable compliance with the standards applicable to the principal financial statements, including accounting criteria, valuation rules and presentation formats, and embrace not only the balance sheet, profit and loss account, statement of changes in equity and statement of cash flows, but also the obtaining of other information that is necessary to prepare the notes to the financial statements.

**F.4.2** Mechanisms for collecting and preparing financial information with homogenous formats, applied and used by all business units in the company or group, valid for the main financial statements and notes, and the information given on the ICFR

The Group's financial information is prepared using a process of aggregating separate financial statements at source for subsequent consolidation according to the applicable accounting and consolidation standards, to obtain the consolidated financial information to be presented monthly to the Board and published periodically on the markets.

The process of aggregation and consolidation of the Group's financial statements is based on homogenous, common format templates that include different tables and reports to be completed. They also have automatic internal controls to check the integrity and reasonability of the data input.

These templates are validated each month by a financial manager in each subsidiary before sending them for checking and consolidation. To complete the automatic checks, those data and the estimation, valuation and calculation principles used to obtain them, as well as the accounts closing procedure, are checked by the financial manager at each level of aggregation and consolidation until the Ebro Group consolidated financial information is obtained, prepared and checked by the corporate financial department.

The Ebro Group has established a reporting system for the Financial Reporting Internal Control System, which is available in the Group for all the subsidiaries included within the scope of the ICFR. Through that reporting, the parent coordinates maintenance of the system in the rest of the subsidiaries annually through the assignment of persons responsible for their maintenance and updating in the event of any significant change to be taken into consideration in the documentation. Finally, if any weaknesses are detected in the financial reporting internal control system, the subsidiaries are notified of the necessary action plans and they are monitored by the parent.

**F.5. Supervision of the functioning of the system**

Inform on at least the following, describing their main features:

**F.5.1** The ICFR supervisory activities performed by the audit committee and whether the company has an internal audit department responsible, among its duties, for assisting the committee in its supervision of the internal control system, including the financial reporting internal control system (ICFR). Inform also on the scope of the ICFR appraisal made during the year and the procedure through which the department or body responsible for the appraisal informs on the outcome, whether the company has an action plan defining any possible corrective measures and whether their impact on the financial information has been considered

The Board of Directors is ultimately responsible for the existence, maintenance and supervision of an adequate, effective internal control system for the financial reporting. Among the duties defined in the Regulations of the Board, the Audit and Compliance Committee assists and supports the Board in its supervision of the accounting and financial information, the internal and external audit services and corporate governance.

The Audit and Compliance Committee, assisted by the Risks Committee, must see that the internal audit procedures, the internal control systems in general, including the risk management control system and, in particular, the financial reporting internal control system, are adequate.

The Audit and Compliance Committee also ensures that the external auditor and Internal Audit Manager are selected on the basis of objective, professional qualifications, guaranteeing their independence in the performance of their duties; reports to the board on any related party transactions submitted for its consideration; controls any possible conflicts of interest; and, in general, makes sure that all the company's information and reporting, particularly financial, complies with the principle of truth and maximum transparency for shareholders and markets.

The Risks Committee, as the central control system, monitors adequate fulfilment by the risk officers of the respective units of the following duties: (i) monitoring, updating and review of the business risks map and the different financial reporting processes; (ii) compliance with the reporting protocols for business risks and financial information; (iii) assessment of the measures for mitigating and controlling any risks detected, and (iv) assessment of the effectiveness of the systems and controls by implementing the test processes indicated by the Risks Committee, assisted by the heads of the different units and, where necessary, external advisers.

The Risks Committee, based on the policy established by the Board and supervised by and reporting to the Audit Committee, is specifically responsible for coordinating and monitoring the system for management and control of risks, including tax risks, and checking the Group's financial information.

Within the business risks control and the financial reporting internal control system, the Internal Audit Department makes sure that the testing and control of risk management and financial reporting systems have been done properly, within the internal audits carried out on different subsidiaries during the year, under the Internal Audit Plan.

The Internal Audit Department has submitted its annual working plan to the Audit and Compliance Committee and reported directly to said committee on any incidents detected in the performance of that work, proposing the corresponding action plan defining any necessary corrective measures; and at the end of each year, it has submitted an activity report.

The results of audits made by the Internal Audit Department and any incidents detected by the Risks Committee have been reported to the Audit and Compliance Committee. Moreover, the action plan devised for remedying those incidents has been sent to both the person responsible for remedying them and the Audit and Compliance Committee.

- F.5.2 Inform on whether the company has a discussion procedure whereby the auditor (according to the provisions of the auditing standards), the internal audit department and other experts can inform the senior management and audit committee or company directors of any significant weaknesses detected in internal control during the auditing or checking of the annual accounts or any other processes commissioned to them. Indicate also whether the company has an action plan to remedy or mitigate the weaknesses observed

The Audit and Compliance Committee has a stable, professional relationship with the external auditors of the principal companies in its group, strictly respecting their independence. That relationship favours communication and discussion of any internal control weaknesses pinpointed during the auditing of annual accounts or any other audit work commissioned to them.

In this regard, the Audit and Compliance Committee receives information from the external auditor at least every six months on the audit plan and outcome of its implementation, and checks that the senior management heeds the auditor's recommendations.

In addition, as established in the Regulations of the Board, it is responsible for overseeing the Internal Audit Services, examining the financial reporting process and internal control systems.

Each year, when it has finished its audit work, the External Auditor provides the company with a letter of recommendations on internal control. In 2021, following the audit of the 2020 accounts, the External Auditor informed the Audit and Compliance Committee that they had not detected any significant weaknesses during their work. This notwithstanding, they submitted a few recommendations to reinforce internal control.

During 2021, the External Auditor attended 7 meetings of the Audit and Compliance Committee and the Manager of the Internal Audit Department attended 6.

**F.6. Other significant information**

N/A

**F.7. External auditor's report**

Inform on:

- F.7.1 Whether the ICFR information sent to the markets was checked by the external auditor, in which case the company should include the corresponding report in an annex. If not, explain why not.

The report issued by the external auditor is appended hereto.

**G. EXTENT OF COMPLIANCE WITH THE CORPORATE GOVERNANCE RECOMMENDATIONS**

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Indicate the degree of compliance by the company with the recommendations of the Good Governance Code for Listed Companies.

If any recommendation is not followed or is only partly followed, include a detailed explanation of the reasons so that shareholders, investors and the market in general have sufficient information to assess the company's actions. General explanations are not acceptable.

- The articles of association of listed companies should not limit the maximum number of votes that may be cast by an individual shareholder or impose other restrictions hampering takeover of the company via the market acquisition of its shares.

Complies [ X ]                      Explanation [ ]

- When the listed company is controlled, in the sense of Article 42 of the Commercial Code, by another company, listed or otherwise, and conducts business, directly or through its subsidiaries, with that controlling company or any of its

subsidiaries (other than those of the listed company) or engages in activities related with those of any of the latter, it should report publicly and precisely on:

a) The types of activity they are respectively engaged in and any business dealings between the listed company or its subsidiaries, on the one hand, and the parent company or its subsidiaries, on the other hand.

b) The mechanisms in place to solve any conflicts of interest that may arise.

Complies [ ]                      Partial compliance [ ]                      Explanation [ ]                      Not applicable [ X ]

3. During the annual general meeting, to supplement the written distribution of the annual corporate governance report, the chairman of the board should inform the shareholders orally, in sufficient detail, of the most important aspects of the company's corporate governance, especially:

a) Any changes made since the previous annual general meeting.

b) The specific reasons why the company does not follow any of the recommendations of the Code of Corporate Governance and the alternative rules applied, if any.

Complies [ X ]                      Partial compliance [ ]                      Explanation [ ]

4. The company should define and promote a policy concerning communication and contacts with shareholders and institutional investors, within the framework of their involvement in the company, and proxy advisors that fully respects the laws against market abuse and gives similar treatment to shareholders who are in the same position. And the company should publish that policy on its website, including information on how it has been implemented, naming the contacts or those responsible for such implementation.

Notwithstanding the legal obligations regarding the disclosure of inside information and other kinds of regulated information, the company should also have a general policy regarding the communication of non-financial economic and financial corporate information through channels considered adequate (media, social networks or other channels), contributing towards maximum disclosure and quality information to the market, investors and other stakeholders.

Complies [ X ]                      Partial compliance [ ]                      Explanation [ ]

5. The board should not table a motion at the general meeting for delegating powers to issue shares or convertible securities excluding the preferential subscription right in a sum of more than 20% of the capital at the time of the delegation.

And when the board approves an issue of shares or convertible securities excluding the preferential subscription right, the company should immediately publish on its website the reports on that exclusion required by commercial law.

Complies [ X ]                      Partial compliance [ ]                      Explanation [ ]

6. Listed companies that prepare the following reports, whether mandatory or voluntary, should publish them on their websites sufficiently in advance of the annual general meeting even though that publication is not compulsory:

a) Report on the independence of the auditor

b) Reports on the functioning of the audit committee and the nomination and remuneration committee

c) Report by the audit committee on related party transactions

Complies [ ]                      Partial compliance [ X ]                      Explanation [ ]

All the sections of this Recommendation are met, except (c).

The Audit and Compliance Committee checks that all the related party transactions with significant shareholders, directors, representatives of corporate directors and other related parties have been made on arm's length terms, at market prices, transparently, fairly and reasonably, and always in the interests of the Ebro Foods Group, and issues a report to the Board in favour of their approval.

However, after studying this Recommendation the Company does not consider it convenient to publish the contents of that report because it contains sensitive commercial information that is confidential for the Group in respect of its rivals.

It should be noted that none of the related party transactions that took place in 2021 (or any of those made in 2022 up to the date of writing this report) meet the conditions for requiring publication stipulated in section 529 unvicies of the Corporate Enterprises Act.

7. The company should broadcast general meetings live, through its website.

And the company should have mechanisms to enable online proxies and voting and even, in large cap companies and insofar as is proportionate, online attendance and active participation in the general meeting.

Complies [ X ]                      Partial compliance [ ]                      Explanation [ ]

8. The audit committee should make sure that the annual accounts presented by the board of directors to the general meeting are drawn up in accordance with the applicable accounting standards. And if the auditors have submitted a qualified report, the chairman of the audit committee should explain clearly at the general meeting the opinion of the audit committee on the content and scope of the qualifications included, making a summary of that opinion available to shareholders, together with the other motions and reports by the board, when the notice of call to the general meeting is published.

Complies [ X ]                      Partial compliance [ ]                      Explanation [ ]

9. The company should publish permanently on its website the requirements and procedures it will accept as proof of ownership of shares, right to attend the general meeting and exercise or delegation of shareholders' voting right.

And those requirements and procedures should favour the attendance and exercise by shareholders of their rights, not being in any way discriminatory.

Complies [ X ]                      Partial compliance [ ]                      Explanation [ ]

10. If a legitimate shareholder has exercised their right, prior to the general meeting, to supplement the agenda or submit new proposed resolutions, the company should:

- a) Immediately distribute those supplementary items and new proposed resolutions.
- b) Publish the model attendance card or proxy form or postal/electronic voting form with the necessary modifications to enable voting on the new items on the agenda and alternative proposed resolutions on the same terms as those proposed by the board of directors.
- c) Put all these items or alternative proposals to the vote and apply the same voting rules as those applicable to the proposals by the board, including in particular the presumptions or deductions regarding votes.
- d) After the general meeting, report the details of the voting on those supplementary items or alternative proposals.

Complies [ ]                      Partial compliance [ ]                      Explanation [ ]                      Not applicable [ X ]

11. If the company plans to pay attendance fees for general meetings, it should establish in advance a general policy on those fees and that policy should be stable.

Complies [ X ]                      Partial compliance [ ]                      Explanation [ ]                      Not applicable [ ]

The company has a Policy on Attendance Fees for General Meetings, which establishes the principle that may not be delivered in the form of cash, but will consist of a gift related with the Company's products and/or brands.

12. The board should perform its duties with unity of purpose and independence of judgement, give the same treatment to all shareholders in the same position and be guided by the company's interests, namely the achievement of a profitable business sustainable in the long term, promote its continuity and maximise the economic value of the company.

And in its search for the company's interests, apart from respecting the laws and regulations and acting in good faith, ethically and with respect for generally accepted use and good practice, it should endeavour to reconcile the corporate interests with the legitimate interests of its employees, suppliers, customers and other stakeholders that may be affected, as the case may be, and the impact of the company's activities on the community and environment.

Complies [ X ]                      Partial compliance [ ]                      Explanation [ ]

13. The board should have the necessary size to operate effectively, with participation. The recommended size is between five and fifteen members.

Complies [ X ]                      Explanation [ ]

14. The board should approve a policy designed to favour an appropriate composition of the board that:

- a) Is specific and verifiable;
- b) Ensures that nominations for appointment or re-election are based on a prior analysis of the expertise required by the board; and
- c) Favours the diversity of expertise, experience, age and gender. For this purpose, any measures designed to ensure that the company has a significant number of female executives are considered to favour gender diversity.

The results of the prior analysis of expertise required by the board should be set out in the report by the nomination committee published when calling the general meeting at which the ratification, appointment or re-election of each director is proposed.

The nomination committee shall check compliance with this policy annually and inform on its conclusions in the annual corporate governance report.

Complies [ ]                      Partial compliance [ X ]                      Explanation [ ]

All the sections of this Recommendation are met, except the last paragraph of (c).

The company has not considered it necessary to pass a specific policy to stimulate the presence of female executives to comply with the principles behind this Recommendation.

The Code of Conduct of the Ebro Foods Group guarantees the principle of equal treatment and equal opportunities for all professionals, regardless of their gender or sexual orientation, and this principle is applied by the company in its processes of selection, hiring, promotion and career opportunities of all its professionals, regardless of whether they are men or women.

As indicated in section C.1.6 above, there is no positive or negative discrimination of any nature in the procedures followed by the company for selecting and contracting its executive personnel, so it is not necessary to introduce any new measures to encourage the hiring of women for executive positions. See section C.1.6 also for the definition of "Executive" used by the company.



15. The proprietary and independent directors should represent an ample majority of the board and the number of executive directors should be the minimum necessary, taking account of the complexity of the corporate group and the percentage stake held by the executive directors in the company's capital.

And the number of female directors should represent at least 40% of the board member by the end of 2022 and before that, no less than 30%.

Complies  Partial compliance  Explanation

16. The ratio of proprietary directors to total non-executive directors should not be greater than the ratio of capital represented by those directors to the rest of the capital.

This may be eased:

- a) In companies with a high capitalisation, in which shareholdings legally considered significant are scarce.
- b) In companies with a plurality of unrelated shareholders represented on the board.

Complies  Explanation

Although proprietary directors represent a higher percentage (66.67%) of the total non-executive directors than the proportion of the company's capital represented by those directors in the total capital (57.63%), it should be borne in mind that (i) the significant shareholders represented on the Board are unrelated; (ii) 67.75% of the capital is represented on the Board (67.88% at the date of writing this report); and (iii) 71.40% of the company's capital is held by stable or strategic shareholders (71.53% at the date of writing this report).

The company has assessed the monitoring of this Recommendation and considers that the composition of the Board combines the principles of necessary size, balance and ample majority of non-executive directors recommended by the Code of Good Governance.

17. The number of independent directors should represent at least one-half of the total directors.

This notwithstanding, if the company does not have a large capitalisation or if it has a high level of capitalisation but has one shareholder, or several acting in concert, that controls more than 30% of the capital, the number of independent directors should represent at least one-third of the total directors.

Complies  Explanation

The number of independent directors (4) is somewhat lower than one-third (4.6) of the total Board members (14) recommended for companies which, like Ebro Foods, S.A., are not high-cap.

It should be borne in mind in this regard that 67.75% of the capital is represented on the Board (67.88% at the date of writing this report).

18. Companies should publish on their websites and keep up to date the following information on their directors:

- a) Professional and biographic profile
- b) Other directorships held, in listed or unlisted companies, and other remunerated activities performed, of whatsoever nature
- c) Indication of the category of director, indicating for proprietary directors the shareholder they represent or with which they are related
- d) Date of first appointment as director of the company and subsequent re-elections
- e) Shares and stock options held in the company

Complies  Partial compliance  Explanation

All the sections of this Recommendation are met, except (b).

Although there is no specific section on the corporate website containing the information contemplated in paragraph (b), information on the positions, remunerated or otherwise, held by the directors of Ebro Foods, S.A. and the representatives of corporate directors on the boards of other companies, listed or otherwise, and any other remunerated activities they may perform, is included in the corporate governance report each year, which is published permanently in the corresponding section of the corporate website.

After studying this Recommendation, the Company considers that it informs on the positions held by the directors of Ebro Foods, S.A. and the representatives of corporate directors on the boards of other companies, listed or otherwise, and in companies engaged in similar or identical activities as Ebro Foods, S.A., as well as on any other remunerated activities they may perform, remunerated or otherwise, in sufficient detail to comply with the transparency in reporting sought by the Code of Good Governance.

19. Once checked by the nomination committee, the annual corporate governance report should include an explanation of the reasons why proprietary directors have been appointed at the request of shareholders with an interest of less than 3% in the capital, as well as the reasons, if appropriate, for not meeting formal requests for presence on the board from shareholders with an interest equal or greater than others at whose request proprietary directors have been appointed.

Complies [  ]      Partial compliance [  ]      Explanation [  ]      Not applicable [  ]

20. Proprietary directors should resign when the shareholder they represent disposes of its entire shareholding in the company. They should also resign in the corresponding number when the shareholder disposes of part of its shares to an extent requiring a reduction in the number of proprietary directors.

Complies [  ]      Partial compliance [  ]      Explanation [  ]      Not applicable [  ]

21. The board should not propose the removal of any independent director before the end of the period for which they were appointed, unless there are just grounds for doing so, as appreciated by the board subject to a report by the nomination committee. In particular, just grounds are deemed to exist when the director takes up new positions or contracts new obligations preventing them from dedicating the necessary time to performance of their duties on the board, or if they breach their duties or any circumstances arise by virtue of which they would no longer be considered independent, according to the applicable legal provisions.

The removal of independent directors may also be proposed following takeover bids, mergers or other similar corporate operations entailing a change in the ownership structure of the company, when changes in the structure of the board are required by the principle of proportionality contemplated in Recommendation 16.

Complies [  ]      Explanation [  ]

22. Companies should establish rules obliging directors to report and, if necessary, resign if any situation arises, related or not with their actions within the company, that could jeopardise the company's prestige and reputation. In particular, directors should be obliged to inform the board of any criminal proceedings brought against them and the development of the proceedings.

If the board has been informed or has otherwise become aware of any of the situations contemplated in the preceding paragraph, it should study the case as soon as possible and, in view of the specific circumstances and the corresponding report by the nomination and remuneration committee, decide whether any action should be taken, such as opening an internal investigation, requesting the director to resign or proposing their removal. An account of this situation should be included in the Annual Corporate Governance Report, unless special circumstances justify not doing so, in which case they should be put on record. This is notwithstanding the information that the company is obliged to disclose, if appropriate, when adopting the corresponding measures or actions.

Complies [  ]      Partial compliance [  ]      Explanation [  ]

23. All the directors should clearly express their opposition whenever they consider that any proposed decision submitted to the board may go against corporate interests. The independent and other directors not affected by the potential conflict of interest should also do so when the decisions may be detrimental to shareholders not represented on the board.

And when the board adopts significant or reiterated decisions about which a director has expressed serious reservations, the latter should reach the appropriate conclusions and, if they opt to resign, explain the reasons in the letter contemplated in the following recommendation.

This recommendation also affects the secretary of the board, even if they are not a director.

Complies [ ]      Partial compliance [ ]      Explanation [ ]      Not applicable [ X ]

24. If a director retires from office before the end of their term, through resignation or by virtue of a resolution adopted by the General Meeting, they shall explain the reasons for their resignation or, in the case of non-executive directors, their opinion on the grounds for their removal by the General Meeting, in a letter sent out to all the Board members.

Even if the Annual Corporate Governance Report contains the appropriate information on the foregoing, to the extent that it is important for investors, the company should publish news of the director's retirement as soon as possible, including a sufficient account of the reasons or circumstances indicated by the director.

Complies [ X ]      Partial compliance [ ]      Explanation [ ]      Not applicable [ ]

25. The nomination committee should make sure that non-executive directors have sufficiently availability to perform their duties correctly.

And the regulations of the board should stipulate the maximum number of directorships that may be held by its directors.

Complies [ ]      Partial compliance [ X ]      Explanation [ ]

Although the Regulations of the Board do not stipulate a maximum number of directorships that may be held by the Directors of Ebro Foods, S.A., it does impose on the Directors the obligation to dedicate to the Company such attention and time as may be necessary to guarantee the effective and adequate fulfilment of each and all of the duties corresponding to their position. Consequently, the maximum number of other directorships they may hold will be such as to ensure that they are able at all times to meet each and all of their obligations to the company (Article 32 of the Regulations of the Board, "General duties of Directors").

Moreover, the Policy for Selection of Directors and Diversity in the Composition of the Board of Directors stipulates within "Conditions to be met by candidates" that candidates must have sufficient availability to be able to duly perform their duties. This point is confirmed by the Committee with the candidates before submitting any proposal to the Board of Directors.

After studying this Recommendation, the Company considers that the principles pursued by the Code of Good Governance in this respect are met with the obligation regarding dedication imposed in Article 32 of the Regulations of the Board and the Policy for Selection of Directors and Diversity in the Composition of the Board of Directors. It considers this a complex issue and believes that it is not necessary to establish a maximum number of directorships that may be held by the Directors in order to achieve this.

26. The board should meet as often as may be necessary to secure efficient performance of its duties, and at least eight times a year, following the calendar and business established at the beginning of the year, although any director may individually propose additional items to be included on the agenda.

Complies [ X ]      Partial compliance [ ]      Explanation [ ]

27. Non-attendance of board meetings should be limited to inevitable cases and stated in the Annual Corporate Governance Report. If a director is forced to miss a board meeting, a proxy should be granted with the appropriate instructions.

Complies [ X ]      Partial compliance [ ]      Explanation [ ]

28. When the directors or the secretary express concern over a proposal, or, in the case of directors, the company's performance, and those concerns are not settled by the board, they should be put on record in the minutes, at the request of those expressing them.

Complies [ ]      Partial compliance [ ]      Explanation [ ]      Not applicable [ X ]

29. The company should establish adequate channels for directors to obtain any counselling they may need to perform their duties, including, should circumstances so require, external counselling at the company's expense.

Complies [ X ]      Partial compliance [ ]      Explanation [ ]

30. Regardless of the expertise required of directors to perform their duties, companies should also offer their directors refresher courses in the appropriate circumstances.

Complies [ X ]      Explanation [ ]      Not applicable [ ]

31. The agenda for meetings should clearly indicate the items on which the board is called upon to adopt a decision or resolution, so that the directors can study or obtain in advance the information they may need.

In exceptional cases, for reasons of urgency, the chairman may submit decisions or resolutions not included on the agenda for approval by the board. The prior, express consent of most of the directors present will be necessary for this, leaving due record in the minutes.

Complies [ X ]      Partial compliance [ ]      Explanation [ ]

32. Directors shall be regularly informed on any changes in the ownership of the company and the opinion held by the significant shareholders, investors and ratings agencies of the company and its group.

Complies [ X ]      Partial compliance [ ]      Explanation [ ]

33. Being responsible for the efficient procedure of the board of directors, apart from performing the duties assigned by law and in the articles of association, the chairman should prepare and submit to the board a schedule of dates and business to be transacted; organise and coordinate the periodical assessment of the board and chief executive, if any, of the company; be responsible for managing the board and for its efficient operation; make sure sufficient time is allotted to the discussion of strategic issues; and resolve and review refresher programmes for each director whenever circumstances so require.

Complies [ X ]      Partial compliance [ ]      Explanation [ ]

34. When there is a lead independent director, the articles of association or regulations of the board should assign the following powers, apart from those corresponding to them by law: preside over board meetings in the absence of the chairman and vice-chairmen, if any; echo the concerns of non-executive directors; hold contacts with investors and shareholders to find out their points of view and form an opinion on their concerns, particularly regarding the corporate governance of the company; and coordinate the plan for succession of the chairman.

Complies [ ]      Partial compliance [ ]      Explanation [ X ]      Not applicable [ ]

Although the Articles of Association and Regulations of the Board do not expressly assign to the Lead Independent Director the powers contemplated in this Recommendation, said Director is entirely free to exercise them.

The Articles of Association and Regulations of the Board do not establish any limit on the exercise of those powers by the Lead Independent Director or any other Director.

After studying this Recommendation, the Company considers that the fact that any Director, not only the Lead Independent Director, may exercise the powers contemplated in this Recommendation, together with the ample majority on Non-Executive Directors on the Board of Directors, this is sufficient to counteract any concentration of powers in the Executive Chairman, which is the aim pursued by the Code of Good Governance.

35. The secretary of the board should especially ensure that the actions and decisions of the board follow the recommendations on good governance contained in the Code of Good Governance that are applicable to the company.

Complies [ X ]      Explanation [ ]

36. The full board should assess once a year and, where necessary, adopt an action plan to correct any deficiencies detected in respect of:

- a) The quality and effectiveness of the board's actions.
- b) The procedure and composition of its committees.
- c) Diversity in the composition and powers of the board.
- d) The performance by the chairman of the board and chief executive officer of their respective duties.
- e) The performance and contribution of each director, paying special attention to the heads of the different board committees.

The different committees should be assessed based on the reports they submit to the Board and the Board will be assessed on the basis of the report it submits to the nomination committee.

Every three years, the board will be assisted in this assessment by an external consultant, whose independence shall be checked by the nomination committee.

The business relations that the consultant or any company in its group has with the company or any company in its group should be described in the Annual Corporate Governance Report.

The process and areas assessed should also be described in the Annual Corporate Governance Report.

Complies [ X ]      Partial compliance [ ]      Explanation [ ]

37. When there is an executive committee, there should be at least two non-executive directors among the members, at least one of them being an independent director, and the secretary should be the secretary of the board.

Complies [ X ]      Partial compliance [ ]      Explanation [ ]      Not applicable [ ]

38. The board should be informed at all times of the business transacted and decisions made by the executive committee and all board members should receive a copy of the minutes of executive committee meetings.

Complies [ X ]      Partial compliance [ ]      Explanation [ ]      Not applicable [ ]

39. All the members of the audit committee, especially its chairman, should be appointed on account of their expertise and experience in accounting, auditing or the management of both financial and non-financial risks.

Complies [  ]      Partial compliance [  ]      Explanation [  ]

40. Under the supervision of the audit committee, there should be an internal audit unit to see that the internal control and reporting systems work properly. This unit should report to the non-executive chairman of the board or the chairman of the audit committee.

Complies [  ]      Partial compliance [  ]      Explanation [  ]

41. The head of the internal audit unit should submit its annual work programme to the audit committee for approval by that committee or the board, report directly on its implementation, mentioning any incidents or limitations on its scope encountered during its fulfilment, the results achieved and the extent to which its recommendations have been heeded, and submit to the committee an activity report at the end of each year.

Complies [  ]      Partial compliance [  ]      Explanation [  ]      Not applicable [  ]

42. The audit committee should have the following duties, in addition to those contemplated in law:

1. In connection with the internal control and reporting systems:

- a) Supervise and assess the preparation and integrity of the financial and non-financial reporting, control systems and management of financial and non-financial risks to which the company and, if appropriate, the group may be exposed - including operational, technological, legal, social, environmental, political and reputational risks or those related with corruption-, checking compliance with the legal requirements, adequate definition of the scope of consolidation and correct application of accounting principles.
- b) Oversee the independence of the internal audit unit; propose the selection, appointment and removal of the internal audit manager; propose the budget for this unit; approve or propose approval to the board of its approach and the annual internal audit work plans, making sure its activity focuses mainly on the material risks of the company (including reputational risks); receive regular information on its activities; and check that the top management heeds the conclusions and recommendations set out in its reports.
- c) Establish and supervise a mechanism through which employees, and other persons related with the company, such as directors, shareholders, suppliers, contractors or subcontractors, can report any potentially important irregularities (financial, accounting or of whatsoever nature) related with the company that they may observe within the company or its group. That mechanism should guarantee confidentiality and, in all cases, contemplate the possibility of making such communications anonymously, respecting the rights of both the reporting person and the person concerned.
- d) Ensure in general that the internal control policies and systems are applied effectively in practice.

2. In connection with the external auditors:

- a) Investigate the circumstances giving rise to resignation of any external auditor.
- b) Ensure that the remuneration of the external auditors for their work does not jeopardise their quality or independence.
- c) See that the company reports the change of auditor through the CNMV, attaching a declaration on the possible existence of disagreements with the outgoing auditor and the contents of those disagreements, if any.
- d) Make sure that the external auditors hold an annual meeting with the full board to inform on the work done and the evolution of the company's risks and accounting situation.

- e) Ensure that the company and external auditors respect the provisions in place on the provision of non-audit services, limits on the concentration of the auditor's business and, in general, any other provisions regarding the independence of auditors.

Complies [ ]      Partial compliance [ X ]      Explanation [ ]

The Company complies with all of this Recommendation except for some of the aspects mentioned in paragraphs 1(c) and 2(d).

With regard to paragraph 1(c), although the Code of Conduct of the Ebro Group and the Protocol regulating the procedure for the whistleblowing channel approved by the Audit and Compliance Committee do not contemplate the events in which the reports may be made anonymously, they do not rule out that possibility.

With regard to paragraph 2(d), the Audit and Compliance Committee is responsible for maintaining relations with the external auditors, receiving information and exchanging all the necessary communications with them. The external auditors attend Committee meetings whenever this is necessary in view of the business included on the agenda.

The Audit and Compliance Committee provides timely information to the Board on the contents of all the meetings held, including those attended by the external auditors. The Board is thus informed in a timely manner of all business transacted by the Committee, particularly the work done by the external auditors and the Company's relations with them.

This notwithstanding, the external auditors attend Board meetings if this is considered appropriate by the Audit and Compliance Committee, the Board of Directors or any Board member.

The Company considers that the Audit and Compliance Committee makes sure that the Board receives all the necessary information regarding the work of and relations with the external auditors.

43. The audit committee may call any employee or executive of the company into its meetings, even ordering their appearance without the presence of any other senior officer.

Complies [ X ]      Partial compliance [ ]      Explanation [ ]

44. The audit committee should be informed on any corporate and structural operations that the company plans to make, so that it can analyse them and submit a preliminary report to the board on the economic terms and impact on accounts, and particularly on the exchange ratio proposed, if any.

Complies [ ]      Partial compliance [ ]      Explanation [ ]      Not applicable [ X ]

45. The risk management and control policy should identify or determine at least:

- a) The different types of financial and non-financial risk (including operational, technological, legal, social, environmental, political and reputational, including those related with corruption) to which the company is exposed, including contingent liabilities and other off-balance-sheet risks among the financial or economic risks.
- b) A risk management and control model based on different levels, including a committee specialising in risks whenever this is contemplated in the sector regulation and the company deems fit.
- c) The risk level that the company considers acceptable.
- d) The measures contemplated to mitigate the impact of the risks identified, should they materialise.
- e) The internal control and reporting systems to be used to control and manage those risks, including contingent liabilities and other off-balance-sheet risks.

Complies [ ]      Partial compliance [ X ]      Explanation [ ]

The Company complies with all of this Recommendation except the inclusion in its risk management and control policy of risks related with corruption, contemplated in paragraph (a).

The Company has a specific policy dealing with corruption (Policy against Corruption and Bribery), which sets out and specifically and verifiably develops the principles, values and rules of action established in the Code of Conduct and implemented within the Ebro Group to fight against corruption and fraud.

This Policy provides guidelines to be followed in respect of: (i) bribery, illegal commissions, influence peddling and money laundering; (ii) acceptance and offering of gifts and courtesies; (iii) dealings with authorities, regulatory bodies and governments; and (iv) social action and/or sponsorship activities. The Policy also contains an illustrative indication of the conduct that is prohibited in these areas.

The Policy applies to all the Professionals of both Ebro Foods and the subsidiaries of the Ebro Group in all the countries in which the Group operates.

The Company considers that it complies with the principles behind this Recommendation, since the risks related with corruption and bribery: (i) form part of the corporate risk map and (ii) are analysed by the Risks Committee.

46. Under the direct supervision of the audit committee or, as the case may be, an ad hoc committee of the board, there should be an internal risk management and control role exercised by an internal unit or department of the company expressly having the following duties:

- a) See that the risk management and control systems work properly and, in particular, that all the major risks affecting the company are adequately identified, managed and quantified.
- b) Participate actively in the preparation of the risk strategy and in the major decisions on their management.
- c) See that the risk management and control systems adequately mitigate the risks within the policy defined by the board.

Complies [ X ]      Partial compliance [ ]      Explanation [ ]

47. Companies should ensure that the members of the nomination and remuneration committee -or the nomination committee and the remuneration committee, if they are separate- have adequate experience, skills and expertise for the duties they are to perform and that the majority of those members are independent directors

Complies [ X ]      Partial compliance [ ]      Explanation [ ]

48. Companies with a high level of capitalisation should have a separate nomination committee and remuneration committee.

Complies [ ]      Explanation [ ]      Not applicable [ X ]

49. The nomination committee should consult the chairman of the board and the chief executive of the company, especially on matters referring to the executive directors.

And any director should be able to request the nomination committee to consider potential candidates to fill vacancies on the board, in case they were suitable in the committee's opinion.

Complies [ X ]      Partial compliance [ ]      Explanation [ ]

50. The remuneration committee should perform its duties independently, having the following duties in addition to those assigned to it by law:

- a) Propose to the board the basic terms of contract of the senior executives
- b) See that the remuneration policy established by the company is observed
- c) Periodically review the remuneration policy applied to directors and senior executives, including the systems of payment with shares and their application, and ensure that their individual remuneration is in proportion to that paid to other directors and senior executives of the company



- d) Ensure that any conflicts of interest that may arise do not jeopardise the independence of the external counselling provided to the committee
- e) Check the information on the remuneration of directors and senior executives in the different corporate documents, including the annual report on directors' remuneration

Complies [  ]                      Partial compliance [  ]                      Explanation [  ]

51. The remuneration committee should consult the chairman of the board and the chief executive of the company, especially on matters referring to the executive directors and senior executives.

Complies [  ]                      Partial compliance [  ]                      Explanation [  ]

The "senior executives" include the Chief Operating Officer (COO), the Company Secretary and Secretary of the Board and the heads of the principal business units of the Ebro Foods Group, even if they are not actually considered "top management".

52. The rules of composition and procedure of the supervision and control committees should be included in the regulations of the board and be coherent with those applicable to the committees required by law according to the foregoing recommendations, including the following:

- a) The members should be exclusively non-executive directors, the majority independent directors.
- b) They should be chaired by independent directors.
- c) The board should appoint the members of these committees on account of the expertise, skills and experience of the directors and the duties of each committee, and discuss their proposals and reports; and the committees should report on their activities at the first board meeting following their meetings, answering for the work done.
- d) The committees should be able to obtain external counselling whenever they may consider it necessary to perform their duties.
- e) Minutes should be issued of their meetings and made available to all directors.

Complies [  ]                      Partial compliance [  ]                      Explanation [  ]                      Not applicable [  ]

53. The supervision of compliance with the company's environmental, social and corporate governance policies and rules, and with the internal codes of conduct, should be assigned to one or distributed among several committees of the board, which may be the audit committee, the nomination committee, a committee specialising in sustainability or corporate social responsibility, or any ad hoc committee that the board may decide to set up, exercising its powers of self-organisation. And that committee should be made up exclusively of non-executive directors, most of them independent, specifically having the minimum duties indicated in the following recommendation.

Complies [  ]                      Partial compliance [  ]                      Explanation [  ]

54. The minimum duties mentioned in the preceding recommendation are:

- a) Oversight of compliance with the company's corporate governance rules and internal codes of conduct, ensuring that the corporate culture is aligned with its mission and values.
- b) Supervision of the application of the general policy on communication of the economic & financial, non-financial and corporate information and communication with shareholders, investors, proxy advisors and other stakeholders. Oversight also of how the company communicates and relates with small and medium-sized shareholders.

- c) Periodical assessment and review of the company's corporate governance system and environmental and social policy to ensure that it fulfils its mission of promoting corporate interests and takes account of the legitimate interests of the other stakeholders, where appropriate.
  - d) Supervision that the company's environmental and social practices are aligned with the relevant strategy and policy.
  - e) Supervision and assessment of the processes of relations with different stakeholders.
- Complies [ X ]                      Partial compliance [ ]                      Explanation [ ]

55. The sustainability policies on environmental and social issues should identify and define at least the following:

- a) The principles, commitments, objectives and strategy regarding shareholders, employees, clients, suppliers, social issues, the environment, diversity, tax liability, respect for human rights and prevention of corruption and other unlawful conduct.
  - b) The methods or systems for monitoring compliance with the policies, the associated risks and management thereof.
  - c) The mechanisms for supervising non-financial risks, including those related with ethics and business conduct.
  - d) The channels for communication, participation and dialogue with stakeholders.
  - e) Responsible communication practices to avoid manipulation of information and protect integrity and honour.
- Complies [ X ]                      Partial compliance [ ]                      Explanation [ ]

56. The remuneration of directors should be high enough to attract and retain directors with the desired profiles and remunerate the dedication, qualification and responsibility required by their office, but not so high as to jeopardise the independence of non-executive directors.

Complies [ X ]                      Explanation [ ]

57. Variable remuneration linked to the company's yield and personal performance and the remuneration paid in shares, stock options, rights over shares or instruments indexed to the value of the share, and long-term savings systems such as pension plans, retirement schemes or other welfare systems, should be limited to executive directors.

The delivery of shares as remuneration to non-executive directors may be contemplated when it is conditional upon holding those shares until they retire from the board. This will not be applicable to any shares that the director may need to sell to pay the costs incurred in their acquisition.

Complies [ X ]                      Partial compliance [ ]                      Explanation [ ]

58. For variable remunerations, the remuneration policies should establish the limits and technical precautions required to make sure those remunerations are linked to the professional performance of their beneficiaries and do not merely derive from general trends on the markets or in the company's sector of business or other similar circumstances.

In particular, the variable components of the remuneration should:

- a) Be linked to predetermined, measurable yield criteria, which consider the risk assumed to obtain a result.

- b) Promote the company's sustainability and include non-financial criteria that are adequate for the creation of long-term value, such as compliance with the internal rules and procedures of the company and its policies for the control and management of risks.
- c) Be based on a balance between meeting short, medium and long-term goals, permitting the remuneration of yield achieved through continuous performance over a sufficient period of time to appreciate their contribution to the sustainable creation of value, such that the elements for measuring that yield are not related only with one-off, occasional or extraordinary events.

Complies  Partial compliance  Explanation  Not applicable

The criteria and variable components of the remunerations contemplated in this Recommendation are included in the current Directors' Remuneration Policy 2022-2024, which was approved at the Annual General Meeting held on 30 June 2021.

59. Payment of the variable components of remuneration should be subject to an adequate verification that the performance or other pre-established conditions have actually been met. The companies should include in their annual reports on directors' remuneration the time and methods required to make that verification, according to the nature and characteristics of each variable component.

In addition, the companies should consider including a malus clause based on the deferral for a sufficient time of the payment of part of the variable components, whereby the entitlement to all or part of them would be lost if anything occurs before the scheduled payment date that make this advisable.

Complies  Partial compliance  Explanation  Not applicable

60. Earnings-linked remuneration should take account of any qualifications made in the report by the external auditors that may reduce those earnings.

Complies  Partial compliance  Explanation  Not applicable

61. A significant percentage of the variable remuneration of executive directors should be linked to the delivery of shares or financial instruments indexed to their value.

Complies  Partial compliance  Explanation  Not applicable

Of the two Executive Directors, only the Chairman of the Board of Directors, Antonio Hernández Callejas, receives remuneration for his executive duties. Heralianz Investing Group, S.L. does not receive any such remuneration, for the reasons explained elsewhere in this Report.

The variable remuneration systems of the Executive Director applied in 2021 are described in the Annual Report on Directors' Remuneration 2021 and are linked to the achievement of pre-established measurable, quantifiable objectives related with financial factors that promote profitability and the creation of sustainable value in the Company and Group in the long term. The current Directors' Remuneration Policy 2022-2024 also includes, among others, the variable remuneration components recommended in the Code of Good Governments (Recommendation 58).

Although Article 22 of the Articles of Association contemplates the possibility that Directors may receive remuneration in the form of shares, stock options or any other system of remuneration indexed to the price of the shares, the Board of Directors has not so far submitted this form of remuneration to approval by the General Meeting, taking account of the fact that the Executive Director is a major shareholder and considering that the systems of variable remuneration of the Executive Director currently used are most appropriate for stimulating his motivation and personal performance, and his commitment to and relationship with the Group's interests.

The current Directors' Remuneration Policy 2022-2024 also specifies that the remuneration of the only executive director who currently has executive duties does not include aspects indexed to the value of the company's shares or contemplate receipt by that director of shares or any rights over shares, precisely because that executive director has the special status of reference shareholder.

62. Once the shares, stock options or financial instruments corresponding to the remuneration systems have been allotted, the executive directors may not transfer the ownership thereof or exercise them until at least three years have passed.

This will not be applicable if, at the date of transfer or exercise, the director has a net economic exposure to the price variation of the shares with a market value equivalent to at least twice the amount of their annual fixed remuneration, through the holding of shares, stock options or other financial instruments.

The foregoing will not be applicable to any shares that the director may need to sell to pay the costs incurred in their acquisition or, subject to the favourable opinion of the nomination and remuneration committee, to meet the costs of any extraordinary situations that may arise.

Complies [ ]      Partial compliance [ ]      Explanation [ ]      Not applicable [ X ]

63. Contracts should include a clawback clause whereby the company may to claim repayment of the variable components of remuneration when the amounts paid do not correspond to fulfilment of the conditions regarding yield or when paid on the basis of data subsequently proved to be misstated.

Complies [ X ]      Partial compliance [ ]      Explanation [ ]      Not applicable [ ]

64. Termination benefits should not exceed an amount equivalent to two years' total annual remuneration and should not be paid until the company has confirmed that the director has met the performance requirements established above.

For the purpose of this recommendation, termination benefits (i.e. payments upon termination or expiry of contract) shall include any amounts that accrue or become payable as a result of or in connection with the termination or expiry of the contractual relationship between the director and the company, including any amounts not previously vested in long-term saving schemes and the sums payable under post-contract no competition clauses.

Complies [ ]      Partial compliance [ ]      Explanation [ ]      Not applicable [ X ]

#### **H. OTHER INFORMATION OF INTEREST**

1. If you consider there to be any important aspects regarding the corporate governance practices applied by your company or other companies in the group that have not been mentioned in this report, but which should be included to obtain more complete, reasoned information on the corporate governance practices and structure in the company or group, describe them below and give a brief explanation.
2. This section may be used to include any other information, clarification or qualification relating to the previous sections of the report, provided it is relevant and not repetitive.

In particular, state whether the company is subject to any laws other than the laws of Spain on corporate governance and, if this is the case, include whatever information the company may be obliged to supply that differs from the information included in this report.

3. The company may also state whether it has voluntarily applied any international, sector-based or other codes of ethical principles or good practices. If so, it should name the code in question and the date of its accession. Particular mention shall be made of whether the company has acceded to the Code of Good Tax Practices of 20 July 2010.

EXPLANATORY NOTE ONE, ON THE CHANGES PRODUCED IN THE BOARD OF DIRECTORS DURING 2021 AND THE FIRST MONTHS OF 2022 UP TO THE DATE OF WRITING THIS REPORT

The following changes were produced in the composition of the Board during 2021:

- Alejandra Olarra Icaza joined the Board on 24 November 2021 representing the director Corporación Financiera Alba, S.A., replacing Tomás Hevia Armengol; and

- Pedro Antonio Zorrero Camas tendered his resignation from the Board on 15 December 2021, with effect from 31 December 2021. Consequently, he ceased as of that date to be a director of the company and member of the Executive Committee and the Audit and Compliance Committee. Mr Zorrero Camas was classified as an independent director.

On 31 January 2022, the Board resolved to appoint Marc Thomas Murtra Millar director by the procedure of cooptation, to fill the vacancy produced by the resignation of Mr Zorrero Camas (effective as of 31 December 2021). Mr Murtra is classified as a non-executive independent director and was also appointed member of the Executive Committee and the Audit and Compliance Committee.

#### EXPLANATORY NOTE TWO, ON SECTION C

A) The name of the audit committee in the company is "Audit and Compliance Committee" and the name of the nomination and remuneration committee is "Nomination and Remuneration Committee".

B) All the members of the Audit and Compliance Committee were appointed on account of their accounting and audit experience and expertise, including Grupo Tradifin, S.L., which was elected on account of the expertise in these areas of its representative, Blanca Hernández Rodríguez.

#### EXPLANATORY NOTE THREE, ON SECTION E.3

The main risks that could have a bearing on achievement of the company's business goals are explained below.

##### A. OPERATIONAL RISKS:

- Food safety. Owing to the nature of the Group's business, aspects regarding food safety are a critical point to which the Group pays the utmost attention, as we are bound by a large number of laws and standards in each of the countries in which the Group's products are put on the market. One point that is becoming increasingly important is the detection and use of fungicides and pesticides by producers.
- Commodity supply risk. The availability of commodities in the quantity and quality required to meet our commitments to customers and the requirements of our brands is a key factor for our business both nationally (Spanish paddy rice) and internationally (semi-processed rice for the Group subsidiaries), wheat and semolina for the production of quality pasta.
- Market risk (prices). Unexpected variations in the prices of our commodity supplies may affect the profitability of our commercial transactions, in both the industrial and brand-based segments. The main risk lies in the prices of the different rice varieties and durum wheat, although it extends also to other materials consumed, such as packaging material and oil derivatives and, especially so recently, sea and inland transportation.
- Customer concentration risk. The concentration of customers, which can occur in both the industrial and brand segments, may lead to less favourable commercial terms for our sales and affect our credit risk.
- Technological risk. In the sector in which the Group operates, one of the most important tools for competing with our rivals is constant technological innovation and constant adaptation to consumers' desires. Consequently, "technological lag" is considered a possible risk.
- Cybersecurity. Traditionally considered part of 'technological risk', the risks relating to the security of the IT systems and data (cybersecurity) and the threats to their continuity or of extortion by this kind of criminals have considerably increased in recent years. This growing threat led to its consideration (since 2020) as a separate risk, stepping up the existing security protocols.

##### B. RISKS RELATED WITH THE ENVIRONMENT AND STRATEGY:

- Environmental risk. Respect for the environment is another critical point for the Group, considering our industrial activity, with a large number of plants distributed internationally. We aim to adopt a set of good practices, complying scrupulously with the law.
- Climate change. The effects of droughts, flooding and other weather perils in the countries where we source our supplies can cause problems of availability and unstable commodity prices, in both rice and durum wheat. Other strategic and operational risks are also assessed, such as possible changes in consumer habits as a result of alterations in the temperature, or the need to make specific investments.
- Competition risk. In general, pressure from white label brands is the main threat for maintaining the market shares of the Group's brands.
- Reputational risk. This is the risk associated with changes of opinion resulting in a negative perception of the Group, its brands or products by customers, shareholders, suppliers, market analysts, employees, institutions, etc., as they may adversely affect the Group's ability to maintain its commercial and financial relations or its interaction with social partners.
- Exposure to social networks. After the revision of the management risk map in 2020, this risk (perception of the Group's brands or its general image in social networks) was separated from the more generic "reputational risk).
- Changes in lifestyle. The proliferation of low carbohydrate diets or other food habits could alter consumers' perception of our products.
- Country or market risk. Owing to the international nature of the Group's activities, political and economic circumstances in the different countries in which we operate and other market variables, such as exchange rates, interest rates, costs of production, etc. may affect our business.
- Natural disasters, fires. As an industrial group, a significant part of the assets on the Group's balance sheet corresponds to its factories, so any natural incidents (earthquakes, fires, etc.) that may affect the integrity of the Group's plants are a business risk.

- Strategic planning and assessment of strategic opportunities for investment or divestment. Risk deriving from the possibility of making a mistake in the selection of alternatives and/or assignment of resources to reach the Group's strategic goals. In the short term, this includes aligning the budget with the goals defined for the medium and long term.

**C. COMPLIANCE RISKS:**

- Sectoral regulatory risk. The food industry is a sector subject to numerous regulations affecting export and import quotas, customs duties, intervention prices, etc., subject to the directives laid down in the Common Agricultural Policy (CAP). The Group's activity may also be affected by changes in legislation in the countries in which it sources raw materials or sells its products.

- General regulatory risk. These include risks of compliance with civil, commercial, criminal and good governance provisions.

In the area of criminal risks, the Group has a Crime Prevention Model, monitored and controlled by the Compliance Unit, which is a committee independent from the Risks Committee responsible for monitoring overall compliance by the Group, under direct supervision by the Audit and Compliance Committee. During 2020, the Compliance Unit conducted a revision and update of its criminal risk map and the mechanisms for mitigating those risks, assisted by an external expert.

The monitoring of the Crime Prevention Model made by the Compliance Unit consists of six-monthly monitoring of the Model, within which it also checks adequate functioning of the mechanisms to mitigate criminal risks.

- Tax risks. Any changes in the tax laws or the interpretation or application thereof by the competent authorities in the countries in which the Group operates could affect its earnings.

**D. FINANCIAL RISK:**

This category includes foreign exchange, interest rate, liquidity and credit risks. The foreign exchange risk is particularly significant because the functional currency of the Group is the euro, but a considerable part of its commodity supply transactions are in US dollars and a very large part of the Group's investments are also in that currency.

Apart from that, the current management risk map does not identify within the top 25 risks any that might be considered to derive from corruption and bribery, even though the questionnaire used for general monitoring of management risks includes questions on these possible forms of malpractice. This notwithstanding, the Group's position of total rejection of all forms of corruption and bribery is expressly included both in its Code of Conduct and Policy against Corporate Corruption and Bribery (on a global level), and in the Crime Prevention Model and other local mechanisms of the different business units, as described in greater detail in the Statement of Non-Financial Information contained in the Group's Consolidated Directors' Report.

**EXPLANATORY NOTE FOUR, ON SECTION E.5**

The financial and non-financial risks, including tax risks, that have occurred during 2021 and in the first few months of 2022 (up to the date of writing this report) are explained below.

**A. COVID 19**

Although the pandemic did not affect our business as much during 2021 as it did in the previous year, the Group maintains its special monitoring of the situation, while reinforcing its security measures and managing the difficulties encountered as a result of sick leave taken for the virus.

**B. SUPPLY RISKS**

- Transport

As the economy and world trade began to pick up in the last third of 2020, a huge gap appeared between shipping supply and demand. This initially affected container ships and routes from Asia, but gradually spread to other types of vessels and, as the available demand was absorbed, to other routes.

This imbalance, together with numerous problems encountered in the supply of ships and containers (stowing delays due to operating restrictions imposed because of the pandemic, port closures in China due to new waves of the pandemic, a dearth of fleet renewal and maintenance owing to the uncertainty created by the health crisis, new environmental requirements slowing down fleet renewal and increased costs of shipowners owing to the higher prices of oil and construction materials), have constantly pushed prices up. The indexes that follow contracts exchanged for bulk and container ships, such as the Baltic Dry Index, the Shanghai Containerized Freight Index, the World Container Index and the Harper Petersen Index, reflected a price hike between 500% and 700% from the first quarter of 2020, with a tremendous impact on the prices of raw materials at source on routes from Asia and to Europe or North America.

In the case of container ships (a very versatile type of ship usually used for this kind of transport), the huge price hike has combined with the uncertainty deriving from possible breaches of contract as shipowners are enticed by more lucrative contracts transporting other products or with other destinations. Owing to this uncertainty, transport in containers has come to be considered unviable for certain sources.

To guarantee the supply chain and lower costs, alternative logistics were sought, such as chartering complete bulk ships with combined cargoes and different European destinations. Transporting larger volumes entails greater risks of losses associated with deterioration and shrinkage in transit. Therefore, measures have been put in place to step up supervision and management of the logistics chain of complete ships, with increased testing at source, too. Receiving large volumes rather than containers also means higher management and storage costs of raw materials.

Although the greatest pressure on prices and supply is in shipping, it has also increased in road haulage due to the soaring oil prices (the Brent oil price has risen to 90-100 \$/barrel) and the difficulty of finding drivers to meet the growing demand. This has been aggravated by the new road transport regulations (regulation of driving hours), the little incentive offered to these professionals and geopolitical difficulties such as Brexit.

- Rice sources

The recurrent risk of drought is gradually pushing down the availability and supply of rice varieties in Spain (especially Puntal rice and pearl rice varieties in general). Consequently, the Group has access to smaller volumes in this country and prices rise generally.

To mitigate this risk, the Group continues to rely on its Argentinian subsidiary La Loma Alimentos, which encourages farmers in that country to grow alternatives to the "Spanish" varieties, enabling us to complete our supply and seek viable alternatives for the supply of these varieties.

- Durum wheat harvest

Prices of durum wheat soared as from the second fortnight in July, with a hike of over 50% in the price at source at French ports in less than a month. The spike in prices was due to a poor harvest in the sowing region on the Canadian-American border due to the drought and a poor quality harvest in France. The impact in 2021 (partly reduced following divestment in the dry pasta businesses in North America) was particularly severe in the last four months of the year and was partly mitigated by raising prices and improving productivity.

As a result of pulling out of the dry pasta businesses in France at the end of the year (and our previous withdrawal from the dry pasta businesses in North America), the potential impact of this situation on the Group is considerably reduced in 2022, limited to the purchases made by Garofalo (mainly in North America and Italy) and, to a smaller extent, wheat purchases for the manufacturing of fresh pasta in France and Italy.

- Other materials and energy

Other raw materials used by the Group (such as wood, paper, plastic and oil products) have also suffered sharp price rises in recent months, in a cycle that powers itself.

The Group tries to establish long-term agreements wherever the market allows this and has thus managed to curb the impact on its financial statements 2021. The risks have been addressed by combining specific mitigating measures and seeking alternatives that produce the least possible impact on demand, first by cutting canal/product marketing expenses and then raising prices.

#### C. CYBERSECURITY

In September 2021, one of the Group subsidiaries suffered an attack of this nature. The Group's Protocol was immediately implemented to isolate the attack, limit the possible damage, investigate the extent and repair the possible detriment to servers and users. Thanks to the swift, precise action of the Group's internal teams, the damage was limited and it is considered (both internally and by external specialist advisers) that this incident should not have any consequences on the operations and reputation of the company that was attacked.

#### D. COUNTRY RISK

- Brexit

Insularity and certain problems with residence permits following the UK's exit from the European Union generated problems and an increase in the risk related with certain supplies, especially road haulage (owing to a truck driver shortage). Customs activity gradually returned to normal in the second half of the year and the truck driver problem progressively eased.

- Ukraine crisis

The recent events in Ukraine following the military invasion by the Russian Federation on 24 February 2022 are generating considerable global uncertainty. Considering: (i) the Group has no major interests in the region; (ii) the possible impact on the supplies used by the Group is limited to collateral effects (possible changes in consumption, increased cost of fertilizers, replacement of certain cereal crops, etc.); (iii) the measures adopted by the EU to control the energy price hike, and the fact that the impact of those prices is relatively lower than in other industries, the directors of the parent believe that this situation of high uncertainty and its consequences should not have a very severe impact on the Group.

#### EXPLANATORY NOTE FIVE

The information referring to 2022 included throughout this report corresponds to the period from 1 January to the date of writing the report, 21 March 2022. 21 March 2022 is considered the "date of writing" this report.

#### ETHICAL PRINCIPLES AND CODES VOLUNTARILY APPLIED BY EBRO FOODS, S.A.:

- United Nations Global Compact. 2001
- Project of the Spanish Commercial Coding Association (AECOC) against food waste, "Don't waste food, use it". 2012
- Sustainable Agriculture Initiative (SAI) Platform. 2015
- SERES Foundation. 2015
- Sustainable Rice Platform. 2016
- Sedex. 2016
- Forética. 2017
- Waste Warrior Brands. 2020

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This Annual Corporate Governance Report was approved by the Board of Directors of the Company on:

30/03/2022

State whether any directors voted against approval of this Report or abstained in the corresponding vote.

Yes  
 No

**The English version of this document is purely informative.  
In the event of any discrepancy between the Spanish and English versions of this  
document, the Spanish version will prevail.**



**EBRO FOODS, S.A.**

**Audit Report on the "2021 Disclosures Regarding the Internal Control over Financial Reporting (ICFR) System"**

Translation of a report originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails

AUDIT REPORT ON THE "DISCLOSURES REGARDING THE INTERNAL CONTROL OVER FINANCIAL REPORTING (ICFR) SYSTEM" OF EBRO FOODS, S.A.

To the Board of Directors of Ebro Foods S.A.,

As per the request of the Board of Directors of EBRO FOODS, S.A. (hereinafter, the Company) and our proposal letter of February 14, 2022, we have applied certain procedures in relation to the accompanying "ICFR disclosures" of EBRO FOODS, S.A. for 2021, which summarize the Company's internal control procedures in respect of its annual reporting exercise.

The Board of Directors is responsible for taking the opportune measures to reasonably assure the implementation, maintenance and supervision of an adequate internal control system, making improvements to this system and preparing the contents of the ICFR disclosures required for the accompanying Annual Corporate Governance Report (ACGR).

Against this backdrop, it is important to note that, regardless of the quality of design and effective functioning of the ICFR system adopted by the Company in respect of its annual financial reporting effort, the system can only provide reasonable but not absolute assurance regarding the objectives pursued, due to the limitations intrinsic to any internal control system.

In the course of our financial statement audit work and in keeping with Spain's Technical Auditing Standards, the sole purpose of our assessment of the Company's internal controls was to enable us to establish the scope, nature and timing of the Company's financial statement audit procedures. Accordingly, our internal control assessment, performed in connection with the financial statement audit, was not sufficiently broad in scope to enable us to issue a specific opinion on the effectiveness of the internal controls over the annual financial disclosures that the Company is required to present.

For the purpose of issuing this report, we have only carried out the specific procedures described below, as indicated in the *Procedures for external audit reviews* of an entity's ICFR disclosures contained in the *Internal Control over Financial Reporting in Listed Companies* report published by Spain's securities market regulator, the CNMV (and available on its website), which establishes the procedures to be performed, the scope thereof and the contents of this report. Given that the product resulting from these procedures is at any rate limited in scope and substantially more limited than an audit or review of the internal control system, we do not express any opinion on the effectiveness of the system or on its design or effective functioning in respect of the Company's 2021 financial disclosures, as described in the accompanying ICFR disclosures. Consequently, had we performed additional procedures to those stipulated in the above-mentioned CNMV report or had we performed an audit or review of the internal controls over the annual financial disclosures that the Company is required to present, other matters might have come to our attention that would have been reported to you.

Furthermore, given that this special assignment neither constitutes a financial statement audit nor is subject to the Consolidated Text of Spain's Financial Statement Audit Act, we do not express an opinion in the terms provided for in that piece of legislation.

The procedures performed are itemized below:

1. Reading and understanding the information prepared by the Company in relation to the ICFR System - which is disclosed in the Management Report - and assessing whether this information meets all the minimum reporting requirements needed to fill out section F on the ICFR system in the Annual Corporate Governance Report template established in CNMV Circular No. 5/2013 (of June 12, 2013), as amended most recently by Circular No. 3/ 2021 (of September 28, 2021) (hereinafter, the CNMV Circulars).
2. Questioning of the personnel responsible for drawing up the information detailed in item 1 above: (i) to obtain an understanding of the process that goes into drawing up the information; (ii) to obtain information that permits an evaluation of whether the terminology used complies with the framework definitions; and (iii) to obtain information on whether the control procedures described are in place and functioning.
3. Reviewing the explanatory documents supporting the information detailed in item 1, including documents directly made available to those responsible for describing ICFR system. The documentation to be reviewed may include reports prepared for the audit committee by internal audit, senior management and other internal and external experts in their role supporting the audit committee.
4. Comparing the information detailed in item 1 above with our knowledge of the Company's ICFR System obtained through the external audit procedures applied during the annual audit.
5. Reading of the minutes taken at meetings of the board of directors, audit committee and other committees of the Company to evaluate the consistency between the ICFR business transacted and the information detailed in item 1 above.
6. Obtaining a management representation letter in connection with the work performed, signed by those responsible for preparing and formulating the information detailed in item 1 above.

The specific procedures carried out in respect of the Company's ICFR disclosures did not reveal any inconsistencies or incidents that could affect such disclosures.

This report was prepared exclusively within the framework of the requirements stipulated in article 540 of the Consolidated Text of Spain's Corporate Enterprises Act and the CNMV Circulars related to the description of the ICFR System in the Annual Corporate Governance Report.

ERNST & YOUNG, S.L.

(Signed on the original in Spanish)

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Alfonso Manuel Crespo

March 25, 2022